Youth assets for employability:
An evaluation of youth employability interventions

BASELINE REPORT

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Siyakha Youth Assets

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Through those early contacts and discussions Prof Leila Patel (the principal investigator) came to conceptualise a study on the role of youth employability programmes in addressing youth unemployment. To date, this is the first comprehensive study assessing the effect that this sector has on addressing youth unemployment. Her ideas were refined and consolidated through interactions with Prof Gina Chowa and Prof Lauren Graham (co-principal investigators). Thanks to Prof Michael Sherraden and Prof Margaret Sherraden who assisted with the conceptualisation. Patrick Mpahle, then of the NYDA, was critical in bringing key role players who could participate in the study together.

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<thead>
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<tr>
<td>ATS</td>
<td>Afrika Tikkun Training Services</td>
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<tr>
<td>CDE</td>
<td>Centre for Development and Enterprise</td>
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<td>CSDA</td>
<td>Centre for Social Development in Africa</td>
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<td>CSG</td>
<td>Child Support Grant</td>
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<td>CBPWP</td>
<td>Community-Based Public Works Programme</td>
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<td>DOL</td>
<td>Department of Labour</td>
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<td>DPME</td>
<td>Department of Planning, Monitoring and Evaluation</td>
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<td>DPRU</td>
<td>Development Policy Research Unit</td>
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<td>DTI</td>
<td>Department of Trade and Industry</td>
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<td>EPWP</td>
<td>Expanded Public Works Programmes</td>
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<td>ETI</td>
<td>Employment Tax Incentive (also known as the Youth Wage Subsidy)</td>
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<td>FFLFFW</td>
<td>Fit for Life Fit for Work</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>HFIAS</td>
<td>Household Food Insecurity Access Scale</td>
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<td>IEC</td>
<td>Independent Electoral Commission</td>
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<td>ILO</td>
<td>International Labour Organisation</td>
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<td>J-PAL</td>
<td>The Abdul Latif Jameel Poverty Action Lab</td>
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<td>LEED</td>
<td>Local Economic and Employment Development</td>
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<td>LMIP</td>
<td>Labour Market Intelligence Project</td>
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<td>LPI</td>
<td>Lived Poverty Index</td>
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<td>NDP</td>
<td>National Development Plan</td>
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<td>NEET</td>
<td>Not in Employment, Education or Training</td>
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<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<td>NIDS</td>
<td>National Income Dynamics Study</td>
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<td>NMW</td>
<td>National Minimum Wage</td>
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<td>NYDA</td>
<td>National Youth Development Agency</td>
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<td>National Youth Policy</td>
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<td>NYS</td>
<td>National Youth Service</td>
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<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
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<td>PAYE</td>
<td>Pay As You Earn</td>
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<td>PEP</td>
<td>Public Employment Programme(s)</td>
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<td>PII</td>
<td>Poverty and Inequality Initiative</td>
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<td>QLFS</td>
<td>Quarterly Labour Force Survey</td>
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<td>RAA</td>
<td>Raymond Ackerman Academy</td>
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<td>RIE</td>
<td>Realist Impact Evaluation</td>
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<td>SADC</td>
<td>Southern African Development Community</td>
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<td>SALDRU</td>
<td>Southern Africa Labour and Development Research Unit</td>
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<td>SARS</td>
<td>South African Revenue Service</td>
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<td>SASSA</td>
<td>South African Social Security Agency</td>
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<td>SBSA</td>
<td>Standard Bank South Africa</td>
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<tr>
<td>SDL</td>
<td>Skills Development Levy</td>
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<tr>
<td>SETA</td>
<td>Sector Education and Training Authority</td>
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<td>SSA</td>
<td>Sub-Saharan Africa</td>
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<tr>
<td>TSI</td>
<td>Thabiso Skills Institute</td>
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<tr>
<td>TVET</td>
<td>Technical and Vocational Education and Training</td>
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<tr>
<td>UCT</td>
<td>University of Cape Town</td>
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<td>UJ</td>
<td>University of Johannesburg</td>
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<td>YEP</td>
<td>Youth Employability Programme</td>
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1. INTRODUCTION

Each year a new cohort of young people exit the schooling system and begin their journey to education and into the labour market. Some, mostly those who have come from middle-class and privileged backgrounds, make the transition from school to higher education and on to employment relatively seamlessly. The majority of South Africa’s youth, however, are trapped in a protracted struggle to access post-secondary education or training or to get their first job. The pathway to employability and to work is uneven, difficult, and is often marked by numerous unsuccessful attempts by disadvantaged young people to find work or to obtain skills. Many become discouraged work seekers and end up in long-term chronic unemployment which perpetuates the intergenerational cycle of poverty in poor families and inequality in society.

Youth unemployment has reached crisis proportions. The 2016 Quarterly Labour Force Survey: Quarter One (Statistics South Africa 2016a) put the unemployment rate for young people 15–24 years old at 55% - up from 50% in the previous year. The situation has worsened since 2008 both in terms of unemployment rates and disengagement of young people from the labour market (Statistics South Africa 2015a). Further, high numbers of young people are not only unemployed but are also not in education or training. In 2015 almost one third of young people between 15 and 24 years were in this position. These young people are at high risk of chronic unemployment and poverty with young women and African and Coloured youth being most vulnerable to unemployment and poverty (Graham and Mlatsheni 2015).

South Africa’s youth unemployment rate is markedly high in relation to most other countries. Globally, youth unemployment is typically higher than the general unemployment rate (owing to lags in getting into the labour market for youth). In 2014, the global youth unemployment rate was 13% with significant variations between regions and countries (International Labour Organisation (ILO) 2015). Youth unemployment is declining especially in developed economies with the exception of Spain, Greece and Italy that were most severely affected by the global economic crisis of 2008. Similar declines have been noted in the Sub-Saharan Africa region while in the Middle East and North Africa, rates have increased (ILO 2015).

The growing problem of youth unemployment in South Africa is indicative of the structural problems of the economy, the dynamics of the labour market itself and the education system. Low economic and employment growth and low labour absorption rates of people with less skills compared to those who are better qualified are cited as some of the reasons for the unusually high rates of unemployment among young people. Ongoing inequalities in access to the labour market due to a range of factors such as gender inequality, geographic location, time and costs of travel due to distances between home and work, inadequate access to quality primary, secondary and further education, have contributed to young people being ill prepared to create and take up jobs in a labour market that increasingly demands high levels of skills (Seekings and Nattrass 2005; Banerjee et al. 2007; Spaull 2015). Shifts in youth unemployment will therefore require significant changes in both the education system and the labour market itself coupled with economic growth strategies that prioritise jobs and that can absorb the increasing numbers of unemployed people, not just youth.

Despite these challenges, some young people find their way into various public, private and the non-profit organisations that provide learning and employment support. What might we learn from young people and the organisations that have taken up the challenge of finding solutions to youth unemployment in South Africa? Can these solutions provide pointers for collective action? These are urgent questions that need a thoughtful response. Reliance on untested solutions can only lead to further delays, mounting frustration among young people, loss of human capital and social and political instability.

1.1. Finding solutions to the challenge

Youth unemployment is firmly on the national agenda (The Presidency, Republic of South Africa 2015). A great deal of public policy and programmatic attention has been and continues to be paid to the issue, albeit with limited positive impact at this stage. These initiatives include public employment programmes such as the Expanded Public Works Programme (EPWP) and the Community-Based Public Works Programme (CBPWP) that have had a long-standing youth target intended to draw more young people into public sector temporary employment. The National Treasury’s Jobs Fund and The Employment Tax Incentive (ETI) are further attempts to encourage employers to create work opportunities for young work seekers (South African
Revenue Service (SARS) 2016; National Treasury 2011). Leading edge research is under way that could provide insight into policy and programmatic interventions. Examples include experimental research into the effects of the introduction of a transport subsidy for young work seekers (The Abdul Latif Jameel Poverty Action Lab (J-PAL) 2016); the development of skills to improve job applications by youth (R Burger 2016) while the Department of Labour (DOL) is assessing the potential effects of a National Minimum Wage (NMW) for South Africa on the employment prospects of youth (Patel et al. 2016). There is also a growing interest in evidence based youth employment interventions to facilitate youth labour market transitions and scale up of such interventions (Department of Planning Monitoring and Evaluation 2016). These responses are aligned to the call of the National Development Plan (NDP) for high level social policy and programmatic interventions to create employment opportunities for young people. The NDP cautions against the potential instability that may arise from a failure to act (National Planning Commission 2012, 16).

The youth unemployment challenge has prompted a range of innovative labour market interventions by civil society, the private sector and government. These initiatives can be broadly categorised into four forms and are aimed at:

• Enhancing the employability of young work seekers by means of developing their human capabilities through technical and social skills, strengthening their social capital, and entrepreneurship or small business development such as small business incubators. These programmes are often described as supply side interventions and attempt to overcome the skills gaps and a lack of work experience of young work seekers.

• Job creation, and the enhancement of the demand for young workers, such as impact sourcing1, the ETI, public works programmes, youth service and volunteering including labour market regulation and activation policies.

• Decreasing the barriers to accessing the labour market and to educational opportunities at strategic points, which can serve to smooth the pathway of young people as they exit the school system. Examples of employment support services provided by some organisations include improving information flows about labour market opportunities and connecting unemployed youth to work opportunities (Graham 2014; Dieltiens 2015). Particular types of interventions aim to decrease the cost of the job search by means of, for example, transport subsidies; by increasing access to the labour market and to post-secondary training opportunities; and improve work-readiness through gaining work experience.

• Developing knowledge of financial literacy and access to saving for further education and training, which is a significant constraint for unemployed youth. Many lack competencies in financial literacy which limits the building of their financial capabilities and assets. Although fewer youth employability programmes (YEPs) offer financial education programmes, this is an innovation which has been tested in other developing countries to promote financial inclusion and a culture of savings among youth to mitigate risk, smooth consumption and support job search activities.

Initiatives of this kind are indicative of the commitment of a diversity of actors, both state and non-state, in reducing youth unemployment rates. Evidence-based social interventions that could counter past and continuing patterns of social and economic exclusion that underlie youth unemployment are, however, sorely needed.

1.2. Study description

The Siyakha Youth Assets study is a longitudinal study that contributes to filling this knowledge gap and could contribute to evidence-based employment interventions that may prevent long-term chronic unemployment. The study focuses on youth employability programmes that aim to enhance the employability of young people. More specifically it includes those programmes that firstly, offer human capability skills (that is, social skills that enable young people to function effectively in the work environment); secondly, technical and or vocational skills; and finally, opportunities to increase work experience in order to prepare them for the labour market and smooth their transition to employment.

Youth employability programmes that form part of the study include: loveLife groundBREAKERS, Fit for Life Fit for Work, Thabiso Skills Institute, Raymond Ackerman Academy, Harambee Youth Employment Accelerator, the National Youth Development Agency YouthBuild programme, Afrika Tikkun Training Services, and EOH learnerships programme. Taken together, these organisations and programmes represent a significant investment in training provision for the workplace and offer accessible alternatives to formal post-secondary education for young people. Yet, we know little about their impact. Do they in fact assist young people to find work? What elements of their programmes are most effective? And how can lessons be shared across programmes to strengthen, consolidate and scale up the offerings within the sector?

The study is premised on the assumption that young people have dreams, that they want to study and to work, and that they have a range of assets that could contribute to programme success such as their own

1 A process of working with employers to shift their perceptions of who they consider to be “employable” in order to promote more inclusive recruitment and placement processes. Youth are not typically seen as viable employees because of perceived training costs and lack of work experience. Shifting employers’ perceptions of youth is important as a strategy for enhancing demand for young workers.
ideas, motivations and energies to make a difference in their lives. It is akin to Gidden’s (1984) notion of human agency defined as the “capacity of the individual to make a difference to a pre-existing state of affair[s]” (Giddens 1984, p.14). We take the view that young work seekers are active participants in achieving their goals. While constrained by systemic barriers in the labour market, educational system and the structural nature of unemployment in South Africa, they are nevertheless motivated to make constructive decisions, use the opportunities available to them and their resources and networks to take appropriate action. But, on their own they are unlikely to overcome these formidable barriers. Appropriate public, private and voluntary sector employability initiatives have stepped in to meet this challenge.

From a social development perspective, social and human capital investments alone are not enough to promote positive social development outcomes. The theory of social development promotes the idea that a combination of social and financial/economic interventions are needed to enhance human development outcomes. We therefore hypothesise that a combination of social and economic youth employability interventions are likely to lead to the best development outcomes for the youth themselves and for their families, with positive long-term returns for society at large (Patel 2015). Applied to this study, the youth employability programmes on their own represent investments in human capital development which in and of themselves may lead to better employability and employment outcomes. But if a financial capability intervention were to be added, the outcomes should be even better. We therefore developed a financial capability intervention to be added to the existing employability interventions offered by the youth employability programmes. Financial capability is taken to refer to financial literacy and the opportunity to use and apply the knowledge required through gaining access to financial products and services (Johnson and Sherraden 2007). In this study we developed a financial literacy module focused on savings and, in partnership with Standard Bank South Africa, access to a savings account was provided.

Aims and objectives

The overarching aim of the study is to assess the impact of youth employability and financial inclusion interventions to more effectively support young people in the transition to work. We envisage that the results of the ‘Siyakha project’ may be useful to inform policy and programmatic interventions to enhance youth employment.

Overview of the methodology

The study is set up as a comparative, longitudinal research design. The eight organisations mentioned above deliver programmes across 48 sites nationally. In each site we have collected data from a sample of participants as they enter the programme and as they exit the programme. Data will again be collected nine and 18 months after completion of the programme from the same participants. The research design will allow us to test the relative effects of the different programme types - whether a short or longer-term programme is more effective, what combination of practical and classroom based training seems to be most effective, and whether the sector they are training for has any effect on the outcome.

In addition, 24 of the sites were randomly selected for participants to also receive the financial capability input (training and savings account). We will thus be able to assess whether the addition of a financial capability component enhances outcomes for young people or not.

The experimental design allows us to test the effect of the treatment (the financial capability intervention). It does not allow us to assess the effect of the youth employability programmes on their own, primarily because a control group of participants not in youth employability programmes is not possible to find2. For this reason we will also be engaging in a realist impact evaluation (RIE) with a sample of participants from across the programmes; the purpose of which is to qualitatively assess the role played by the youth employability programmes in their pathways to work. It is used to specifically assess the outcomes of a programme and to comment on the programme impact in relation to the context in which it operated, the target group it intended to reach, and its stated aims and objectives (Kazi 2003).

1.3. Conclusion

In summary, this intervention research study has begun to implement and rigorously test a simple concept to address youth unemployment in South Africa. It will provide evidence that could guide sustainable social investments in the development of the human capabilities of young people in collaboration with the private sector, government and NGO partners. Initial lessons on what is working within the sector, and how to better integrate, enhance and or improve the programme effects could emerge from the findings. This report is the first in a series that will continue to share knowledge that could inform social policies and practice on the long-term outcomes of youth employability programmes. The study makes a contribution to evidence-based social policies and programmes to address youth unemployment in South Africa.

2 Because participants self-select into the programmes an adequate control group of young people not going through the programmes at all was impossible to locate.
2. YOUTH PATHWAYS TO THE LABOUR MARKET

A further interrogation of the challenge, and particularly the nuances of what drives it, is necessary in order to understand how to better address the problem. So too is an analysis of what we know works globally. For instance, we need to understand:

- What the global and local structural features of the challenge are
- What the individual and community level explanations of the challenge are
- What lessons can be learned from international evidence on youth employment solutions, and
- What role financial capability interventions can play in addressing youth employment?

This chapter of the report considers the above in more detail and the evidence of what drives the youth unemployment challenge. It also outlines the theoretical approach that was adopted including the conceptual framework that guided the study.

2.1. The global youth unemployment landscape

A key challenge driving high levels of unemployment has been the recessionary economic environment around the world since 2008, and accompanying policies of austerity, which have led to increasingly fiscally constrained governments who spend less on higher education and employment creation (African Economic Outlook 2014; World Economic Forum 2014; Branson and Zuze 2012; Mlatsheni 2012). The result was that between 2009 and 2012 youth unemployment rates in most regions steadily rose (International Labour Organisation (ILO) 2012b). Explanations for this include a general loss of employment over this period; but also that young people were particularly badly affected by the downturn given that they usually join the labour market queue last and with the least work experience. Since then both employment rates and youth employment rates have started to recover, albeit with differences across regions. However, youth employment rates are yet to return to their pre-2008 levels (International Labour Organisation (ILO) 2015).

The global trends in employment for youth also point to the precarity of work for youth. The ILO notes the reduction in the numbers of permanent, stable jobs occupied by youth, coupled with an increase in temporary work, informal work and other forms of vulnerable work. In part this is led by increased technological advancements that shrink the numbers of available jobs (International Labour Organisation (ILO) 2015).

These features of the changing nature of employment for youth no doubt also influence South Africa. We did for instance see significant job losses in the period following the 2008 financial crisis. Similarly, a sustained period of low to no job growth has been evident (Mahadea 2003; Aitman 2007; Darma Mahadea and Simson 2010), which has meant that there are fewer jobs available to be taken by young employees.

2.2. The South African youth unemployment landscape

In the first quarter of 2015, Stats SA estimated that the unemployment rate for youth aged 15 to 34 was just under 37%, compared to 17% among adults aged 35 to 64 (Statistics South Africa 2015a). Incorporating the numbers of young people who are unemployed but who have given up looking for work, would place the unemployment rate among young people over 44% (Graham and Mlatsheni 2015). And in the first quarter of 2016, the unemployment rate (including only active job-seekers) for 15- to 24-year-olds was about 55% – up 5% on the previous year (Statistics South Africa 2016a). What is of most concern is that these figures have increased since 2008 owing in part to an increase in discouraged work seekers in this cohort (Statistics South Africa 2015a).

Of even greater concern than youth unemployment is the issue of young people who are neither in employment, nor education or training – commonly referred to as NEET (Not in Employment, Education or Training). Of the almost 10.2 million young people between the ages of 15 and 24 years, 33% are NEET (Graham and Mlatsheni, 2015) and therefore fall into a particularly vulnerable group as they are “neither improving their future employability through investment in skills nor gaining experience through employment” (Statistics South Africa 2015a). They are arguably the most vulnerable to chronic unemployment and poverty as well as social exclusion.

Although officially the NEET rate is measured for youth between the ages of 15 and 24, it is worth considering how the NEET rate changes across the extended age range of 15 – 34 years to assess patterns of vulnerability. The proportions of youth who are NEET remains low for 15 – 17-year-olds, many of whom are still at secondary school, but rises quite dramatically for 18 – 25-year-olds, peaking at 51% for 21 – 25-year-olds. Thereafter the proportion of NEETs declines somewhat. However, for 30 – 34-year-olds the rate is still 42% (Graham and Mlatsheni 2015). This suggests that over time some young people are finding their way into employment, however a 42% NEET rate for 30 – 34-year-olds is still alarmingly high, and these are likely to be people who end up in chronic unemployment throughout their lives.

As can be expected – youth with less education are more likely to be NEET (Statistics South Africa 2015a). For example, 58% of young people aged 21 – 25 years who have not completed secondary education are NEET, while for those with some post-secondary education only 36% are NEET. In the same way that young women are more vulnerable to unemployment than young men, they are also more likely to be both unemployed and not in education or training: 36% of young women 15 – 24-years-old are NEET, compared to only 30% of young men (Graham and Mlatsheni 2015).
South Africa’s growing youth unemployment challenge is in part driven by a high general unemployment rate and it is to this landscape and the explanations for its persistence that we turn first before considering the specific features of the labour market that might explain the particularly high unemployment rates affecting youth.

Explanations for unemployment

For the past two decades South Africa has experienced low to no job growth. In the six years leading up to 2001 for instance GDP growth went hand-in-hand with labour displacement due to the use of new technologies (Mahadea 2003). In 2002 the tide began to turn with modest job gains as GDP grew, reaching a peak in 2008 (Mahadea and Simson 2010). However, even then the job growth was low. As Mahadea and Simson (2010) note:

Except for the year 2008, the ratio of GDP growth to employment growth has been far less than one, reflecting that South Africa’s job creation performance against GDP has been rather weak for most years of the period 2002-2008.

Burger and von Fintel (2009) also explain that the high levels of unemployment can be explained by increases in labour market participation during economic downturns (as people lose jobs and move into the job searching) combined with slow labour market absorption during economic upswings, leading to sustained high levels of unemployment. One of the reasons for low levels of labour absorption despite economic growth, is that in the post-apartheid period economic policy shifted from a growth in job intensive sectors such as agriculture and mining, towards a high-technology growth path. In turn, this strategy was intended to be matched by investment in skills development, with the promise of increasing wages (Banerjee et al. 2007). However, over the same period we had growth in a largely unskilled labour force as education and training systems failed to meet the skills needs of the economy. With a contraction in the agricultural sector, which is able to absorb low-skill workers, unemployment rates increased. The result has been a drop in the employment of unskilled labour and minimal job growth in sectors that were intended to drive the growth path (Seekings and Nattrass 2005; Banerjee et al. 2007). This shift in our economic growth path has resulted in a skills mismatch within the economy with demand highest for skilled labour, alongside a severe oversubscription for jobs that require lower levels of skill.

South Africa felt the effects of the 2008 global economic crisis in 2009 when it had negative economic growth (as measured by Gross Domestic Product (GDP)), with commensurate job losses. Since then it has recovered, but in 2015 GDP figures again dipped below zero. South Africa has not been unaffected by global downward economic trends. Reduction in economic growth globally has reduced demand for products that we do export, thus constricting the manufacturing sector (Industrial Development Corporation 2016). This decline in economic growth has occurred at the same time as increases in unemployment rates.

At the end of the first quarter of 2016 the South African economy had demonstrated a further quarter of job losses resulting in a narrow unemployment rate1 of 26.7% – one percentage point higher than the previous quarter (Statistics South Africa 2016a), and 5% higher than 2009 levels – just after the global economic crisis (Trading Economics 2016).

