

Meeting the youth employment challenge

A GUIDE FOR EMPLOYERS

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Preface

outh employment is critical for social and economic stability and growth, apart from all the other good reasons why it is important for society to give it the greatest attention. Employers have been aware of this for a long time, and have in fact been taking initiatives to address the issue individually and through their organizations. The International Organisation of Employers (IOE) surveyed their members in 1997 to see what was being done, and the results were a clear demonstration of the growing importance that employers give to this subject. Following a discussion of the survey at the IOE General Council in 1998, the employers proposed a resolution on youth employment to the 1998 Session of the International Labour Conference, where it was adopted with unanimous support.

Since then, the ILO has been taking many initiatives to promote action on youth employment. Most recently, the ILO's Director-General, Juan Somavia, joined the UN Secretary-General, Kofi Annan and the World Bank President, James Wolfensohn, in convening a high-level policy network on youth employment. The network will draw on creative leaders in private industry, economic policy and civil society to explore imaginative approaches to the youth employment challenge. The objectives of the policy network are threefold: (a) to formulate a set of recommendations on youth employment which the Secretary-General will propose to world leaders for action, (b) to disseminate information on good practices and lessons learned from specific past or ongoing youth employment policies and programmes, and (c) to identify for implementation a series of youth employment initiatives.

To achieve the goals of the policy network, everybody who has anything to do with young people and work, including educational institutions, vocational training centres and business support systems, has to be mobilized. The participation of employers is perhaps the most critical of all, since the access of youth to employment depends on their needs and expectations. This publication is designed to help employers and their organizations to initiate and expand action to promote youth employment. It brims with ideas and information that could feed a wide range of useful initiatives that might be taken, from influencing public policy to be supportive of youth employment to partnering other groups such as trade unions and educational institutions, and even doing more down-to-earth things directly with youth. We are sure that both employers' organizations and others who are interested in youth employment will find inspiration and encouragement from reading this publication, and we hope it will lead to the issue being given the priority it requires in terms of policy and resource commitments.

Our thanks go to the principal author of this work, Scott Barklamb of the Western Australian Department of Productivity and Labour Relations in Perth, as well as to Mariangels Fortuny of the ILO's InFocus Programme on Skills, Knowledge and Employability, who worked on Chapter 4 and coordinated the project. Many thanks also to Daniel Oakey of the *Financial Times* for editing the text in record time.

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Executive summary

- The world faces a significant challenge in providing jobs to its young people. There are at least 70 million young people unemployed internationally, and unemployment rates for young people are considerably higher than for the population as a whole in almost all countries.
- Youth unemployment is very damaging for young people, societies, cultures and economies.
- Youth unemployment is also profoundly commercially and operationally damaging to employers. There are strong economic, operational and social imperatives for all employers to do all they can to stimulate job creation for young people.
- Employers have a significant role to play in the creation of jobs for young people. This guide outlines a number of simple and effective initiatives all employers and employers' organizations can take to stimulate youth employment.
- This guide provides ideas and resources to assist employers throughout the world in maximizing youth employment, through:
 - □ Creating positive economic and labour market environments for job creation (Chapter 1).
 - Ensuring that education, training and school/work combinations enhance young people's employability throughout their working life (Chapter 2).
 - □ Ensuring that interested young people are supported in starting their own businesses (Chapter 3).
 - □ Promoting employment to overcome the challenges faced by young women (Chapter 4).
 - □ A plan/blueprint to assist employers in making an effective and efficient contribution to youth employment (Chapter 5).
 - □ Links to further resources on issues raised in the guide, including Internet-based resources that employers can use quickly and cost-effectively (Appendix 1).

This guide is relevant both to employers with an established commitment to stimulating youth employment, and those new to this field. It outlines both highly sophisticated, and relatively simple and accessible initiatives employers can take to ensure that a greater number of young people enter decent and productive work.

The guide is designed for use by both employers' organizations, and their members. While the term "employer" is used throughout the guide as shorthand to refer to both individual employers and employers' organizations, it is clear that many initiatives are best pursued at a collective level by employers' organizations rather than by individual enterprises. This is especially true of those outlined in Chapter 5.

Introduction: Why youth employment is good for business

Employing young people – a global challenge

¹ ILO (2000): Generating opportunities for young people - Brochure, ILO, Geneva.

