NEW SKILLS FOR YOUTH
INNOVATION

2019 SNAPSHOT
ORANGE FARM, SOUTH AFRICA
Overview

In 2015, the Global Cities Initiative, a joint project of JPMorgan Chase and Brookings, released a profile examining the global competitiveness of the Gauteng Province of South Africa, which includes Orange Farm. The profile highlighted the challenges and opportunities of the Gauteng region, an emerging economy that now rivals other major international cities, just 25 years after the transition from apartheid to democracy. Despite progress on many fronts, unemployment, income inequality and social exclusion hinder economic opportunities in the region. A large number of residents still lack the skills, networks and access to be able to benefit from the growing economy. In particular, unemployment among youth and young adults continues to be a pressing issue for the region and the country. South Africa has the highest youth unemployment rate of any country in the world — nearly one out of three young adults (ages 18 to 35) is unemployed. And while educational attainment is on the rise, too many young people still leave the education system without earning an upper secondary degree, an entry-level requirement for many employers in the region. Further, training opportunities are scarce once students leave the education system.

To address the challenges identified in the Global Cities report, JPMorgan Chase invested in a portfolio of projects in South Africa, including investments in 2016 as part of the New Skills for Youth initiative to boost employment among youth ages 18 to 25 through skills training and work-based learning in targeted industries. The investments funded two parallel interventions led by the Catholic Institute of Education (CIE) Thabiso Skills Institute and the MSC Artisan Academy. The CIE is collaborating with the Department of Higher Education and Training (DHET) and guides and supports non-profit, faith-based skills centers in the CIE Thabiso network toward excellence. Each skills center works independently (10 skills centers were part of this project) and offers numerous programs to youth and adults in the community who are not employed or in education or training. The skills offered are accredited by the relevant Sector Education and Training Authorities (SETAs) and require work-based learning, thus providing learners with an opportunity for entry into the workplace. MSC is a technical training academy registered and accredited by DHET and SETA. It offers programs with cutting-edge technology to incorporate relevant real-world requirements in actual industry practices to ensure that youth with a secondary level of education are ready for the workplace upon graduation. Jet Education Services (JET) also received funding to collaborate with the CIE and MSC to identify and disseminate effective approaches to developing work-based learning and career education in high-demand sectors in South Africa. JET is a recognized non-profit organization that works with government, the private sector, international development agencies and education institutions to improve the relationship among education, skills development and the world of work.
EDUCATION IN SOUTH AFRICA

Education in South Africa includes primary education, middle education, secondary education, vocational education and tertiary education (e.g., higher education). School is compulsory through grade nine. The first six years are primary education, focusing on literacy and numeracy. Middle education is three years and includes academic and vocational training, resulting in a training certificate. Secondary education is for grades 10-12, but school fees and tuition prevent many poor students in South Africa from participating. Students in grades 11-12 may also attend vocational training, administered by education and training authorities. The National Senior Certificate Exam, which is taken upon completion of grade 12, gives students access to tertiary education provided through private and state-managed institutions.

When South Africa moved to a democracy, many adults were illiterate and had no numeracy skills. In response, South Africa began an education program for upskilling adults through the community education and training system. Twenty-five years later, the centers that are part of the training system are now primarily serving youth who dropped out of the formal education system and offer basic literacy and numeracy skills, technical skills, and workplace and life skills, as well as exposure to work-based learning. A recent report from the Organisation for Economic Co-operation and Development (OECD), funded by the JPMorgan Chase Foundation, provides steps for bolstering the community education and training system to help alleviate unemployment. These steps are aligned with components of the Orange Farm models.

The OECD report is part of a broader call to restructure postsecondary education to better prepare youth for the jobs of the future by 2030 and ensure “a postsecondary system that can assist in building a fair, equitable, non-racial, non-sexist and democratic South Africa; a single, coordinated post-secondary education and training system; expanded access, improved quality and increased diversity of provision; a stronger and more cooperative relationship between education and training institutions and the workplace; and a post-school education and training system that is responsive to the needs of individual citizens, employers in both public and private sectors, as well as broader societal and developmental objectives.”