Unfortunately future upturns in the economy are unlikely to immediately result in job gains. An analysis of employment in relation to the business cycle shows that as business cycles swing downwards labour supply increases (as companies shed jobs and as those involved in household production move into the labour market). However, as the business cycle turns upwards, labour absorption lags behind, suggesting that businesses are resistant to taking risks on hiring new staff, even as they reap the benefits of economic growth (Burger and von Fintel 2009). Yet it is private companies that in the longer-term must absorb labour if we are to see significant employment growth. There is some agreement that the growth years of 2000 to 2008 were largely stimulated by public spending, which in the longer-term is unsustainable. Going forward, employment expansion requires that the private sector be stimulated to hire staff, particularly those with low levels of skills, who make up the bulk of those who are unemployed (Centre for Development and Enterprise 2010).

Yet our current labour market system is not set up to stimulate employment in the private sector. The focus on technology led-growth and high-value export products, means that investments in labour-absorbing industries has been minimal (Banerjee et al. 2007; Centre for Development and Enterprise 2016). In addition, many economists would argue that the costs of employing labour (particularly non-wage costs such as costs of hiring, firing and replacing labour when required) are too high to stimulate employment, particularly of people with an unproven work record (such as young work seekers) (Centre for Development and Enterprise 2010). Onerous and overly bureaucratic systems also do not stimulate small firms to grow and employ new people, meaning that the “critical mass” of employers that is required to stimulate employment, remains elusive (Centre for Development and Enterprise 2010).

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1 The narrow unemployment rate includes those people who looked for work and did not work in the four weeks preceding the survey. It does not include those who have given up looking for work (discouraged work seekers).
These explanations provide insight into the persistence of unemployment in South Africa, but they also affect youth most profoundly and it is to this that we now turn.

Explanations for youth unemployment

The above explanations for the country’s high rate of structural unemployment point to low rates of economic growth coupled with low rates of employment growth particularly since the economic crisis of 2008. During this period youth unemployment increased and continues to increase. In this section we consider some of the specific factors that have a bearing on youth unemployment.

As mentioned previously, the labour absorption rate of youth 18-25 years is low (19.5%) compared to 40% for the general population with young women being most significantly affected (Statistics South Africa 2016a). This affects young people most as they are passed over for or replaced by experienced workers (Grimshaw 2014). This is particularly the case because youth employment is concentrated in small firms – 68% of employed youth are employed in small businesses (Statistics South Africa 2015c) - which are arguably the most vulnerable in economic downturns and therefore take the longest to recover in positive growth climates. Young people are therefore the last to be absorbed back into the labour market. Significant numbers of young people are employed in temporary jobs, especially in the wholesale and retail sector (32.7%), leading to them moving in and out of the labour market. Other sectors where youth are employed such as community, personal and social services (14.3%) and manufacturing (11%) have also been negatively affected by the economic downturn (Patel et al. 2016).

In addition, specific labour market interventions that are intended to protect workers could also have the opposite effects. For instance, relative shares of youth employment dropped in sectors during periods of the promulgation of sectoral determinations, with these sectors also sustaining lower rates of growth of youth employment relative to other sectors (Bhorat et al. 2016). South Africa’s current sectoral determinations are argued as having contributed to youth unemployment due to it being set too high, at levels which do not account for the limited productivity of young people (National Treasury 2011). This falling demand for youth workers proportionally greater in certain sectors, reflects their marginal position in the labour market. Preference by employers for older workers who are more experienced and/or for more skilled workers have also been cited as a possible explanation for low levels of labour absorption of youth. While this preference is a global reality (Grimshaw, 2014), in South Africa it appears to be particularly pronounced.

The skills mismatch that is the demand of the economy for higher levels of skills discussed above also affects youth in particular. Despite young people today having more years of education than their parents, they are not yet reaping the rewards in terms of access to the labour market (South African Labour and Development Research Unit (SALDRU) 2016a). The fact that there is demand for higher levels of skills in the labour market is evidenced in Figure 1 below which shows that the chances of employment increase with a matric certificate - a worrying statistic given the high numbers of young people who drop out of the education system prior to completing matric (Spaull 2015). Employment prospects are better once one has a post-secondary qualification (Van der Berg and van Broekhuizen 2012), but there are far too few young people who manage to access and complete post-secondary education (Perold, Cloete, and Papier 2012; van Broekhuizen, van der Berg, and Hofmeyr 2016).

![Figure 1: Employment status by education status for youth 15-34 years (Statistics South Africa, 2015; own analysis)](image-url)
These figures suggest that the youth unemployment challenge is in part driven by the fact that young people exiting the schooling system do not have the skills to compete for jobs where there is demand. Rather they enter the back of the labour market queue, joining thousands of workers with low-levels of skills, most of whom have more work experience than they do (Reddy et al. 2016; Pauw, Oosthuizen, and Van Der Westhuizen 2008; Altman 2007).

Lack of qualifications is not the only explanation for youth unemployment. Economic research demonstrates that although having a matric places individuals at a slight advantage in the labour market, investment in education for individuals only demonstrates higher returns once an individual has some post-secondary education (Yu 2012; Lam et al. 2008). Even young people with a matric struggle to find work and when they do, it is often in low paying, low-skill jobs.

In part, the disconnect between the education system and the labour market is a result of the actual skills deficit that young people have when they leave the school system. This is a problem that the labour market cannot address. Research by Spaull (2015) demonstrates that almost a quarter of children in Grade 9 (age 15) did not display the most basic numeracy skills such as an understanding of whole numbers and decimals. Compared internationally, South African Grade 9 learners performed far worse than Grade 8 learners from comparable middle-income, and even much poorer countries. Many of these challenges are rooted in literacy gaps that are evident in Grade 4, by which time a significant proportion of learners (particularly rural learners) are functionally illiterate and therefore unable to engage meaningfully with the curriculum from Grade 4 onwards. By Grade 9 learners in Quintile 1-3 schools test functionally a full four grades behind their Quintile 5 counterparts (Spaull, 2015). The poor quality of basic and secondary education is a significant factor that influences the employability of youth.

Although actual skills deficits play a role, employer perceptions of the value of matric also need to be considered. Because of the widely publicised challenges in the education system, employers do not trust the quality of a matriculation certificate. They thus tend to push requirements for entry into jobs higher than is necessary (Bhorat 2014). Retail outlets may for instance require job applicants to have a matric with a mathematics and science pass for entry into a basic retail job. Neither subject is required at the matric level for an individual to function in this type of job adequately. But employers use this as a method to quickly sort people in the labour market queue and assume that those who have matric with mathematics and science are the “cream of the crop”. Such practices effectively shut out a large proportion of the youth labour force, and can result in a mismatch of skills and interests with available jobs, with resultant costly churn in the youth workforce.

An oft-cited reason for young people’s unemployment is the assumption that they have high reservation wages. However, reservation wages are under-investigated in relation to youth unemployment, particularly in the South African context. Reservation wages are defined as the lowest wage an individual is willing to work for (Brown and Taylor 2013). At wages lower than the reservation wage, the individual would choose not to work, or choose leisure or continued job-searching (Nattrass and Walker 2005; Zoch 2014).
Calculating a reservation wage for an individual is complex. Job-search costs, transport costs, childcare costs and the like all impact on how individuals calculate their own reservation wage. Where costs such as travel and childcare are incurred during job-search, or expected while working, job-seekers are likely to decline job offers where wages offered do not allow them to meet these costs (Nattrass and Walker 2005). This is in contrast to the standard neoclassical assumption that job-seekers should be willing to accept any wage greater than zero as this would be better than receiving nothing at all (Falk, Fehr, and Zehnder 2005; Wang 2012).

In South Africa, it is often claimed that low-wage job-seekers, and young people in particular, are divorced from the realities of the labour market, and that their unrealistic expectations about work and remuneration are responsible for reservation wages which are unjustifiably high given high unemployment, and their (limited) skills and experience (Kingdon and Knight 2001; Roberts 2011; Rankin and Roberts 2011; Mlatsheni 2012; Yu 2012). Roberts (2011) finds that young unemployed people consistently overestimate their chances of finding work given employment rates of similar people in the same regions. This is due to the inability to correctly identify both (a) what their labour is worth given their skills, experience and other characteristics, and (b) what other people who are similar to them are actually earning, possibly because of young people being new to the labour market and lacking information. However, being provided with facts about the labour market did not lead the majority to adjust their expectations, and this inability to navigate their way in the labour market is cited as a cause of youth unemployment, with job-seekers also being more likely to have turned down job offers. Rankin and Roberts (2011) also find evidence of ‘inflated’ or unrealistic expectations. They find reservation wages of 20-34 year olds are consistently anchored to their predicted wages in large firms, which are higher than those in small firms where the bulk of young people are employed and where they are more likely to find work. Rankin and Roberts (2011) do, however, indicate that job-search and other costs were not considered in their research; nor did they investigate whether prevailing market wages would be sufficient to cover them.

Patel et al (2016), in a qualitative study, demonstrate that young people think quite carefully about their monthly costs and set reservation wages at slightly higher than this monthly amount. Their mean reservation wages in fact corresponded quite closely with median costs of living. However, when participants of the study were probed further about the wage at which they would reject a job, most in fact indicated that they would not reject a job, regardless of the wage offered. There was a widespread belief amongst the participants that they ought to take whatever job they can, given the low probability of another offer being made. This suggests that while young unemployed people have a reservation wage in mind, this does not necessarily translate into their job-seeking behaviour. In fact, many were willing to work for wages that were lower than sectorally determined minimum wages. Recently the National Income Dynamics Study (NIDS) data has shown that reservations wages among youth are typically in line with average wages and that they decrease the longer that young people are out of work, suggesting that reservation wages do not play a role in persistent unemployment among youth (South African Labour and Development Research Unit (SALDRU) 2016b).

The above explanations provide some insight into why youth unemployment is so persistently high. Besides the lack of jobs due to the country’s high structural unemployment problem, supply side factors have not been adequately probed such as difficulties experienced in the job search process, a lack of support for work seekers, a lack of work experience and knowledge and information about the labour market. These are other possible explanations for the low levels of absorption of youth in the labour market which is the focus of this study.

Inequalities in youth unemployment

Past inequalities in the labour market continue to shape the present. African and Coloured youth continue to be markedly more affected by unemployment than their White counterparts. But these inequalities, albeit rooted in the past, are shaped in new and nuanced ways.

Education inequalities play a significant role in shaping labour market outcomes for youth. As discussed above, Spaull (2015) notes how, despite significant investments into the education system, learners from Quintile 1-3 schools (still largely catering for African learners) continue to achieve at far lower rates than their Quintile 5 counterparts (where White learners are more represented). His research clearly demonstrates how learners from the lower quintiles consistently exit the education system and fall either into unemployment or are only able to access low paying, low skilled jobs. In contrast their Quintile 5 counterparts exit the schooling system and transition quite smoothly into higher or further education and onto jobs; often jobs that have a clear pathway to professional and/or managerial positions (Spaull, 2015).

Income inequality also plays a role. Recent findings from the NIDS demonstrate how household income in the year a young person is in matric significantly determine whether or not they will be able to access post-secondary education and training (Branson and Khan 2016). This finding suggests that most young people from poor households are destined for low wage work, blocked off from accessing opportunities that will mould them for higher paying, higher skilled work.

Gender also continues to play a role. Young women continue to be more vulnerable to unemployment than young men as is demonstrated in Figure 2.
Finally, location continues to play a role with those living in urban areas far more likely to be employed than those in rural areas (Ranchhod and Mlatsheni 2016). Urban/rural location affects employment chances, primarily because of the availability of jobs in urban as compared to rural areas. But even location within an urban area shapes access to employment given the costs of work-seeking if one lives far away from city centres. For instance, the majority of low-wage work-seekers live in areas that are far from major centres where job opportunities are available. This means that transport costs to seek work may become prohibitively expensive and if they do manage to secure work far from home, the transport costs make it unlikely they will remain in the job (Graham and Mlatsheni, 2015; Patel et al., 2016). Further, Seekings (2010) found that a typical return trip could be in the region of R30-R40 (about US$2-$2.63). For working people, this may mean spending more than a third of their monthly income on travel. For those seeking work, the costs are prohibitive.

The issue is exacerbated by a lack of access to information and employment services at the community level. By and large, there are no functional job centres where relevant, up-to-date information about job openings and job advice can be found. Most youth thus have to search for this information on the internet or in newspapers – both of which cost them money (Graham and Mlatsheni, 2015; Patel et al., 2016). They also report having to use the internet and computers for job applications. Few have these resources at home, so they are forced to use (sometimes distant) often expensive internet cafés to do so. In addition, many employers demand paper applications, which entails the costs of printing, copying, certification and postage (Patel et al., 2016). Taken together, these costs are too expensive for young people without jobs to incur, and thus limit the frequency with which they are able to apply for positions.

There are also inequalities in access to social capital that shape youth unemployment. Social capital is often mentioned as a key asset when navigating the labour market – “it’s not what you know, it’s who you know”. Certainly Putnam, one of the first theorists to coin the term “social capital”, noted the importance of bridging networks (connections with people outside of one’s household or immediate community) in facilitating business and job opportunities (2001). His ideas have been subsequently confirmed by others researching the effects of social capital (Woolcock and Narayan 2000).

In the South African context differences in social capital can have a marked effect on the ways in which young people are included in or excluded from the labour market (Kruss 2016; Mlatsheni and Rospabe 2009). For instance, young White South Africans typically, while studying, work in part-time jobs that they find through their parents’ social networks. This work experience gained, in turn, places them at an advantage when it comes to seeking full-time work (Seekings 2012). In contrast, it is telling that the bulk of young people who are not in employment, education or training are living in households where nobody is employed (Statistics South Africa 2015a). Their situation therefore may be as much a function of poverty as it is a lack of productive social networks – that is, social networks that can be used for information about and access to the labour market – which is an important asset for navigating entry into the labour market.

The individual experience of being young and unemployed

At the individual level there are multiple factors that coalesce to shape young people’s ability to break into the labour market. Firstly, it must be stated that, despite popular perceptions, young people are not lazy nor do they have a sense of entitlement. Rather they engage in a wide range of work-seeking and livelihood activities (Graham and Mlatsheni 2015). Graham (2012) presents accounts of young people in an informal settlement in Gauteng who seek piece jobs, buy small items to resell, and pool money to purchase the latest newspapers.
to seek work. Graham and Geerars (forthcoming) document the multiple ways in which young people in a
township in Johannesburg attempt to access some form of post-secondary education. Young people’s actions
in trying to access opportunities for themselves are driven in part by desperation, but are also an indication
of the fact that young people generally have high hopes for themselves and demonstrate a sense of control
and agency over their lives (Ramphele 2002; Swartz, Harding, and De Lannoy 2012; De Lannoy, Leibbrandt,
and Frame 2015).

However, they are also faced with a myriad of constraints discussed above, which affect their emotional and
mental wellbeing, and ultimately their endeavours to find work. Newman and De Lannoy (2014) detail the
lives of young people in a township in the Western Cape and demonstrates how they move through cycles
of hope and despair as they gather the enthusiasm to search for work, and are met with repeated barriers
and disappointments. Depression may well be a consequence of repeated failures, which in turn may lead to
individuals opting out of the labour market. Further research is needed to better understand this relationship.

Young people are often negatively represented when it comes to popular discussions about youth
unemployment. They are variously described as lazy, entitled, and passive. The above research suggests the
opposite. Instead, young people are positive, hopeful and optimistic, want to work, and are in fact willing
to work for very little. However, they face marked challenges. They bear the major cost of the country’s
structural unemployment problem and of an education system that leaves them ill-equipped to be employed
in a labour market seeking higher levels of skills. Since most come from poor households, difficult decisions
and trade-offs need to be made about work-seeking and its costs. Having considered the various drivers
of youth unemployment we now turn to considering literature on interventions aimed at addressing youth
unemployment.

2.3. Responses to youth unemployment – a review

of interventions

The underlying causes of unemployment outlined above point to structural and systemic factors that are
related to reforms in economic and social policies that could promote employment and more inclusive
economic growth. This is a significant challenge in a context of economic globalisation and its impacts on
the South African economy. Systemic failures in the education system perpetuate historical inequalities in
the labour market requiring urgent interventions to improve the quality of education and the skills mismatch.
Furthermore, a set of inter-connected social factors, such as the cost of work-seeking as well as knowledge
and information about the labour market and its dynamics, require a different set of interventions. Solving the
unemployment challenge for young people requires a multi-faceted approach. In line with the purpose of the
study we focus the review of the literature on responses to unemployment in two key areas, namely, increasing
the demand for young work seekers, and how to increase their employability in the labour market.

Enhancing the demand for young work seekers

Demand side interventions refer to a combination of public policies and programmes that could stimulate
employment growth and work opportunities for youth. In this review we consider a few national demand side
policy initiatives that were designed to increase youth employment namely, public employment programmes,
tax incentives to companies to employ young people, youth ‘opportunity wages’ and interventions directed
at changing employer attitudes to young work seekers.

The primary aim of public employment programmes (PEPs) is to stimulate demand for labour in the public
sphere. They may also have a training component, as in the case of the South African EPWP. PEPs typically
use public funds towards large scale programmes that offer part-time, infrequent and/or temporary work
to people who are unemployed, allowing them to access a wage for the time that they work. Sometimes
such programmes are considered part of a social protection package and form part of short-term temporary
solutions as people find their way back into work. In other cases, such programmes are a way of guaranteeing
all citizens an opportunity to work for a proportion of the year – focusing on the social value of work and the
need to guarantee some form of income – as in the Indian example.

In South Africa, the EPWP and the CBPWP represent massive investments in ensuring that people have
an opportunity to engage in work through publicly funded programmes. Both are large-scale PEPs aiming
to provide short-term employment alongside training to people who are otherwise unemployed. Both
programmes are delivered through various state departments, allowing publicly funded labour to be
directed towards promoting public and community assets such as environmental protection, infrastructure
development, community development and social care. They include activities as varied as removing invasive
species, fire protection, construction, home-based care for the elderly and ill, and early childhood development
amongst others. These policies are novel and innovative while simultaneously contributing to the public good
(Philip, 2016) and to social cohesion and social care (Patel 2015). The aim of the programmes is to provide
an opportunity for short-term, temporary and/or infrequent employment. But both were also intended to
prepare people for more permanent or longer-term employment (Hemson, 2008; McCord 2012). Critics of the
programmes have pointed to problems of inadequate skills training in both the EPWP and CBPWP (Hemson
2008; Nzimakwe 2008); a lack of preparation of participants for jobs in the open labour market and a lack of
skills transfer to enable them to pursue livelihoods activities in the informal economy (Nzimakwe 2008;
McCord (2012). International evidence on subsidised or public employment programmes suggests that, when viewed as a stepping stone into the open labour market, they are rarely effective. In fact, in some studies, they were proven to decrease participants’ chances of finding work in the open labour market (Puerto, Kluve and Rother, 2016). Despite its limitations, PEPs do provide important temporary work for those who select these options and are a long-standing public policy option that has been used extensively internationally to respond to the challenge of high unemployment.

Although neither the EPWP nor the CBPWP are youth specific, both are supposed to ensure that at least 40% of placements are reserved for young people (aged 18 – 35 years). To date, these targets have been met and were exceeded (Department of Public Works 2010). They therefore represent a significant state financial investment to support young people’s attempts to work.

Since 2004 the state has invested in the National Youth Service (NYS) programme, currently operated by the National Youth Development Agency (NYDA). Young people volunteer to deliver services in their local communities. One of the primary aims of the NYS is to increase the skills levels of participants. Patel (2009), in a comparative study of youth volunteering in five Southern African Development Community (SADC) countries, found that many youth service programmes focus on developing livelihood and employability skills, and increasing opportunities for employment. According to Delany and Perold (2017), in a wider review of African youth service programmes, service programmes do this by focusing deliberately on technical skills training, the provision of stipends, experiential learning, and providing active linkages to exit opportunities. Although South Africa has been investing in the NYS for some time, there is a lack of evidence regarding the extent to which it does contribute to the employability and employment outcomes of young people.

Other options lie in direct labour market interventions. The ETI is an example of such an intervention aimed at increasing demand for young employees. Companies who employ youth aged 18 – 29 can apply for a reduction in the amount of Pay As You Earn (PAYE) tax, which is intended to help companies offset the costs of training young employees (SARS, 2016). Results from a randomised control trial of the pilot programme demonstrated that young people with wage subsidy vouchers were 25% more likely to find and retain work than those who did not have vouchers (Levinsohn et al. 2014). Based on these findings, the ETI was implemented in January 2014. Evaluations of the ETI were carried out six and 12 months after inception and findings reflected no discernible effects on youth unemployment rates (Ranchhod and Finn 2015; Ranchhod and Finn 2016). A possible reason for this finding is that employers may not yet be fully aware of the programme. Furthermore, hiring decisions would not be governed solely by the availability of the ETI, increased hiring would also depend on feasibility of expansion, a decision process that may take more than a year. We may therefore still see benefits in the longer-term. International evidence suggests that this should be the case. There seems to be some evidence across studies internationally to show that wage subsidies that are intended to stimulate demand for young work seekers are effective in the short-term, although most studies were not able to determine whether this was as a result of young people displacing older workers, or due to the creation of new jobs (Puerto, Kluve and Rother, 2016).

The development of a National Minimum Wage (NMW) for South Africa is under consideration by a specially appointed Presidential Review Panel. While a NMW could benefit employed young people, if the level is set to high, it may lead to the further exclusion of unemployed youth from the labour market. Half of the countries that have adopted a NMW have also adopted a youth sub-minimum wage to address youth unemployment (Patel et al. 2016). A policy option for South Africa may be to exclude certain age groups from the NMW dispensation or to consider the introduction of an “opportunity” or “training” wage for young work seekers for a limited period in order to stimulate demand for such workers (Patel et al. 2016).

Another approach to promoting demand for young work seekers has been to try to shift employers’ perceptions about the pool of potential workers. Impact sourcing is a process by which employers intentionally employ people who are vulnerable to unemployment and who would not normally be seen as viable employees (Monitor Company Group 2011). Through this approach companies shift their perceptions of the minimum requirements for entry-level positions, implement policies and programmes that recruit such work-seekers, and support them to stay and grow in the workplace. Successes have been seen in the business process outsourcing sector in which individuals, and particularly young people, from poor areas in Africa and Asia are targeted for entry-level positions. However, there is a need for more research to understand whether such interventions are in fact stimulating demand for young work seekers, which sectors it works best in, and whether shifting perceptions about young work seekers leads to employers creating new jobs or whether it in fact simply creates churn in the labour force.

