

Supporting non-formal training providers to offer demand-oriented and socially inclusive training programs for young people

Our Aim:



More non-formal training providers offer demand-oriented and socially inclusive training programs for youth.

Our Approach:

1. Understand the labor market needs through a skills gap analysis.
2. Establish partnerships with training providers to develop short term trainings that bridge the skills gap the labor market.
3. Work with training providers to market trainings to potential beneficiaries.
4. Measure results and impact of non-formal training on the labor market.
5. Raise awareness among jobseekers and employers about the importance of short term trainings.

Context



Technology and digital innovations are reshaping the world of work. Increasingly, digital skills and skills such as entrepreneurship, active citizenship, creativity and socio-emotional skills are becoming crucial.

This has great implications for how education institutions help young people prepare for their future – by providing skills development needs to respond to the demands. Education systems not always manage to keep up with the rapidly changing nature of work, which often makes it hard for employers to scout talent and recruit people with the right set of skills. But where formal education is slower on the uptake, non-formal education can carry the torch and help fill in the gaps.

Simply put, non-formal education refers to short-term training provided by private training providers that are tailored to the needs of the market and jobseekers, meant to quickly upskill and improve employment prospects for the participants. Over the past years, the non-formal training sector in Kosovo has been changing at an unprecedented rate. Driven by 1) an increasing demand from employers for a labor force with specific skill- sets and 2) young people who are looking into new options to boost their careers the number of training providers offering short-term, non-formal education has almost tripled in the last 4 years (2016 - 2020). This is pushing training providers to become more innovative in content and delivery to tap into new potential customer pools.

The non-formal training market is still underdeveloped and crucial functions are missing or not performing well. There is not enough innovation around new financing models that make trainings more affordable for young people. In addition, there is still little collaboration between training providers and employers, which contributes to a skills gap in the labor market. At EYE, we have constantly been screening the local ecosystem to support innovative non-formal training providers who offer demand-oriented and socially-inclusive training packages. Our aim was to create more demand driven trainings coming from the community itself.

Our Approach:



Over the first two phases of the project, EYE collaborated with five different categories of training providers, from specific training providers to cluster associations finding specific solutions for industries:

Category 1: Training by a specialized training service provider.

Category 2: Training by an employer that started a separate training.

Category 3: In house training for the employer's needs.

Category 4: Information provider.

Category 5: Facilitated training by clusters.

Most of EYE's work with non-formal training providers during Phase 2 has resulted in models with a high likelihood of sustainability, but with low scale at the outset. If the models prove to be sustainable, they could show impact at a large scale (measured by the high numbers of trainees) over time. This was purposeful – we started with sustainability in mind and recognized that our partners normally only reach scale over time. EYE also foresaw that in our 2nd phase, we would support as many partners as possible to test how many of these interventions could be self-sustainable after the intervention and how many of them could scale. Most of the interventions are still being tested, with a few of them showing a real potential to scale during the upcoming years.

Skills-gap analyses were an entry point for developing interventions to solve specific industry issues around skills development. These skills gap analyses have determined, and will continue to determine, everything from how an intervention will be structured to how we go about selecting partners.



We supported multiple partners with the establishment of training centers, either in-house or as separate entities serving the wider industry. The key sectors we worked with were ICT, manufacturing, design, wood processing, metal processing, bakery and pastry, BPO and sales.

Pursuing innovative solutions, we introduced new financial models in the market such as the Conditional Contract model—a scheme which guarantees young people jobs in companies once they successfully complete the training. Training providers act as an intermediary between labor supply (mostly young participants) and labor demand (local ICT employers). The participating companies, which are extensively involved in the selection of candidates, are also the ones who cover the cost of training through salary deductions after they employ their preferred candidate.

Proper information flows are crucial in Kosovo

Due to the challenge of identifying and evaluating training opportunities. In a socio-economic system where most actors access information largely through personal networks, boosting the flow of accurate, timely and complete information about training opportunities is a systemic change. This is why EYE also supported initiatives that aimed at disseminating information around available non-formal trainings and the skills that are high in demand in the labor market.

In the first phase of our project, the revenue of 18 partner training providers was 160,000 CHF (147,613 EUR), whereas in the second phase up until June 2020, the revenue of 19 partner training providers was 630,000 CHF (581,333 EUR).



Key Results

- Supported development of 63 new demand-driven training packages (4 of which specifically designed for women), developed by more than 15 different partners. The number of people that have been trained during the 2nd phase of the project up until June 2020 are 7,909.
- Encouraged proper information flows about training opportunities. Only on the platform trajnime.info, around 97 training providers operating in Kosovo have been listed, with a total 755 posts published about individual trainings.
- Fostered the creation of new models and schemes designed to improve affordability of trainings. In particular, we tested conditional contracts and subscription model (with the former proving more promising).
- Supported multiple partners with developing marketing and communications. With 4 partners alone, this type of support helped training providers train 522 more people and increase revenues by more than 161,000 EUR. From the 630k CHF (581,301 EUR) of total revenue up until June 2020, 246k CHF (243,592 EUR) are related to marketing activities that EYE has supported our partners on.
- Supported training providers to introduce career guidance and foster their trainees' access to jobs.
- Supported the communication between training providers and the private sector in curricula development, and helped develop 22 occupational standards— statements of the knowledge, skills and behaviors required for employment for a particular job— which will affect both vocational education and training schools just as much as private training providers.
- Supported the certification and accreditation of training programs, especially in quality assurance and delivery.

Lessons Learned

- Supporting new entrants in the non-formal training market increases competition, spurs innovation, and improves the quality of trainings delivered.
- A key challenge for training providers is developing sustainable business models as oversaturated and interlapping donor projects often distorts the market by subsidizing free trainings. This approach goes against EYE's way of work, and hampers innovation in the sector.
- Collaboration between training providers and the private sector has improved in the last 2-3 years, but it remains behind the level required to effectively tackle the mismatch between skills supply and demand. The various sector associations are still not leading the processes to connect training providers to the private sector, and private sector companies often even enter into direct competition with training providers by offering trainings on their own, driven mainly by the funds of donor projects.
- Kosovan businesses should be more proactive in communicating the skills that they require in their employees and work more closely with clusters, associations and leading training providers to develop training packages that suit the labor market needs. This is key to improving the career development of young people graduating from universities, high schools and VET schools.
- What private training providers seem to lack most is support in communications, outreach, and marketing.
- Young people prefer accredited trainings, because the diplomas can be recognized abroad. This means, training providers have to acquire internationally recognized certificates in order to be attractive in the market.

Contributors:

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