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SKILLS FOR EMPLOYMENT PROJECT

Best practices and lessons learnt
from the S4E project in Magway, Myanmar



Skills and employment situation

The central regions of Mandalay, Magway and lower Sagaing are known as the Dry Zone and cover 13% of the country. It is estimated that approximately one-quarter of the country's population live in this area. The labor market in the Magway Region is characterized by a huge share of young people forming the labor force, rural-urban differences, and a substantial gender gap. 67.7% of the labor force is between 15 and 34 years old. These youth represent a potential for economic growth and prosperity but suffer from high unemployment or underemployment rates. For many households, especially those relying on income from the agricultural sector, migration is a risk minimizing strategy.

In 2011, Myanmar took bold steps towards democracy after more than 50 years of military rule. Since then the Government of Myanmar (GoM) initiated important reform processes to transform the education system, strengthen the private sector and boosting economic growth. The demand for skilled workforce increased in

many sectors (e.g. tourism, construction, automotive, textile) and to fill this gap, the GoM established the National Skill Standards Authority (NSSA). These reforms laid the foundation for a flexible TVET system that caters to the demands of companies for facilitating Myanmar's accelerating socio-economic transformation.

Implications of COVID-19 and the change of power

These promising steps towards economic growth and poverty reduction are threatened by two recent crises. The economic disruptions caused by COVID-19 are expected to further exacerbate the unemployment situation. According to World Bank, 87% of businesses in Myanmar reported negative impacts on their operations, which led to income losses of many workers. Schools are closed since beginning of 2020 affecting nine million students in basic education and one million in higher education and TVET. This is leading not only to learning losses, but also to mental health problems. Vulnerable children and youth especially from rural areas are disproportionately affected and there is a risk that households adopt negative coping strategies. Experts fear that the implications of COVID-19 lead to a permanent economic exclusion of youth. On top of this already dire situation, the military seized power again in February 2021 putting an abrupt end to democratic reform processes. Youth play a key role in protesting against the State Administration Council (SAC) and organizing collective resistance. A large share of civil servants has joined a Civil Disobedience Movement, including teachers at government technical high schools. Transport is disturbed, market chains are disrupted, banks are dysfunctional, the economy suffers.

The change of power in February 2021 led to the replacement of all major positions in regional and national governments, which also has consequences on the implementation of the S4E project. Achievements on policy level, such as the cooperation with the Regional Skills Development Association (RSDA), are most affected. This institution accredits developed curricula and certifies trainees, who pass the skills test. Due to the current political situation, the project is not able to continue strengthening the local governance system and policy dialogue. Instead, the S4E project is focusing its efforts on supporting the local private sector and adapt approaches accordingly. Since the S4E project works closely with the private sector and is with its company training approach not much dependent on public TVET schools, most activities can continue with minor adaptations.



Figure 1: Map of Myanmar

KEY RESULTS

Building up on the experience of the Skills for Rural Livelihood Development (S4RLD) project in the Magway region, Helvetas started a new labor market oriented vocational skills project (S4E). The project's overall goal is "Young women and men aged 16 to 35 increase their income through decent (self) employment and enhance their sense of responsibility". The three outcomes of the project are:

1. Young women and men apply newly acquired skills
2. Private businesses and training institutions deliver market-oriented training
3. Concerned actors set in place mechanisms to promote and enhance quality and sustainability of vocational skills

Until the end of 2020 731 trainees received their certificate and figures from tracer studies show that 84% and 85% of graduates found (self)-employment in 2018 respectively 2019. Over 80% of the participants are women. The S4E project places particular emphasis on the inclusion of disadvantaged youth, such as school dropouts, ethnic and religious minorities, youth with disabilities or youth from remote areas or from landless families.