The two parallel interventions targeted Orange Farm, a township near Johannesburg, in the Gauteng Province of South Africa. Orange Farm is one of the largest informal settlements in the country, nearing one million residents, and is considered one of South Africa’s most geographically and economically isolated communities. The township has a high density of unemployed youth, with few opportunities for young people to access meaningful employment. Unemployment rates are exacerbated in part by transportation challenges that make reaching Johannesburg, the economic hub for the province, difficult. Traveling to Johannesburg, approximately 30 miles from Orange Farm, is costly and time consuming due to poor infrastructure, with residents from surrounding communities similar to Orange Farm citing commutes that equal half the time they spend at work. Yet, Johannesburg is where the jobs are: The city is the largest metropolitan contributor to the national economy. The city’s contribution to the economy of the Gauteng Province and the entire country is 40 percent and 16 percent, respectively. Both Johannesburg and Gauteng rank among the wealthiest (city and province) in South Africa, a stark contrast to the extreme poverty of Orange Farm.
NEW SKILLS FOR YOUTH INNOVATION SITES

THE ORANGE FARM INITIATIVE

The New Skills for Youth investments provided the CIE and MSC with an opportunity to bring technical skills development and work-based learning directly to the Orange Farm community to enable low-income youth to become more employable. The investments also supported JET to identify promising practices with an eye toward scaling. The investment supported efforts to:

• Develop technical skills in targeted career pathways among local youth in Orange Farm through community education and training centers;

• Provide local youth with work-based learning experiences that lead to further training or full-time employment; and

• Document, evaluate and analyze the interventions to adapt programming, gauge impact, build a learning community and develop strategies for scaling efforts.

The two parallel projects led by the CIE and MSC tackled the same challenge — youth unemployment — but targeted different populations of youth and different employment sectors to identify strategies for stimulating economic activity that could inform other communities in South Africa faced with similar challenges.

The projects had four overarching goals:

Develop and test an integrated model of technical skills training in a disadvantaged community. The CIE and MSC designed parallel models to align with community need. The interventions were held at different community education and training sites affiliated with each project. Each intervention began with recruitment, selection and orientation of learners. Following an orientation, learners began their training with a focus on work readiness and personal development skills. For most learners in the MSC programs, the skills portion lasted approximately four weeks. Learners then received technical skills training lasting approximately three to six months, depending on the area of focus. The CIE skills programs lasted three months with an extra two-month work-based learning component. For the MSC sites, the training targeted a multi-disciplinary approach with a renewable energy specialization focus.

THE ORANGE FARM INITIATIVE

The two-year implementation timeline for the New Skills for Youth investment in Orange Farm ended in December 2018. Activities included setting up training facilities with necessary equipment, securing accreditation for programming, recruiting learners and providing training and work-based learning opportunities. Activities also included formal and informal evaluations of the interventions and outcomes to support replication and scale.

JPMORGAN CHASE NEW SKILLS FOR YOUTH INITIATIVE

Launched in 2016, New Skills for Youth is a $75 million, five-year global initiative aimed at transforming how cities and states ensure that young people are career ready. The overarching goals of the initiative are to:

• Dramatically increase the number of students who successfully complete career pathways that begin in secondary school and culminate in postsecondary degrees or credentials tied to high-wage, high-demand jobs; and

• Catalyze transformational approaches to the design and delivery of programs and policies to increase students’ career readiness and disseminate lessons learned around the world.

This snapshot is part of a series documenting the progress of the local investments from across the globe that aim to identify and implement the most promising ideas in career education, with a special focus on communities with the greatest needs.
which included courses on engineering hand skills, workshop safety, working at heights, electrical skills, welding skills, plumbing skills and skills related to renewable energy (solar water heater and basic solar photovoltaics). For the CIE sites, training targeted baking, which included good manufacturing practices and basic baking in a craft bakery; merchandising, which included training to serve as a shelf filler, merchandising and stock counter and sales assistant, or general and retail sales adviser; and end-user computing.

Finally, learners were introduced to the formal work environment through experiential learning in a business. The CIE and MSC kept a database of learners throughout the intervention and included an evaluation component in the design of the model so that at the completion of the training program project evaluators could track learners to gauge whether each learner was offered formal employment (e.g., full-time employment), participated in further training or became self-employed. Informal evaluation data were also used to periodically adapt the MSC intervention. Finally, JET also engaged learners, primarily from the MSC sites, in community-of-practice meetings to help inform the projects and to identify barriers and scalable components of the model. The meetings provided JET with an opportunity to hear firsthand from learners on a range of topics including skills training, work experience, school, psychological barriers, emotions, abuse and violence, pregnancies and church and youth clubs.

SCALING THE INITIATIVES

JET conducted surveys primarily of MSC learners after program completion, drawing the following conclusions about how to adapt and scale programming in the future:

- Students should ideally have a background in engineering theory, either through a public Technical and Vocational Education and Training college or a technical high school.

- Practical skills should be aligned as much as possible with recognized skill sets that would enable students to progress on a learning pathway toward a trade qualification.

- The demand for skills should be determined upfront through structured industry engagement, working with industry associations and professional bodies to mobilize their members.