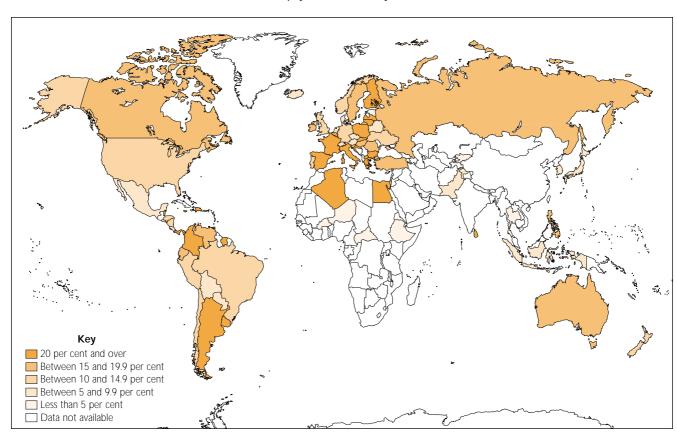
² The ILO defines unemployment as the proportion of persons who during a given period were (a) without work, (b) currently available for work, and (c) actively seeking work. The youth unemployment rate is the number of unemployed young people aged between 15 and 24, as a proportion of the total population for that age group.

³ ILO (1999): Key Indicators of the Labour Market, Geneva, Table 9A, p. 233.

ew technologies and the globalization of markets are making human labour more and more productive. But as productivity rises, so does the opportunity cost of leaving millions of young people unemployed. This waste of resources is especially acute because the generation of people now approaching adulthood is probably the most literate, numerate, multilingual and ambitious set of young women and men the world has so far produced. But there are at least 70 million young people across the world who have no job. Millions more young between the ages of 15 and 24 are underemployed, especially in the developing world. Many countries have sustained youth unemployment rates of 15 or 20 per cent.

This guide argues the case for business involvement in finding solutions for youth unemployment. Employers' organizations have not only a compelling incentive to act, they also possess the experience and

Youth unemployment rates, latest year³



information needed to act effectively. The guide outlines a number of practical initiatives that employers can pursue to encourage youth employment. Wherever possible it gives concrete examples of measures taken by employers' organizations in a variety of countries, as well as citing initiatives launched by individual companies such as Cisco, Nokia, BMW and Shell. Apart from suggesting policy ideas, the guide can also serve to stimulate discussion among employers and foster networking between employers' organizations and other social partners.

Why youth employment is a key issue

ccording to United Nations' estimates there are over 510 million young women and 540 million young men in the world today.⁴ That means that some 20 per cent of the world's population is aged between 15 and 24 years old. In many developing countries, especially in Africa, the number of young women and men entering the schooling age group is rising as a result of high fertility levels and improved child survival. It has been predicted that around 500 million new jobs will be necessary by 2010, both for new labour force entrants, most of them youth in less developed regions, and to reduce the global unemployment rate.⁵

The most powerful influence on youth employment is the national employment situation as a whole. For example, researchers have typically found that a 1 per cent increase in the adult unemployment rate tends to be accompanied by an increase closer to 2 per cent in the youth rate. Entering the labour market may be more difficult for young women and men due to lengthier employment searches. There may be institutional opposition to the idea of youth wage rates undercutting those of adults. Alternatively, the greater ease and lower cost to employers of laying off younger employees under employment protection laws may play a role.

Minimum wages and labour market regulations have also been identified as causes of high youth unemployment. These are complex and contentious issues upon which there are differing research and policy perspectives. There is a growing research on this issue, which employers may wish to consider in their national context (see also Section 1.3).⁶

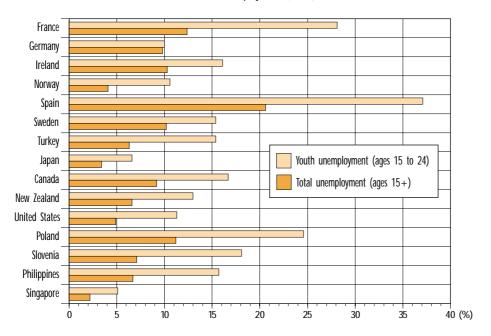
The national employment situation is vital. That's why the first part of this guide examines the role of employers in encouraging the appropriate macroeconomic environment. It also looks at the issues of reforming employment regulations and critically assessing government-sponsored job creation and training schemes.

But the issue is not simply that there are too few decent and productive jobs to go around. The presence of a large core of youth joblessness in countries that are at the peak of the economic cycle (as is

⁴ ILO (2000): Generating opportunities for young people, op. cit., p. 7.

⁵ ĬLO (2000): World Employment Report. Life and work in the information economy, Geneva, Box 1.4, CD-ROM.