The aforementioned interventions are important programmes for stimulating demand for young work seekers. However, the primary focus of this study is on programmes that enhance the supply of work seekers, both in terms of their employability and in terms of their labour market engagement (frequency and efficacy of job search and application). It is to literature about such interventions that we now turn.

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4 A wage subsidy voucher allows the employer of the young person to claim back a portion of the wage that is paid to the worker.

5 A process of outsourcing particular business processes (such as call centres or data analytics) to a third party. These processes often involve high levels of engagement with information and communication technology, making young people an attractive potential workforce.
Enhancing the employability of young work seekers

Given that most young people do not manage to access post-secondary education and training, and the additional challenges they face in navigating the labour market discussed above, a key intervention is enhancing the employability of young people. Employability refers to the skills and attributes that make young persons more marketable in the workplace, and that may assist them to navigate the labour market and workplace more effectively (Harvey 2001; Pegg et al. 2012). Such interventions may include learnerships, entrepreneurship development programmes, youth service programmes, short-term skills development programmes, job search and workplace readiness programmes. Such interventions could be run by the state, civil society and/or the private sector (Graham and Mlatsheni, 2015).

An overview of youth employability interventions in South Africa

In 2013, as part of the preparatory phase of this study, 20 such programmes were purposively selected to gain insight into their nature and viability for participation in the Siyakha study (Centre for Social Development in Africa 2013b). Only programmes that met the initial criteria of the study were included; that is, they had to include technical skills training, human capability training, and workplace experience as part of their programme design. The study found that most of the programmes involved shorter-term classroom based activities and longer-term work placement activities. At the time the review was conducted most of the programmes had minimal interaction with potential employers. However, over the time of the study this has shifted somewhat. A key feature of the programmes was that they were locally based, easily accessible to young people and involved minimal costs to the young person. Most of these programmes are run through civil society organisations. This ensures they are locally accessible. However, funding constraints limit the potential to scale up these programmes. In contrast, programmes run through the state, such as the NYDA’s YouthBuild programme, are well funded but often constrained by bureaucratic processes. Private sector run programmes are often the most responsive to employer demands, more closely connected with employers to facilitate exit opportunities, and are typically well-funded (through access to the skills development levy (SDL) and the ETI as well as corporate spend), but may not be accessible to poor work seekers living far from major work centres.

The review further considered questions of scale and sustainability. In terms of scale, it was clear that taking the programme to scale was not an option for most of the programmes except some of the private and government funded programmes, primarily due to limited funding and concerns about programme quality if scaled up. Of those reviewed only seven programmes reached at least 200 young people per year and only three reached more than 1 000 per year. In terms of sustainability, private sector programmes had good
financial sustainability models because they could access public funding through the ETI and SDL and could
draw on their own internal investments and/or corporate social responsibility spending. In contrast, civil society
organisations spend significant resources on trying to secure funding and rely on long-standing reputations to
maintain a funding stream. Although most of the programmes engaged in monitoring and evaluation
activities that tracked their progress against their stated objectives, most, albeit with some exceptions, had not
conducted an evaluation of their impact on employability and employment outcomes for their participants.

International review of evidence on employability programmes

The lack of evidence on the impact is not unique to South Africa. A current systematic overview notes that there is
very limited evidence about what programmes work to address youth unemployment. In their study Kluve
et al (2014) noted that of all the programmes they identified internationally, only 13% included an evaluation
that could assess impact. A further 36% had conducted process evaluations. They also point out that in South
Africa, and in Sub-Sahara Africa (SSA) more broadly, evidence about what types of employability programmes
(often also referred to as workforce development programmes) are feasible is limited (Kluve et al. 2014). While
a range of studies have been conducted (discussed below), few are able to demonstrate impact. Further,
only one systematic review (Cho and Honorati 2013) on the impacts of entrepreneurship programmes was
conducted. A CSDA overview in partnership with the Poverty and Inequality Initiative (PII) at the University of
Cape Town (UCT) on evidence of youth unemployment interventions since 1990 is in process (De Lannoy and
Graham 2015; Graham, Patel, Baldry and Williams, forthcoming).

Despite the limited evidence on the impact of programmes, a few studies have sought to understand the
nature and outcomes of employability interventions. Across the literature reviewed, many studies suggest
that participation in youth workforce development programmes in Latin American countries such as
Argentina, Mexico and Colombia and other developing countries such as Liberia are positively associated with
employment and earnings (Aedo and Nunez 2004; Betcherman et al. 2007; Attanasio, Kugler, and Meghir
2008; Monk, Sandefur, and Teal 2008). Programme participants were also found to be more likely than non-
participants to find formal employment and to experience increase in wages over time (Attanasio, Kugler,
and Meghir 2008; Christopher Blattman, Fiala, and Martinez 2008; Ibarrarán and Shady 2009; Christopher
Blattman, Fiala, and Martinez 2013). However, none of the studies are able to attribute the associations they
demonstrate to the programmes they assessed.

There is also contestation over whether workforce development programmes are more effective than
entrepreneurship programmes. While Card, Kluve and Weber (2010) claim that programmes that combine
apprenticeship, classroom vocational skills training, life and work-readiness skills, training vouchers, and job
matching tend to be more effective in influencing employment than entrepreneurship programmes, Cho and
Honorati (2013) found that the balance of evidence suggests that entrepreneurship programmes are in fact
more effective in employment outcomes than other types of programmes. The evidence on outcomes is
therefore mixed.

Early evidence from the international systematic review on youth employability programmes (Puerto, Kluve,
and Rother 2016) notes some points of relative consensus across the evaluation studies reviewed. The
systematic review assessed impact in terms of employment and/or earnings outcomes. They note firstly, that
skills training programmes are modestly effective in the short-term, but that they seem to have long-term
positive outcomes. These outcomes include increased earnings and an ability to retain work. Secondly, job
search assistance programmes tend to be very effective in the short-term and are one of the most cost-
effective types of interventions. Thirdly, programmes that involve employers show far more impact than those
that do not. This is a point that was also found to be critical in the OECD Local Economic and Employment
Development (LEED) research programme – employer involvement is a critical success factor in programmes
(Barr 2016). Lastly, success seems to be related to a comprehensive approach. That is, programmes that combined
skills training, with job search assistance and matching were more likely to succeed than those that
focused only on one element. Again, this finding is confirmed by the LEED study, which notes that a key
success element is training young people comprehensively to equip them with a wide range of skills rather
than narrowly focused technical skills (Barr, 2016).

Compared with employment and income-related outcomes, fewer studies have evaluated the effects of
workforce development programmes on more proximal outcomes such as work-readiness skills, life skills and
re-enrolment in higher education or other training programmes. Nonetheless, some evidence, predominantly
from Europe and the United States of America, but also including a few cases in Latin America, suggests
that workforce development programmes, including training, service, and entrepreneurship programmes,
are associated with positive outcomes such as acquisition of business-related skills (e.g., business planning,
marketing, and financial management), cognitive skills (e.g., differentiating needs versus wants, decision-
making), emotional coping skills (e.g., higher self-confidence and self-esteem), positive time use (e.g. spending
more time enhancing, practicing and learning skills), and other life skills (e.g., positive work ethic, financial
literacy) (Eberly and Sherraden 1990; Flanagan et al. 1998; Funk 1998; Perry and Katula 2001; Murray and
McKague 2010; Whalen 2010; Blattman and Annan 2011). However, little is known about whether the observed
effects on work-readiness and life skills are applicable across different sub-populations of youth (e.g., low-
inecome youth, out-of-school youth, and youth from rural areas).

Some programmes have also been shown to positively impact other economic activities of youth. We may
refer to these as multiplier effects. For instance, the systematic review of entrepreneurship programmes shows
that they increase saving and borrowing activities among youth (Cho and Honorati 2013). In Liberia they were found to positively influence the accumulation of assets, particularly household durable assets (Blattman and Annan 2011). The positive impact of workforce strategies on asset ownership suggests that programme participation contributes to higher income or profits, which in turn, allows youth to invest profits in durable goods that may improve quality of life, act as non-cash form of savings, and buffer against future income and economic shocks.

**Gaps in knowledge and research on youth employability programmes**

Critical gaps in knowledge remains in youth employability programmes. For instance, there remains limited evidence on the impact of such programmes on employment and earnings outcomes, particularly in the South African context. Further, the evidence seems to coalesce and suggest that critical skills factors (such as employer involvement and comprehensive training) are pertinent in the OECD countries (Puerto, Kluve and Rother, 2016; Barr, 2016). These remain untested in the South African context. Also unclear is the extent to which the longer-term outcomes identified are as a result of the interventions, or simply a matter of young people maturing into the workforce.

Most workforce programmes combine several components, and while evidence suggests that a combination of these programmes is effective in improving employment and earning capacity of young people (Puerto, Kluve and Rother, 2016), little is known about the optimal mix of components or activities required for success. Similarly, it may be that activities designed for different subpopulations of youth in various contexts would work best in achieving a pre-determined set of relevant outcomes.

Given that the youth populations between and within countries are heterogeneous, it is important to examine what combination of components or activities are relevant and work best for specific segments of the youth population. What works for urban youth may not always work for rural youth. Gender-specific challenges to youth employment indicate that young men and women may require different sets of skills and training. Variation in cultural, social, economic, educational, and geographic contexts localises employment barriers faced by youth, and workforce programmes should include activities that would address or alleviate such barriers.

Life skills and work-readiness skills have become a regular component of youth workforce development strategies. However, the definition of life and work-readiness skills varies between programmes. In addition, the specific links between these skills and employment and increased income have not always been clearly defined. Current research provides little guidance on what set of skills, particularly life skills, are most beneficial for youth to gain employment and improve earnings.

Although there have been numerous workforce programmes for youth in SSA and other developing regions, few programmes have been implemented at scale and have been found to be sustainable. Key questions include: (a) how to maintain intervention fidelity when programmes are expanded to larger groups of youth; (b) what components of intervention should be scaled up; (c) what youth perspectives on these programmes are; and (d) how much would programmes cost when implemented on a larger scale and over time. Similarly, future programmes should explore potential partners (public or private) beyond the initial project implementation to sustain the programme and promote local ownership.

Many evaluation studies tend to focus mostly on employment and earnings. However, future research should also examine the potential impact of workforce programmes on other outcomes such as health and health risk behaviours, future orientation, resilience in work-seeking, food security, savings and asset ownership, financial capability, peer quality, family relations, and social support and cohesion. To date, fewer evaluation studies have attempted to examine the impact of workforce development programmes on youth’s sexual and reproductive health behaviours, psychosocial and mental health (e.g., depression, stress, anxiety), and social life (e.g., various types of community participation, family relations, social support, residential stability).

**Financial assets as a mechanism to activate employability?**

Interestingly, a factor that has largely been missing from design of employability programmes, and therefore from most evaluations, is an assessment of how income can shape employability, employment, and earnings outcomes. Often income is seen as an outcome of programmes. However, it has not been conceptualised as an input. This is despite ample evidence showing that the costs of work-seeking severely hamper young people's chances of finding work and accessing post-secondary education and training (Seekings 2010; Branson and Khan 2016).
Income for the poor has largely been assessed in the social protection, specifically cash transfers literature. Within this literature there is recognition that approaches to addressing poverty have largely focused on mechanisms that ensure a basic income level for the poor, often through the provision of grants or goods that ensure a minimum level of living is met. Common to almost all conceptualisations of welfare policy therefore is its contribution to consumption-smoothing – the provision of a level of income which would enable households to maintain a previously defined level of immediate consumption to satisfy basic needs. In many countries, including South Africa, large numbers of poor people derive a significant proportion of their earnings from grants disbursed by the state. This focus on income, however, is argued by Sherraden to be a factor which has “sustained the weak without making them strong” (1991) and thus he advocates interventions that build the assets of the poor. Assets, he argues, could go some way towards strengthening poor households. In this way social protection mechanisms in various forms may be both protective and transformative (Sabates-Wheeler and Devereux 2008).

We view financial asset interventions such as savings and financial education as one amongst other interventions aimed at promoting human development outcomes. In line with the social development approach discussed below (Patel 2015), we assume that a combination of interventions that include financial assets development (alongside for instance human capability development) are most likely to result in positive outcomes. Financial assets are however an essential component of human capability interventions.

Ownership of assets can also reduce the volatility of earnings when earnings are derived solely from labour income, and/or when this income is low (Banerjee and Duflo 2007). It is also associated with changes in the way in which people perceive their futures. Stimulating the development of financial assets can make the path to further education seem more ‘open’, or more achievable, and hence bring about more future-oriented and positive behaviour (Destin and Oyserman 2009). In addition, financial assets were found to raise parents’ expectations for their children (Elliott and Sherraden 2013), and thereby increase the likelihood that they will take steps to save for their children’s future education. Moreover, ownership of savings accounts has been found to be a significant predictor of college enrolment and progress in the United States (Elliott and Friedline 2013).

Applying the theory of asset building to young people is a more recent endeavour. If people save when they are young, they are more likely to save later in their lives (Friedline, Elliott, and Chowa 2013). Similar findings are outlined by Elliott and Friedline (2013) who found that when savings accounts were owned as children, young adults are twice as likely to own savings accounts, twice as likely to own credit cards, four times as likely to own stocks, and have significantly more total assets, both financial and non-financial. Furthermore, the earnings flowing from the ownership of financial assets compound over time with larger assets also providing higher earnings.

Savings are also associated with a greater sense of control amongst young people. When the young own their own financial assets, they could feel a greater sense of control over their own lives (Elliott, Destin, and Friedline 2011). It was also found to enable the development of resilience and self-efficacy, which are strong predictors of academic performance and progress through college in the United States (Elliott, Constance-Huggins, and Song 2011; Elliott and Sherraden 2013). More recently, research attention has been paid to how savings might affect employability outcomes. In a four-country study on youth savings, conducted in Ghana, Nepal, Colombia and Kenya, research shows that young people who are saving are often doing so to pursue further education (Johnson et al. 2013). Research in various countries in Africa including Uganda, Kenya and Ghana demonstrates that savings behaviour is associated with better school achievements (Chowa, Ansong, and Masa 2010). In Ghana, financial assets of the household are strongly associated with better school outcomes (Chowa et al. 2013), but this is in turn mediated by higher educational expectations that young people from households with more household assets have (Ansong, Chowa, and Sherraden 2015). Higher educational expectations and achievement may in turn result in better employability outcomes.

The field of financial capability has received a great deal of research attention, with rigorous studies demonstrating positive effects. What is less known is how particular environments – cultural and social – shape the development of financial capabilities. It is argued, for instance, that in South Africa young people face a great deal of pressure to buy into consumerist values, which may undermine their desire to save. In addition, household responsibilities and whether a young person is a parent or not may strongly shape their ability to save. Research is required to better understand the youth savings culture in South Africa and what kinds of financial products are likely to appeal to young people. Research on stokvels6 suggests that few young people

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6 Community-based peer savings groups
are members (Centre for Social Development in Africa 2013a). Young people's savings culture might be a local contextual factor that may constrain savings outcomes.

Most important, rarely have studies looked at the combined effects of youth employability programmes and financial capability programmes. Little attention has been paid to whether financial capabilities and assets offer a way of enhancing young people's employability or not.

The above suggests that financial asset accumulation seems to enhance other human and social assets, including the assets that may enable young people to take further steps towards employment or sustainable livelihoods. In addition, savings are strongly associated with access to further and higher education – a significant predictor of later employment and earnings.

The evidence presented in the above sections demonstrates the gaps in our knowledge on youth employability interventions, and areas of promise that emerge from studies conducted elsewhere – both in relation to employability programme design and financial capability inputs. This evidence provides the basis for the theory of change that was developed for this study (discussed in section 2.5 below). But before outlining the theory of change, we first consider the theoretical approach guiding the study.

2.4. A youth development approach to understanding pathways to the labour market

Many youth interventions approach young people from a remedial approach, starting with a focus on their deficits, and not prioritising their agency. For instance, programmes are often conceptualised to address young people's skills deficiencies or lack of workplace and job search awareness. While we acknowledge the gaps in young people's skills (discussed above) we take a youth development approach to youth employability that begins with an assumption that young people have agency and capabilities – in the form of some education, energy, high hopes for themselves, a sense of self-efficacy and determination. Starting with this assumption we argue that employability interventions that harness and channel the capabilities of young people could support and enable them to make a smoother transition to work.

A youth development approach to employability is rooted in Sen's capabilities approach (1999). For Sen (1999), “development can be seen [...] as a process of expanding the real freedoms that people enjoy” (1999: 3). Thus, rather than seeing development as a measure of income outcomes only (or in the case of employability as employment and earnings outcomes), Sen advocates a much more human-centred view of development. This view insists on creating the circumstances under which people can be free agents in their own lives. Thus freedom is a means to development. However, Sen is insistent that freedom is also an end in itself and thus becomes a “constitutive part of development” (1999: 4). Freedom in this context is understood as being a state in which people are able to fully realise their capabilities. This is in contradiction of a state of 'unfreedom', which limits the ability of individuals to pursue their capabilities. Freedoms are therefore essential in that if they are present, individuals can use their agency, access opportunities and pursue their capabilities, thereby fostering development. Freedom is thus a means to development and a developmental end. Thus, a youth development approach that follows Sen (1999) leans towards a more human-centred approach to development theory, policy and practice. Its contention is that under the right circumstances of freedom, young people are capable of and have the assets and capabilities to pursue opportunities and improve their life chances. Applying the capabilities approach to youth development is useful as it draws our attention to young people's capabilities and the choices and freedoms they wish to pursue. Often, youth are defined in ways that serve to marginalise them from mainstream society.

According to Patel (2009) youth development is conceptualised in at least three ways. The first is development as it is conceptualised in the life course; that is physical, emotional and social maturation of young people. This is a perspective on youth that is often used in developmental psychology. The second conception of youth development is practice-oriented and refers to programmes and youth work that is focused on enhancing youth's developmental outcomes. The third conception of youth is understood to be a theoretical approach that is embedded in the capabilities approach and which takes as its starting point young people themselves and what they actually want to be and are able to do (Nussbaum 2001). Such an approach is therefore youth-centred and requires researchers and those working in the field of youth development to embrace at least three key assumptions: (1) that young people have strengths, assets as well as resilience that can be built upon; (2) that we need to create spaces in which young people's voices are heard; and (3) that we work alongside young people towards their social inclusion and greater participation in society in the present as well as for the future good. Furlong (2009) notes that thinking in the field of youth studies has gone some way to embrace this shift in thinking, focusing increasingly on individual agency and the ability of young people to shape their biographies, while still acknowledging that structural impediments do shape their ability to make choices.

Applying a capabilities lens to youth (un)employment is crucial as work is viewed as a key capability. Work is not simply about material well-being, although this is a central aspect of the capabilities approach (Sen 1999; Nussbaum 2001). Work is also about being able to have control over one's environment; exercising practical reasoning; and entering into meaningful relationships with other workers as key capabilities (Nussbaum 2001). Work (whether in the formal or informal sector) is therefore a fundamental aspect of capability and freedom as it addresses various aspects of the human condition.
A youth development approach to young people shifts our practice orientation away from dealing with problems after they have occurred towards implementing policies and programmes that work to enhance the agency and capabilities of young people. Such an approach is promotive and preventative. Applied to employability, it shifts the question from “how do we address youth unemployment?” towards “how do we support young people to make a smoother transition to the labour market?” It asks us to consider not just the young person’s labour market related skills and potential, but to work with a young person in a holistic fashion – connecting with their interests, agency, and dreams; emphasising their talent and energy; and supporting them to overcome any personal, household and structural barriers they face.

A youth development approach that is rooted in the capabilities framework aligns well with the social development approach to policy and practice. The social development approach (Patel 2015), rooted in a human rights framework, advocates for interventions that enhance the wellbeing outcomes of people. In this way it departs from approaches that focus only on economic outcomes or only on social outcomes. It argues rather that interventions that seek to address both social and economic needs of people are critical to enhancing people’s wellbeing. A key tenet of the social development approach is the promotion of greater participation of people in their communities and societies, both for their own benefit (as a freedom that is important in and of itself in Sen’s terms) and because greater participation may contribute to better development outcomes in communities. Applied to work, a key tenet enshrined in the South African Constitution is to free the potential of each person and improve the quality of life of all. Work is a central aspect of inclusion, growth and the freeing of each individual’s potential. In India, the right to work is recognised through the employment guarantee scheme where every adult is guaranteed work for 100 days of the year.

The social development model is a pluralistic one, noting that the state, private sector and civil society all have unique strengths, positionalities in society and access to different resources, that when combined can bring about better outcomes in society. Finally, the social development approach promotes bridging the divide between micro and macro-level policies and interventions, to ensure that all available interventions (policy and programmatic) work to enhance the wellbeing of people and society more broadly.

Applying the social development approach to youth and employability provides the theoretical backdrop for the theory of change presented below. As mentioned above, our starting point is to view young people as active agents that have assets and capabilities to work with and that any intervention should seek to enhance opportunities for them to participate and activate those assets and capabilities, both within the intervention and as an outcome vis-à-vis greater participation in the labour market. As is demonstrated in the theory of change below a key feature of the social development approach when applied to employability is a consideration of the connection between both social and economic interventions. In this study we are testing the combination of human capital development interventions and financial capability interventions. Further we are interested in both social and economic outcomes – whether such interventions strengthen the social, personal and financial assets of individuals. Further, the approach leads us to think about the assets that institutions across sectors bring to the youth employability question. For instance, non-governmental organisations are well placed to reach young people at the local level. The state often has the resources needed to support such programmes and can also intervene to enhance demand for young workers in the labour market. Private companies are viewed as partners as they are the primary employers. Applying pluralism to youth employability means activating partnerships that synergise the strengths of all sectors. Finally, a social development approach to youth employability seeks to consider how micro and macro-level interventions can work in a complementary way to enhance social outcomes. For instance, how can local employability programmes be scaled through macro-level policies such as public employment programmes, labour activation strategies or social protection mechanisms?

