

Youth workforce development, financial assets & psychosocial wellbeing:



A report on the formative and market research in Kibera, Nairobi, Kenya

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Executive Summary

This report summarizes the formative and market research of an economic empowerment intervention for youth living in the Kibera section of Nairobi, Kenya. This research was conducted jointly over the past two years by a team that included social development researchers at the University of North Carolina; staff members at Carolina for Kibera (CFK), a nongovernmental organization (NGO), and other individuals and organizations. The purpose of this report is to document both the process and findings of this research to help guide the design of an economic empowerment intervention for youth ages 16 to 24 in Kibera. Formative research was conducted in the summer of 2011, focusing on the needs, hopes, challenges and goals of youth ages 12 to 24 living in Kibera. The research team conducted in-depth interviews and focus groups with the youth to ensure that the voice of the youth was heard before any intervention was planned. Based on the findings of the formative research, stakeholders developed a plan to help youth obtain temporary employment as a bridge to permanent employment. Further, the research team and CFK staff assessed the intervention plan and recommended market research in the form of an exploratory study to evaluate the opportunities for potential partners in Kenya for the temporary employment intervention. Consequently, market research was conducted in the spring of 2012, starting with an online assessment of labor market opportunities for youth in Nairobi. This research was followed in the summer of 2012 by a series of face-to-face meetings with representatives of potential companies in Nairobi to discuss training and internship opportunities. Key findings from this formative research are:

- Youth engaged in CFK programs are very motivated to work, save money and plan for their futures. However, there are few earning opportunities in Kibera, which makes it difficult for youth to save money to pay for post-secondary education and/or to start a business.
- The stigma assigned to slum youth makes finding jobs outside of Kibera difficult.

Key findings from the market research are:

- There is great enthusiasm from mid-sized companies in Nairobi to partner with CFK on the temporary employment intervention.
- There is high demand for internships among youth in Nairobi. CFK may need to differentiate itself as an internship and employment broker for youth.

- The availability and characteristics of youth training and internship opportunities vary across companies.
- Mentorship and support are critical components for successful youth internship experiences.

The next steps in the intervention development process include:

1. Negotiate agreements with area companies to offer CFK youth training, internships, and mentoring.
2. Fully develop the role that CFK will play in the temporary employment intervention in relation to partnering NGOs and companies.
3. Assess youth's cost of living and current income sources to determine what would be a reasonable stipend in the intervention.
4. Determine whether CFK youth can participate in existing training programs through other NGOs that will sufficiently prepare them for internships.

Chapter 1: Introduction

This report presents findings for the first two phases of a workforce development intervention planned for youth in Kibera, Nairobi, Kenya. Workforce development for unemployed youth can have a variety of objectives, depending on the makeup of the youth population. For example, some programs help out-of-school youth re-enter the formal school system; others provide basic education coupled with initial work experiences so out-of-school youth can have an income and develop basic employability skills; while still others combine education with an opportunity to serve as an intern and/or apprentice in industries in which youth have an occupational interest. Programs for out-of-school youth are generally offered by non-governmental organizations (NGOs) and private and religious organizations outside the traditional school setting. Well-designed, youth-focused education programs tend to be more flexible in their delivery modes and locations. They also often provide links to employment opportunities and long-term follow-up services for their graduates.

The Kibera workforce development intervention plan is a joint effort between a team of researchers at UNC School of Social Work led by Gina Chowa, and staff from Carolina for Kibera (CFK). This partnership came about in the fall of 2009 when CFK embarked on a campus wide exercise to engage University of North Carolina faculty to work in partnership with CFK Kenya in Kibera to address several social problems. This collaboration was also in line with Chancellor Holden Thorp's call to UNC faculty for engaged scholarship and for the development of innovative solutions to "accelerate and apply innovations to help solve the world's most pressing problems."

Leann Bankoski, Executive Director for CFK, approached Gina Chowa, a faculty member at the School of Social Work to discuss the possibility of engaging with CFK Kenya. After several consultations, a team was created to undertake formative research that would inform the type of interventions that would address the issues that CFK Kenya had identified as areas that needed to be tackled to improve the well-being of Kibera youth.

The first phase of this project was formative research conducted in Kibera with youth and stakeholders to understand the issues that pertain to Kibera. The findings from this research were to inform the workforce intervention so that the voices of the youth and the stakeholders could be woven into the final intervention plan. The formative research also embarked on understanding the strengths of CFK so that these strengths could be used as the foundation to build an intervention that would be sustainable and synchronized with the core competencies of Carolina for Kibera. Apart from the Kibera youth's voice being incorporated into the intervention and CFK's strengths being used as the bedrock of the intervention, it was also important to build synergies with local academic institutions that are more knowledgeable about the issues that pertain in Kenya. Therefore, as part of the formative research, the research team reached out to several universities to discuss how partnerships could be formed to implement the workforce development plan.

The second phase of this project was birthed from the first phase. Based on the findings of the formative research, an intervention plan was created. This plan was vetted by all the stakeholders who initially participated in the formative research. The intervention plan, which hinges on temporary employment, requires strong relationships with local companies in Nairobi. It was therefore planned that market research be conducted to investigate what these growth industries were, what type of internships they would offer, what type of compensation youth would be given, and what skills and training youth would require to efficiently perform their duties in their internships. The findings from the market research are also discussed in this report and will be central to the success of the workforce development intervention planned for youth in Kibera.

This project is innovative because it is driven by the challenges, needs, hopes, and ideas of youth in Kibera. Also, it adopts a holistic perspective on economic empowerment that includes employment training, work experiences, mentorship, financial services, and saving. Finally, this project will connect youth to employers and to the business community to expand their networks and to encourage a future-oriented mindset.

The report is organized in three main sections. The first section describes the proposed Youth Economic Empowerment Intervention plan, the community context of Kibera, and CFK's programs and services that benefit youth and the community. The second section describes the formative and market research process and findings. The third section outlines next steps, including opportunities and challenges in implementing the intervention, intervention alternatives, and sustainability considerations.

Youth Economic Empowerment Intervention Plan

Stemming from the formative research conducted in summer 2011, CFK staff, its board of trustees, and the UNC School of Social Work team identified an economic empowerment project aimed at youth, ages 16 to 24, that combines job training, internships, and saving and asset building. This age group was selected because it represents a period during which youth make an important transition from childhood to adult roles and responsibilities and need additional skills and access to opportunities to navigate this transition successfully.

A two-pronged holistic intervention was developed. The first intervention will address lack of employ-

ment for youth in Kibera. Youth ages 16 to 24 years will receive “soft” job skills training² followed by internships with local companies where they will also receive “hard” or technical job skills training and motivational training and mentoring. Youth will receive a stipend from CFK to help meet their basic living expenses while they complete training and internships. Youth who successfully complete job training and internships will receive help applying for formal, paid employment. However, the formal unemployment rate for youth and young adults in Nairobi is very high, so at least some youth will likely seek post-secondary education and/or start a small business.

After completing their training and internships, CFK will help youth open savings accounts with a financial institution and offer savings matches so youth can accumulate assets that they can use to pay for additional education or for starting a business. This form of saving is intended to develop financial capability and greater access to financial tools for youth to build assets for bigger opportunities (higher education, expand business). Saving in this manner will also help youth develop future-oriented goals and to be more optimistic about what they can do to improve their economic conditions. The second intervention is a financial inclusion intervention for youth ages 10 to 15 years. This intervention will include a bank account with features that will facilitate savings for low-income youth, including low minimum balance requirements, no fees, and ease of use, which might include mobile or cell phone banking. In addition, youth will receive motivational training.³