⁶ There is a significant debate on this issue: see for example Ghellab, Y. (1998): Minimum wages and youth unemployment, ILO Employment and Training Papers – No. 26, Geneva, and Marsden, D. (1995): The impact of industrial relations practices on employment and unemployment, OECD Jobs Study Working Papers – No. 3, Paris.



the case currently in the United Kingdom and the United States) appears to indicate that there may be multi-faceted structural problems that are not removed by a general economic expansion.

In fact, perhaps the most striking aspect of youth unemployment is that in almost all countries it is much higher than overall unemployment. The same is true for underemployment. In the OECD 1999 data, the jobless rate for the 15-24 age group is 11.8 per cent, more than double the adult figure of 5.4 per cent. In transition economies, youth unemployment has also followed a similar pattern, exceeding adult unemployment significantly. And in some developed and transition economies more than one in three young people are unemployed.

While governments play the major role in providing and funding services to the young unemployed in most countries, the economic and social importance of youth employment dictates that this is too important an issue to be left to governments alone. Readers are invited to consider the following question: If youth unemployment fell to the level of adult unemployment in your country, how great would be the benefit for your economy, society, markets and enterprises?

One possible explanation for the higher rates of joblessness among young people is that the education system is failing to deliver employable individuals. The effects of educational attainment on youth unemployment are mixed. In most developed countries, young people who leave school early experience higher unemployment at the start of their working life. However, massive increases in school enrolment in several countries in recent years have reduced the employment-related advantages of obtaining more education, most notably in Italy and Spain.

In some developing countries, such as Indonesia, Jordan and Thailand, unemployment rates are higher for the more rather than the less educated. In Indonesia, primary-level school leavers who may accept insecure low-quality jobs actually have much lower unemployment than

⁷ ILO (1999): Key Indicators of the Labour Market, op. cit., pp. 220-249.

⁹ OECD: OECD Employment Outlook (2000).

⁸ The term "unemployment" is used throughout this guide to include both unemployment and underemployment. Employer readers should, however, be mindful of the incidence of youth underemployment in their countries in any efforts to redress youth unemployment.

more demanding secondary and tertiary-level school leavers whose skills may not meet labour market demand.

The quality and appropriateness of education and training have an immense impact on the employability of young people. So in Chapter 2 this guide addresses the issues of how employers can contribute to the development of education and training policies, emphasizing the importance of ongoing skill development for future employer competitiveness.

The youth employment challenge is about more than helping youngsters to make the transition from school to work, from college to career, from adolescence to adulthood. It's also about winning them over to the values than underpin wealth creation. Recent mass protests in Washington, London, Paris and Prague against global capitalism – which were overwhelmingly organized by people in the 15-24 age group – highlight the growing appeal of alternative values systems, however inchoate they may be. A generation of young people without decent and productive jobs will inevitably be more receptive to the message that big business is not interested in them.

Against this background, being seen to help the young into jobs is a powerful signal to tomorrow's consumers and voters that employers' organizations are on their side. But paid employment is not the only option for helping the young unemployed. Employers also have an interest in fostering entrepreneurial values among young people themselves.

Youth entrepreneurship has a vital role to play.

Chapter 3 outlines how employers can contribute to a new generation of entrepreneurs who can themselves grow businesses and create jobs. Among the initiatives discussed are national competitions, mentoring and sponsorship of schools or community events.

Young women often face even higher unemployment rates than young men or have lower participation rates, although the situation varies considerably between countries. In many developing countries, as well as in some developed ones, such as France and Spain, more young women are unemployed than young men, but in other countries such as Hungary, India, Indonesia, some Latin American countries and the majority of developed countries, the gender difference is small or negligible. However, discrimination in access to education and job opportunities is far more widespread.

In many countries, girls are outperforming boys at school, but this does not necessarily translate into greater labour market success. This is so, in part, because many girls remain concentrated in traditional fields of study, often not related to rapidly evolving labour market needs. In some countries – France, Jamaica and Japan for example – where girls have equal access to education, some may still be the intended or unintended targets of gender discrimination. In other countries, such as

Ghana, India and Kenya, girls' access to education and training is limited, forcing young women disproportionately into the informal sector and subsistence-oriented activities. Yet in others, economic inactivity is imposed on young women.¹⁰

Young women face particular difficulties entering employment that are not faced by their male counterparts. Chapter 4 highlights the equality issues relevant to young women and men and stresses why an "equality at work" approach is good for business and good for youth employment.

Employers throughout the world have long recognized that they have a mutual relationship with their societies, and that there are reciprocal obligations that go beyond short-term profitability and cost minimization. Although far from the sole rationale for employers contributing to youth employment, social responsibilities do play a role in this area.