The social development approach is a normative one and shapes current social welfare policies in South Africa. There are however significant gaps in the implementation of welfare, education, health, employment and economic development policies that have impacted negatively on the social and labour market inclusion of young people (Patel 2015). Systemic failures in social provision and in the educational system were alluded to previously which in turn affects young people’s future employment prospects.

Having considered the broad theoretical basis for the study we now turn to explaining the theory of change that emerged from both the theoretical approach and our analysis of employability programmes that were operating in the country at the time of planning for the study.

2.5. Conceptualising pathways to the labour market for youth – a theory of change

Increasingly worldwide there has been the recognition that young people are entering the labour market later in life (Furlong et al. 2003; Furlong and Cartmel 2007). This has in part to do with changing patterns in the labour market in post-industrial societies. Technology-led growth requires higher levels of skills. As a result more young people are entering higher or further education and staying for more years in post-secondary education and training (Arnett 2004). In addition, jobs are being eroded by technology as machines replace workers, resulting in a need to reconceptualise work. The drive for global competitiveness has resulted in a demand for highly skilled labour. But almost half of the young population in the age group which is the target of this study have not completed secondary schooling, thus limiting their employability. The changed global and national situation has resulted in young people not only facing a protracted period of transition to work, but also an uncertain future with a high possibility of chronic unemployment (Chen 2012).
The term “pathways” to employability refers to the social structures and institutions facilitating school-to-work passages, as well as the plans and decisions of young people in navigating these passages (Heinz 2009). Heinz (2009) has noted that such pathways have become more extended as the connections between different institutions and the labour market become more complex. In addition, with changes in the global labour market these pathways become more precarious. Heinz (2009) thus argues that current institutions intended to facilitate transitions or to provide pathways to employment are not adapted to the changing global labour market, nor are they suited to preparing young people for economic downturns and rising skills requirements of the labour market.

Further, as demonstrated above, these challenges tend to impact young people in ways that reinforce social inequality. While young people from non-poor households are likely to be able to travel along conventional pathways from school into further or higher education, for those from poor households, these pathways to work are likely to be inaccessible or precarious for many of the reasons already mentioned. Traditional pathways to livelihoods such as access to communal land and the accumulation of livestock as assets, were largely disrupted as people were disposed of their assets and rights to land under colonial and apartheid rule (UN Habitat 2010). Further disruptions occurred as African people migrated to urban areas in search of employment leading to a loss of assets in rural areas.

Against this backdrop, what might pathways to employability look like for young people who are not able to access the conventional pathways from school to education and work? Part of the answer lies in expanding access to further and higher education. But in the absence of such seamless and structured pathways to employment, new and different employment opportunities and interventions are needed to support young people to make the transition into labour markets (Heinz, 2009). There is therefore room for alternative interventions in the form of youth employability programmes that might act as stepping stones for young people to effectively transition to employment. Drawing on the evidence on youth employability programmes, theoretical insights on youth transitions, individual capabilities and the structural changes in the global and local economy discussed thus far, we devised a conceptual framework that synthesises these ideas.

The Siyakha Youth Assets research project can be conceptualised graphically as follows:

**Figure 3:** Conceptualising pathways to youth employability and employment

Four clusters of variables are crucial to the outcomes to be achieved by the Siyakha project. Drawing on the work of positive youth development theorists (Catalano et al. 2002; Pittman et al. 2003) and the capabilities approach (Sen 1999), on the left side of the diagram is cluster 1 which consists of background variables such as the individual assets that young people may have at the point at which they are ready to transition out of the schooling system and begin taking steps towards employment. In addition, demographic and socio-economic...
characteristics including their age, gender, race and socio-economic status amongst others are also pertinent to whether they will effectively transition to work. For instance, many middle-class young people will leave school and enter immediately into further education or training programmes that will place them in good stead to find work. Those without access to the financial assets to access such institutions will not be able to take such a step smoothly. Thus, for some there may be a more direct pathway to further education and/or employment, while for others intermediary organisations are necessary to enable them to take those steps. Cluster 2 consists of the intervention programme that will be delivered by the implementing partners in the Siyakha project. Here, based on evidence from other parts of Africa and internationally (Attanasio et al., 2008; Blattman et al., 2011; Cho and Honorati, 2013; Cho et al., 2012), we assume that programmes aimed at enhancing young people’s employability play a crucial role in assisting them along the pathway to employment. Such programmes may take different forms and could include all or some of the listed inputs in the diagram. Cluster 2 also accounts for the programme inputs in the form of financial capabilities. Based on evidence from developing country contexts and elsewhere (Elliot, Constance-Huggins and Song, 2011; Chowa, Masa, and Sherraden, 2012; Chowa et al., 2013; Elliott and Sherraden, 2013), the assumption informing this addition is that access to financial assets (in the form of financial literacy, financial products and savings) assists young people to transition more effectively to further education and training as well as work.

The third cluster consists of a set of variables that may mediate the outcomes. Mediating variables are those individual level characteristics and the programme design features that are hypothesised to be the mechanism promoting the cluster 4 outcomes. These variables are based on the recognition that human agency might play an important role in mediating how young people might use the programme inputs. Individual factors, as well as the ways in which programme inputs might shape these individual factors or combination of factors may influence the outcomes achieved. These include psychosocial outcomes such as a sense of future, self-efficacy and self-confidence (Catalano et al., 2002; Catalano et al., 2004). In addition to these individual factors, programme design features e.g. the length of the intervention may also influence the outcomes. Finally, in cluster 4, the primary and secondary outcomes that will be assessed are identified. Employability is defined as individual characteristics that are attractive to potential employers and are considered to be predictors of success in the workplace (Pegg et al., 2012). These include acquisition of human capability skills, job preparedness skills, technical skills, and enhanced knowledge of for instance numeracy and literacy. Employability outcomes are referred to as primary outcomes in this study and may be evident in the course of programme participation (short-term outcomes). Longer-term outcomes (actual employment, access to further education and training, securing of a sustainable livelihood possibly in the form of self-employment, and earnings) are referred to as secondary outcomes in this study and are likely to only be realised after programme participation.

2.6. Conclusion

The South African youth unemployment landscape is complex and multi-faceted. It is driven by global trends in economic competitiveness as well as the changing nature of work as machinery increasingly replaces labour. It is also shaped by national factors including the chosen economic growth path, with its cost of low labour absorption, labour market regulations that tend to affect youth negatively, and inequalities in education, location, social capital, and income; which in turn constrain access to the labour market, particularly for poor youth. The complexity of the issue points to the fact that a multiplicity of interventions is required. The conceptual framework sets out the theory of change that informs the study including the envisaged outcomes that will be evaluated. The next chapter sets out the design and the method of the study.
3. METHODOLOGY

3.1. Introduction

The study aim is to test the outcomes of youth employability programmes both on their own and in combination with a financial capability intervention. The study thus required a comparative element – between groups and over time – and a randomisation element – to ensure that no other explanations for the relationships between participation in the intervention and observed outcomes are plausible. The randomisation aspect was used to determine differences between those participants receiving the financial capability intervention (the treatment group) and those that did not (the control group). In addition, we defined each programme according to a set of programme methods and will be able to test whether different programme aspects contributed to any changes observed.

As mentioned above, the inspiration for the study came from an awareness of the innovation of organisations running youth employability programmes and an interest in assessing the effects of what was already being rolled out. A key element of the research design therefore was to reasonably compare a wide range of programme offerings and assess their effects.

This section outlines the nature of the youth employability programmes, the research design, methodology, sampling and implementation of the study.

3.2. Implementing partners

The implementing partners were recruited in 2013. Two implementing partners (loveLife and NYDA) attended a Round Table discussion in October 2012 at which the concept for the study was discussed. Both agreed to participate. From there the study team began investigating what other youth employability programmes were in existence and interviewed programme managers to assess whether the programmes met the inclusion criteria (discussed below). If they did they were approached to participate in the study. Benefits to the implementing partners included an independent evaluation of their programme as well as access to the financial education module and materials to roll out as they saw fit once the baseline and endpoint data collection was completed. Eight implementing partners were included in the study. Although the implementing partners delivered a wide range of intervention types there had to be some similarities to ensure there was an element of comparability. All of the interventions had to:

- Offer workplace human capability skills training (skills that are pertinent to the general work environment e.g. self-esteem, leadership, communication skills).7
- Offer technical skills training (skills that are pertinent to particular job types e.g. welding, call centre skills).
- Offer some kind of workplace experience (simulated or on-the-job).
- Include participants between the ages of 18 and 25 years who are not in education, training or employment.
- Run the same programme at more than one site.

Initially we also had time limitations on the programme length as part of the inclusion criteria. Programmes were intended to run for longer than six weeks but not more than one year. The lower limit was eventually discarded as it became evident that more programmes were converting to shorter programme times. One of the objectives of the study is to assess whether these shorter programmes deliver the same or different outcomes than the longer ones.

Programme descriptions

Despite the similarities in the programmes discussed above, the eight partners represent varying youth employability interventions in terms of reach, type of technical skills, length of programme and type of workplace experience.

In terms of reach, Harambee engages with the largest number of young people annually through their various programme offerings – from one day assessments through to full bridging programmes. Only two of the bridging programmes were included in our study; Harambee assesses 100000 individuals per year and approximately 9200 participate in their various bridging programmes. The other programmes reach comparatively fewer participants, but are also longer in duration than Harambee’s programmes. loveLife reaches approximately 1200 groundBREAKERS who participate in a year-long programme. NYDA YouthBuild – also a year-long programme – reaches 500 youth. The other programmes range from 12 weeks to six months in duration and reach between 100 and 500 young people per year. In combination the programmes put approximately 12500 participants through skills training each year.

Most of the organisations had sites in at least two provinces (Gauteng and the Western Cape) with the only exception being Thabiso Skills Institute which runs in Gauteng only. loveLife groundBREAKERS was the largest programme with operations in all nine provinces. The NYDA and EOH have sites in three provinces. Harambee also has sites in multiple provinces although we could only include their Gauteng sites in the study for logistical reasons.

7 Sometimes referred to as soft or life skills
The programmes represent the value of pluralism in social development with organisations from various sectors rolling out programmes. EOH was the only private sector partner but Harambee has close associations with private sector clients who use their services. The NYDA was the only national government partner. Their programme is rolled out primarily through local municipalities. The remaining partners were civil society organisations. The organisations are funded through a combination of state funding (such as the Jobs Fund, national government department budgets, local municipal budgets), private sector funding (such as Corporate Social Investment spending and Human Resource expenditure), and philanthropic disbursements. Together they represent a significant investment into addressing the issue of youth unemployment.

The programmes train young people for different sectors of the economy. Some such as NYDA YouthBuild and TSI, trained young people in artisanal work such as welding and construction. Others, such as Harambee, ATS and EOH, were training for office work in the business process outsourcing, information and communication technology, and financial services sectors. Harambee also trained youth for the retail and hospitality sector. Only loveLife trained youth for the social sector, and Raymond Ackerman Academy was unique in its entrepreneurship focus.

The programmes had different ways of providing youth with workplace or practical experience. Harambee and ATS ensure that their training simulates the workplace. Workshops for artisanal training ensure that TSI participants have practical experience of the tools and methods they will be required to use. EOH offers work placements with supervisor support to participants. NYDA YouthBuild and loveLife expect participants to engage in a year of service to their communities in order to develop workplace experience.

Some of the programmes offered stipends to participants. For Harambee participants this was a small amount that covered their transport costs during training. loveLife and YouthBuild participants receive a stipend for the duration of their service amounting to between R1500 and R2000 per month. The highest value stipends were for EOH participants who received around R5000 per month.

Exit opportunities also varied across programmes. For programmes like Harambee, EOH and ATS, exit opportunities form part of the programme design, with participants being recruited based on client requirements. Others provide support after the completion of the programme but do not directly connect youth with employers. For example FFFFW provides ongoing mentorship support and access to their computer facilities. loveLife will send job opportunities to their alumni network and encourage them to apply.

In sum, the programmes represent a wide spectrum of the kinds of interventions that are being delivered to enhance youth employability. Programmes range from one week to one year, include a combination of classroom and workplace-based training, and have varying exit opportunities for participants. This means that we are able to isolate programme features (e.g. length of programme, ratio of classroom to workplace based training, exit opportunities) and assess which features seem to deliver better impact (e.g. are shorter or longer-term programmes more successful?).

3.3. Research Design

Experimental research design

In the Siyakha study we used a cluster randomised, experimental design. In the study we have one pre-test and three post-tests, which will allow us to test the immediate and longer-term outcomes of the programmes and to assess whether the financial capability intervention had any effect on the participants’ employability, financial assets, financial knowledge, employment, and other related outcomes. The longitudinal design is shown in Figure 4 below.

![Figure 4: Diagram of longitudinal design](image)

Experimental designs allow us to make causal inferences because they a) assess whether changes occurred over the period of the intervention; b) establish associations between participation in the programmes on their own (control) and with the financial intervention (treatment); and c) use random assignment to ensure that no other explanations for the relationships between participation in the intervention and observed outcomes may be plausible. Randomised studies are considered to be the gold standard of studies establishing causal

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8 EOH stipends were dependent on participants’ qualifications and the type of work they were doing as part of their workplace experience.

9 Clients refer to employer partners seeking young employees.
linkages because they reduce the plausibility of alternative explanations for observed effects (Shadish, Cook and Campbell 2002).

Although we describe the methodology for the full study, in this report we present only the findings from the baseline assessment, providing primarily descriptive statistics on the sample, along with some bivariate analysis to test whether there are any differences in the sample that can be explained by the geographical location of the participants, their gender, and whether they are older (older than 25 years) or younger (18 – 25 years old) youth. Statistical significance is tested at the $p=0.05$ level. An impact report will include comprehensive results on the effects of the financial capability input as well as on the relative effects of the programme types.

**Randomisation**

In the study randomisation was done at the cluster level. That is, we assigned clusters (instead of individuals) to either treatment or control conditions. In the Siyakha study, the clusters were the training sites of each implementing partner organization. Forty-eight clusters were included in the study. Half of the clusters (24 sites) were randomly assigned to the treatment condition, and the other half (24 sites) were randomly assigned to the control condition 11. A trainer from each treatment site was trained on the financial capability curriculum during a one-week training session. Each treatment site was provided with the financial capability module materials and Standard Bank South Africa (SBSA) was present to open savings accounts at these sites. Control sites were not provided with any of the above and treatment site trainers were advised not to divulge information to their colleagues working at control sites (most had limited if any contact with trainers at other sites).

We relied on randomisation at the cluster (site) level for three reasons. First, the intervention in Siyakha was inherently group-based and delivered in a classroom-like setting at each training site. Second, it was not practical to isolate each youth within a site to receive a different intervention, because resentful demoralization or diffusion (cross-contamination) of treatment might result. In other words, in the Siyakha case, concern for the scientific integrity of the study becomes an issue when cluster randomisation is not used. Third, youth within the same training site might no longer be independent of each other because they were exposed to common influences at the training site level, in addition to the intervention. For example, youth within the same site interacted with each other in and outside the classroom, had the same trainer, and had received treatment at the same time of the day (e.g., training sessions were conducted at the same time for all participants from the same training site). These interdependencies may contribute to violation of the statistical assumption that observations are independent of one another which would limit our ability to attribute changes to the treatment (Raudenbush and Bryk 2002).

We also had to ensure that randomisation took into consideration the different offerings that each programme made. Within each programme we are fairly confident that the programme offering is the same (i.e. same type of skills, length, curriculum etc.) and that the main difference between treatment and control sites within each programme is the delivery of the financial capability intervention. For this reason we had to first differentiate sites by programme and then ensure that there was an even spread of treatment and control sites within each programme. For instance, we grouped all loveLife training sites together and then randomly assigned loveLife training sites into either treatment or control condition. This ensured that there was an even spread of treatment and control groups for each organisation, allowing us to control for programme differences in the assessment of treatment and control outcomes.

Table 1 below demonstrates the site level characteristics of the sample. It shows that there were two more control sites than treatment sites but that treatment sites had on average, nine more participants than control sites. A trainer from each treatment site was trained on the financial capability intervention. This left a total of 44 sites.

### Table 1: Site level characteristics of the sample by treatment/control

<table>
<thead>
<tr>
<th></th>
<th>n</th>
<th>average no of participants per site</th>
<th>Geographic location of sites</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>metro</td>
<td>non-metro</td>
</tr>
<tr>
<td>Control</td>
<td>23</td>
<td>38.6</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td>Treatment</td>
<td>21</td>
<td>49.4</td>
<td>16</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>44</td>
<td>43.5</td>
<td>34</td>
<td>10</td>
</tr>
</tbody>
</table>

10 Two treatment sites and one control did not run due to lack of participants, leaving us with 45 sites in the sample.

11 Two of the treatment sites did not run as planned due to lack of participants.
At each cluster or training site, we randomly selected youth to participate in the study by using the programme enrolment list. That is, fieldwork supervisors received the list of programme participants and a random number grid. They used the random numbers generated to pick participants from the list.

Randomisation of youth within each cluster ensured that each participant had an equal chance of participating and that volunteer bias was eliminated. The average number of youth per site was 43.5. The lowest number of youth participants per site was 9 at a Thabiso Skills Institute site. The highest number of youth participants per site was 93. These differences are as a result of the different training programme types and methodologies with Thabiso Skills Institute training welders in a small workshop setting and NYDA YouthBuild and loveLife groundBREAKERS bringing together relatively large numbers of young people at particular points during the programme for short periods of face-to-face training.

Table 2 presents results of the randomisation procedure at the individual level. It shows that the sample is slightly weighted to the treatment group with 51% of the sample falling within treatment sites. There were no differences in the sex of the participants. The majority of the sample was African but the control group had more Coloured participants than the treatment group.

<table>
<thead>
<tr>
<th></th>
<th>Treatment</th>
<th>Control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean age at baseline</td>
<td>22.9</td>
<td>23.6</td>
</tr>
<tr>
<td>Sex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>39%</td>
<td>39%</td>
</tr>
<tr>
<td>Female</td>
<td>61%</td>
<td>61%</td>
</tr>
<tr>
<td>% with financial or care responsibilities for at least one child</td>
<td>47%</td>
<td>53%</td>
</tr>
<tr>
<td>% that were CSG beneficiaries whilst growing up</td>
<td>27%</td>
<td>22%</td>
</tr>
<tr>
<td>Mean self-esteem score (out of 40)</td>
<td>30</td>
<td>31</td>
</tr>
<tr>
<td>Mean future orientation score (out of 44)</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>Mean self-efficacy score (out of 40)</td>
<td>32.5</td>
<td>33.2</td>
</tr>
<tr>
<td>% that pursued formal post-secondary education</td>
<td>38%</td>
<td>48%</td>
</tr>
<tr>
<td>Average unemployment duration (months)</td>
<td>12.9</td>
<td>13.5</td>
</tr>
<tr>
<td>Perceived job application efficacy (out of 6)</td>
<td>4.2</td>
<td>4.3</td>
</tr>
<tr>
<td>Perceived interviewing efficacy (out of 6)</td>
<td>4.4</td>
<td>4.5</td>
</tr>
<tr>
<td>Entrepreneurial orientation (out of 6)</td>
<td>4.8</td>
<td>4.7</td>
</tr>
<tr>
<td>Perceived entrepreneurial efficacy (out of 6)</td>
<td>3.6</td>
<td>3.7</td>
</tr>
</tbody>
</table>

Table 2: Individual level characteristics of the sample by treatment/control

In sum, the random assignment process created a treatment and a control group that were broadly equal on most observable characteristics. The only major difference was in the percentage of participants who had pursued formal post-secondary education and training. Other differences were minor. All differences will be controlled for in the analysis of outcomes. By equating treatment and control groups before the intervention begins, any observed differences in outcomes between treatment and control groups can be confidently attributed to the intervention.

Longitudinal design

The longitudinal design of the Siyakha project is another advantage of the research design. Pre-test (or baseline data collection after random assignment) and three post-tests provide evidence to examine whether significant differences exist between treatment and control groups at several points. Post-test data has already been collected for one point – immediately after the intervention ends (post-test 1). Data for post-test 2 (nine months after the intervention) is being collected at the time of writing this report. Data at the 18 month post-completion point (post-test 3) will also be collected in 2017. The three post-tests will examine whether treatment gains are maintained or if they change over time. The longitudinal design will also allow us to explore the validity of the conceptual framework. For instance, the intervention is hypothesised to influence acquisition of work-readiness skills and improve psychosocial outcomes and social connections in the shorter-term, which in turn, contributes to employment and other positive outcomes in the longer-term.

3.4. Sample

The total number of youth interviewed at baseline was 1993. Of these most were from loveLife with Thabiso Skills Institute having the fewest participants as is demonstrated in Table 3 below. This was the full sample size. Of these participants from some sites were subsequently dropped from the randomisation process as mentioned above. The total sample size of participants that is included in the random assignment is 1915. For further information about the selection criteria used for individuals see APPENDIX 1.
3.5. Data collection

In the Siyakha study data was collected using a survey questionnaire completed by participants; monitoring questionnaires completed by participants, the trainers and an independent observer; administrative records (such as curriculum materials); and financial transaction data received from SBSA. Details about each of these are provided below.

Survey

Survey data was collected from participants as they entered the programme (within one week of commencing the programme for longer-term programmes and within two days of commencing the programme for shorter-term programmes); and as they exited the programme. In addition, at the time of writing this report, data collection for nine months post completion of the programme was being collected.

Survey data included items measuring the following constructs: (a) youth demographics and family characteristics, (b) income and asset ownership, (c) financial capability, (d) household food security, (e) psychosocial indicators (such as self-efficacy, perceived stress, and future orientation), (f) employment, earnings, and job characteristics, (g) knowledge acquisition and skills development, (h) job-related and entrepreneurial attitudes, (i) education and training, (j) social connection and mobility, and (k) health perceptions and behaviours.

The questionnaires were completed in a facilitated self-completion process. Ideally we would have preferred to collect data in a face-to-face closed ended interview format, but due to time limitations with the site trainers we reverted to a facilitated self-completion process. Groups of 8 - 10 participants were paired with a trained fieldworker who worked through the questionnaire with the participants in a systematic way, assisting participants with understanding the questions and skip patterns if necessary. The fieldworkers checked the completion of the questionnaire and were trained to identify where errors had been made so that these could be rectified in the fieldwork situation.