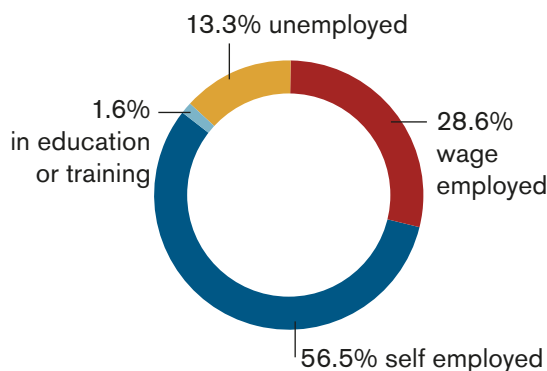


Figure 2: Tracer Study results of youth, who graduated 2019



Key project information

- 1 Name**
Skills for Employment (S4E) Project
- 2 Duration**
Phase I 2018–2021
- 3 Budget**
1,45 Million CHF
- 4 Location**
Magway Region, Myanmar
- 5 Targets**
1,500 Beneficiaries
- 6 Funding**
SDC Programme contribution, Happel Foundation, City of Zurich, Swiss Solidarity, Leopold Bachmann Stiftung



Ma Nwe Ni Hla is 32 years old and participated in the female fashion tailoring course. Before the training she worked in a garment factory, but after she got married this place was too far away from her home. She learnt about the S4E project from her relatives and enrolled for the course. She is now working at the Sayar Thant Shwe Ye Kyaw company and earns 80'000 MMK (61 USD) per month. The training also included besides technical parts, life skills and entrepreneurship training. Her aim is to start her own business once she is experienced enough. She has some savings from her previous job but would like to further advance certain skills before she becomes self-employed.

Dual training approach

The S4E project applies a market oriented dual training approach. In the beginning of the project a labor market assessment was conducted to analyze market trends and needs of the local private sector. Based on the findings of this assessment five professions were selected: Motorcycle Repair, Hair and Facial Treatment, Barber, Female Fashion Tailoring and Bricklaying. The curricula and training material for these professions were developed together with the Myanmar Private TVET Association (MPTA) in close cooperation with the private sector. The curricula design and framework of these professions are also aligned to the National Skills Standard Authority (NSSA), which categorizes competencies in four levels: level 1 (semi-skilled worker), level 2 (skilled worker), level 3 (advanced skilled worker) and level 4 (supervisor / technician). The S4E project is mainly focusing on level 1 and level 2 trainings.

In contrast to many other skills projects in Myanmar, the S4E approach applies a dual training model with a strong work based learning component. Trainees acquire the major part of their skills in companies, where they are trained by so called Employer Trainers. At the end of this training period they participate in the exam and are certified by the Regional Skills Development Association. This dual training approach has several benefits: First,

youth learn technical skills from professionals, who are up to date regarding real market needs (e.g. technologies and equipment). Second, youth also acquire soft skills and other key competences needed in the world of work (e.g. communication, team-work, customer relation, time management). Third, worked based learning has a positive effect on motivation and self-confidence of youth. The dual approach also has benefits for the employers, such as increased productivity once the point of return on investment is reached. This approach further allows Employer Trainers to fill their skills gaps and gain access to skilled workforce. Many Employer Trainers directly hire youth after training and appreciate working with them since they know their skills and are satisfied with their performance. Until the end of 2020 the S4E project collaborated with 55 Employer Trainers in total.



Motorcycle Repair



Hair and facial treatment



Bricklaying



Female fashion tailoring



Barber

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Performance based payment

Another new approach introduced by Helvetas Myanmar is the results based financing (RBF) mechanism. This approach was first applied in Nepal and the experience was passed on in a South-South knowledge transfer to Myanmar. The RBF is a gradual payment approach, which means that the training provider receives 40% at project start, 20% at training completion and the remaining 40% six months after graduation. The training providers receive only the full amount of payment if their graduates are successfully placed in the labor market. This mechanism increases effectiveness and efficiency of existing resources. The high employment figures of 85% of youth, who are employed or self-employed after graduation demonstrates that the RBF approach encourages training providers to support trainees with job matching services. Since payment is directly tied to their performance, training providers play an active role in job matching and they need to innovate to guarantee that youth not only find, but also retain employment. A special emphasis lies also in social inclusion of disadvantaged groups through financial incentives. Hence, Employer Trainers receive “bonus payments” if graduates from disadvantaged groups find employment or opt for non-traditional jobs (e.g. women get employed in male dominant jobs in the construction sector or motorcycle repair or vice versa men get employed in female dominant occupations in the beauty sector or tailoring).