Unemployment in early life may permanently impair young people's future employability, as patterns of behaviour and attitudes established at an early stage tend to persist later in life. Their exclusion from gaining work experience and lack of access to continuing training also increases their later difficulties to find jobs. In addition to depriving them of incomes and the personal fulfilment of decent work, the exclusion of young people from productive roles in the adult world of work can demoralize them and undermine social cohesion. Communities with high levels of youth unemployment are at greater risk of crime, drug abuse and vandalism.

Many countries show above average unemployment rates for ethnic minorities. In several advanced economies, youth joblessness is increasingly concentrated in households in which no member is employed, raising serious concerns for policy-makers about the perpetuation of generational unemployment among households. Financial insecurity among the young unemployed also means their hopes for starting families of their own must be put on hold. In some countries this can seriously distort demographic trends.

Two of the primary themes of this guide are that young people have a great deal to offer their societies, and that providing them with productive and decent jobs will be one of the most important contributions current generations can make for the future. Employers and their organizations have an important role to play in the resolution of both issues.

Chapter 5 concludes with an action plan that can be used both by employers commencing a role in this area and those already engaged in combating youth unemployment. It provides a checklist of approaches and strategies against which existing national efforts can be assessed. The plan is flexible in its design and application and can be adapted to national circumstances.

¹⁰ ILO (2000): Generating opportunities for young people, op. cit., pp. 11-14.
¹¹ ibid., p. 18.

The stakes are high for everyone

he world economy is at a crossroads. The conditions for a sustained and generalized period of prosperity are within our grasp. If employers succeed in engaging the hearts and minds of this generation of young people in productive and mutually fulfilling jobs, the potential rewards are enormous. Those societies that perform best in integrating young people into the workforce appear to gain a genuine advantage for the future. But if the jobless tally among the young fails to budge or, even worse, begins to climb, then the consequences will be serious for everyone – individuals, their families, governments and employers.

Youth unemployment continues or worsens

Unemployed young people have less to spend on employers' products and services, denting aggregate demand

Society loses out on the investment it made in educating or training the individual, whose potential productivity remains untapped

The employability of the young person deteriorates because he or she is not updating their skills in the workplace. The risk increases in that with no meaningful experience of work, the individual will become established in a pattern of joblessness

Personal savings are reduced or eliminated, reducing the pool of capital available to business and making the individual financially dependent on others and risk averse

Reduced taxation base and higher welfare costs lower the amount of money available for investing in education and infrastructure, while limiting the scope for tax cuts

More young people move into work

Employed young people spend their money on goods and service, boosting aggregate demand

Society reaps a return on its investment in education and training; the individual begins to exploit his or her potential

The young person's employability improves as education and training are augmented by experience within a working environment. The young person is more likely to serve as a positive role model for his or her peers

Now in employment the young person not only begins to consume but can also save and invest, boosting the pool of capital. The individual may build a financial cushion

Expanding revenues from taxation and lower welfare costs boost the amount of money available to invest in education and infrastructure while raising the possibility of tax cuts

Employers have a clear economic interest in increasing youth employment, and a very important role to play. There is considerable scope for employers to harness the energy of young people, and to diminish the scope and prevalence of problems caused by unemployment, through improved employment opportunities.

There is a wide-ranging international commitment to youth employment, of which this guide forms part. This includes commitments by the ILO and the IOE (see Appendix 1). They illustrate that employers are not acting alone to combat youth unemployment, but are assuming a role within wider international efforts.

¹² See also the ILO's youth employment Internet site: www.ilo.org/youth

Creating a positive environment for job creation

1.1 Generating economic and employment growth

- n almost all cases, the root causes of unemployment for both adults and young people are that economies do not generate enough jobs, or that young people lack the skills for those jobs that are available (see Chapter 2). There may be no single prescription for transforming all economies into engines of job creation, but all employers will be broadly familiar with the fundamentals of a sound, employment-creating economy. These conditions are the same as those that are necessary if not sufficient for business to operate efficiently:
- stable macroeconomic institutions, policies and goals;
- healthy levels of investment, moderate inflation and prudent fiscal policy; and
- consistently applied laws regulating property rights.

Employers already contribute to sound economies and new job creation through their production, consumption, investment and export activities. But beyond this direct role there are many other ways that employer organizations can influence the economic climate. In many countries employers already seek to influence economic, monetary and fiscal policies. For example, employers often take an active interest in budgetary policy, making pre-budget submissions and post-budget evaluations.² They also commission research on major issues affecting national economies such as the European Monetary Union or treaties on international trade.³ At other times, they advocate the fundamental reform of taxation.⁴

But employers can do more to stimulate youth employment through lobbying government and other stakeholders (central banks, workers' organizations and so on). By building up contacts, under taking research and publishing it, employers can become key players in shaping national economic policy.