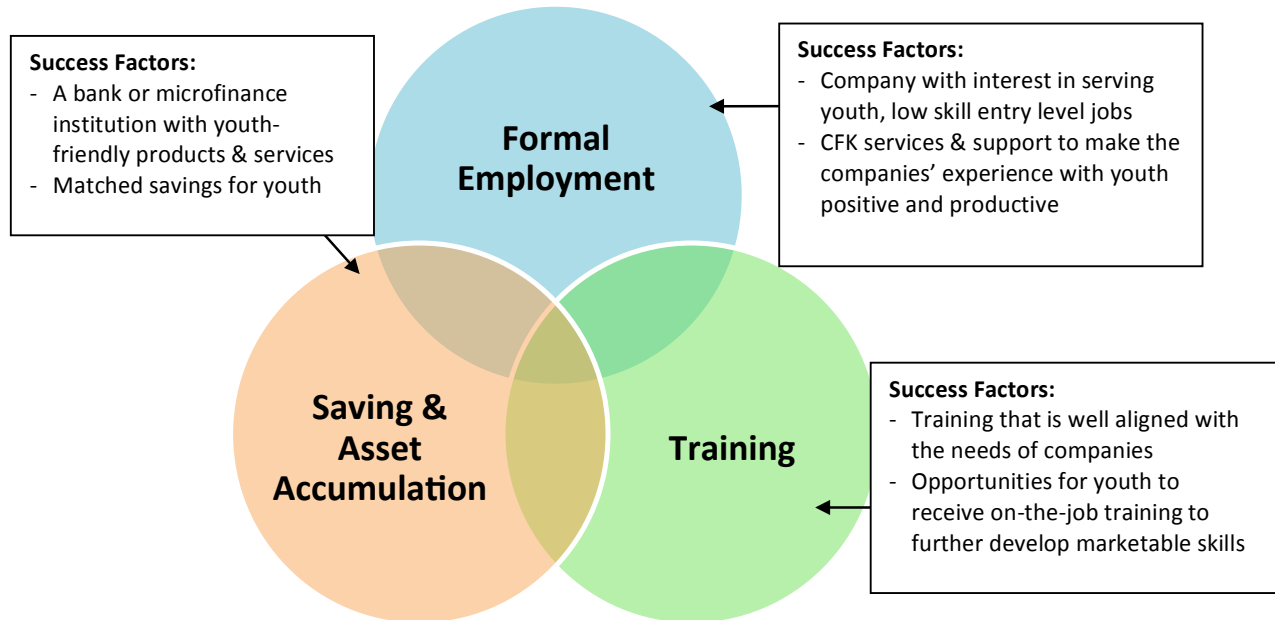
This project will offer job skills for employment for youth and hopefully will provide a pathway to gainful employment, increase youth’s assets and savings and generate well-being. Findings from this project will provide much needed experimental evidence of the impacts of asset ownership by youth and their families in developing countries.

Prior studies have shown important findings of the association of asset ownership on child health, school attendance, educational attainment and child labor (Chowa, Ansong, & Masa, 2010). However, all these findings are anecdotal. Figure 1 below offers a graphic depiction of the intervention model:

² Skills such as punctuality, proper dress, how to receive supervision, and how to cooperate with colleagues.

³ This motivational and personal visioning training is not to be confused with motivational interviewing. This training is typically done with low-income people in social development to enhance self-esteem and hope for the future.

Figure 1: Economic Empowerment Model for Youth in Kibera



Key assumptions of this project concept include:

1. Youth may need additional hard (i.e. technical) and soft (e.g. punctuality, professionalism) skills beyond which they obtained through secondary education.
2. Youth need access to formal employment and internship opportunities to develop hard and soft skills, gain work experience they can list on their resumes, and build a formal employment network.
3. Internships may act as a bridge to temporary employment.
4. Temporary employment offers youth an opportunity to receive a steady source of income, part of which they can use to save and accumulate assets, while helping youth gain valuable work experience to increase permanent employment opportunities.
5. To accumulate assets, youth need access to formal financial services and incentives to save.
6. With their accumulated assets, youth can invest in further education or small business opportunities to increase their income.

The Landscape of Youth Workforce Development

As is true for many other countries in sub-Saharan Africa, youth comprise a large and growing proportion of the population in Kenya. However, youth have very limited economic opportunities due to lack of access to education and training, and rural to urban migration, population growth, and slow job growth, which makes finding formal employment difficult (Opiyo & Agwanda, 2008). As a result, youth unemployment rates in Kenya have remained twice as high as rates for adults over the last few decades. In fact,

youth comprise over two-thirds of Kenya's unemployed. The key factors driving high youth unemployment in Kenya are a lack of education, training, skills, and work experience among youth, limited job growth, barriers to entrepreneurship, and gender inequalities (Omolo, 2010).

Because they face so many employment barriers that are outside of their control, Kenyan youth can benefit from assistance programs. Workforce development is an assistance strategy that aims to improve the chances of youth accessing employment opportunities. This strategy includes intervention methods like wage subsidies, public works programs, counseling and job search skills training, vocational training and apprenticeship systems, "second chance" programs for school dropouts, vouchers for private sector training, and comprehensive programs that combine different training and support service components. For example, Kenya's Jua Kali program issued 37,606 vouchers from 1997 to 2001 to entrepreneurs and employees in small businesses (50 or fewer employees) to use to pay for private sector training of their choice. While Jua Kali had positive employment and asset outcomes for training participants, it was a costly and a complex scheme (Johanson & Van Adams, 2004, as cited by Betcherman et al, 2007).

One way to help youth obtain employment is to offer them financial assistance to pay for vocational training and education of their choosing. Evidence from two experiments in Kenya and Uganda suggest that demand-driven approaches to youth workforce and entrepreneurial development may be fruitful. A randomized experiment concerning Kenya's Technical and Vocational Vouchers Program found that young adults (ages 18 to 30) who received vouchers (worth \$460 USD) were far more successful in securing vocational training than a control group that did not receive vouchers. However, a difference in vocational training uptake was not observed for persons who were currently employed. Participants who had the choice of using their voucher for either a public or private institution's training were more likely to enroll and to remain enrolled in training than those who were not given this choice (World Bank, 2011).

Another way to help youth obtain employment is by offering them unconditional cash transfers. These transfers are different than vouchers because needy individuals who receive the transfers may use the money as they wish. A mid-term (two-year) impact evaluation of the Youth Opportunities Program (YOP) cash transfer program experiment for youth and young adults (ages 15 to 25) in northern Uganda found that most (70%) treatment group youth used the transfers to invest in vocational training. A far smaller percentage (17%) of control group participants, who did not receive a transfer, enrolled in vocational training. The transfers were given to groups of young people with the expressed purpose of purchasing skills training, tools, and other resources but were not monitored. Treatment group participants experienced a 481% increase in asset acquisitions and a 150% increase in asset stock (e.g. tools, machinery, materials) relative to the control group. The program also increased work hours by 25% among males and 50% among females. Twice as many treatment group (the group that received the transfers) participants were engaged in skilled employment two years into the experiment as control group participants (Blattman, Fiala, & Martinez, 2011).

Micro-franchising is a new approach to youth workforce development that is different than helping youth obtain formal employment. With this approach, youth act as individual franchisees who form relationships with an established franchisor company to sell that company's products, such as ice, fish, cosmetics, and mobile phone air time. The International Rescue Committee's (IRC) YouthWorks micro franchising model in Sierra Leone brokers the franchisor-franchisee and provides youth with the training and equipment needed to operate their franchise. A pilot evaluation indicated that nearly all (96%) of the

micro franchises were turning a profit or breaking even and that youth were using their earnings to reinvest in their franchise, save, support household consumption, and pay school fees. However, with low-income communities already flooded with undifferentiated petty trading opportunities, a key challenge is offering youth training, mentoring, and business networking skills that help them move beyond subsistence enterprises (Murray & McKague, 2010).

The Context of Kibera: Scope, Challenges, and Opportunities

By 2015, the United Nations Development Program (UNCDP) estimates that 25% of Kenya's population will live in urban areas and will continue to be pushed into the growing slums. However, in slums like Kibera—the only affordable place to live—youth and their families quickly discover how difficult it is to secure employment and to access health and education services.

Kibera is an area of Nairobi, Kenya encompassing 13 different neighborhoods. It is identified as Africa's 2nd largest slum, with estimates of between 170,000 and 1 million residents living in a one square mile area. Half of Kibera's residents are less than 15 years old. In 2006, a Population Council study was conducted in four Kibera neighborhoods, in which 1,675 girls and boys, ages 10 to 19, were interviewed. Among the findings:

- Half had migrated to Nairobi from other, mostly rural parts of Kenya;
- Less than half lived with both a mother and a father;
- About one-quarter had lost a family member to AIDS;
- Girls were more likely than boys not to be enrolled in school;
- Boys had a wider range of earned income opportunities, while girls were more likely to be engaged in unpaid domestic work;
- 43% of girls experienced coerced or forced initial sexual encounters; and
- 60% of girls feared getting raped and had fewer safety networks in the community than boys (Erukhar & Matheka, 2007).