Trained fieldwork supervisors were deployed to each site to conduct the random selection of participants (where necessary), to oversee the smooth roll out of the survey process, and to conduct a quality check on the questionnaires. Additional information about the recruitment and training of fieldworkers, fieldwork supervisors and fieldwork managers is provided in APPENDIX 1.

Once questionnaires were completed they were delivered to CSDA offices for a further round of checking before being delivered to data capturers.

The same process was followed for endpoint data collection. However, at certain sites, site trainers or programme managers failed to inform the research team of programme end dates. This necessitated a process of calling participants to complete the questionnaires shortly after completing the programme through a telephonic interview. In such instances we had quite a high attrition rate as many participants could no longer be traced on the numbers they had provided. The total realised sample size at endpoint was 1183 participants.

Financial data

Anonymised financial records were and continue to be provided by Standard Bank South Africa. This data includes youth savings patterns and other financial transactions. These data are collected using the partner financial institution’s electronic data monitoring system. Financial transactions include deposit and withdrawal frequencies, interests and fees, and gross and net savings. Financial records will be provided on a quarterly basis going forward as we assess the longer-term impacts of the intervention.
Monitoring data
At each site we monitored at least two training sessions – one human capabilities session and one technical skills session. At the treatment sites we also monitored one financial education session. In certain instances the research team was not informed of changes to the training roll out plan, meaning that we may have monitored two human capabilities sessions and no technical skills sessions.

At each monitoring session an independent observer observed the session and completed a questionnaire. The trainer was asked to self-evaluate the session, and 3-4 willing participants were asked to complete an evaluation of the session.

Administrative data and materials
Administrative data was collected where necessary. Such data included the enrolment records (for purposes of random selection), and numbers of participants not completing the programme. In addition, curriculum materials were gathered, both to assess whether the programme should be included in the study and later to assess compliance during the monitoring sessions. Administrative data regarding the programme roll-out was also obtained through the key informant interviews conducted in the planning phase of the study. This data was used to develop the programme typology dataset which included information regarding the length of the programme, the ratio of classroom to workplace time, the nature of exit opportunities, and whether participants received stipends during training or not.

Cluster level data
For each site, secondary data were collated and inserted into a site-level dataset (also containing variables derived from monitoring sessions at each) in an attempt to describe local socioeconomic conditions at that site. This was informed by the realisation that due to the very wide variation in site location, it would be plausible to assume that geographic location may itself be a factor influencing outcomes, particularly those relating to employment. For example, it is conceivable that the likelihood of finding employment for a young person living in the City of Johannesburg (where many of the training sites of this study are located) may be considerably better than that for a young person living in Ratlou, a village in the North West province (location of one of NYDA’s training sites), due to greater rates and intensity of economic activity in Gauteng. Secondly, knowing more about local labour markets will allow us to compare employment rates of our sample at the site-level with local employment rates, to assess whether the intervention, as well as going through a youth employability programme, gives youth a better chance of being employed compared to the general youth population living in the same area as them. Further information about the site level data is included in APPENDIX 1.

3.6. Questionnaire development and pilot testing
The questionnaire sections were decided upon based on the conceptual model discussed above. For each section the research team first attempted to identify suitable standardised scales and question sets. The advantage of using such scales is that they enhance the validity of the instrument. Where such scales were not available questions were developed by the research team. The full questionnaire was then reviewed by experts from key fields of study and their feedback was incorporated into the questionnaire.

The instrument was then piloted twice. In the first instance we completed the questionnaire with ten participants of the loveLife groundBREAKERS programme (from the cohort that preceded the study cohort) and followed the questionnaire completion with cognitive interviews. The primary purpose of this piloting phase was to assess whether participants understood the questions in the same way that they were intended to be understood, and to assess how they responded to seemingly sensitive questions (such as sexual and reproductive health questions). By and large the questions were understood as intended and the participants were surprisingly open about the potentially sensitive questions. Where there was confusion the questions were amended to account for this.

The instrument was piloted a second time with a group of fieldworkers (also young people) in order to test the skip patters and how long it would take to complete the questionnaire. Final editorial changes were made to the questionnaire and notes were made about vernacular words that could be used if participants did not understand particular English words.

3.7. Reliability and validity
The validity of the research instruments was enhanced with the use of previously tested and standardised questions and standard response options (such as the Likert scale). In addition, cognitive interviewing in the piloting phase ensured that questions were being understood as intended. Significant investments in training of fieldworkers, the use of experienced fieldworkers, a standardised research instrument, and standardised training all contributed to the reliability of the data collection. The longitudinal design also enhances reliability as we are able to assess consistency in responses over time.
3.8. Analysis

The analysis plan for the baseline report focused on descriptive statistics. These statistics included sample characteristics, i.e., youth, organization, and site-level data. For categorical variables, we obtained frequency distributions or sample proportions. For continuous-level data, we analysed the mean and standard deviation, and the median in cases where this made sense (for example earnings-related data). For each set of descriptive statistics, the research team looked for differences by age category; gender; and between treatment and control groups, with significance testing of these differences using t or Chi-squared statistics, tested at the p=0.05 level. All data analyses were conducted using Stata 14.

3.9. Ethics

Ethical approval for the study was received from both the University of Johannesburg’s Faculty of Humanities Ethics Committee as well as the University of North Carolina Chapel-Hill’s Independent Review Board. All participants were provided with detailed information about the study purpose, what would be required of them, their rights to privacy and confidentiality, and potential risks and benefits in an informed consent letter which they were required to sign if they volunteered to participate. The informed consent form was available to them to read but was also explained in full by fieldworkers before data collection commenced. Additional informed consent was sought for the release of the financial data amongst treatment participants.

Having discussed the ways in which the study was conceptualised and designed we now turn to the findings.
4. PARTICIPANT BACKGROUND AND CHARACTERISTICS

From the literature discussed above we know a great deal about the statistics on youth unemployment and the explanations for why we have such high and increasing levels of youth unemployment. What is less well known is what it is like to be unemployed as a young person and who these unemployed youth are. In the findings section we reveal a little of the lived experiences of a particular group of young people who are trying to better their lives.

The picture that emerges from the data regarding the participants’ profile is one of an optimistic young person, characteristically coming from a poor and vulnerable household. The households typically experienced income and asset poverty as well as its consequences – lived poverty and food insecurity. Yet they are young people who take initiative, evidenced both by their high levels of self-esteem and future orientation as well as the fact that they self-selected into a youth employability programme.

4.1. Demographic overview

The average age of participants was 23 years old with most of them in the younger cohort (75% were between 18 and 25 years) and 25% older than 25 years. It is quite encouraging to know that participants who are involved in these programmes are younger youth. One of the reasons we originally targeted 18-25 year olds is because we expect that intervening to support young people as they transition from school towards education and work would prevent young people from falling into chronic unemployment. As young people age and remain unemployed it is likely to become more difficult to intervene to support them to find work.

The majority of the respondents (61.1%) in our sample are female as compared to 38.9% of male respondents. This is quite a significant difference and could be attributed to various factors. It is well documented in employment research that in general, females are more vulnerable to unemployment than their male counterparts (Statistics South Africa 2016a). The higher percentage of women in these programmes could mean that more women are attracted to these youth employability programmes because of their employment circumstances. In addition, some programmes intentionally target more females for participation because of an awareness of the higher vulnerability women face.

A large majority of the respondents were African, making up 94.4% of the sample, followed by the Coloured population, which makes up about 4.7% of the sample. This is no surprise, as these youth employability programmes target historically disadvantaged communities where the prevalence of unemployment in youth is higher.

4.2. Living arrangements and care responsibilities

As might be expected, given their age, the majority of respondents reported they were single (78.6%), followed by those in a relationship but not living with a partner (about 15.2%). Older youth and women were more likely to indicate that they were married or living with a partner but these figures are small.

A small proportion of the respondents (5%) were living alone at the time of starting their training. However, most respondents (45%) were living with another 2-3 people. The average household size (including the respondent) for the sample was 3.8 people.

The majority of the sample (87%) were living with relatives and most had a parent living in the household (58%). This correlates with data from Statistics South Africa, which indicates that most youth live in nuclear or extended family households (Statistics South Africa 2016b). Older youth were more likely than younger youth to be living on their own.

Thirty four percent of the participants were living with their mothers but not their fathers and 19% were living with both parents. Only 5% were living with their fathers and not their mothers. As might be expected, older youth were significantly less likely than younger youth to be living with either or both of their parents.

<table>
<thead>
<tr>
<th></th>
<th>n</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not living with parents</td>
<td>833</td>
<td>42</td>
</tr>
<tr>
<td>Living with mother</td>
<td>676</td>
<td>34</td>
</tr>
<tr>
<td>Living with father</td>
<td>99</td>
<td>5</td>
</tr>
<tr>
<td>Living with both parents</td>
<td>385</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>1993</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4: Living arrangements – cohabitation with parents
More than a third of respondents (37.4%) indicated being responsible for the daily care or financial needs of a child. As expected, financial or care responsibility for children predominantly rested with females (73%) as opposed to males (27%). A larger proportion of participants in the control (53%) vs. the treatment group (47%) indicated financial or care responsibility for children.

On average, respondents who were responsible for the daily care need of children indicated that they provided daily care to one child. However, when it comes to financial care, participants were typically responsible for two children. Respondents received at least one child support grant, on average, for children that they supported financially.

Just under a quarter of respondents (22%) indicated playing an important role in making financial or in-kind contributions to adults not residing in the household. Youth who assisted adults were likely to be older. They mainly provided help in-kind including clothing and household items. Close to half of the respondents who indicated providing support to adults noted they did so frequently.

In our theory of change, we posit that youth characteristics will play a major role in the success of youth participating in Siyakha. In that vein, understanding who these youth are at baseline has implications for how the outcomes will play out post the intervention and indeed in the long-term. Age, gender, race, marital status, whether a parent or not will influence the outcomes of youth employability programme participation in Siyakha for youth. Findings in baseline indicate that participants who are involved in these programmes are younger. We hypothesise that targeting 18-25 year olds to strategically intervene with support for transition from school towards education and work could propel youth towards gainful employment. If intervention is not implemented at this crucial stage in a young person’s life they are likely to remain unemployed for longer periods of time.

Gender presents another important youth characteristic that impacts outcomes for youth employment interventions. The higher percentage of women in these programmes could mean that more women are attracted to these youth employability programmes because of their employment circumstances. In addition, some programmes intentionally target more females for participation because of an awareness of the higher vulnerability women face. A higher percentage of females in the study will allow for opportunities for gender analysis of outcomes. This may provide information that could inform policies that might provide more opportunities for young women that are tailored to address the unique needs of young women in the labour market. Young women who are mothers and have to navigate parenting demands and job requirements may face particular challenges. In many households, the division of labour remains skewed towards the woman, putting these young woman in a potentially disadvantageous position when it comes to taking part in activities which could contribute to her access into the labour market.

4.3. Household profile

Given the targeting of the youth employability programmes, participants typically came from poor and vulnerable households - both in terms of income and asset poverty and the experience of poverty.

Household income and assets

Of the participants who knew their household average monthly income, most lived in households that had a combined average monthly income of between R3000 and R5000. A further 20% lived in households that received between R1000 and R3000 per month. Cumulatively, 66% of the sample lived in households receiving R5000 or less per month. This is broadly in line with the national youth population in which just under 60% of the households within which youth reside are in the first three income quintiles (earning R6000pm or less) (Statistics South Africa 2016b).

The mean per capita income for the households in which participants reside is R527 per month with a median of R250 per month. Over 40% of the participants indicated that they had no household income.

The primary income source for households was earnings and wages, either from formal or informal work, or from running their own business (42%). This was followed by government grants (19%), with the remainder being made up of other income sources including remittances.

Assets are items that are owned by individuals and households that can be used to sustain a living, for subsistence, or could be sold for income. Assets are made up of classes including material assets, livestock, household goods, and productive assets. Material assets includes a house, motor vehicles and bicycles. Household goods refers to items such as sewing machines, fridge, radio, microwave and the like. It also includes cell phones. Productive assets are items such as a wheelbarrow and plough.

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12 37% of the sample indicated that they did not know what the household monthly average income was. A further 1.5% refused to answer the question.
Table 5: Individual and household asset ownership

Table 5 above shows that in general households and individuals have low asset ownership, particularly when it comes to material and productive assets – the assets that typically have higher values and can be used more readily to convert into income should the need arise. In comparison they have higher numbers of household goods. These numbers are largely made up of cell phones and radios. It is evident that households do have some access to livestock (typically chickens and cattle) but that individual respondents had very limited access to livestock. This may be because they are largely still living at home with shared ownership of the livestock. It may also demonstrate that young people are less concerned than their elders with livestock ownership.

Given the income situation of the households, most of the participants should have been eligible as beneficiaries of the Child Support Grant (CSG) when they were growing up. Our analysis indicates that 24% of the sample were CSG beneficiaries, with a further 15% indicating that they did not know whether they were beneficiaries or not as shown in Figure 5 below. These numbers are fairly low given the income profile of the households they come from.

One of the reasons may be the age of participants. Older youth were far less likely to report receiving the CSG than younger youth. Only 7% of the older youth as opposed to 28% of the younger youth indicated being CSG beneficiaries. Given that the age limits for receipt of the CSG were gradually increased, some of the older youth may have missed out on being age-eligible for the CSG while they were growing up. Treatment group participants were more likely to indicate having received the CSG (27% indicated that they had received it) than control group participants of which only 22% indicated having received the grant.

The household income and asset poverty is offset to some extent by access to basic services. The expansion of access to services for poor communities since 1994 has benefitted young people as well with over 80% of the national youth population living in formal housing (Statistics South Africa 2016b). Our sample seemed to be slightly worse off than the national youth population in terms of access to basic services. This is likely to be because the programmes target youth from poorer communities.

The majority of young people (60.8%) lived in formal dwellings on a separate stand. Consistent with the formal nature of housing, the roofs were mainly made of corrugated iron/zinc (53.6%) and the walls of bricks (68.5%). Interestingly, older youth were less likely to live in formal dwellings than younger youth suggesting that as young people in this sample move out of their parental homes they are more likely to be living in poorer circumstances.

In terms of access to drinking water, there was variation in proximity to drinking water despite the majority of participants occupying formal dwellings. Less than half (45%) had access to piped drinking water inside the dwelling. About a quarter of participants (24.8%) collected drinking water at public taps. Electricity was the main source of energy used for lighting (94.1%), cooking (87.9%) and heating (75.5%). Less than half of the respondents (43.5%) had a flush toilet inside the dwelling. About a third of youth (31.8%) had access to a flush toilet outside the house.
The experience of household poverty

Lack of access to assets and income results in various experiences of poverty which are considered from a multidimensional perspective of poverty.

These low income levels in part explain why most young people in the sample lived in households that had very high levels of food insecurity. In the study we used the Household Food Insecurity Access Scale (HFIAS) – a validated scale that measures access to food and experiences related to lack of access to food (Coates, Swindale, and Bilinksy 2007). Based on this scale, over half of the respondents came from households that were severely food insecure. For many participants, this is because they answered that they (or a household member) did not eat for a whole day or went to sleep hungry due to lack of food in the household once or twice within the past 30 days. A further 20% are moderately food insecure as is demonstrated in Figure 6 below.

An analysis of household “shocks” is often used to assess lived poverty and experience of vulnerability – the risk of falling deeper into poverty. Household shocks refer to changes that households experience ranging from the death of a household member, to theft of household items and job loss of a household member. Household shocks are understood to affect poor households more so than wealthier households because they add financial pressure to already limited resources and may push a household into a precarious existence. Wealthier households tend to have more assets (such as insurance or savings) to cover the economic effects of shocks.

The analysis shows that only 9% of households had not experienced a household shock in the last year. Most households (52%) had experienced 2-4 of the listed shocks in the past year. This indicates that most of the young people came from households that had to manage significant additional economic burdens in the past year, on already limited resources.

Certain household shocks affect households more adversely than others. For instance, death of a household member, loss of income, and severe illness of a household member are typically viewed to be the three most difficult shocks for households to cope with (de Wet et al. 2008). Further analysis of the data shows that 39% of the participants came from households that had experienced death of a close family member in the past year. Fifty-five percent (55%) came from households that had experienced loss of income, and 40% had experienced severe illness or injury in their household. This suggests that not only are the households that these young people come from households that are vulnerable to household shocks, many are also experiencing the shocks that affect households most adversely.

The Lived Poverty Index (LPI) is a further measure that allows us to understand the lived experience of poverty beyond a simple economic measure. The LPI measures experiences of scarcity of food, medicine, water and other essential items in the past year and is answered on a five-point Likert scale from “never” to “always” (Mattes 2008).

The analysis shows that the households within which the participants reside fare relatively well on the LPI. Most (60% or more) had either not experienced or rarely experienced scarcity in any of the essential items as is shown in the figure below. This should not be confused with the food insecurity question, which asks participants about their availability of food in the last month. The lived poverty index pertains to the previous year.
Figure 7: Experience of scarcity in five essential items in the last year (n=1921)

It is concerning though that more than 20% of households experienced moderate to severe scarcity in fuel, medicine, water and food in the past year.

Across a range of indicators of poverty and vulnerability it is evident that the participants of these programmes come from extremely disadvantaged households. While most have adequate access to basic services they remain food insecure with large numbers coming from households in which there is very low to no income. They regularly experience household shocks and have limited resources with which to mitigate these risks. It is remarkable therefore that they still demonstrate a positive sense of future and that they have high levels of self-efficacy. It is to their psychosocial characteristics that we now turn.

4.4. Future orientation and self-efficacy

In general young people in South Africa are optimistic about the future (Kamper and Badenhorst 2010; Steyn, Badenhorst, and Kamper 2010; Graham et al. forthcoming). This is despite the realities of structural poverty, inequality and unemployment that young people face. The participants in this study were no different. They were confident in themselves and had a high sense of their ability to control their futures and make something of themselves.

Self-esteem refers to the degree to which we perceive ourselves positively or negatively; our overall attitude toward ourselves (Baron and Branscombe 2011). In order to assess self-esteem we used the well-established Rosenberg scale (Rosenberg 1965) – a 10 item scale with four response options ranging from Strongly Disagree to Strongly Agree. The highest possible score for each item is 4, with a total possible high score of 40. The higher the score was the higher the self-esteem was of the respondents.

For the whole sample the self-esteem score was 31 indicating that the participants had relatively high levels of self-esteem. The older youth had slightly lower levels of self-esteem (30) than the younger youth (31) and the treatment group had slightly lower levels of self-esteem (30) than the control group (31). However these differences, whilst statistically significant, were minor. There were no gender differences in self-esteem.

The high levels of self-esteem are borne out by qualitative research (Swartz, Harding, and De Lannoy 2012; Graham et al. forthcoming), which repeatedly points to high levels of self-confidence and positive future orientation among youth. In addition, because the programmes allow participants to self-select into the programmes, they are likely to attract young people with high levels of self-confidence. It should be noted that self-esteem is responsive to life events. When we achieve important goals self-esteem can increase, while failures can temporarily harm self-esteem (Baron and Branscombe 2011).

Future orientation involves the ability to set or develop goals for one’s life and the ability to pursue these goals (Lee et al. 2010). Confidence is also theorised to be linked with a sense of future in self-determination theory (Ryan 1995; Catalano et al. 2004), which suggests that the experience of autonomy, confidence and competence helps people to feel as if they have control over their future and that they can plan and see goals coming to fruition through their own efforts. It is strongly associated with reduced risk behaviour and better stress responses among youth.

Respondents could receive a high score of 44 in the future orientation scale if they scored positively (4) on each of the 11 items. The mean score for the sample was 32 indicating that respondents were very goal-oriented. There was a small difference in future orientation for control and treatment group participants with control group participants scoring higher than treatment group participants by 0.7 points.

Self-efficacy is the belief that we can achieve a goal as a result of our own actions (Baron and Branscombe 2011). It too is strongly associated with positive development amongst adolescents including better ability to cope with stress and reduced engagement in risk behaviours (Catalano et al. 2004). Overall, respondents gravitated toward high levels of confidence in their abilities to achieve tasks. This is evidenced by the high
mean score for self-efficacy - 32.8 out of a possible 40. Again there were small differences between treatment and control groups with the control group scoring 0.7 points higher than the treatment group.

Respondents’ higher self-esteem, self-efficacy, and future orientation may be a result of their successful selection into the youth employability programme. The programmes also typically would attract young people who are goal-oriented as they are individuals who self-selected into the programmes.

4.5. Health and risk behaviour

The young people who participated in this study also typically indicated that they were healthy and reported risk behaviours that are in line with, if not slightly better than national averages. Most youth (75%) reported either excellent or very good health. Twenty one (21%) of youth reported good health, with only 4% fair to poor health.

Substance use

Youth were asked to answer questions about their use of alcohol, cigarettes, and drugs over the past 30 days. Sixty percent (60%) of respondents reported not drinking at all, while 21% reported drinking either once or twice in the past 30 days. Eight percent (8%) reported drinking once a week in the past 30 days, and 3% reported drinking at least one drink of alcohol more than once a week in the past 30 days. This is broadly in line with national data which shows that 32% of youth had had at least one drink in the last month (S. P. Reddy et al. 2013).

Those who responded that they had consumed at least one drink of alcohol within the past 30 days were asked about binge drinking. Youth were asked whether, in the past 30 days, they had consumed five or more alcoholic drinks consecutively over the course of a couple of hours. Seventy percent (70%) of surveyed youth reported that they had not taken part in binge drinking in the past 30 days, whereas 25% reported that they had had five or more alcoholic drinks in a row. Again this in line with national results which show that around 25% of respondents had engaged in binge drinking in the past month (S. P. Reddy et al. 2013). Asked about frequency of smoking cigarettes over the past 30 days, 6% reported smoking daily. Eighty two percent (82%) of youth reported that they had not smoked at all. Youth were also asked whether they had tried any drugs over the past 30 days. Ninety two percent (92%) of youth reported that they had not tried any type of drugs, and 5% reported that they had. These figures are lower than national figures. Reddy et al (2013) report that 13% of survey respondents had ever used Cannabis, and 9.7% had used other types of drugs (inhalants, prescription drugs, heroine, Mandrax and “club drugs”).