Although this RBF approach shows positive results in terms of employment promotion, there are also a few challenges associated with it. Many Employer Trainers express their concerns, because they only receive full payment if they successfully place graduates in the labor market and because of external factors, they can not directly influence. Further, the Employer Trainers needed to invest in a robust monitoring system since payment is directly linked to the achievement of results. The project only issues the 2nd and 3rd instalment if graduates pass the skills test to ensure quality. There is a certain risk of cheating e.g. that beneficiaries do not report the correct wage level, which also has an impact on payment. The

S4E initially applied a common payment system and had to invest a lot in capacity development and changing the mindset of the Employer Trainers. This change of payment mechanism to a performance orientation created resistance since it is more demanding to comply with the RBF. Another common challenge of many skills projects is financial sustainability. Ideally the RBF approach is linked to a TVET Fund to ensure that the Employer Trainers are not dependent on project funds.

System development and sustainability

Helvetas works with a market system development (MSD) approach to ensure sustainability of its interventions. Through the strengthening of system actors, the S4E project aims at ensuring that the activities continue beyond project duration. Hence, system actors, such as government institutions or representatives of private sector continue delivering services after project end. In this light the S4E project supported the regional government of Magway to create the Regional Skills Development Association (RSDA). These accomplishments are currently on hold due to the political situation. The S4E project does not engage with the SAC. The cooperation with the local government and RSDA therefore does no longer take place.

In addition to institutional sustainability, S4E also aims at strengthening financial sustainability through the establishment of a TVET Fund. This TVET Fund provides two different loan types: educational loans to cover training fees of trainees and start-up loans to provide capital for youth interested to start their own business. The TVET Fund will be piloted in the Beauty sector and based on this experience can be introduced in other sectors. The initial idea was that the TVET Fund will be governed jointly by the RSDA, MPTA, youth organizations and representatives of the private sector, while it will be technically managed by a Bank or Micro-Finance Institute. This set up is no longer possible in the current situation, since the S4E project does not cooperate with the SAC and the banking system is disrupted.



Wuyt Yi Htun from the Sizzer Beauty Salon trains youth from the S4E project. She states that in the Beauty sector it is sometimes difficult to find qualified workforce in the Magway region. Hence beauty salons often recruit staff from other regions such as Yangon, to fill their skills gap, which leads to high costs. The S4E project allows them to train local youth and hire them afterwards to work in their businesses. She also likes the concept of the S4E project and the fact that especially disadvantaged youth are targeted to enable them to get training free of charge and then later generating an income. Hence both employers and youth are benefiting from this project.

In this highly volatile situation, all sustainability efforts are directed to the private sector. To strengthen the private sector and addressing challenges related to the business environment and skills development, the S4E project is building capacities of Employer Associations in the targeted sectors. In these associations, Employer Trainers can use synergies and organise for example joint skills trainings, skills forecasts, sharing resources and equipment or simply experience and learning. Building capacities of these associations not only contributes to a strong private sector, but also forms the basis for further institutionalisation of the dual approach. It is expected that the Employer Trainers continue to deliver these services once the S4E project wraps up its activities, since it is in their own interest to have access to skilled workforce.