For any community, land ownership and recognition by a government for purposes of receiving public services are important issues. In Kibera, the Kenyan government owns all of the land and regards Kibera as an informal settlement. According to CFK staff, government maps still mark Kibera as a forest. With support from the United Nations, the government has embarked on a long-term plan to relocate Kiberans to other parts of Nairobi, recently moving around 300 families to new apartments located just outside of Kibera. Tenants are charged \$10 a month in rent, yet according to CFK staff, many residents are choosing to sublet their units to generate additional income while returning to live in Kibera. This response by tenants suggests that residents of Kibera may be reluctant to relocate because they have social and economic ties in Kibera. It may also indicate that the offer of subsidized housing is insufficient. Addressing the employment needs of residents may also be warranted.

Challenges

Kibera has many health, environmental, political, and economic challenges, many of which have implications on livelihood opportunities and economic engagement of youth in the area. Most of Kibera's residents have very low incomes (about \$1.25 a day), live in substandard, 10-by-10-foot homes with only intermittent electricity, and lack access to clean water and sanitation, which increases their risk for illness and disease. Given the crushing poverty these residents experience, families must sacrifice things such as school fees and doctor's visits, which impact their children's health, education, and overall well-being. Without adequate resources, youth who call Kibera "home" are left with little hope for their future. Too often the daily struggles of poverty and the temptations of drugs and alcohol quickly end youth aspirations.

One of the growing challenges that Kibera faces is the significant surge in its population, currently close to 1 million compared to an estimated 6,000 people in 1965 (Mutisya & Yarime, 2011). Mutisya and Yarime estimate that Kenya's informal slum settlements experience an annual growth rate of 5%, which is "the highest in the world and is expected to double in the next 30 years" (p. 198) if effective interventions are not implemented. Slum residents feel that they are trapped in their current conditions and excluded from larger society due to isolation and a lack of financial means to travel and to engage in other areas. Nairobi's urban population is projected to reach 5 million by 2015 and 8 million by 2025. The proportion of this population living in slum settlements is expected to remain constant at around 50% (Mutisya & Yarime, 2011). The high unemployment, poor living standards, and social and economic isolation of slum areas like Kibera will continue to be a drag on Kenya's economy for years to come.

Kibera has had its share of political challenges and was among several communities that experienced post-election violence in December 2007 and January 2008. This violence occurred in several communities throughout Kenya – not just Kibera. Similar violence has occurred historically due to post-colonial political conflict, which has focused mostly on land disputes among Kenya's major tribes (Kanyinga, 2009). Governmental institutions have been unable to successfully and peacefully resolve these disputes (Rutten & Owuor, 2009). In response to the most recent post-election violence in Kibera, CFK helped form an initiative called, *Jamii ya Kibera* or Community of Kibera, in Kiswahili, which sponsors community forums, peace marches, and medication training programs. CFK also formed a Sports Association Program, a major aim of which is to foster peace and reconciliation among youth from different tribes.

Kibera also has many health-related challenges. Estimates from UN-Habitat show that a significant number of individuals living in Kenya's slums have higher rates of morbidity, mortality, risky sexual behavior and lower access to health services, when compared to population sub-groups in other living situations, including rural areas (Zulu, et al. 2011). Zulu and colleagues (2011) noted that due to "poor schools, poor educational outcomes, sexual maturation, relatively early indulgence in sex, and risky sexual practices such as unprotected sex and multiple sexual partnerships," (p. S195) adolescent slum residents have one of the lowest matriculation rates in Kenya. In addition, 34% of 18- to 19-year-old females have at least one child and are disproportionately affected by the lack of employment and stable housing. Above all, research shows that young people living in Kenya's slum settlements face the serious challenge of moving from adolescence to adulthood without the resources necessary to facilitate a smooth transition into employment, parenthood, independent housing and other aspects of adulthood (Zulu, et al. 2011).

Many argue that much of Kibera's challenges are linked to the continuous official designation of Kibera slums as a nonresidential area. Despite having a large population of residents, Kibera is still considered

an illegal settlement by the Kenyan government. Because of this lack of acknowledgment, the government does not provide basic services (i.e., sanitation and electricity), running water, infrastructure, schools, health clinics, toilets, or low-cost housing (Mutisya & Yarime, 2011). However, without alternatives to such informal settlements, slum residents, as well as individuals newly migrating to urban areas, are oftentimes left without a choice for housing (Mutisya & Yarime, 2011).

Opportunities

Despite Kibera's many challenges, the community has become a vibrant and bustling landscape of homes, shops, places of worship, community-based organizations, and clinics. Numerous NGOs offer a wide array of programs and services. Kibera is also a diverse community comprised of the following major ethnic groups: Luo, Luyha, Nubian, Kikuyu, Kamba, and Kisii. Moreover, Kibera has developed key strengths including innovative practices among NGOs, a vibrant small informal business environment, and interest among financial institutions in serving the community's market.

Microenterprises and livelihood opportunities: Small informal businesses are the backbone of the Kibera's vibrant economy. Household microenterprises are common in slums and play a crucial role in job creation and poverty alleviation (Gulyani, Bassett, & Talukdar, 2012). These industries, though highly informal, offer enormous potential for engaging youth who are out of work. In the manufacturing sector, Kibera has made a name for its low-cost shoes, which have captured a substantial share of shoe markets in low-income areas of Kenya since the early 1990s (Parker, 1992). The shoe industry is still vibrant and may continue to play a pivotal role in job creation in Kibera.

Another sprawling small business with potential for youth employment in Kibera are "water kiosks," which are predominantly small family enterprises legally registered to deliver water to consumers in Kibera. A study commissioned in the late 1990s by the UNDP found that water kiosks accounted for 64% of legal water connections in Kibera (Kanuki & Gikaru, 1997). Currently, only 22% of residents of Nairobi slums have access to piped water (Awiti, 2012). There is a great deal of need in water delivery, and this presents an opportunity for youth employment training for the water delivery industry.

Kibera has daunting sanitation challenges, yet these challenges hold promise for youth job creation in Kibera's service industry. A report from the World Bank's Water and Sanitation Program suggests that Small Scale Providers of Sanitation Services (SSPSS) play a vital role in providing sanitation services, including management of communal toilet blocks, latrine construction, and sludge removal (Bongi & Morel, 2005). The services that these SSPSS provide address the sanitation challenges of the community and at the same time create manufacturing and service jobs. These services are mostly offered by independent small scale providers who are residents of Kibera (Bongi & Morel, 2005). Given the consensus about the appropriateness of communal sanitation infrastructure for slum dwellers, including those in Kibera (Schouten & Mathenge, 2010), the expectation is that more hands will be needed over the long term to build and manage communal sanitation infrastructure. In pursuing such a challenge, there are opportunities to train and engage many unemployed Kibera youth.

Financial services and opportunities for youth engagement: With the proliferation of micro businesses in Kibera comes an increased demand for financial and technological services tailored to the unique needs of Kibera's informal market. Many small businesses in Kenya, including those in Kibera, have limited

access to credit from formal financial institutions (Vandenberg, 2003). Likewise, there is a huge unbanked population in Kibera that lacks access to any kind of formal banking facilities (IRIN, 2010). This financial vacuum offers an opening for group savings and loans groups, microfinance organizations, and credit unions to fill the gap in Kibera (IRIN, 2010). Small financial institutions could develop programs to address the financing challenges in Kibera. The few that already exist are thriving including the Juhudi Kibera Credit Scheme, an NGO group-based lending program that provides financial services for micro-entrepreneurs located in Kibera. There are still opportunities for financial institutions to work with Kibera's micro business sector. Kibera youth would be invaluable assets for financial institutions that decide to work with the community. With adequate training, these youth could be effective field staff. They would be better at navigating the Kibera community and engaging clients.

About Carolina for Kibera

Carolina for Kibera (CFK) is a nongovernmental organization (NGO) co-founded in 2001 by Tabitha Atieno Festo, Salim Mohamed, and Rye Barcott, then a student at the University of North Carolina at Chapel Hill (UNC-CH). CFK's mission is to "develop local leaders, catalyze positive change, and alleviate poverty in the Kibera slum of Nairobi." CFK's inaugural program was a community health clinic, which Ms. Festo, a nurse, opened using a \$26 loan from Mr. Barcott. Mr. Mohamed served as CFK's first Executive Director for eight years.