Sexual and reproductive health

Eighty percent (80%) of youth reported past experience of having sex. For these respondents, the average number of sexual partners was 2.5. Those who reported sexual experience were asked about sexual risk behaviours. A key risk factor for HIV infection is engagement in sex with someone five or more years older (for women) or younger (for men) than themselves. Generally sex with someone who is five or more years older is considered a risk factor primarily for women. Thirty four percent (34%) of the female respondents answered in the affirmative to this question. Conversely, for men, the risk factor is sex with someone five or more years younger. Of the male respondents 26% indicated that this was the case.

Seventy-two percent (72%) had used a condom during their most recent sexual encounter; 21% had not. This is higher than the national average for youth which was 68% for males and 50% for females in 2012 (Shisana et al. 2014). Sixteen percent (16%) have had sex while under the influence of alcohol or drugs. Three percent (3%) had engaged in transactional sex.

Figure 8 below summarises positive responses from questions regarding sexual behaviours or experiences.

Figure 8: Summary of Positive Responses to Sexual Behaviour Questions (by percent, multiple response)
Young people who are participating in the youth employability programmes therefore seem to be engaging in risk behaviours at around the same rate as the general youth population, with a slightly lower risk for engaging in the use of illegal substances. They were also more likely to engage in protective behaviours such as condom use, and very few reported engaging in transactional sex.

4.6. Conclusion

The above findings demonstrate that despite coming from poor backgrounds the young people enter the programmes with high levels of self-esteem, confident of their ability to change their fortunes by participating in the programmes. Their high levels of self-esteem, self-efficacy and future orientation are likely to be both a function of a generally positive youth population, as well as a feature of the particular kinds of young people that opt-in to youth employability programmes. Their positive attitudes are coupled with household circumstances that severely limit their ability to make significant changes in their lives. The high levels of income poverty and vulnerability they are exposed to are structural conditions that are likely to result in the intergenerational transmission of poverty (Finn, Leibbrandt, and Ranchhod 2016), leading young people to ultimately be frustrated and depressed. They experience a disjuncture between their dreams for themselves and their realities. They experience the structural violence of social and economic exclusion - what Swartz et al (2012) refer to as “the quiet violence of dreams.” Success in accessing the labour market upon completing an employability programme may be their only option to change their fortunes.
5. EDUCATION

If, as discussed above, one of the key explanations for high levels of youth unemployment is low skills levels, then it follows that education and training should assist young people to access the labour market. One of the key outcome indicators for the study is whether participants are better able to access formal further or higher education and training on completing the programme. We therefore assessed education levels as they entered the programme.

5.1. Secondary education

Figure 9 demonstrates that the majority of youth (90.5%) attained grade 12. This is in contrast to their parents’ level of education. Only 35% of respondents indicated that their mother had a matric certificate or higher qualification; and 39% indicated the same for their fathers. This means that young people in this sample are achieving higher levels of education than their parents. This confirms research conducted by Statistics South Africa (2016b) and Finn, Leibbrandt and Ranchod (2016), which shows that nationally, young people have higher levels of education than their parents. However, the same research shows that increased years of education has not resulted in better labour market or earnings prospects for youth.

Of those who had obtained a matric, just over one fifth (21.7%) attained grade 12 with a bachelor pass. More younger youth (25%) compared to older youth (11%) attained grade 12 with a bachelor pass. A recent study in the Labour Market Intelligence Project (LMiP) reports that 34% of unemployed and 39% of employed youth (15-34 years) respectively in South Africa had completed secondary education in 2014 (Isdale et al. 2016).

Figure 9: Highest level of primary or secondary education (n=1954)

About 10% of the participants had less than matric. Nationally about 60% of unemployed youth (15-34 years) had less than matric (Isdale et al. 2016). The fact that more of the youth in the Siyakha study had grade 12 than youth nationally is a feature of the programme entry-level requirements and shows that most of the programmes tend to target youth with somewhat higher levels of education than the national youth population. Fit for Life Fit for Work, Afrika Tikkun, Raymond Ackerman Academy, Harambee, loveLife and EOH all indicated grade 12 as one of their programme admission requirements. Some programmes do relax this requirement on a case by case basis. The only programme that specifically targets those that do not have a matric certificate is Thabiso Skills Institute.

5.2. Post-secondary education

Respondents were asked if they pursued formal studies after completing school. A large proportion of respondents (42.9%) indicated they did. A larger proportion of the control group compared to the treatment group had pursued formal studies after school.

Thirty four percent (34.8%) of the sample completed post-secondary training. Of these, more than a third (37%) acquired a National Diploma and 44% acquired an occupational certificate as indicated in Figure 10 below. Thus, despite young people coming from very poor households, many are managing to access and complete some form of further education and training. Yet their participation in the programmes suggests that they have not been able to convert their education into employment outcomes.
Research has repeatedly demonstrated that further or higher education significantly increases an individual's chances of employment and that graduate unemployment rates in South Africa are low (Van der Berg and van Broekhuizen 2012). However, such research has not analysed the effects of education for different groups of young people. Our research seems to suggest that the effects of post-secondary education and training do not necessarily convert into positive labour market outcomes for the youth from poor households in this study.

Participants who pursued formal studies after school were asked if they had ever enrolled for a course and subsequently dropped out. Almost two-fifths responded in the affirmative. As can be expected the main reason for course drop out was the inability to afford fees. This confirms research recently released by the National Income Dynamic Study team demonstrating that income levels of the matriculant’s household in the year they matriculate significantly affect the chances of that individual accessing and completing any post-secondary education and training (Branson and Khan 2016).

In addition to formal post-secondary education and training (through universities or TVET colleges), all respondents were asked about other forms of training or skills development programmes that they had been involved in prior to joining the youth employability programme. More than half of the respondents (55.8%) had previously participated in some form of training. Older youth were significantly more likely than younger youth to have previously participated in other skills training programmes. These were largely short-term classroom or on the job training programmes. Those who had attended a previous programme indicated that they had attended on average two different training or skills development programmes before enrolling for the programme under assessment.

This suggests that young people tend to participate in multiple skills training programmes before entering employment or further or higher education and confirms the notion of how transitions to the labour market are staggered (Graham and Mlatsheni 2015; Isdale et al. 2016). It also points to the fact that there seems to be a great deal of churn in the youth employability training sector. This is a key issue that needs to be addressed.

5.3. Conclusion

Evidently programme participants have worked hard to complete their secondary schooling successfully. They have done so despite difficult socio-economic circumstances. It is quite remarkable that so many of them also managed to access, and in many cases complete, some form of post-secondary education and training. This is contrary to the experiences of most youth from poor backgrounds who struggle to access post-secondary education and training (Branson and Khan 2016; van Broekhuizen, van der Berg, and Hofmeyr 2016). Yet they are still struggling with finding employment and turn to short-courses and other training programmes as stepping stones that may assist them to find work. This reinforces the importance of understanding the role that youth employability programmes play in supporting young people to find work.
6. EXPERIENCES OF EMPLOYMENT, UNEMPLOYMENT, AND WORK-SEEKING

Youth employability programmes represent, for these young people, an opportunity to break out of a cycle of unemployment or underemployment. It is a chance to change their fortunes. What role do these programmes therefore play in the transition to work for a young person? Literature suggests that young people are often passed over in favour of older workers who have work experience (Grimshaw 2014). This is an oft-cited reason for higher unemployment levels among youth. Youth employability programmes therefore may be viewed as an opportunity to gain work experience. Yet our data suggests that many of the participants had prior work experience and that the programmes represented one of many different steps that young people had taken to find their way into work.

6.1. Employment and work experience

At the time of baseline data collection, 20.8% of the 1993 entrants to youth employability programmes were in paid employment and just over half of the sample had had some prior work experience. This was surprising given that many of the programmes target young people who are not currently working. Paid employment, as defined in the questionnaire, excludes any unpaid working activity, or work for which respondents were paid a stipend. This condition means that respondents were encouraged to not consider being a participant in their respective programmes as a form of employment – a feasible possibility given the fact that many of the programmes include a working component, for example in the form of volunteering or internship, either unpaid or stipended. However, we suspect that some of the respondents did consider participation in the programme as work. This is borne out by the fact that younger respondents (aged 18-25) were significantly more likely to report currently working (22.6%) than respondents aged 25 and above (14.4%). Younger participants are more likely to have less experience of the labour market and therefore may view stipends as being equivalent to the concept of wages. Interestingly, more women are likely to say they are currently working – 22.2% versus 17.9% for men.

The overall figure for labour absorption of 20.8% corresponds with the absorption rate of 18-25 year olds in the South African labour market13, which hovered around 20% from the last quarter of 2014 to the first quarter of 2016, a period corresponding to that during which baseline data for the Siyakha project was collected (Statistics South Africa 2015d; Statistics South Africa 2016a). Forty seven percent (47%) of the respondents had never worked, again with significant age differences (45% for younger and 75% for older respondents). Those who had worked before had held an average of 1.8 jobs. Again this differed highly significantly by age. Older participants had held an average of 2.4 jobs as compared to 1.6 for younger respondents.

Nature of work experience

Respondents who indicated that they had worked in the past (53% of the sample) were asked a series of questions relating to the job they considered to be the most important in terms of their future employability in order to understand the kind of work in which they had been engaged. Fifty seven percent (57%) had been employed in formal jobs, with formality defined as the existence of a work contract. The control group was significantly more likely to have had a work contract. The mean wage earned in this job was R2233 per month (n=953), with a median of R1800 per month. Ninety percent (90%) of the participants had earned below R4400 per month. These figures are slightly lower than the national average for youth where the mean wages for 18-25 years olds was R2538 with a median of R2200 per month (Statistics South Africa 2015d).14 In qualitative research conducted by the CSDA with employed youth across five provinces participants indicated a mean wage of R2865 per month with a median of R2036 (Patel et al. 2016).

There is a highly significant difference in means by age category of about R1000, with older respondents having earned more. As expected, living in one of South Africa’s nine metropolitan municipalities also makes a difference: the mean wage earned by respondents at sites in metro areas was R2454 while outside the metro areas it was R1820. For those who chose to give a pay range rather than a number in response to this question (n=404), about half reported wages in the R1000 – R3000 range.

Respondents were asked to give a brief description of the type of work they did. These open-ended responses were recoded into the major occupation types, loosely based on the ILO’s International Standard Classification of Occupations (International Labour Organisation (ILO) 2012a). Figure 11 below indicates the occupation types in which young people were employed.

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13 Although our figure may also include substantial numbers of volunteers.
14 Restricting the sample to those earning less than R8000 per month (i.e. excluding the 15% of high earning youth).
Service workers provide services relating to travel, personal care, housekeeping, catering and/or protection against fire, theft or other shocks. Fifteen percent (15%), or 146 of 1002 programme participants’ jobs perceived as their most important fell into this category. Large sub-categories include waitrons, restaurant workers and bar staff (38); domestic workers and cleaners (32); security guards and parking attendants (13); cooks, community works and care workers (9); bakers and caterers (8); petrol station attendants (7); and hairdressing and beauty consulting (6). Some less-frequently-mentioned jobs include traffic controllers; firefighters and decorators. Others include gardeners; car washers and painters (10).

Salespeople are workers who sell and/or promote goods. Twenty percent (21%), or 214 responses, fell into this category. Subcategories include retail, sales, merchandising and promotions (97); cashiers (80); shop assistants (18) and call centre agents (19).

Fifteen percent (15%) or 148 responses were classified as being office or clerical workers – workers primarily tasked with handling information and carrying out administrative tasks. Subcategories include data capturers, administrative assistants and general office workers (133); and secretaries and receptionists (15).

Unskilled labourers or workers in elementary occupations amounted to 60, or 6% of the total, and are defined as involving “the performance of simple and routine tasks which may require the use of hand-held tools and considerable physical effort” (ILO 2012: 337). Large subcategories include construction labourers (10) and packers and stock-takers (36).

Technical or skilled workers perform complex work requiring specialised and extensive knowledge. Of all the jobs mentioned, 351, or 35%, fell into this category. The largest sub-category of skilled workers (143) included all respondents whose most important job was cited as including one or more of the following words: volunteering; peer education; mentoring; youth empowerment or facilitation. In a large proportion of these cases these descriptions included the words “loveLife” or “groundBREAKER”; implying that most of the observations in the skilled worker category represent being enrolled in a youth employability programme (specifically lovelife) – which respondents were instructed to not include in their response to their perceived most important job. In addition, 84 responses fell into the subcategory of ‘learnership’, with many of these responses including ‘end-user computing’. A further 17 responses indicated ‘tech support’ (end-user computing and tech support are names of EOH programmes). This implies that there is a similar dynamic at play with EOH participants.

Therefore, for many young people, being in a youth employability programme represents what is possibly the only real working experience they have ever had, or the only experience perceived as being important to their future employability. It also implies that of the 21% of respondents who counted themselves as employed at baseline, at least some of them will have been thinking about their programme participation as employment. This suggests that the way employment is interpreted and defined by respondents is highly variable, and may often be at odds with researchers’ definitions. The close correlation between our figures and those of Stats SA (Statistics South Africa 2015d; Statistics South Africa 2016a) suggests, however, that this is a more general problem relating to employment-related statistics in South Africa. We will investigate this more in the qualitative portion of this project.

Removing the abovementioned responses from the technical or skilled worker category reduces the number of responses from 351 to 107. Large subcategories include teaching assistants and tutors (22); IT and computer assistants, implying something different to EOH (19); fieldwork and data collection officers (e.g. enumerators for Statistics South Africa – 13); employees of the Independent Electoral Commission (IEC) and South African Social Security Agency (SASSA) (e.g. as voters roll checkers/compilers and ballot paper issuers for the IEC – 6); quality inspectors/controllers (10). Smaller subcategories with at least two responses included student nurses, radio producers and presenters, theatre crewmembers and debt collectors.
Of the total, 46 jobs or 5% could be classified as belonging to **craft workers and semi-skilled operatives**. These are workers applying specialised skills to manufacturing and construction work, or workers who operate heavy or light machinery. Large subcategories include drivers (cars and fork-lifts: 8); plumbers and handymen (6); machine operators (11); and welders/grinders (5). Smaller subcategories included pipe fitters and brick makers.

As discussed above we assume that some of the respondents considered their youth employability programme involvement as work. In order to get a clearer picture of the occupation types of the jobs that young people had held, we removed the responses where it was clear that the respondent was considering their involvement in the programme as a job.

As is shown in Figure 12 this change significantly reduces the number of people who indicated technical and skilled work as their most important job. The most common sectors in which young people therefore gain their experience are as salespeople, followed by office or clerical workers and service work.

Participants were asked how they found out about their most important job. As discussed above, social networks are very important sources of information about jobs (Kruss 2016; Mlatsheni and Rospabe 2009; Altman 2007); and in our research the **most** important. More than half of the respondents found out about their most important jobs via friends, family and household members: predominately friends and relatives living outside of their current households (36.6%) as demonstrated in Figure 13 below.

The mean duration of this job was 10.6 months, with large age differences (16.3 months for older youth vs eight months for younger youth). This seems to suggest that as young people age they are gaining more labour market experience which may ultimately translate into a longer-term, stable job. Mean hours worked per week were 33, with a median of 40.

As discussed above the majority of the respondents who indicated that the job ended (32%), implying that the jobs were temporary in nature. This accords with research showing the large share of young people with secondary education employed by the temporary employment services (or labour broking) sector, particularly in sales and services jobs (Bhorat, Cassim, and Yu 2014). Only 4% indicated they had been fired or laid off, although participants may under-report this. Sixteen percent (16%) said they were still doing this...
work, which relates to the previous finding of many respondents choosing the programme they were currently enrolled in as their most important job. A further 10% said they had left the job in order to study. Interestingly, 9% stated that they had given up their jobs in order to join the programme.

Only 11.9% were working for themselves at the time of the interview, with highly significant differences by age group (16.3% for older youth as compared to 10.5% for younger youth). Only 17.2% had ever been self-employed, with men and older respondents being far more likely to have been self-employed in the past than women and younger respondents. Self-employment most often took the form of selling sweets and food (as street vendors and out of private residences) and hairdressing; followed by selling of clothes, kitchenware and cosmetics (one respondent sold electricity); modelling; performing arts (e.g. DJ-ing); babysitting and photography. It appears that – as with the paid employment section – interpretation of self-employment varies widely, and is generally taken to mean survivalist activity, often referred to as “hustling” by youth in other CSDA research (Graham 2016; Centre for Social Development in Africa 2015; Centre for Social Development in Africa 2013a). This idea is reinforced by the very low monthly average take-home earnings from self-employment of R1989 with a median of R1200. 13.9% were doing unpaid work at the time of the interview, and only 25.6% had ever done unpaid work before. In addition, thirteen percent (13%) left their unpaid work to join the programme they were enrolled in at baseline.

6.2. Unemployment and work-seeking

At the time of entering the programme, 79% of participants indicated that they were unemployed, although taking into account that some viewed the programme as employment, this is likely to be somewhat under-reported. The mean duration of unemployment since leaving school for these respondents was 12.9 months, with 73% having been unemployed for longer than a year. Of these, almost 20% had been unemployed for 18 months or more since leaving school. This suggests that most of the participants had experienced chronic unemployment (defined as unemployment lasting for more than one year). This rate is higher than the national average which shows that 63% of 18-35 year olds were unemployed for longer than a year (Statistics South Africa 2015d). This means that the bulk of respondents were experiencing long-term unemployment at the time of entering the programme and confirms their experience of entering the labour market queue at the back and staying in it for long periods.

The treatment group had a significantly lower average unemployment duration of 12.1 months against the control group’s 13.5 months. For 18-25 year olds, the mean unemployment duration is 11.8 while for those aged 25 and above, the mean duration of unemployment is 17.7 months, a highly significant difference. This may in part be explained by the fact that the youngest of the younger cohort would have only recently completed school and would therefore naturally have fewer months of unemployment. Also highly significant is the difference between metro and non-metro areas (11.6 and 15.3 months respectively). This is to be expected given that more jobs are concentrated in metro areas.

There is a common assumption that one of the reasons youth unemployment is so high is because young people have unrealistic high expectations of what they could earn and therefore turn down jobs where wage offers are perceived to be too low (i.e. the suggestion that youth unemployment is often voluntary) (Rankin and Roberts 2011). This is called the reservation wage problem and we assessed participants’ perceptions on fair and reservation wages to assess whether these a) are unrealistic and b) change over time.

Respondents were also asked for the lowest monthly amount they would be willing to work for (their reservation wages). Here the mean is R3504 (mean for younger respondents is R3304, a highly significant difference), the median is R3000 and the 75th percentile is R4000 (n=1839). Women have lower reservation wages, (R3283 per month vs R3867 per month for men), as do younger people (R3348 for 18-25 year olds vs R4017 for older than 25). Interestingly, fair wages and reservation wages do not differ significantly between metro and non-metro areas, a finding which accords with previous CSDA research (Patel et al. 2016).

The disconnect between fair wages and reservation wages supports findings from previous research that in determining reservation wages, fairness is not the deciding factor, and youth are willing to work for wages they perceive as unfair – again reinforcing the idea that youth are not unemployed because they are biding their time and waiting for high-paying job offers (Patel et al. 2016). It does however seem that reservation wages are somewhat higher than market-related wages for people of a similar profile. If we look at the average earnings for this age group using Statistics South Africa’s 2014 Quarterly Labour Force Survey Data: Quarter 4 (Statistics South Africa 2015d), and excluding the high-earning population (who are conceivably also highly educated and therefore not in need of a YEP), the mean earnings are R2538 per month. For the full 18-25 year-old sample, the mean wage is R5579 per month. The mean reservation wage from the Siyakha baseline sample is R3504. This suggests the existence of unrealistic expectations to some extent, as found by Rankin and Roberts (2011).

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9 Figures for ideas of fair wages and reservation wages correlate closely with those obtained in Patel et al 2016:
Median fair wage: R6000 per month
Mean reservation wage: R3371 per month
Median reservation wage: R3000 per month
Given the high costs of job-search and transport (see below), it should be noted that it is also perhaps unrealistic to accept jobs that do not cover these costs. In addition, caution should be exercised in the interpretation of reservation wages as people often accept hypothetical job offers for wages lower than their reported reservation wages (Zoch 2014; Patel et al. 2016).

Fair wage ideas and reservation wages were also checked against whether the respondent had ever worked before, and, interestingly, there are no significant differences, implying that work experience and becoming more acquainted with the realities of the labour market does not reduce one’s expectations about fair or feasible earnings (while in Patel et al 2016, reservation wages are significantly lower for employed people).

Work-seeking experiences

Of those who were unemployed, 81% had actively looked for work during this period of unemployment, with this proportion increasing with age. There was no difference by metro/non-metro area.

Job search methods

Respondents were asked to indicate all job search methods employed since the onset of unemployment. Searching job advertisements and the internet was the most widely used strategy. This was followed distantly by enlisting the services of a trade union or employment agency, and enquiring directly at places of employment. Lastly the participants indicated having sought the assistance of family and/or friends. This finding suggests that young people are not using effective strategies to find work. Given that social networks (Mlatsheni and Rospabe 2009) and employment agencies or temporary employment services (Centre for Development and Enterprise 2012) are the most likely strategies to result in a job, it is worrying that so many youth are using one of the least effective methods – blind applications to widely advertised positions. The lower use of social networks is probably indicative of the few social networks they have (as discussed below) and is possibly a reflection of the fact that unemployed people are likely to have more unemployed people in their social networks when compared to employed people (Patel et al 2016). It is interesting to note though that social networks seem to be the most likely to result in finding a job. As discussed above, most respondents indicated having found their most important job through friends or family. Very few respondents indicated having waited on the side of the street for casual work or taking steps to start their own businesses as job search strategies.

On average unemployed respondents had made use of 1.4 of the methods displayed in the chart above. This seems low, and could be a reflection of high search costs (see below) or a lack of knowledge about how to go about searching for work. For those who were not currently looking for work (n=651), 27% cited discouragement as the main reason for this (equal proportions of discouragement in metro and non-metro areas); 27.6% had decided to go back to school or study further, and 11% couldn’t afford search costs. Only 3% of those who were not looking for work had opted out because they perceived offered wages to be too low. Discouragement and the inability to pay for search costs are significantly more prevalent in the younger age group.