- Students must get sufficient time and support to apply and consolidate their competencies in the workplace, which implies structured work-based learning for a minimum of six months.

- Selection processes work best when students self-select into the program and thereby demonstrate the necessary motivation to complete the program.

- The development of hand skills should be extended to ensure that these skills are well embedded before students specialize in one of the areas of trade/green skills.

- Programs should build a stronger foundation in plumbing skills before solar water heating is addressed.

- The absence of a transport subsidy is a significant barrier to employment, particularly for youth from dislocated communities, and should be factored into future programming funding.

- There should be a structured process to identify and support entrepreneurial potential to realize business opportunities.

Source: Jet Education Services

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Improve access to training for unemployed youth. The projects incorporated a vetting process to ensure that the youth receiving training were from Orange Farm and that they were serving those most in need given the surrounding wealth of the Gauteng Province. Training centers for the MSC sites were in Orange Farm. The CIE had six sites in the Gauteng Province, where Orange Farm is located, with an additional three sites in the Free State Province and one in the North West Province. Transportation costs to and from worksites were covered by the CIE and MSC at no cost to learners. For the MSC sites, the goal was to provide access to training for at least 45 youths per year, for a minimum of 250 hours. Over the two years of the initiative, the MSC sites delivered a minimum of 660 hours of training to 90 youths in Orange Farm. Ninety-seven percent of the youths completed all of the training components, far exceeding the initial 80 percent goal. The program also met its demographic goals: 100 percent were black, 100 percent met the age criteria of 18 to 25, and 100 percent were from Orange Farm. The CIE set a target to enroll and train 1,200 youths through 10 skills centers; 1,192 learners completed training in baking, end-user computing and merchandising.

Provide training targeted to in-demand jobs. A third goal of each project was to target sectors that had available jobs or further training for learners to transition into immediately following the program. For the MSC sites, learners were trained in solar water heater installation and participated in simulated installations. For the CIE sites, learners were trained in baking skills and worked in a bakery at the training center prior to being placed with an employer. Merchandising learners were trained in stocking shelves and placing orders in stores before entering the workforce. And learners focused on computing spent six months getting hands-on practice working on computers at the skills centers. Entrepreneurship was also a theme across both sites in an effort to grow businesses in the Orange Farm community as an economic development strategy.

Ensure continued work-based learning or employment opportunities upon completion of training. Three of the four training programs (renewable energy, merchandising and baking) incorporated on-the-job training. Learners who participated in the computing program were not required to enter on-the-job training — referred to as a learnership — but instead gained experience at the training center through simulated experiences. Based on preliminary evaluation results for the MSC sites, 73 percent of the 90 participants transitioned to formal, full-time employment, further full-time training (a learnership or an apprenticeship), or some other type of experiential work placement. For the CIE sites, 81 percent of learners experienced work-based learning, some of the learners were offered full-time employment, and some have started their own businesses. Through the initiative the CIE established 39 business partnerships, which continue to gain momentum. The JET tracer study, which surveyed MSC participants to learn about their experiences and employment outcomes, found that roughly 60 percent of the 54 learners who responded were employed following training, while 40 percent reported being unemployed. The JET tracer study was conducted one year after the completion of the first cohort of students and six months after the completion of the second cohort of students.

“The demand side has to be met before we train. Train youth to be fit for purpose. Train them according to what organizations actually need. We want the training to meet learners’ needs and make sure there are jobs for them when they finish the program.” —Social Partner Company
According to the City of Johannesburg, about one-third of the population of Orange Farm is employed, and one-fifth of the population is unemployed. Nearly eight percent are considered discouraged work seekers, meaning they are of legal employment age and would prefer to be working but are not actively seeking employment because they have given up looking. The rest of the population is not economically active. Data suggest that 46 percent of the people of Orange Farm do not receive an income at all. In fact, 90 percent of the residents of Orange Farm receive incomes of less than R3 200 per month (approximately $260 in U.S. currency).

Source: Jet Education Services

Three elements stand out among the efforts to build technical skills and improve employability for youth in Orange Farm: the adaptation of the programs to incorporate workplace skills and life skills training, the laser focus on identifying strategies to achieve full-time employment or further training opportunities for all youth participants, and the building of the capacity of community education and training centers and other stakeholders to scale the model.