CFK is a major affiliated entity of the University of North Carolina at Chapel Hill, a program of the University's Center for Global Initiatives (CGI), and a registered 501c3 nonprofit organization. The board of directors and staff in the United States offer financial, strategic, and technical assistance to staff in Kenya.

CFK also includes a board of trustees, which is registered with the Kenyan government, and is comprised mostly of Kenyans and an all-Kenyan staff that implement all activities on the ground in Kibera. Programs include:

- A youth sports association that organizes an annual soccer tournament to promote tribal peace and healthy life choices;
- The Tabitha Medical Clinic, which provides primary medical care, HIV/AIDS counseling services, and youth-friendly reproductive health services;
- The Binti Pamoja (Daughters United) Center, a reproductive health and women's rights center;
- Taka ni Pato (Trash is Cash), a profit-driven community-managed solid waste management program; and
- Angaza, a partial school scholarship and academic support program.

Despite CFK's success in implementing multiple programs to promote youth development, CFK



staff have observed that many youth who have participated in CFK programs lack the tools, resources, and opportunities necessary to transition successfully to adulthood and to experience social and economic mobility. Many such youth have their Kenya Certificate of Secondary Education (KCSE), yet are unemployed. Informal income-generating activities such as Taka ni Pato (Trash is Cash) within Kibera are viewed by CFK staff as insufficient means of achieving material security.

Chapter 2: Research Findings

Formative Research Findings, Summer 2011

Formative research was conducted in Kibera in June 2011. Focus groups and in-depth interviews were conducted to provide a contextualized understanding of the social and economic needs, challenges, and interests of youth living in Kibera. A total of six focus groups were conducted. Thirty-three youth, ages 12 to 24, participated in the focus groups. All youth were members of CFK programs. Five focus groups represented each CFK program (sports, women empowerment, sexual and reproductive health, education, and environment). The sixth focus group included one senior member from each CFK program. In addition, in-depth interviews were conducted with eight CFK staff and seven community stakeholders (including representatives from other NGOs and financial institutions).

The formative research findings highlight two major themes: constellation of challenges faced by youth in Kibera and opportunities youth hope they have to improve their future. Youth in the focus groups identified financial, economic, social, health, and educational challenges faced by young people in Kibera. Lack of employment emerged as the most common economic issue. In youth's own words, young people in Kibera lack decent, regular employment. Youth stated that even young people with skills have difficulties finding decent jobs primarily because they lack social connections outside Kibera. For most youth we interviewed, lack of employment contributes to limited income, which leads to the inability of many youth to meet basic needs such as food and shelter. In addition to lack of decent employment and limited income, other common financial and economic challenges that emerged from the interviews include: 1) financial insecurity and inability of young people to save and plan for the future; 2) lack of access to financial services such as savings and credit; and 5) widespread financial illiteracy among the youth. Some youth expressed that even though some of their peers earn money, they do not have the knowledge on how to use their money wisely, including how to budget, save, and plan for the future.

The lack of economic stability among youth and their households in Kibera precipitate many of the other challenges that youth identified. For instance, many young people drop out of schools because they cannot afford to pay school costs. Young people lack access to good education. Access to private education is very limited because of costs. For young people who have graduated from secondary schools, most do not get the opportunity to attend college or a university because of costs. In addition to economic and educational challenges, youth in the focus groups described the stigma attached to people living in Kibera as a barrier to a better future. According to focus group participants, youth in Kibera have to deal with the negative image attributed to people living in Kibera. This negative image affects the ability of young people to obtain employment outside Kibera, access loan or credit, and receive other services that can benefit the youth and their families. Several youth shared stories of someone they knew who had been refused a job

or denied services when people found out they lived in Kibera. Many of the challenges that youth identified reflect the precarious situations they live in. Most youth stated that because of these numerous challenges, some of their peers engage in risky behaviors to survive, such as prostitution, transactional sex, and sale of illicit drugs.

Despite the numerous challenges youth in Kibera face in their daily lives, the young people we interviewed described some opportunities that they could take advantage of to jumpstart a better future. Public primary and secondary education was cited as one of the main opportunities currently available to young people in Kibera. Youth recognize the importance of education in their lives. Another opportunity was access to programs and services offered by nongovernmental organizations in Kibera. Some of these programs include educational scholarships and entrepreneurial trainings. Even though some opportunities are available in Kibera, youth remarked that those opportunities do not address some of youth's critical needs, particularly employment and opportunities to save and plan for their future.

When asked what do young people in Kibera need to improve their future, youth and community stakeholders agreed that income-generating opportunities are crucially needed. Youth suggested two types of income-generating activities: employment and entrepreneurship. Based on our interviews, training youth on employment or business-related skills emerged as the main path for youth to obtain gainful employment or to successfully manage a small business. Most youth recommended skills-building training that could help them find jobs outside Kibera. Youth preferred trainings that emphasize skills that are currently in high demand or to enhance skills that CFK programs already teach. Youth recognize that they need to learn more about how to use and improve their existing skills, as well as how to acquire new ones. In addition, youth believe that employment trainings are especially important to many youth in Kibera who are not able to pursue post-secondary education. Focus group participants agreed that getting trained on different in-demand skills is a way for youth without a college or university education to find jobs outside Kibera. Further, focus group participants mentioned that youth who have undergone training would need assistance from CFK or other organizations to help youth "market" their skills to businesses in Nairobi. The youth remarked that they hope young people would get assistance from CFK or other organizations in securing on-the-job training experiences or job placements. In addition to earning income from employment, youth suggested entrepreneurship as another potential source of financial security for young people. Youth identified two main barriers to starting a small business in Kibera: lack of relevant training and lack of access to financial services, including savings and credit. From the interviews, it emerged that many young people lack the knowledge and training on how to start a business, particularly small businesses that are feasible in Kibera. Several youth suggested that entrepreneurship training could be a requirement for a getting loan or credit from a financial institution.

In addition to income-generating activities, access to financial products and services emerged as another tool youth could use to prepare for their future. The youth we interviewed expressed frustration about the lack of financial products and services, particularly savings and credit that are tailored to accommodate the needs of young people in Kibera who earn small and irregular amounts of money. Youth prefer formal financial products and services than informal savings practices. Safety, security, and an ability to earn interests were cited as key reasons why young people prefer formal savings services. When asked what type of a savings product would be attractive to young people, youth said they would like to receive financial incentives to help them save regularly and meet their savings goals, accounts that can be opened for free and that have no maximum initial deposit requirement or minimum balance requirements, and

bankbooks to monitor their savings. Some youth were interested in restricting the use of their savings (for example, for education or as capital to start a business) but wanted the ability to withdraw money in case of an emergency (for example, sickness). A number of youth also mentioned the importance of access to capital, particularly for young people who want to start their own small business. None of the youth knew of any financial institutions that are providing loans or credit to young people. To access other financial products and services, some youth suggested using savings as capital and collateral. They proposed that when a young person has been able to save a certain amount of money in a bank, he or she should be eligible to receive a loan from the bank. Several youth added that part of the loan should be required to be set aside as savings. Finally, youth mentioned the importance of financial education as a way to help young people plan for their future. Youth recognize that financial education strengthens young people's ability to save and increases their knowledge on how to budget and save, as well as where to put their savings safely and securely. Some youth expressed that financial education should clearly demonstrate to young people the benefits and importance of saving, even though their savings are small. They acknowledged that young people are sometimes discouraged to save because they think that small savings will not really make an impact on their lives. A number of youth suggested that having a role model who instills the value of saving and having a secure financial future and who helps young people make informed financial decisions is also important.

In sum, findings from the formative research reveal a group of highly motivated youth who want to improve their lives and be self-sufficient. However, their chances for better lives in the future are greatly hindered by lack of economic opportunities, particularly decent employment, for youth in Kibera. Few income-generating activities, especially for youth, exist in Kibera. Finding employment outside Kibera, particularly in and around Nairobi, is difficult because of the stigma attached against youth from Kibera. The lack of regular income and financial assets have prevented many youth from transitioning to higher education or achieving other important stages in youth development. In spite of the social and economic challenges facing them, youth recognize the importance of saving and assets as a pathway to future financial and economic stability. Youth desire to save and plan for the future, but they currently do not have the means to do so. Youth recognize that regular employment can address many of the economic issues they face. A decent employment will also help them plan for a more financially stable future.