Job applications

Of all respondents, 77.5% had made a job application in the three months preceding baseline, with a mean number of job applications made in this period of 7.8 and a median of 4 (10% had made 20 job applications or more).

Information about these jobs was gained primarily from the internet, followed by newspapers and friends and family outside the respondent’s household as demonstrated in Figure 14 below.

![Figure 14](https://siyakha.org)
Job applicants were optimistic. 57% considered their most recent job application to have been a good one with a high chance of success; 24% saw this application as good but with a limited chance of success; while only 6% considered the application to be bad. This seems to be borne out by reality, at least in terms of job applications resulting in an interview. Half of the respondents had attended an interview in the three months preceding baseline, with 78% of interviewees believing they had performed well in their most recent interview, while for those who believed otherwise, the chief reason was nervousness. The mean number of interviews attended was 1.7. The seemingly high number of people who had attended interviews \( (n=647) \) could be a reflection of people considering an interview for entrance to a youth employability programme as a formal job interview.

### Barriers to work-seeking

Aside from the inefficiencies in work-seeking there are also key barriers to work-seeking that young people face. The first is the costs of work-seeking.

The average monthly amount spent on transport for the purposes of job search in the three months preceding baseline was R557.94, with a median of R350 \( (n=1533) \). The difference between metro and non-metro areas is significant \( (R591.37 \text{ against } R498.89 \text{ respectively}) \). Overwhelmingly, these costs are covered via loans from household members \( (61.7\% \text{ agreed to having used this source of funding}) \). Family members outside the household were enlisted for help by 9.4% of respondents, and 14.9% indicated having used their own savings. Only 4.7% turned to moneylenders.

#### Figure 15: Types of job search costs in the past 3 months (multiple response)

The largest non-transport job search costs are internet costs and printing fees, with more than 1000 respondents having had to cover these cost types in the three months preceding baseline. Other large cost categories include application fees and agency fees. A minority also reported needing to pay bribes. The mean total monthly amount spent on these other search costs was R380.60, with a median of R200 \( (n=1110) \). Unlike the case of transport costs, there was no significant difference between metro and non-metro areas. This implies that while transport costs may be lower outside the metros, other costs may be higher, due to the relative scarcity of certain services – for example printing, internet cafes \( (Patel \text{ et al. 2016}) \).

#### Figure 16: Total median and mean monthly work-seeking costs

\[
\begin{align*}
\text{Internet costs} & = 17.3 \\
\text{Printing fees} & = 8.3 \\
\text{Application fees} & = 71.4 \\
\text{Agents’ fees} & = 12.9 \\
\text{Other} & = 6.8
\end{align*}
\]

\[
\begin{align*}
\text{R550} & = \text{R350} + \text{R200} \\
\text{(R938)} & = \text{(R558)} + \text{(R380)}
\end{align*}
\]
When added to transport costs, this amounts to an average total monthly amount spent on job search of R938.54 (median R550). This is equivalent to more than a third of the average monthly earnings of 18-25 year-old workers in South Africa (Statistics South Africa 2015d), and confirms other research findings regarding the exceptionally high cost of job-seeking in South Africa (Patel et al. 2016).

A second barrier to work-seeking was the very low levels of social capital to which participants had access. As discussed above, lack of productive social capital is a key feature that increases vulnerability to unemployment for youth. The corollary of this is that when an individual has more social networks, particularly those that are linked to the labour market, they are able to use these to access the labour market – either through direct referrals or by leaning on the individuals within their network for advice and information.

Respondents were asked about the people they have in their family, circles of friends and wider networks that they could go to for advice and support about employment or education. As is demonstrated Figure 17 below, most respondents are “in the red” when it comes to social capital. Most indicated that they had either none or very few people to whom they could turn for advice on work-seeking in the various possible social network categories.

Respondents appear to be getting advice and support about employment, self-improvement and education mostly from family and other household members. Since the sample is relatively young, it could be argued that they have not yet been linked to opportunities and platforms that would increase their social networks. The respondents are by and large limited to obtaining advice from people in close proximity to them or people they are related to, such as household members, friends and family. Participants were also asked about the individual who they considered to be the most significant person they could turn to for advice and support on employment and education related matters.

Not surprisingly, a large majority of the respondents (42.8%) regard their mother as the most significant person in terms of helping them find work, make decisions about education or to start an enterprise. This is followed by a sibling (14.5%) and then by another relative (8.6%). The people with the most significant impact on respondents were by and large close relatives suggesting that respondents appear to have close-knit and concentrated collections of “bonding” social capital that can be leveraged to “get by”. They may lack the more widespread and sizeable “bridging” social capital used to “get ahead”.

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**Figure 17:** Social capital sources (n=1975)

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**Figure 18:** Person with most significant impact (n=1802)

Not surprisingly, a large majority of the respondents (42.8%) regard their mother as the most significant person in terms of helping them find work, make decisions about education or to start an enterprise. This is followed by a sibling (14.5%) and then by another relative (8.6%). The people with the most significant impact on respondents were by and large close relatives suggesting that respondents appear to have close-knit and concentrated collections of “bonding” social capital that can be leveraged to “get by”. They may lack the more widespread and sizeable “bridging” social capital used to “get ahead”.

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It is therefore important to understand whether these social networks included people who were employed. Just over a fifth of the sample (22%) lived in households where nobody was employed. This means that our sample is slightly better off than the general youth population in which almost 28% of young people are living in households where nobody is employed (Statistics South Africa, 2015). In addition most respondents (60.5%) indicated that their most significant person was employed or self-employed. This suggests that while their social networks are limited, for many of them they do include people with experience of the labour market.

6.3. Resources for work-seeking

The above discussion demonstrates that young people have faced long periods of unemployment but that they have persisted with seeking work. This is despite the fact that they face significant barriers to the labour market, including the financial costs and limited social capital, as well as a lack of information about the most effective ways to look for work.

Nevertheless they demonstrate incredible personal agency and capabilities in work-seeking. This is evidenced by their persistence in work-seeking and their confidence in their employability as well as their preparedness for work-seeking.

By and large respondents indicated being well prepared for job applications and interviews. Almost all respondents (95.7%) claimed to have an updated Curriculum Vitae (CV) ready to send to potential employers, while 49.3% had a generic cover letter that could be adapted to suit the requirements of a particular job. 85.4% had contactable referees to support them; only 3.7% did not have either an ID book or passport; 66.7% and 90.8% had an email and postal address respectively; and 97% had a phone number they could be contacted on by employers.

Respondents were also asked about their perceived ability to carry out specific tasks relating to job application, such as preparing CVs and checking them for mistakes; including relevant information in a CV for a specific employer; writing cover letters and submitting applications online. Response options were coded on a Likert scale with 1 = “Definitely cannot do” and 5 = “Definitely can do”. The mean scores were high for each question, with the lowest mean scores recorded for “Do you know how to change your CV so it fits the job you are applying for?” (3.91) and “Do you know how to write a cover letter for your application that you will send with your CV?” (3.98). Respondents were most comfortable with the ability to ‘go back and look at the application one last time to make sure it is complete’ (mean of 4.55). The overall mean score for this set of questions is 4.24. This overall score for the treatment group was 4.19 compared to 4.28 for the control group. Similarly, men (4.29) were more confident than women (4.21).

Even higher levels of perceived ability were recorded for interviewing skills, measured on the same scale with a set of eight questions. Here the lowest mean scores were recorded for “Do you know how to answer difficult questions that an employer may ask you in the interview?” (4.16) and “Do you know how to prepare questions that you will ask in your interview about the job?” (4.21), with the highest mean scores for ‘Do you know how to
arrive on time for an interview” (4.83) and “Do you know how to dress and behave in a way that communicates success during a job interview” (4.81). The overall mean score for this scale is 4.43. Again, overall, the treatment group is less confident (4.40 vs 4.46).

The attractiveness of work-seekers to potential employers is increasingly recognised as being influenced by more than the sum of the work-seeker’s technical skills and academic knowledge (Potgieter and Coetzee 2013). Certain psychological and emotional attributes are believed to dispose employees to better workplace performance, better interaction with other employees and management and a greater ability to manage their career paths.

The employability attributes scale (Bezuidenhout and Coetzee 2011) defines and measures eight individual attributes as important in improving the likelihood of finding and keeping work. In the Siyakha survey, five of these attributes were measured using the same validated constructs. These are listed below:

- **Career self-management**: the ability to continually learn about how to advance in a chosen career path and to take appropriate steps to do so.
- **Career resilience**: defined as the ability to adapt to changing career circumstances and to be flexible in the face of change – e.g. changing job requirements or organisational flux; working with new people.
- **Sociability**: the ability to build networks of people who can advance one’s career or help to find new job opportunities. It also involves actively seeking feedback from others.
- **Entrepreneurial orientation**: refers to being generally open to new opportunities and ideas – not relating only to entrepreneurship.
- **Proactivity**: taking the initiative in identifying opportunities and acting on them; to improve one’s skills and to adapt to changing and/or difficult circumstances (Potgieter and Coetzee 2013).

Each construct was made up of groups of questions measured on a six-point Likert scale. The baseline mean scores on each of these constructs are presented in the table below:

<table>
<thead>
<tr>
<th>Employability attributes sub-scales</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Career self-management</td>
<td>4.85</td>
</tr>
<tr>
<td>Career resilience</td>
<td>4.50</td>
</tr>
<tr>
<td>Sociability</td>
<td>4.43</td>
</tr>
<tr>
<td>Entrepreneurial orientation</td>
<td>4.77</td>
</tr>
<tr>
<td>Proactivity</td>
<td>4.68</td>
</tr>
</tbody>
</table>

Table 6: Employability attribute mean scores

Entrants to youth employability programmes registered relatively high scores for each of the five employability skill constructs at baseline indicating confidence in their ability to demonstrate work-related skills.

Highly significant differences were found by age category for three or the sub-scales or factors - career resilience; entrepreneurial orientation; and proactivity – suggesting that as youth grow older they gain in confidence relating to their perceived employability (a finding which is perhaps at odds with the previous finding that the older respondents in this study have been unemployed significantly longer than their younger counterparts). The only other significant difference was for the entrepreneurial orientation factor, where the treatment group scored significantly higher on average (4.81 vs 4.72).

Given that the number of available jobs in the labour market has not increased significantly since 2008, entrepreneurship is often touted as one solution to the youth unemployment challenge. We therefore also tested entrepreneurial efficacy separately. It was measured in the same way with a set of seven questions surrounding respondents’ perceived ability to, for example, sell a product or service and raise money to fund a business. Here the mean scores for each question range between three and four, indicating a somewhat more limited confidence with regard to self-employment activity and planning than the employment related attributes (discussed above). The lowest mean scores were for “Do you think you have the confidence to create an innovative product or service?” (3.42) and “Do you think you have the confidence to create a plan for executing a business?” (3.48). The overall mean score for this scale is 3.63 with a Cronbach Alpha value of 0.89. The treatment group (3.59) and women (3.57) have lower overall mean scores than the control group (3.67) and men (3.73), respectively.

On other entrepreneurship-related questions, 72.3% saw opportunities to start a business or work for themselves, with younger youth being less likely to respond positively than older youth; and men being more likely to respond positively than women. Some (34.2%) cited a fear of failure as stopping them from grasping those opportunities. Again there are significant differences between treatment and control groups. The treatment group was more likely than the control group and women more likely than men to indicate a fear of failure.

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16 The Cronbach’s Alpha coefficients and mean scores correspond closely to those found in Potgieter & Coetzee (2013), where the scale was applied to 304 Honours-level business management students. Cronbach’s Alpha scores ranged from 0.74 to 0.87.
Surprisingly, 58.9% intended to start a business or work for themselves in the next year, with older youth far more likely to indicate this intention than younger youth. Thirty one percent (31%) saw entrepreneurship as a good career choice. These results suggest that at baseline respondents are entering youth employability programmes with a substantial perceived ability to apply for jobs correctly and to perform well in interviews. Their employability attributes as measured by the employability scale are also high. Although slightly less confident about their entrepreneurial attitudes respondents still perceive their entrepreneurial ability positively. This is inconsistent with other research on entrepreneurial attitudes among young people in South Africa, which reveals both limited self-efficacy with regard to self-employment activity as well as negative attitudes towards entrepreneurship in general (Kew et al. 2013). This could possibly be explained either by self-selection of more optimistic and more ambitious young people into youth employability programmes, or by a sense of optimism spurred by joining the youth employability programme.

6.4. Conclusion

Having considered the employment and unemployment experiences of the participants, it is clear that despite gaining their matric certificates (and post-secondary qualifications in some cases), and some work experience, most nevertheless remain unemployed – for a significant proportion of the respondents chronically so. Lack of skills and work experience are commonly viewed as key barriers to the labour market. Yet these young people are “ticking the boxes” in terms of completing their secondary education, attempting to improve skills through post-secondary training, and gaining work experience. They also demonstrate remarkable persistence in work-seeking with most continuing to look for work and making multiple job applications despite long-term unemployment and repeated failures. Why then do they remain unemployed? Part of the answer lies in their job-search strategies. Most used limited strategies and often turned to the least effective strategies to find work. But labour market inequalities also play a role, specifically the costs of work-seeking, lack of information about how to best search and apply for jobs, and lack of social capital that might be leveraged for information about and access to the labour market. These are key issues that youth employability programmes can play a role in addressing.

17 The Global Entrepreneurship Monitor collected data on the following questions in 67 countries: Do you see good opportunities to start a business in the next 6 months; Do you have the required skills or knowledge to start a business; and Would fear of failure prevent you from starting a business. For 18-34 year olds in South Africa, the proportion of yes responses for each question was 39%, 40% and 29% - the worst-performing African country and among the worst globally.
7. **FINANCIAL CAPABILITY**

Financial capability can be defined as a combination of financial literacy and the means to enact that knowledge through access to financial services and products (Johnson and Sherraden 2007). In this study we questioned respondents on a range of measures related to financial behaviours, access to and use of financial products, and basic financial knowledge.

7.1. **Financial behaviours**

**Financial responsibility and budgeting**

A high proportion (89%) of youth reported that they plan how money they receive will be used. When youth receive money, a majority of them (55%) always plan how the money will be used. Similar proportions of youth reported that they often (23%) or sometimes (21%) plan how the money that they receive will be used. When youth plan how to use money, 53% plan exactly how the money will be used, and the remaining 47% make rough plans on how the money will be used.

Almost eight in 10 youth reported keeping to the plan they make for using their money. Of these, 39% reported that they always keep to the plan they make, 27% reported that they do so often, and 32% stated sometimes.

**Living within means**

At baseline, 59% of youth have money left over after paying for their basic needs, including food and other necessary items. On the other hand, 41% of youth do not have left-over money after paying for their basic needs. Among youth with left-over money, about one-third (31%) regularly have money left over after paying for basic necessities, and 69% sometimes have left-over money after paying for basic needs.

When asked what they do with left-over money, 36% of youth reported that they save for unforeseen emergencies, 18% save for food and other necessities, 10% save for a planned future purchase, 9% save with no specific purpose in mind, 5% save to cover fluctuations in income, and 4% save to cover fluctuations in income. In addition to saving, youth spend their left-over money on food and other necessities (10%), as well as non-essentials (9%). Other ways that youth use their left-over money include investing (4%), lending to others (5%), giving to family members (5%), and repaying debts (7%).

![Figure 19: Uses of money left over after purchasing necessary items (by percent, multiple response).](image-url)

At baseline, 62% of youth reported running short of money for food and other necessities. Among youth who do not have enough money for food and other necessities, 82% sometimes run short of money and 18% regularly run short of money.

Common reasons for running short of money include insufficient income (39%), job search related expenses (24%), unexpected expenses (16%), and increased cost of food and other necessary items (14%). Other reasons include overspending (9%), providing financial help to others (6%), fluctuating income (6%) and failing to plan ahead (5%) as is shown in Figure 20 below.
When youth run short of money, they employ various solutions to pay for food and other necessary items. Common solutions reported by youth at baseline include borrowing money from family, friend, or work colleague (38%), using their own savings (16%), spending less on essentials (10%), and spending less on non-essentials (9%). Other solutions comprise finding extra work or working extra hours (7%), getting cash gifts from family or friends (6%), selling something (5%), borrowing from local moneylender (4%), and borrowing money from employer (2%).

Using credit or borrowing money (not from family, friend, or work colleague) is another solution that youth may employ to pay for food and other basic needs when they run short of their own money. At baseline, three in 10 youth (30%) reported using credit or borrowing money to buy food and other basic necessities. Among youth who reported using credit or borrowing, 91% reported using credit sometimes and the remaining 9% reported using credit regularly to pay for their basic needs when they run short of their own money.

At baseline, 15% of youth reported ever having to borrow money to pay off debts that they owe. Among youth who borrow money to pay off debts, 88% reported borrowing money for this purpose sometimes and 12% borrow money for this purpose regularly.

**Monitoring expenses**

In the week prior to baseline data collection, 40% of youth reported that they know how much money they spent personally and 60% did not know. Among youth who know how much money they spent in the last week, 58% have a rough idea and 42% know exactly how much money they spent.

When youth were asked if they know how much money they have available for day-to-day spending at the last moment, 42% responded yes and 58% responded no. Among youth who know how much they have, 47% reported having a rough idea and 53% reported having an exact knowledge of available money for day-to-day spending.

Most youth (56%) reported that they do not have loans. However, 44% reported that they have to repay borrowed money. When youth were asked to describe how they feel about the amount of money they have borrowed, 49% stated that they have borrowed to their limits and could not afford to borrow more. Thirty seven percent (37%) reported that they could afford to borrow more if they wanted or needed to, and the remaining 14% reported that they have borrowed more than they can really afford.

When youth were asked about their money management abilities, 45% strongly agreed that they are disciplined when it comes to managing money and 8% indicated that they were not disciplined money managers. When it comes to learning money management, 53% strongly agreed that they learn from mistakes other people make managing their money and 5% strongly disagreed that they learn from other people’s money management mistakes.

As an example of the youth’s money management skills, 7% reported that they regularly buy non-essential or luxury items before buying food and other necessities, while 44% sometimes, 27% rarely, and 22% never buy non-essential items before buying essential needs such as food. Similarly, when youth were asked how often they purchase unnecessary items that they cannot afford, 5% reported regularly buying items they cannot afford, 32% reported sometimes, 29% stated rarely, and 34% reported never buying non-essential items that they cannot afford.
Anticipating future expenses and saving

At baseline, the average (mean) amount of money that youth earn or receive in a month is R2366. The median amount of money that youth earn or receive in a month is R1025\(^{18}\). At baseline, 33% of youth reported that they expect to have major expenses or a bill in the next year that is equal to the amount of money that they earn or receive in a month. Most youth (67%) do not expect any major expenses in the next year. Nearly half (49%) of youth reported that they could cover in full, and without borrowing money that they have to repay, the most important of these expected expenses if they had to pay for this expense tomorrow. Similarly, 60% of youth have done some things to make sure that they will be able to cover expected expenses in full without borrowing money that they would have to repay.

When youth were asked about planning for the future generally, 44% strongly agreed that they try to save money for the future, 40% strongly agreed that they try to save money regularly, even if it is only a little, and 37% strongly agreed that they always try to make some provisions for emergencies or unexpected expenses. On the other hand, between 8 to 9% of youth strongly disagreed that they try to save money for the future, to save money regularly, even if it is only a little, or to make some provision for emergencies or unexpected expenses.

At baseline, 27% of youth reported that they usually plan to use money that they save within three months or longer. Fourteen percent reported that they usually plan to use their savings in one to two weeks. Another 14% of youth stated that they usually plan to use their savings in three to four weeks. Eight percent of youth usually plan to use their savings in less than a week, and 13% plan to use their savings in one to two months.

At baseline, common goals for which youth are currently saving include: 1) to pay for things that will help youth find work (25%); 2) to pay for things to help people in their households (27%); 3) to pay for education (35%); and 4) to start a business one day (12%). In terms of what youth would like to save for, 23% would like to save to pay for things that will help them work (so they can earn more money); 26% to pay for things to help people in their households; 41% to pay for education; and 21% to start a business one day. Figure 22 compares the goals for which youth are currently saving and the goals for which youth would like to save.

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\(^{18}\) Note that the difference between these amounts and those reported on in the employment section are as a result of the question being phrased differently. While the earnings question referred to wages only, this question refers to monies received.
Means of saving

At baseline, seven in 10 youth have ever had an account with a formal financial institution. This may include bank accounts that they had recently opened for payment of stipends during their participation in the youth employability programmes. Among youth who have ever had a formal financial account, 75% reported that they have savings accounts in their name. Fifty six percent (56%) of youth reported that they have a current account (including any business bank accounts or bank accounts used for receiving benefits such as grants) in their name or jointly with someone else. Other methods of saving include having a mobile money account (19%), being part of stokvel or savings club (14%), and being a member of a burial society (17%). In addition, 26% of youth reported that they keep savings at home, whereas 17% give money to someone for safe-keeping.

Debts and financial obligations

At baseline, some youth reported having certain financial obligations or debts. The most common financial debt is a store account card, with 15% youth reporting that they have a store account card. Other common financial obligations include a loan from a friend (6%), loan from a family member (7%), credit card debts (5%), and hire purchase agreement (8%). Less than 5% of youth have a home loan or bond, personal loan from a bank, personal loan from a micro-lender, study loan with a bank or an institution other than a bank, car payment, pension or retirement annuity, and stokvel debt.

7.2. Financial literacy

Obtaining financial information

At baseline, 43% of youth sometimes get information or advice when they have an important decision to make, 24% always obtain financial advice, 20% often obtain financial advice, and 13% reported never getting information or advice when they need to make an important financial decision.

The most common source of financial advice is mothers, with five in 10 youth getting information or financial advice from their mothers. Other common sources of financial advice include siblings (20%), fathers (14%), other family members in the household (10%), other family members not living in the same household (11%), teachers (16%), neighbours (10%), and financial institution staff (12%). In terms of media sources, television shows (30%), radio shows (19%), books or magazines (16%), and internet (14%) are popular sources of financial information.

In addition, youth generally go to someone at the municipality (35%), banks or other financial institutions (11%), or someone else in the family or a friend (11%) when they want financial advice.

At baseline, 36% of youth reported having had a class about money, which included instruction or discussion about topics such as budgeting, saving, investing, and banking. The remaining 64% have never had a class about money.