INNOVATION

Digital learning

Already before the outbreak of the global COVID-19 pandemic, the S4E project planned to digitize parts of the skills trainings. These plans got tailwind through the fact that all schools and most businesses were closed in Myanmar in early 2020 due to COVID-19. Face to face training activities were not possible anymore and hence Helvetas teamed up with Zabai, an innovative Norwegian social enterprise, to digitize courses. In recent years, Myanmar made great strides in the field of digitalization and S4E decided to tap into this potential. Studies from the project area show that a high number of beneficiaries (97%) have access to a technical device (mobile or tablet) and are interested in digital skills trainings. Helvetas and Zabai work with a blended learning approach, combining digital and practical learning. The courses use a broad mix of tools (e.g. videos, animations, quiz) to increase attractiveness and motivation of learners. Besides technical vocational courses in motorcycle repair, hair and facial treatment and tailoring, youth also have access to additional courses, such as life skills, financial literacy, or entrepreneurship. This supports their transition to the labor market or prepares them for self-employment. The courses are embedded in a Learning Management System (LMS) adapted to the needs of the beneficiaries.

Through the digitalisation of these courses the project aims at

1. Enhance impact and increase cost-effectiveness, since digital courses can be scaled easily and learning content made available to a broad audience at lower costs.
2. Assure quality by standardizing training content. Many of the Employer Trainers are practitioners without a didactical education and digitalisation of the content allows to offer high quality training and

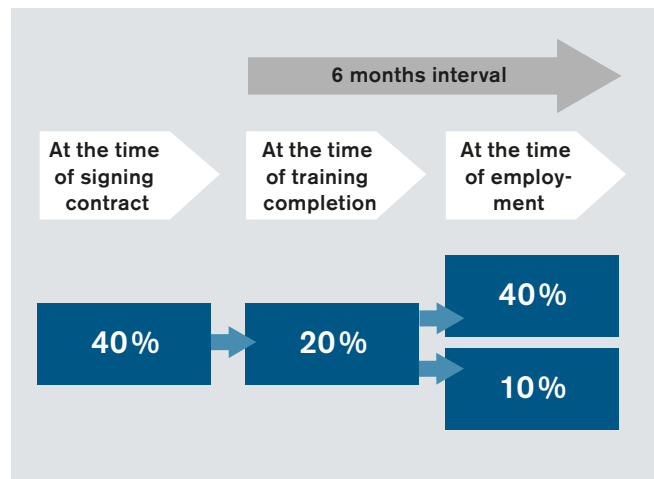


Figure 3: How the RBF approach works in the S4E project

the use of a broad variety of didactical tools. Further, interactive elements, such as gamification and adjustment to users' interests and needs can lead to increased motivation and better learning outcomes.

3. Increase access, e.g. for women with childcare obligations or migrant workers, who can flexibly participate in these courses since they are not bound to a place or time.

The S4E project worked from the beginning on a business model to develop partnerships with private sector and ensure financial sustainability of the digital courses (e.g. through advertisement or payment of fees). Ultimately, the aim is to scale digital learning courses ideally through a "crowding-in effect", when other relevant system actors (e.g. TVET providers, private sector, other INGOs) replicate the model.

Demo videos of the digital courses





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OUTLOOK

Replication and scaling

The developed approaches of the S4E project are already replicated in two other projects of Helvetas with a skills component (GoMP in the Gulf of Mottama area and ACTE in Yangon). Further, the digital trainings can be easily scaled and are designed in a way to reach more youth beyond the Magway region. It is also planned to share the experience of the S4E project more on a national level through different platforms within the education system. Ultimately, Helvetas advocates that the approaches developed and tested in Magway are also integrated in national policies and hence contribute to a transformation of the TVET system.

Staying engaged with adapted approaches

The change of power has implications on project implementation at different levels. Despite these challenging circumstances, Helvetas Myanmar remains committed to supporting communities in Myanmar, especially disadvantaged groups. Already the COVID-19 situation demonstrated the importance for continuing education through digital learning to give youth a sense of normalcy and building a perspective for their future. Frequent internet shutdowns complicate access to the digital learning courses, but the S4E team tries to work with mobile servers to enable youth to download the courses and participate offline. Another programme adaptation is the strengthening of the private sector to temporarily take up new roles. The S4E project supported the establishment of Employer Associations, which will in the absence of the RSDA support certification processes. These Associations also play an important role in building trust and encourage cooperation among businesses during this volatile situation.



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