Market Research: Training, Internship, and Employment Opportunities for Youth

CFK staff and the team from the UNC School of Social Work engaged in a two-phase market research process in the spring and summer of 2012 to further understand training, internship, and employment opportunities for CFK youth. In Phase 1, background research was conducted to identify growth industries, understand key aspects of the labor market, and training opportunities in the greater Nairobi area. In Phase 2, a series of meetings were held with Nairobi-area companies to explore potential partnerships.

Phase 1: Background Research on Growth Industries in Nairobi

As part of a UNC Kenan-Flagler Business School MBA course in sustainable enterprise taught by Dr. Lisa Jones-Christensen, a group of 12 MBA students conducted a market assessment for youth training, internships, and employment in Nairobi. The students completed both online research and interviews with

NGO representatives and youth workforce development experts working in or familiar with Kenya to conduct this assessment.

The MBA student team focused on the following aspects of a market assessment for youth employment opportunities in Nairobi:

- The youth employment value chain: The employment process was examined to note potential gaps and opportunities for CFK to intervene, such as in helping youth identify job openings, understanding how to apply for a job, and targeting the right industries for youth.
- Actions for effective youth employment programming: How mentorship and networking relates to the job finding process for youth was examined, including ways in which CFK can build on its current efforts and networks to help differentiate youth. Considerations for partnering with successful agencies that address youth employment and examining the alignment between youth job skills and labor market needs were also reviewed.
- Industry analysis: Growth in formal and informal employment over the past 25 years, high growth (greater than 5% annual growth) industries, and specific companies and types of small and medium enterprises that might hire CFK youth were discussed.

This assessment was completed to help CFK narrow its search for prospective company partners for training and employing youth.

Key market assessment findings included:

Youth Programming

- Mentorship and networking are critical components of a youth employment program;
- CFK has the greatest potential to help youth with applying and interviewing for a job and offering or facilitating mentorship;
- Internships are an important way to bridge youth from unemployment to employment, especially when paired with job skills training; the Kenya Youth Empowerment Project and Dignitas Project create partnerships with companies and places youth in internships and offers training;
- Several organizations already provide job training and/or mentorship for youth in Nairobi, such as:
 - Junior Achievement;
 - Garissa Youth Project (USAID sponsored);
 - the Youth Employment Initiative (YEI) of Nairobi;
 - Kenya Youth Empowerment Project (KYEP) (World Bank funded)
 - Help Employment Need in Kibera (HENK); and

- CAP Youth Empowerment Institute⁴ which is supported by the MasterCard Foundation and offers Basic Employability Skills Training (BEST); CFK should consider partnering with such organizations;
- Potential partners concerning youth mentoring include Safaricom Foundation and The Posse Foundation;
- CFK may need to help explain to area companies how its efforts to prepare youth for training and internships is different than numerous other NGO efforts to assist youth in Kibera;

Labor Market

- CFK should maximize existing channels to provide youth with new opportunities (e.g. pharmacy courier services related to Tabitha clinic operations);
- Recruitment agencies such as Silver Ray Limited may help youth access temporary employment and internships;
- Construction, transportation, communication, wholesale and retail trade, repairs, financial intermediation, electricity, and water supply are the highest formal job growth segments (5% or higher annual growth);
- Business process outsourcing may represent a good employment opportunity for CFK youth;

Workforce Development Guidelines & Prospective Partners List

Following the report by the UNC MBA students, members of the UNC School of Social Work team developed a set of youth workforce development guidelines (see Appendix 1) that served as a conceptual framework for the training and internship components of the economic empowerment project. These guidelines highlighted several questions concerning intervention design, including

- What hard and soft skills should youth obtain through employment training?
- What types of internship opportunities through employers might be available to youth? How should youth be matched with employers?
- How and by whom will mentoring be offered to youth participants?
- Should interns receive a stipend? Should employers receive incentives to accept interns?
- How can training and internship efforts best be linked to employment opportunities for youth?

A key theme of the guidelines is the importance of discovering the alignment between labor market needs and the skills that comprise the focus of training and internship efforts. The guidelines also suggest developing a profile of the target population of youth to participate in training and internships based on factors such as educational attainment, employment skills, and gender.

The UNC School of Social Work team also developed a list of both Nairobi-area companies that might

⁴ See http://capfoundation.in/wp-content/themes/capfoundation/doc/CAP-YEI_Bro.pdf

host internships and/or employ youth and employment training providers in Kenya. Companies listed are those that a) may have entry-level internship and/or employment opportunities for youth; and/or b) have a stated commitment to improving the lives of Kenyan youth. These companies span different industries and include:

- Toyota Kenya
- Ecotourism Kenya
- Skyweb Evans (business process outsourcing)
- Safaricom (mobile telecommunications)
- Roma Constructions Limited

Phase 2: Meetings with Prospective Project Partners, August 2012

With the assistance of a consultant, Esther Giyonko, an in-country team comprised of CFK staff members (Hillary Omala, Darius Getanda) and a member of the CFK Board of Trustees (Joseph Njenga), identified Nairobi-area companies with which they had connections and might be interested in providing training, internship, and/or employment opportunities for youth. A series of meetings with such companies was scheduled for the week of August 6, 2012, to introduce the project concept and to discuss ways in which each company might assist with training, internship, and/or employment opportunities. Each of these companies is listed in Table 1 below:

Table 1: Nairobi Area Companies – Prospective Project Partners

Company	Description
Ahadi Kenya Trust	Non-governmental organization (NGO) registered in 2007 and dedicated to the eradication of jiggers, a small insect that invades the body and causes disease.
AMREF	Large health-related NGO whose mission is to create “simple and cost effective health solutions that transform the lives of families and communities across Africa.” AMREF’s Kenya program was founded in 1957 as Flying Doctors of East Africa.
Athi Water Services Board	A government-sponsored enterprise under the Ministry of Water whose mission is to provide water and sewerage services.
City Hopper Ltd.	A private transportation provider that operates a fleet of short-distance, commuter buses throughout the greater Nairobi area.
Onpoint IT	Small online and mobile marketing, web design and development firm.

Company	Description
Population Services International	A “leading global health organization targeting malaria, child survival, HIV and reproductive health” with a Kenya country program founded in 1990 and headquartered in Nairobi. PSI-Kenya’s mission is “to compliment the Government of Kenya’s efforts to address public health priorities by empowering vulnerable people to adopt and sustain live-saving behaviors”.
Safaricom Foundation	Philanthropic arm of Kenya’s largest mobile phone service provider established in 2003 whose mission is “to partner with local communities to address social, economic and environmental issues to foster positive and lasting change.”
Standard Chartered Bank	Kenya’s oldest foreign-owned bank with a 27% market share and two core divisions: wholesale and consumer banking. The bank “supports projects that focus on the socio-economic development of the youth with a heavy emphasis on health and education.”
Craft Silicon*	International information technology company that develops software for financial institutions with Africa regional offices based in Kenya.
Kenya Youth Employment Project(KYEP)*	KYEP is a four-year Government of Kenya pilot project with support from World Bank that addresses issues of lack of skills and work experience for at-risk youth in Kenya.

* Meetings held in October, 2012 by staff of CFK

Meeting Notes

1. AHADI Kenya Trust

Organizational Snapshot: AHADI Kenya is an NGO registered in 2007. It has 43 offices in Kenya, including one in Kibera and is dedicated to the eradication of jiggers, a small insect that enters the human body through the feet and causes infection and illness. Following treatment, AHADI Kenya also helps children and youth return to school, provides them with livelihoods assistance, and conducts programs to reduce child labor.

Partnership Opportunities: AHADI Trust has 3,000 volunteers across Kenya who receive a small allowance. CFK youth could receive volunteer training, provided that they were interested in working in communities to help eradicate jiggers, e.g. via community education and awareness. However, AHADI Trust could not provide a stipend for CFK youth. Following volunteer service, AHADI Trust would be willing to provide recommendations for employment.

AHADI Trust could place 100 youth in volunteer positions, yet they would be placed outside of

Nairobi due to the high demand for volunteer positions in Nairobi. AHADI Trust could help link youth to employment opportunities with larger health- and youth-related NGOs. AHADI Trust does not have a budget for volunteer recruitment, training, and supervision. For an orientation session alone, CFK would need to pay 3,100 KES (about \$37 USD) per participant.