The average (mean) time in minutes it take youth to travel to the nearest financial institution is 29 minutes (with a minimum of less than a minute and a maximum of 300 minutes). The median time is 30 minutes. The most common form of transportation to reach the nearest financial institution is public transportation (48%), followed by walking (35%), and cars (11%).

The average (mean) time in minutes it take youth to travel to the nearest ATM is 21 minutes (with a minimum of less than a minute and a maximum of 130 minutes). This average time is eight minutes shorter than the time it takes to travel to the nearest financial institution. The median time is 15 minutes. The most common transportation mode to reach the nearest ATM is walking (60%), followed by public transportation (28%), and cars (7%).

7.3. Conclusion

The findings discussed above reveal that the young people in this sample typically have positive attitudes towards finances and savings in particular, which translate into reported good financial behaviours. This contradicts popular assumptions about young people, which typically point to their consumerism, with related assumptions about lack of financial prudence. Participants may have been providing socially desirable answers, although the reliability of the other data from the questionnaire does not suggest this would be the case. There is limited data on youth savings behaviour nationally with which to compare these results.
8. DISCUSSION, IMPLICATIONS AND CONCLUSION

The picture of youth unemployment that emerges from the data presented in this report is illustrative of the structural nature of unemployment, the ways in which poverty locks young people into unemployment, and the difficulties they face in breaking out of this cycle. It demonstrates the underlying causes of youth unemployment and poverty later in their lives. Youth unemployment is also associated with long-term chronic unemployment and the likelihood of another generation being poor.

Yet, the Siyakha Youth Assets study findings show that young people have agency, ideas for the future and a willingness and persistence to act in the face of structural constraints and systemic failures. While they are becoming more resilient, there is ample evidence of the severe frustration of their expectations. Their agency, coupled with interventions of a range of private, state and civil society organisations, provide an opportunity to think about how unemployed young people can be better supported to smooth their transition to work. In this section, we return to some of the key findings and themes to comment on what they mean to take on the youth employment challenge, especially for those who are most disadvantaged and excluded from the labour market.

8.1. Discussion of key findings

Who are the young people in this study and what are their social circumstances?

The sample in the study was predominantly African (with some Coloured participants), female, largely unemployed, and come from poor backgrounds. The participants in the study broadly reflect the people who are most affected by youth unemployment, at least on demographic characteristics. The national data shows that youth unemployment manifests itself unequally with African and Coloured youth, women, and young people from poor backgrounds being worst affected. This suggests that the youth employability programmes in this study are well targeted.

Linked to this finding is that of the background circumstances of the participants. The findings reveal that youth employability programme participants typically come from very poor and vulnerable households, which places them at risk of compromised human development outcomes. They had low income levels and few assets and in 20% of the cases, nobody in the household was employed. Despite this household profile, most of the respondents had not benefitted from access to the CSG (76%) when they were growing up. They experienced the consequences of income poverty with 71% of respondents experiencing moderate to high levels of food insecurity and severe scarcity of basic items in the household (20%), further, most were also vulnerable to deepening poverty. A clear majority of households had experienced at least one household shock with a large proportion experiencing more than two household shocks in the last year.

These household dynamics led to young people placing great expectations on themselves to complete a secondary education, to find work and contribute financially to the household and the care of children so that other household members may pursue livelihood opportunities. Almost two-fifths of the participants were already responsible for the financial or daily care of a child and one fifth indicated being expected to contribute to the financial needs of adults. Young women faced particular expectations related to the care of children.
In all these ways, young people who participate in youth employability programmes are fairly typical of other young people in South Africa. But they also differ quite substantially. First, they self-selected into the programme. This alone demonstrates that these are young people who take initiative. Second, they have very high levels of self-esteem, future orientation and self-efficacy. They believe in themselves and their ability to break out of their circumstances. Third, they have relatively high education levels. Because the programmes tend to target those with a matric they typically have more education than their peers in the wider population. Their ability to complete their education despite difficult circumstances also points to their persistence in finding pathways out of their situation. But is their sense of personal agency enough to overcome the structural unemployment that they face?

The findings tell us that their resilience has had a positive impact on their educational outcomes and that they have significantly more education than their parents had. It is also quite remarkable that over two-fifths had managed to access post-secondary education and training. Of these around 40% did not complete their education due to an inability to pay fees. This points to their unequal access to further education which is a key structural challenge that must be addressed. The talent and potential of young people cannot be lost to our economy and society due to income inequality. However, it is important to note that a large proportion (35%) also completed a qualification (usually a certificate or diploma) – an achievement that many of their counterparts from poor backgrounds are unable to reach due to a lack of resources (Branson and Khan 2016; van Broekhuizen, van der Berg, and Hofmeyr 2016). This is particularly significant as young people with a post-secondary education were found to have a greater likelihood of obtaining work (Broekhuizen and Van der Berg 2016). Yet these young people still struggled to find work. This may suggest that for some a post-secondary education is not enough to find work and that there are other reasons beyond skills that influence employment outcomes.

Young people in the study however continued to place a high value on education and training. Over half had participated in short-courses and other forms of training in addition to their enrolment in a youth employability programme at the time of the study. Such programmes may be viewed by young people as viable options to keep building their skills as pathways into the labour market while they wait to get into the “right that job that will change their circumstances”. Participation in a range of training and education options demonstrates that young people do not simply “sit around” while they are unemployed – they actively search for and participate in a range of opportunities that are likely to help them secure employment.

The data shows that a significant proportion of young people in employability programmes were previously employed. What are their experiences of employment prior to joining a youth employability programme?

Over half of the respondents had some prior work experience with the typical job lasting under a year and ending as contracts ended. This shows that many young people are gaining their first experiences of the labour market through temporary jobs (Bhorat, Cassim, and Yu 2014). They have therefore also “ticked the box” of gaining work experience, which should place them at an advantage in the labour market. Yet almost 80% of the sample were unemployed at the time of the baseline study and 73% had experienced spells of chronic unemployment since leaving school. Their experiences demonstrate how breaking out of poverty and unemployment is not a linear process. It is a staggered transition with young people “zig-zagging” into and out of employment and education as they struggle to find their way out of poverty. This staggered experience of trying to find work is not unique to this sample – it is confirmed in other recent research (Isdale et al. 2016; Cecil Mlatsheni and Leibbrandt 2015). Yet these young people have the qualities that are typically associated with being employable – they have matric, if not further education with many having work experience and demonstrated initiative. So why do they still struggle? The findings point to the barriers that they face in work seeking and to the need for greater support for young people to transition to work which is considered below.

Those who had worked previously earned a mean income of around R2200 per month –slightly lower than the national average for youth (Statistics South Africa 2015). While young people’s reservation wages were slightly higher than average national wages for youth, they were not significantly so. In addition, qualitative research is showing that young people will in fact work for wages lower than their stated reservation wage – sometimes below sectoral minimum wages (Patel et al. 2016). Consideration of wages may also be influenced by the financial responsibilities that many young people were expected to take on within their households as mentioned previously, as well as the costs of work-seeking.

The costs of work seeking were a significant barrier to work-seeking.
A further barrier to work-seeking was the limited social capital to which young people had access. Most indicated very few people in their networks, with close family members being the people they turned to for advice and support on employment. They therefore had strong bonding social capital but limited bridging social capital – a key resource for finding work in South Africa (Kruis 2016; C Mlatsheni and Rospabe 2009; Altman 2007).

Despite the experience of unemployment, and in many cases chronic unemployment, young people demonstrated remarkable resilience in work-seeking. Over 80% of those who were unemployed were actively seeking work in the three months prior to joining the programme. Of these 77% had made job applications and most had made 2-3 job applications per month. They also demonstrated confidence in their job seeking, stating that they thought their applications had been good with a high chance of success and rating themselves highly on an employability scale. They did however use limited job search strategies and typically did not use those most likely to result in employment – social networks and employment agencies.

In the context of the difficulties that young people face in work-seeking, despite their resilience in work seeking, the role of youth employability programmes becomes clear. They potentially play a significant role in reducing the costs of work-seeking, standing in for and enhancing social networks, and providing information about how best to search for work. In many cases, their location in communities is significant for young people in that they are easy to access with limited costs to individuals.

Given the lack of labour absorption and jobless economic growth in contemporary South Africa, individuals may have to look to other pathways into work including self-employment, informal work, and entrepreneurship. The evidence in this study suggests that participants are not typically engaging in self-employment activities and that the minority who did were doing so in survivalist businesses, as a means of income while they were waiting to find formal employment. The preference remains for formal employment. This is despite the fact that many young people still rated themselves positively in terms of entrepreneurial efficacy.

In terms of financial capabilities participants generally reported positive attitudes and behaviours, including progressive views on savings. This is contrary to popular ideas about young people, which tend to emphasise their consumer behaviour. Whether their self-reported views translate into savings behaviour is a question that will be assessed in the next phases of the study.

The question therefore is how such programmes can be strengthened, individually and as a sector, to better support youth transitions to the labour market.

**8.2. Implications of the findings**

The first main theme emerging from the study is that the pathway to work for these young people and many unemployed youth is likely to be staggered, uneven, difficult and protracted. They seem to have limited support outside their family and friendship networks to guide them and to smooth the transition to work. Their experiences demonstrate the ways in which labour market inequalities such as geography, lack of social capital and income shape their opportunities to break out of unemployment. It points to the interlocking nature of poverty and how talented young people remain trapped in poverty despite evidence of agency - a desire to take actions to improve their lives. Regardless of their educational achievements, work experience, and personal attributes, the participants of this study largely remain unemployed. This means that support for this group of young people is vital. Such support should be geared to overcome the systemic barriers that they face - provision of job search skills, easy access to information about work opportunities, reduced costs of work-seeking (through for instance locally available low cost or free internet and printing), and expansion of social networks.

Secondly, their household situation point to the difficult circumstances in which many young people grow up. The experience of income poverty, food insecurity and poor living conditions coupled with high costs of work seeking are significant socio-economic constraints that inhibit work seeking and may explain the high rate of discouraged work seekers that are reported in the labour force data. Trade-offs have to be made by households of who seeks work and whether to spend limited resources on work seeking. Young women may experience further social barriers in this context as many are responsible for the care needs of children. These trade-offs may create tensions within households and add to the financial pressure that young people face to find work. It also highlights how a lack of employment support services places the financial and social burden of work-seeking on already poor households. It is thus important that we begin to view investment in employment support services as a social investment that will potentially unlock the talents and capabilities of confident young people, which will in turn benefit the wider economy and society.

Linked to this is the fact that talented, ambitious, optimistic, and educated young people are currently locked out of the labour market. This represents a loss of human capital and resources to the economy and wider society. Mechanisms that harness their potential, that link them to and keep them connected to the
labour market are therefore imperative aspects of an inclusive employment strategy. Public employment programmes, a National Youth Service programme and other such opportunities are interventions that provide an intermediate connection that can benefit both society and the individual, provided they are well formulated and effectively implemented.

Third, national data suggests that being unemployed in early adulthood can turn into chronic unemployment. It is telling that 42% of young people between the ages of 31-35 years are still not in education, employment or training. There is need to avoid these high and persistent NEET rates. This points to the need for early interventions that prevent chronic unemployment. Existing mechanisms of keeping young people connected to the labour market, as well as the role of youth employability programmes in encouraging and supporting youth to continue looking for work, are important employment support services. In addition, economic policies that will stimulate job creation and demand for young work seekers are essential. This may include working with small businesses (where many young people are employed) to stimulate demand; engaging temporary employment services as an important sector in assisting young people to find their first job; and considering the possibility of a youth sub-minimum wage depending on where the National Minimum Wage is set. Such labour market interventions are typically viewed as being unpopular in current policy discussions but may be the bold moves that need to be made to substantially shift the youth unemployment problem.

Fourth, the experience of these young people points to the nature of the intergenerational cycle of poverty. A key human development assumption is that investment in education can break the cycle of poverty. However, youth in this sample have higher levels of education than their parents, and many have completed some form of post-secondary education or training qualification. Yet they still face unemployment. How to break the intergenerational cycle of poverty is a key challenge. Failure to do so will perpetuate poverty and inequality. The fact that education is not translating into employment points to both systemic failures in education as well as the wider economic challenges that determine the structural nature of unemployment. Interventions that support young people to engage with the labour market are critical, especially in light of education system failures. The role of youth employability programmes in “filling the skills gap” is important. But it is equally important that the weaknesses in the education system are addressed.

Given the important role that youth employability programmes potentially do and could play, it is critical that they begin to engage with one another about how to coordinate activities. How do they articulate with one another and avoid duplication? How do they work seamlessly to create smoother pathways for young people? What are the basket of services that can be offered in addition to current offerings? These are important questions for organisations to ask. It is vital that organisations come together to begin to identify themselves as a training and employment services sector and how such services may better coordinate and articulate their offerings.

Ultimately the nature of South Africa’s economic growth path, and its relationship with global economic shifts, has meant that we face a systemic unemployment problem that no amount of training or employment services will address. While youth employability programmes can address many of the labour market barriers and inequalities and help individuals (even large numbers of individuals) to access their first jobs, without labour absorbing growth their efforts and the efforts of young people such as those that participate in these programmes will result in nought. The agency of individuals, in combination with organisations working for change, is simply not enough without commensurate demand stimulation.

It is our hope that the study findings will generate debate and dialogue among youth and all stakeholders engaged in trying to find a way forward to address the grave and pressing problems of young people who are excluded from access to labour market opportunities.
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APPENDIX 1: Methodological details

As mentioned above, we employed a cluster randomised, experimental design. The details of the sampling at both cluster and individual level are provided in this Appendix. In addition, we include further details about the site level dataset and the recruitment and training of fieldworkers, and the data management process.

Sampling details

In the planning phase of the study it was determined that a total sample size of 3080 participants made up of 55 participants across 56 sites (clusters) was necessary to detect small effects. Ultimately we managed to recruit 48 sites at which baseline data collection was rolled out. Subsequently four of these sites had to be dropped from the study due to the reasons discussed previously, leaving a total of 44 sites. In many sites there were fewer than 55 participants as many of the programmes preferred to run their training with smaller class sizes. Availability of equipment also necessitated smaller class sizes in many cases. The sites were identified by liaising with the programme managers. Although most organisations had standardised sites (venues at which they ran the programmes with recruited participants on a regular basis), in other cases the organisations had to adapt to changing client demands and funding availability making it difficult to determine the final sample of sites prior to data collection.

Inclusion criteria: clusters

Sites were included in the sample if they planned to run the curriculum as outlined by the implementing partner. Their staff also had to be willing to be subject to the randomisation process; that is, if they were selected as a treatment site they had to avail a trainer for training and guarantee delivery of the financial education module. If they were a control site they had to commit to running the programme as they usually did. The latter were not provided any information about the financial education curriculum.

Inclusion criteria for participants

To determine eligibility of youth, we used five criteria. First was age - we planned to target youth between the ages of 18 and 25 years old. However, some programmes did include youth older than 25 years due to the fact that South Africa’s National Youth Policy includes people up to the age of 34 in the definition of youth. Many programmes thus have a broader definition of youth. Secondly we considered their education level. We planned for youth to have at least some secondary education, which is in line with education outcomes for most youth in South Africa (Statistics South Africa 2016b). Because the long-term outcomes we are testing for include further training and education as well as employment, we needed to include three further criteria. The young people participating in the study should not also be enrolled at post-secondary education at the time of the baseline assessment; the assumption being that their primary focus would be on the training programme they were enrolled for. They should only be enrolled in the one training programme that was under assessment and should not be engaged in any additional skills-training program.

Cluster level data

For each site, secondary data were collated and inserted into a site-level dataset in an attempt to describe local socioeconomic conditions at that site. This was informed by the realisation that due to the very wide variation in site location, it would be plausible to assume that geographic location may itself be a factor influencing outcomes, particularly those relating to employment.

Unemployment rates (narrow and expanded, with the expanded rate including discouraged work-seekers as part of the labour force) as well as absorption rates for each site were calculated using Statistics South Africa Census 2011 data at the ‘main place’ level19. For each site, the address was used to identify which small place that site belonged to (for example, Hillbrow for the Fit for Life, Fit for Work site in the Johannesburg CBD; Nyanga for the corresponding site in the Cape Town metropolitan area).

This approach had two significant problems: firstly, some or all participants at a training site were often drawn from areas different to that within which the site is located; and secondly, training sites were often located in middle to high-income business and/or residential areas with low unemployment rates, rather than low-income areas which the majority of YEP participants live in, with high unemployment rates. It therefore makes more sense to analyse members of our sample as belonging to the areas they live in, rather than the areas they travelled to receive training, in the cases where these differed. For example, participants trained at a loveLife site in Mdantsane, Buffalo City were known, from correspondence with site managers, to be recruited from Mdantsane as well as Mthatha. Similarly, none of the trainees at the EOH site in Sandton were known to be recruited from Sandton, but rather from low-income areas in the City of Johannesburg, such as Soweto. For sites where we knew where participants were recruited from, we averaged data from three of these areas to

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19 Nationally representative data at this low level of aggregation are only available from Statistics South Africa, using either Census data (the most recent Census was conducted in 2011) or Community Survey data. The latest Community Survey data will become available later this year (fieldwork was conducted in 2016; the first Community Survey since 2007). When this data is made available it will be used to replace the slightly outdated Census data in our dataset. As such, more accurate comparisons between Siyakha respondents and their local populations will become possible for follow-up data collection at 12 and 18 months after exit from their Youth employability programmes.
arrive, for example, at a ‘site-level’ labour absorption rate. In cases where we did not know where participants were recruited from, we averaged data from three ‘typical’ low-income areas in the municipality or province (depending on the scope of the catchment areas) within which the training site was located.

An example here would be illustrative. For the loveLife training site located in Port Shepstone, we knew that recruits at that site were drawn from all over Kwazulu Natal, but not the exact areas. These were most likely to be low-income areas given the demographic profile of the respondents. We therefore averaged the data for three ‘proxy’ areas – areas which would give us a reasonable approximation of the average employment rates in the ‘typical’ area in which a YEP participant would live. For this site, the proxy areas were Edendale (Umsunduzi), KwaMashu (Durban) and Empangeni (Richards Bay). The same approach was followed for all other sites where catchment areas differed from the area of the site for some or all participants. Where these were known, an average of three of the areas was used. Where the areas were unknown, the researchers picked three reasonable proxies.

**Recruitment and training of fieldworkers**

**Recruitment**

A group of 57 fieldworkers and supervisors was recruited. They were located in different provinces in order to ensure that travel costs for data collection were minimised. Some of the fieldworkers were those the research team had worked with in previous studies. In this way we were assured that they had excellent experience and training. However, we did need to recruit new fieldworkers to augment the team. By and large these were recruited through our existing network of fieldworkers but each fieldworker had to submit a CV which included any fieldwork experience they had. Three of the fieldworkers had no prior fieldwork experience. They were unemployed young people and we chose to include them because they had taken interest and initiative. They were paired with experienced fieldwork supervisors who spent more time checking the quality of their work.

Each fieldwork team was led by a fieldwork supervisor, who had more than five years of fieldwork experience and had been employed in the role of fieldwork supervisor previously with members of the research team.

<table>
<thead>
<tr>
<th>Province</th>
<th>No of fieldwork supervisors</th>
<th>No of fieldworkers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gauteng</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>Western Cape</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Eastern Cape</td>
<td>2</td>
<td>12</td>
</tr>
<tr>
<td>Kwazulu Natal</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Mpumalanga</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>11</strong></td>
<td><strong>46</strong></td>
</tr>
</tbody>
</table>

*Table 7: Fieldwork teams per province*

In addition, five fieldwork managers were recruited to oversee the smooth roll out of data collection, enhance quality control, manage fieldwork supervisors and fieldwork logistics, as well as assist with data management. All of the managers had over 10 years of fieldwork and fieldwork management experience.

Endpoint data collection was largely conducted with the same research teams. However, in certain instances we were not able to collect endpoint data from the sites and had to revert to telephonic interviews with the participants. In these cases we used the services of a call centre. Call centre agents were primarily young people who had survey data collection experience.

**Training**

Fieldworker training sessions were held with each team in their respective provinces. Each training session lasted one day and was broken down into two sessions. The first part of the training covered:

- The purpose of the research
- The role of the fieldworkers and fieldwork supervisors
- The research design (specifically the importance and process of randomization)
- The ethics of the study and how to ensure ethical data collection
- The data collection process
- Fieldwork logistics

The second session focused on the questionnaire. The team went through the questionnaire together clarifying any questions. They then had an opportunity to practice data collection with the questionnaire in smaller teams that were supervised by the supervisors and managers.

The fieldworkers attended a second refresher training session prior to endpoint data collection where the
An endpoint questionnaire was presented, discussed and practiced. Where supervisors or managers identified additional training needs ad hoc training sessions were arranged.

Data management

Upon completion of data collection at a site, fieldworkers checked the questionnaires in order to follow up on any missing or inconsistent information with the respondent while at the site. The fieldwork supervisor checked and verified at least 10% of the data while in field. Fieldworkers were discouraged from keeping completed questionnaires for prolonged periods of time in their own possession to prevent compromising the anonymity of respondents as well as the confidential nature of information. This was also to prevent the loss of questionnaires. Once questionnaires were delivered to the CSDA’s offices, the number of questionnaires per site was recorded for data capturing purposes. Researchers at CSDA verified at least 10% of the data prior to submitting the questionnaires for capturing. In some instances, where required, the fieldwork team was called in to verify data and/or collect missing information from respondents telephonically. During checking, researchers were able to identify questions or sections that respondents appeared to have misinterpreted and, these were addressed in refresher training with fieldworkers to equip them to provide improved guidance to respondents. Upon completion of the quality control measures, questionnaires were sent for capturing. The CSDA entered into service level agreements with data capturers to ensure data quality and, that respondent identities were not compromised. The research team checked the quality of the data sets upon receipt from the data capturers and engaged them to correct errors that resulted from data capturing. In order to maintain the confidentiality of information, all questionnaires are locked away in a storeroom which is only accessible to the research team. In time, the questionnaires will be scanned to ensure that they are available electronically and thus easier accessible. Identifying information such as respondent names were removed from the data set and replaced with unique identifying numbers in order to protect respondent anonymity.