**Adapting the Programs to Incorporate Workplace Skills and Life Skills Training**

Both projects targeted technical and workplace skills training as a core element of the model; however, early program evaluations identified an urgent need to expand training to include life skills. These skills included behavior, etiquette and showing up on time, as well as delicate issues such as personal hygiene. Stakeholders across the board — learners, trainers and employers — consistently noted the need to address life skills, with trainers and employers often referring to the overwhelming breadth and scope of problems experienced by learners participating in the programs. MSC used a curriculum — Personal Development Soft Skills Training — in the first year and adjusted delivery based on learner feedback, moving it from a single module at the front end to smaller modules spaced throughout the theory portion of training delivered at the centers. Employers across both projects also worked with the learners once they were onsite to help them understand the importance of personal hygiene and appearance. CIE learners participated in a two-week CIE Thabiso Life Skills program, which prepares learners for the world of work and life and focuses on building self-esteem and confidence, with an emphasis on punctuality and going beyond employer expectations, resume writing and interview skills, and personal issues such as conflict resolution and drug and alcohol abuse. The Life Skills program is experimental in nature.

Mentoring was also key to the life skills training, both at the training centers and in the workplace. Learners from both projects were assigned a mentor to assist them during their work-based learning experience. Mentors oriented the learners to the workplace and ensured that everything in
the work-based learning curriculum was covered during the learnership/skills program. Both projects noted the impact of the soft skills training and personal mentoring on the improved attitudes of learners. In the CIE external evaluation, researchers noted, “The life skills program is experienced as very valuable in helping young people to become more self-confident, more resilient, and more work ready.”

The effects of poverty could be seen on other fronts, as well. Multiple stakeholders involved in the projects noted the importance of providing light meals during the day, particularly if stipends were not offered as part of the training program. Another major barrier to employment for learners was the high cost of transportation to places of employment outside of Orange Farm, as participants were coming from a community far removed from business and industry. Learners were generally responsible for covering registration fees to attend courses. The rest of the training was fully funded by the CIE and MSC projects, including transportation to the employment sites for the work-based learning component of the training program.

**Designing the Model to Achieve Full-Time Employment or Further Training for Learners**

Several strategies were incorporated into the design of the model for both projects to achieve the goal of full-time employment or further training for learners, including targeting and differentiating recruitment among communities most in need, creating alternate pathways to career training, and vetting candidates to ensure a fit with employers.

**Recruitment.** Skills centers used various recruitment strategies to enroll learners. One strategy was service pleads, which entailed going to every community to speak about the programs being offered. Training center staff shared information about the training programs with all of the stakeholders in a community, especially political and religious leaders who would then invite the young people in the community to learn about the programs. Another recruitment strategy was simple word of mouth, which initially involved training center staff telling their families and friends about the program. Centers also marketed the programs at local malls and schools. Another form of recruitment that was particularly effective was the use of social media. Training center staff would notify their friends on Facebook about the programs and invite them to share information so that others could come to the training centers to learn about the programs.

**Alternate Career Pathways and Supports.** The CIE and MSC focused extensively on creating non-traditional pathways to employment. In Orange Farm, formal employment opportunities are limited, so to stay in the community, self-employment/entrepreneurship is the most practical option. Thus the goal of each program was to create more pathways to formal enterprises within informal environments. Training focused on how to apply the skills learned in the training centers and at businesses to create a micro/small enterprise that could become more formalized. Baking, in particular, was a career pathway that was selected with this notion of self-employment and entrepreneurship in mind. At least four baking learners from St. Charles Lwanga, a CIE site, have started small businesses in their community following training. They bake cakes and other offerings for birthday parties, weddings or other such functions. They are gradually building their businesses.

Employers and trainers identified the importance of balancing the need for a strong pool of candidates to select from with the need to target youth who lack the traditional educational entrance criteria often required by employers. For example, formal apprenticeship programs require a grade 12 certificate, which is the highest exit point in the education system. The CIE focused on creating career pathways that broadened access for more people who were locked out of the system because they did not have the grade 12 exit requirements. The training programs instead looked at a learner’s aptitude, shifting from a qualifications program to a skills program. That shift sometimes meant that programs needed to incorporate additional training for learners when there were gaps. For example, one site found that math pass rates were very low, so additional interventions were introduced in the training centers to improve the math levels to meet the qualifying criteria for the program.

**Vetting.** Companies in South Africa are encouraged to offer training programs similar to those led by the CIE and MSC, earning scores from the government for offering
internal training for young adults who are unemployed. Businesses have a big incentive to offer these programs, namely tax benefits and the ability to do business with government. However, even with these incentives, companies can still simply do the minimum required to get a score, or they can engage in a deliberate, meaningful way to train learners to absorb them into the company full time.