2. AMREF

Organizational Snapshot: AMREF is a large NGO that provides medical and public health programs (HIV/AIDS, TB, Malaria, clean water and sanitation, maternal and child health, clinical and surgical outreach) in several African countries. In addition to providing direct care and community health services, AMREF is dedicated to increasing the capacity of local health care and public health systems. Initiatives in Kenya include upgrading the skills of 22,000 nurses using an e-learning program, training community health workers and operating mobile clinics in remote areas, improving sanitation in primary schools, providing antiretroviral medications for HIV+ persons living in Kibera, and reducing eye diseases among the Maasai people.

Partnership Opportunities: The Ungana Young Friends of AMREF is a well-organized volunteer program aimed at engaging young people (ages 18 to 35) in development work and helping them develop marketable skills in health education and outreach, communications and fundraising, and advocacy. Ungana works directly with youth from disadvantaged communities such as Kibera, providing training and volunteer service opportunities with Kenyatta National Hospital (child patient visitation) and with social workers who are helping to reunify street children with their families. Other youth volunteer opportunities through AMREF include assistance in conducting community health field research, which requires 2-3 days of training. AMREF staff described a structured career development process for youth:

Volunteer Service ⇨ Supervised Internship ⇨ Short Term Employment ⇨ Full Employment

AMREF has 2,000 registered and 500 active young volunteers. AMREF provides both hard and soft skills training and mentoring to volunteers and has no minimum education or skill level entry requirements for youth volunteers. Supervised internships were characterized as a “possibility.” AMREF staff indicated that it is easier for them to engage youth who are 18 years of age and older.

The research team was taken on a tour of AMREF’s Dagoretti Children’s Center outside of Nairobi the following day to gain an understanding of AMREF’s programming. The Center was recently constructed and very well outfitted and staffed. The Center is funded by AMREF-Italy and offers a wide array of educational, art therapy, recreational, and livelihood programs to help “rescue, rehabilitate, resocialize, and reintegrate”⁵ 180 street children.

3. Athi Water Services Board (AWSB)

⁵ See <http://www.amref.org/what-we-do/dagoretti-child-in-need-project/>

Organizational Snapshot: Athi Water Services Board (AWSB) is a state corporation (i.e. government-sponsored enterprise) under the Kenyan Ministry of Water. AWSB is responsible for ensuring the delivery of water and sewage services for residents and businesses of the greater Nairobi area and surrounding districts, serving 6.1 million people. It is one of eight water service boards in Kenya. AWSB sponsors and coordinates large scale public infrastructure projects, such as dam and spillway construction and rehabilitation, developing sewer networks, borehole construction, and water pipeline construction. AWSB has embarked on a \$1 billion, World Bank and French Development Agency supported water master plan for Nairobi and 13 surrounding communities to respond to water shortages amidst rapid urban population and industry growth. AWSB coordinates water and sewage efforts with private water service providers that serve communities to help manage water resources, ensure consumer access and affordability, and fight corruption and illegal connections. AWSB understands the connections between clean water and sanitation and poverty and is committed to grassroots planning and collaboration.

Partnership Opportunities: AWSB works directly with residents, NGOs, and vendors in informal settlements such as Kibera, hiring private contractors to implement projects. These contractors are encouraged by AWSB to hire local labor and can be encouraged to hire CFK youth. AWSB works with community-based organizations (CBOs) to assume management of water facilities, which can create a source of income for the CBOs. A current project in Kibera includes both hard and soft skills training (conflict resolution, basic business skills, water kiosks management, and basic engineering skills). AWSB is interested in offering CFK youth internships—one youth at a time for three months, though AWSB stresses post-secondary education, which some CFK youth may not have. AWSB also has a public relations and communications department that might benefit youth. AWSB is currently shooting public awareness documentaries and could give youth opportunities to learn about video production.

4. City Hopper Ltd.

Organizational Snapshot: City Hopper, Ltd. is a local commuter transportation company that operates a fleet of buses under the “Citi Hoppa” brand.

Partnership Opportunities: Honesty and a KCSE or post-secondary certificate were minimum qualifications for customer service positions with City Hopper. City Hopper has previously hosted three-month internships. Internships were also possible in the vehicle maintenance department, with the possibility of post-internship employment. City Hopper has not partnered with any NGOs concerning youth training, internships, or employment opportunities.

5. Onpoint IT Solutions International

Organizational Snapshot: Onpoint IT was started three years ago as an Information and Communications Technology (ICT) solutions provider. A team of eight employees (some full, some part time) focuses on digital marketing, is growing rapidly, developing new systems like

human resources to accommodate this growth, and hopes to expand services soon in Uganda. Onpoint IT prefers to hire young staff that bring new, creative ideas to the company and have ICT education and experience. The team includes web developers and programmers, a creative designer, technical support, and marketers. Team work roles are flexible depending on the specific project.

Partnership Opportunities: At any given time, Onpoint IT hosts one or two interns who are local university students who complete three to six month placements, which were described as “dynamic and fast-paced.” Onpoint currently has 20 current internship applicants (mostly first year post-secondary students; Onpoint IT has never had an intern only with a KCSE). Interns get trained on all aspect of the business—from business planning to more technical tasks (web development, etc.). There is a high level of interest in Onpoint IT among internship and employee applicants. Numerous resumes were received in response to a recent blog post. An ideal intern would have a) ambition; b) ability to learn and grow quickly; c) fit well into the growth plan for the company; and d) have a belief in God.

6. Population Services International

Organizational Snapshot: Population Services International (PSI) is a large, international (60 countries) health-related social marketing NGO that cooperates with the Kenyan Ministries of Health and Sanitation and other key government stakeholders. Its aim is to improve the lives of vulnerable populations through HIV, TB, reproductive health, maternal and child health, and neonatal care programs. PSI has a health services delivery division that handles franchising and promotes family planning through private providers as the government is unable to deliver universal services. PSI also has a department that sells condoms and other health-related products. Prompted by donor organizations, PSI now partners with other community organizations to expand its reach into communities.

Partnership Opportunities: PSI staff will assess training, internship, and employment opportunities for CFK youth. PSI itself does not provide direct services, but can talk to its partners (e.g. AFIA) concerning their training, internship, and employment opportunities. A PSI project director has a commitment to serving Kibera because of prior experience with a sexual violence program there.

7. Safaricom Foundation

Organizational Snapshot: Safaricom Foundation is the philanthropic arm of Kenya’s largest mobile phone service provider established in 2003 whose mission is “to partner with local communities to address social, economic and environmental issues to foster positive and lasting change.”

Partnership Opportunities: Because the foundation itself is not involved in Safaricom’s human resource decisions, the discussion focused primarily on the foundation’s funding priorities and

application process. However, it was learned that Safaricom hosts paid internships. Safaricom Foundation supports a community library in Kibera through CFK and supports Junior Achievement, which offers job shadowing for youth, and youth livelihood projects, such as chicken rearing. Unsolicited proposals are accepted by the foundation on a rolling basis and reviewed by its Board of Trustees. The foundation will announce a new strategic plan and funding priorities at the start of 2013.

8. Standard Chartered Bank

Organizational Snapshot: Kenya's oldest foreign-owned bank with a 27% market share and two core divisions: wholesale and consumer banking. The bank "supports projects that focus on the socio-economic development of the youth with a heavy emphasis on health and education."

Partnership Opportunities: Standard Chartered Bank (SCB) philanthropic/Corporate Social Responsibility (CSR) areas of focus are health, education, and the environment. SCB employees volunteer three days a year to help meet the needs of communities and may be able to help arrange for doctors to come to the Tabitha Clinic to perform eye exams through its "seeing is believing" charity. Regarding youth economic empowerment, SCB has a financial literacy training module that CFK can access, yet it cannot commit to temporary employment for youth because of required banking skills. SCB provides internships and temporary employment to help girls transition from secondary school to universities.

9. Craft Silicon⁶

Organizational Snapshot: An international information technology company that provides software solutions for the banking industry and other large and micro-financial institutions with Africa regional offices based in Kenya.

Partnership Opportunities: Craft Silicon's corporate foundation has a program that targets disadvantaged youths living in informal settlements such as Kibera. The program trains youth with basic information technology (IT) skills for three months, after which qualified youth are selected to receive an additional six months of mentoring and advanced IT training (e.g., web design, software applications).

10. Kenya Youth Employment Project (KYEP)⁵

Organizational Snapshot: KYEP is a four-year Government of Kenya pilot project with support from the World Bank that addresses issues of lack of skills and work experience for at-risk youth in Kenya. The project's main objective is to improve youth employability and integra-

⁶ Meetings held in October 2012 with CFK staff.

tion into the work environment by providing training and internships. KYEP hopes that at least 50% of youth who complete internships subsequently secure employment or start their own businesses. To date, KYEP has implemented two program cycles and is entering a third cycle that concludes in 2014.

Partnership Opportunities: A partnership between CFK and KYEP was not discussed, yet much was learned about KYEP's efforts that might inform CFK's youth economic empowerment project:

- Priority is given to helping youth gain employment in six high growth sectors that are identified in Kenya's Vision 2030: Energy, Finance, Tourism, Information and Communications Technology (ICT), Manufacturing & Medium and Small Enterprises (MSE), though companies outside of these sectors are also engaged.
- KYEP outsources the initial three-month training, which is very basic and includes the following modules: 1. *Life skills* (e.g. decision-making, leadership, interpersonal skills, CV writing, work ethics, time management, self-awareness, first aid) 2. *Core Business training* (e.g. ICT basic skills, customer service, presentation, communication) 3. *Entrepreneurship* (e.g. business plan, SMEs, marketing) and 4. *Sector specific information* (tourism, energy, ICT, Manufacturing & MSE and finance) that KYEP focuses on.
- Interns receive a stipend of Ksh 6,000 per month during three to six month internships. Internship runs for a period of 3-6 months. Employers are also offered a payment of Ksh 3,000 per month, but most decline this payment.
- Enrollment criteria are very broad: age 15 to 29 years, minimum of Kenya Certificate of Primary Education (KCPE), and not working. Equal numbers of both skilled (with a diploma or degree) and unskilled youth are enrolled. In training and internships, youth are grouped according to their qualifications and capabilities.

Specific recommendations from KYEP for CFK included:

- Narrow the scope of training based on the interest of CFK youth. KYEP notes that Kenyan youth are mostly interested in ICT, entertainment, food and beverage services, and events management. Only a few are interested in informal sector trades (e.g. carpentry, electronics, welding).
- Target eligibility to youth based on CFK's understanding of youth's character and challenges they have overcome.
- Design training to include life skills, basic office technical skills (e.g. ICT and customer service), and entrepreneurship. These are broad skills in demand among many employers.
- Work with just a few employers. Too many is unmanageable.

Evaluating Business Partner Capabilities and Project Fit

Based on the data from meetings reported above, Table 2 below offers a way for CFK staff to rate

each prospective partner based on different factors that may affect the success of the economic empowerment project. As CFK meets with additional prospective partners, it can add data to the table to help guide its partnership decisions. CFK may also wish to change criteria ratings and/or add, delete, or change evaluative criteria.

Table 2: Partnership Evaluation Matrix

Company	Interest in Serving Youth	Marketable Skills	Paid Internship	Fit & Capacity	Partnership potential	Total Score
Each criterion is given a rating on a scale of 1 to 5, with 1 = low; 3 = medium; 5 = high						
AHADI Kenya Trust						
AMREF						
Athi Water Services Board						
City Hopper Ltd.						
Onpoint IT						
Population Services Intl						
Safaricom Foundation						
Standard Chartered Bank						
Craft Silicon						
KYEP						

Criteria Legend

Interest in Serving Youth: The extent to which the company appears interested in helping youth access training, internship, and employment opportunities.

Marketable Skills: The extent to which training, internship, and/or employment opportunities with the company will help youth gain skills that give youth a competitive advantage in the labor market.

Paid Internship: The potential for youth to be offered paid internships by the company.

Fit & Capacity: The extent to which there is a good fit between CFK youth’s knowledge and skills and the company’s entry level requirements for interns. Also, the extent to which the company has the expertise and resources to offer training and internship opportunities to a sizable number of youth (perhaps 20-25 youth), including quality supervision and a focus on career development (e.g. mentoring, networking, recommendations).

Partnership potential: The extent to which the company is interested in working with CFK and CFK’s interest and comfort in working with the company based on shared interests and working styles.

Chapter 3: Next Steps, Challenges, & Opportunities

Additional work is needed to design the training, internship, and employment component of an economic empowerment project for CFK youth, ages 16 to 24. CFK staff will follow up with companies regarded as viable partners to outline specific mutual responsibilities that can be documented through Memoranda of Understanding.

No meetings were held the week of August 6, 2012 with organizations that already provide training and internship opportunities for youth in Nairobi, such as CAP Youth Empowerment Institute, Garissa Youth Project, Help Employment Need in Kibera (HENK), Junior Achievement, Kenya Youth Empowerment Project (KYEP), and the Youth Employment Initiative (YEI) of Nairobi. The advantages of a partnership with one or more of these organizations may include:

- tapping into existing partnerships and networks to place youth in training and internship positions with area companies;
- working with organizations that have established hard and soft skill training curricula and resources; and
- working with organizations that have existing funding from major donors like USAID and MasterCard Foundation, lessening the financial sustainability burden for CFK.

In negotiating MOUs with companies and youth economic opportunity NGOs, CFK may wish to focus on the following questions:

1. Does CFK have the current capacity and resources to offer hard and/or soft skills training or would it need a partner to offer this training?
2. Does the partner have existing funding for hard and/or soft skills training? If not, how much funding would CFK need to raise to pay for this training?
3. If a partner were to provide hard and/or soft skills training, how much experience does it have in training youth from disadvantaged communities such as Kibera?
4. What steps might the partner take to ensure that young women have the same or similar training and internship opportunities as young men?
5. To what degree can the partner help CFK youth develop marketable skills and gain work experience through internships that will enable the youth to transition to temporary and permanent paid employment?
6. To what degree do youth's current sources of income cover their cost of living? Does the partner have the funding to offer a stipend to interns or will CFK have to raise the funds to do this?
7. What will CFK's role be in responding to a partner's concerns about youth performance?
8. Does CFK have the current capacity and resources to offer mentoring to the youth or will it need a partner to assist with this and at what cost?

Opportunities and Challenges

Opportunities of a project that engages companies in offering training and internships to youth include:

- Developing a diversified pool of Nairobi-area companies through which youth can access new opportunities.
- Creating pre-negotiated career development “pipelines” for youth.
- Training provided by companies will likely be better aligned with companies’ labor needs than training offered by a third party.
- Giving youth a competitive advantage of being hired by a company through which they completed internships compared to other applicants who did not complete internships.

Challenges associated with this model include:

- Demand among youth for internships that exceeds the supply of intern positions with selected companies.
- The inability or unwillingness of companies to pay youth a stipend while they complete training and internships.
- The inability or unwillingness of companies to offer youth jobs upon completion of internships.
- Developing skills that are highly specific and not transferable to other employment opportunities.

Designing Other Intervention Components

This report focuses on the training and internship components of an economic empowerment project for older youth (ages 16 to 24). It does not describe the savings and asset building part of the intervention concept nor does it describe a financial inclusion intervention for younger youth (ages 10-15). However, the UNC School of Social Work team anticipates that it will be easier to design the savings and asset building components for older youth and financial inclusion for younger youth than the challenge of negotiating partnerships for training and internship opportunities.

Evaluation

Once the intervention design has been finalized, the UNC School of Social Work team will work with CFK to develop an evaluation plan to determine the impact of the intervention on economic outcomes for youth, such as the development of new employment skills and increased income and savings. It will be important for CFK and the UNC School of Social Work team to jointly determine the feasibility of an experimental or quasi-experimental research design. For instance, youth might be randomly assigned to either participate in the economic empowerment project or receive services as usual or CFK may wish to use a method like a waitlist control group so that some youth are not denied the chance to participate (i.e. their participation would only be delayed).

If multiple partnerships are formed with companies to offer training and internships, it may be difficult to attribute outcomes (e.g. skills, income, and savings) to a standard set of intervention activities. In other words, it is possible that each company will offer a unique intervention for youth.