For those companies that do take the opportunity seriously, the recruitment phase is a key lever for ensuring quality programming that results in full-time employment for participants. For one employer working with the MSC sites, the vetting process was extensive. After learners interviewed with MSC, they met with the company for an interview, which included three components. First, learners were given 30 minutes to complete a skills test to determine their analytical skills. Second, learners took a small practical test — for example, five to 10 minutes to disassemble a hand tool. The goal was not to gauge whether or not the work was correct but to assess the learner’s process for disassembling the tool. Third, there was a formal interview — a standard company interview with open-ended questions. Based on answers, learners were given a score, and of the five to six candidates interviewed, the best were moved forward. These successes matter: Employers have often been hesitant to hire learners from the poorest communities, such as Orange Farm, yet programs like those implemented by the CIE and MSC are creating positive success stories for businesses to share and use as a foundation for expanding work-based learning opportunities to additional learners.

Building the Capacity of Community Education and Training Centers and Other Stakeholders to Scale the Model

A core focus of the project was to build the capacity of training centers, stakeholders connected to the training, and the broader skills training field to inform efforts in communities similar to Orange Farm. The CIE, in particular, focused on building the capacity of skills centers around financial systems and accreditation. This work was accomplished through coaching and mentoring of center managers, who often lacked experience in setting up financial or operational systems and enhancing the qualifications of the facilitators (trainers) who were often volunteers with no formal qualifications.

South Africa has a complex accreditation system that is viewed as being over-formalized and not very agile. The SETAs historically accredited learnerships and apprenticeships but not short-skills courses like those being offered at skills centers through the CIE program. There are currently 21 SETAs in South Africa; each is responsible for managing and creating learnerships, internships, unit standard-based skills programs and apprenticeships within its jurisdiction. A particular challenge for the CIE was determining how best to help training centers work with the accreditation body. The CIE recognized that for a skills program to be accredited, standardization of process and data was needed. Yet most centers lacked the capacity to set up such systems. As part of the New Skills for Youth investment, the CIE offered one-on-one training and workshops for finance teams to help set up systems. The CIE offered leadership seminars and trained financial personnel to set up financial systems to become auditable (for accreditation). The CIE also assisted administrative staff in setting up databases so that data could be captured. Once formal processes were put in place with the center managers, the CIE worked directly with the facilitators to offer training over a four-day period on how to roll out the training programs.

The CIE also helped centers to negotiate as a central body. For example, for accredited baking programs, learners are expected to go to a formal baking workplace, such as a large store or a family business. But because of challenges in finding placements, the SETA agreed that learners could bake at the center where they were trained and sell their products from the center. The SETA also required a formal contract between learners and their place of employment. The CIE negotiated for the centers to serve as the official employer in these instances. Overall, the CIE helped the SETA begin to understand that non-profit skills centers offering short-skills program training are different than training programs run by large corporations and that policies need to adapt.
RECOMMENDATIONS FOR THE CIE INITIATIVE

Evaluators of the CIE program made recommendations based on three questions: What worked well and should be continued? Where are the gaps, and what should be adjusted? And what are the future actions that should form the basis of the next strategic plan? The four recommendations include the need for:

• An enabling policy environment: The CIE should continue to contribute and enhance its thought leadership and policy engagement in respect of the community education and training sector.

• Capacity building: The CIE should continue to build the capacity of skills centers in its network.

• Community-driven solutions: The CIE should continue to respond to the direct needs of the local economic ecosystem, including small, medium and micro enterprises.

• A cadre of strong facilitators: The CIE made significant inroads into the quality of teaching at the skills centers in the network, which should be strengthened and expanded.

LOOKING FORWARD

Studies evaluating the two parallel projects are nearing completion. Adjustments will be made to future programming based on the results of the studies. The project leads are also exploring innovative ways to provide meaningful work-based learning in remote, rural locations that are inaccessible to the formal economy. Additionally, the project leads are examining how to create more deliberate exit strategies to ensure that mechanisms are in place to employ youth once they have been trained. In particular, efforts will focus on ways to more effectively engage with industry, especially small- and medium-sized businesses, to align curriculum with demand and the requirements of employers.

On a broader scale, an extended network of grantees and stakeholders throughout South Africa is exploring ways to move forward on recommendations made by OECD around community education and training (CET), including:

• Providing a diverse set of training programs and services, including basic skills programs, lower and upper secondary programs, vocational programs, non-formal programs, and career pathways that recognize prior learning;

• Ensuring adequate investment and securing the necessary funding;

• Aligning provision with local needs by adapting programming/content, using data on skill needs, engaging stakeholders, and adapting based on feedback and outcomes; and

• Ensuring high-quality provision by improving the quality of the CET workforce and developing a quality framework.
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ENDNOTES

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10. For more information about the MSC Artisan Academy, see https://www.msceducation.co.za/artisan-academy.
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