Financial Sustainability Considerations

Economic empowerment for CFK youth via training, internships, formal employment, financial inclusion and savings represents a new area of programming for CFK. CFK should consider strategies that might increase its ability to sustain this new area of programming well into the future, such as:

- Seeking initial funding from a private source;
- Seeking sub-grant/contract opportunities through larger NGOs that receive funding from government, bilateral (e.g. USAID), and multilateral (e.g. World Bank) sources to implement the project beyond a pilot period;
- Developing partnerships with other NGOs that can provide in-kind commitments of training and internship resources through MOUs;
- Developing partnerships with companies that have their own financial resources to provide training and paid internship opportunities to CFK youth, where possible; and
- Communicating the value of CFK's efforts in meeting the labor needs of area companies so that over time, CFK is viewed as a viable business partner that can act as a broker for highly employable and productive youth and less as a charity.

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Appendix 1: Youth Workforce Development Program Design Principles

A well-designed youth workforce development program meets the education, training, and employment-related needs of a targeted group of youth. It also focuses on putting in place a supportive policy and institutional environment so that learners gain access to jobs and employers benefit from increased workforce productivity.

Workforce education and training programs for out-of-school, unemployed youth can have a variety of objectives, depending on the makeup of the youth population. For example, some programs help out-of-school youth re-enter the formal school system; others provide basic education coupled with initial work experiences so out-of-school youth can have an income and develop basic employability skills; while still others combine education with an opportunity to serve as an intern and/or apprentice in industries in which youth have an occupational interest. Programs for out-of-school youth are generally offered by NGOs and private and religious organizations outside the traditional school setting. Well-designed, youth-focused education programs tend to be more flexible in their delivery modes and locations. They also often provide links to employment opportunities and long-term follow-up services for their graduates.

Before embarking on the design of a youth workforce development program, the following questions should be addressed:

1. What components are indispensable for youth workforce programs to be successful?
 - Components may include training, internship with private companies, evaluation and monitoring
 - Training:
 - What are the work-related skills competency that should be included in the training (e.g. life skills, employability skills, information technology (IT) skills, technical or vocational skills, sector-specific training, other work-related skills)?
 - What are the most important skills youth need for employment?
 - Internship:
 - For youth to acquire work experience and skills through the private sector and gain an opportunity to find a regular job, what are potential internships or placements available to youth?
 - How are we going to select potential employers?
 - Would youth be matched with a potential employer? How?
 - Evaluation and Monitoring: Refers to both the internship process and impact evaluation.
 - What will be the mentoring procedures (e.g. will it be the responsibility of the employer, or a designated supervisor, to provide regular feedback to youth intern on their performance throughout the period of the internship)?

- What type of records will be kept (e.g. monthly workplace reports that provide a record of training provided, attendance, and skills obtained; or an intern’s daily diary to keep record of their training activities and internship/workplace experience, as well as tasks undertaken and skills acquired)?
 - What will be the monitoring and evaluation systems to be put in place (e.g., management information system, complaints handling mechanism, beneficiary assessment, and impact evaluation—baseline and follow-up surveys)?
 - What is the projected period of time over which the program is expected to demonstrate impact? Workforce programs can have short- or long-term impacts. For example, a short-term impact would be a focused effort to improve specific skills such as life-skills training.
2. What will be the scope of the employers’ participation in the project?
 - Will the program be employer-driven to ensure both the commitment and ownership of the intern program and relevance of the training provided?
 3. What will be amount of stipend to interns? Will there be similar incentives provided to employers?
 4. What will be the completion process after participation in the training and internship? For example, will a completion certificate be issued to the youth at the conclusion of their training and internships, and to all those who have successfully completed the program requirements?
 - In addition, will the program provide a link (i.e., assistance finding regular employment) for youth interns after completion?
 5. What works best for specific segments of youth, particularly youth from Kibera?
 - How are we going to find out what works best for youth from Kibera?
 6. What is the strategic focus within which workforce programs will be implemented?
 - In establishing partnerships, do we focus on potential growth sectors?
 - How does the program link with Kenya’s Vision 2030?
 - Kenya’s Vision 2030 priority sectors: Tourism, Agriculture, Wholesale & Retail Trade, Manufacturing, Business Process Outsourcing, and Financial Services.
 - Social pillar (key sector): Gender, youth, and vulnerable groups; equity and poverty elimination; and education and training
 - What are the roles of the education (i.e., the training we will provide) and economic growth sectors, and how can they best work together? (Almost all workforce development programs need some integration of education and training efforts with economic policies that help create jobs and job opportunities. The challenge comes in developing organizational

mechanisms that support the integration of efforts between the education and economic growth sectors. How do the two sectors work together? Which sector takes the lead? How can activities that take place in one sector have a positive impact on activities in the other sector?)

7. How is the relationship being defined between workforce demand and supply?
 - All workforce development programs need to build links between the skills needed to support new or existing jobs (workforce demand) and the capabilities of education and training providers to train people in those skills (workforce supply).
 - How do we establish employment links between employers and employees? Or in this project, between interns and placements? One way to do this is through labor market assessment (*see section on Labor Market Assessment*).

Some types of workforce programs (e.g., a program intended to support more relevant secondary school education) require a more broad-based approach to the promotion of links between education and employment, (i.e., an approach that can also respond with advice and counseling to a range of career aptitudes and interests of learners). Such broad-based approaches to education and employment links include school-to-work transition programs, career counseling, and job placement programs.

Profile of Youth Workforce

Programs to increase workforce capacity can focus on a wide range of target populations, for example, secondary school-aged, out-of-school youth; secondary school-aged, in-school youth; unemployed, recent university graduates; unemployed illiterate adults; unemployed literate adults; etc. Within each of these categories, there are important variables to be considered in developing a profile of our target population (e.g., gender, geographic location, educational status). Below is a sample checklist of key variables to organize a target workforce profile.

A. Socio-Economic Background Factors

- Age range
- Gender
- Family status
- Household income
- Household dependents
- Ethnicity
- Geographic location

B. Education Status

- No formal schooling
- Primary school dropout
- Primary school completer
- Secondary school dropout
- Secondary school completer
- Tertiary education degree
- Functionally literate
- Lack of literacy skills

C. Work-Related Skills Competency

- Life skills
- Employability skills
- Information technology (IT) skills
- Technical/vocational skills
- Other work-related skills

D. Employment Status

- Still in school
- Employed
- Self-employed
- Unemployed, looking for work

E. How to Provide Education and Training to Youth

- Through primary and secondary schools
- Through NGOs/CBOs
- Through private sector education and training providers

Labor Market Assessments

An essential component of all workforce development efforts is the organization of links between labor market needs (demand) and the programs of education and training providers (supply). Labor market assessments are the vehicle through which providers are able to understand workforce demand.

Objective: To establish internship links between youth and private sector employers

- Labor market assessments can be undertaken at different levels. For example, looking at the employment needs by industry or industry cluster, by country region, or even by community.
- Labor market assessments are conducted by reviewing existing labor market data and through interviews and focus groups with employers and employer associations.
 - Examples of the kinds of questions that can be asked include:
 - ◆ What kinds of educational background and/or experience does your company need to compete?
 - ◆ Where are companies experiencing labor shortages and surpluses? What skills are in short-supply?
 - ◆ How far (distance) do companies go to fill key positions that may require scarce skills or experience?
 - ◆ What are the leading strengths and weaknesses of new hires according to employers?
 - ◆ How much are companies willing to invest to improve their skills?
- Conducting a labor market assessment is particularly important for workforce programs that are intended to support targeted economic growth goals and strengthen the competitiveness of local industries.
- Labor market assessments can also be helpful for community-based workforce development programs, where the goal is to create job opportunities for unemployed youth or adults.
- The nature of our project means that we also have to ask questions regarding the fit between potential employers and employees (in our case, interns) who may not have a college or university education.
 - What is the vision of potential employers?
 - What skills are needed?

Organize Training Provider/ Employer Partnerships

Many workforce development projects benefit from the organization of partnerships that connect key education and training providers with private sector employers. Such partnerships can take on many different forms and support a variety of activities, for example:

- The provision of internships and mentorships by employers for education and training.
- Participation by employers in the development of training curricula.
- The use of experts from industry in the provision of training.
- The provision of funds and other resources by employers for the construction of training provider facilities, the purchase of materials, scholarships for disadvantaged students, etc.

Youth Workforce Development Program Model



(4) Construct Links with Private Sector

Establish Employment Links

Organize Training Provider

Organize Employer Partnerships

(5) Design and Implement Relevant Workforce Education and Training Strategy

Select Appropriate Program Model

Establish Skills/ Learning Standards

Design Effective Instructional Systems

Strengthen Capacity of Education and Training Service Providers