- ¹ A useful discussion of factors influencing economic growth can be found in Sanghoon, A. and Hemmings, P. (2000): *Policy influences on economic growth in OECD countries: An evaluation of the evidence*, Economics Department Working Papers, OECD, Paris. The importance of macroeconomic policies and settings is also emphasized in the *OECD Jobs Strategy* (1004)
- ² See for example the Irish Business and Employers Confederation's (IBEC) 2000 budget submissions: www.ibec.ie
- ³See for example the Confederation of British Industry's (CBI) detailed policy statements on UK participation in the European Monetary Union: www.cbi.org.uk
- ⁴ The Australian Chamber of Commerce and Industry (ACCI) banded with other major Australian business organizations to form the "Business Coalition for Tax Reform". This body was instrumental in Australia in pursuing fundamental personal and business taxation reform during 1999-2000: www.acci.asn.au/

Pushing ahead with regulatory reform

There is a real risk that, particularly in a time of profound and rapid change in economic and social conditions, regulations can become an obstacle to achieving the very economic and social well being for which they were intended.

The OECD Report on Regulatory Reform⁵

hile regulations are a tool to further policies for the good of society, the regulatory environment can sometimes hinder employers' ability to perform effectively, hire staff and develop new products. Regulations can also make employing young people more time-consuming, complicated and costly than it needs to be. In those cases, regulations can impede the efficient operation of markets and economies.

Many countries are pursuing a wide range of reforms to improve the quality and cost effectiveness of government regulations. The aim is to make sure regulations are targeted and effective and actually improve labour markets.

Box 1.1 The benefits of regulatory reform – Experience from OECD countries

Telecommunications. Competition helped consumers reap the benefits of innovation in this fast growing sector. Elimination of monopolies helped stimulate new technologies and increase the number of cellular phone subscribers in OECD countries from 700,000 in 1985 to 71 million in 1995. After reform, average prices for telephone services fell by 63 per cent in the UK and 41 per cent in Japan. Long distance prices fell by 66 per cent in Finland.

Air transport. Following liberalization in 1993 under the European Single Market, 800 new licences were granted in Europe, and more people are using lower cost economy fares. In the United States, real fares dropped by one-third between 1976 and 1993, with more than half of this decline attributed to deregulation.

Agriculture. In the mid-1980s New Zealand abolished virtually all support to agriculture. As the sector adjusted, farm profitability initially dropped, some businesses failed, and employment fell by more than 10 per cent. Today, the sector is internationally competitive and exports more products to more markets. It contributes more to GDP than ever before and both the quality and variety of production has increased.

Manufacturing. In Europe, labour productivity grew twice as fast in those manufacturing sectors most affected by competition-enhancing reforms of the Single Market Programme compared to other sectors.

Overall consumer gains. In Japan, efficiency gains from regulatory reform are boosting consumer income by about 0.3 per cent per year, or \$36 billion. In the US, reform in several sectors provides annual benefits to consumers and producers of between \$42 billion and \$54 billion.

Source: www.oecd.org/subject/regreform/products/report.htm

⁵ OECD (1997): The OECD report on regulatory reform: Summary. OECD, Paris (www.oecd.org/subject/regreform/products/report.htm)

⁶ Regulations can be defined as "the instruments by which governments place requirements on enterprises, citizens, and government itself, including laws, orders and other rules issued by all levels of government and by bodies to which governments have delegated regulatory powers" ibid. Employers in a number of countries have been instrumental in driving regulatory reform in the interests of economic efficiency and saving public money. There is a growing body of research on the benefits of regulatory reform for economic development and job creation. Stepping up the pace of reform is thus a potent way to address the problems of youth unemployment.

mployers may also wish to consider the impact of labour and employment regulations on their capacity to create jobs for young people. This includes collective bargaining agreements and arbitrated labour relations settlements at both national and regional levels. Opening a dialogue on these issues with government and other social partners is an important first step. There is often a considerable reserve of good will and a willingness to put traditional divisions to one side in the interests of young people.

In many countries, there may be scope to stimulate youth employment through reforms to or exemptions from certain labour market regulations, processes, entitlements and obligations. This may extend to a substantial and fundamental reconsideration of existing labour relations and employment regulation, and the extent to which it assists or hinders job creation for young women and men.

The relationship between minimum wages for young people and employment is a complex and often contentious issue.⁷ Some argue that where youth wage rates are similar to those of adults, employers will generally choose an adult, as he or she will be more likely to meet or surpass job requirements than the less experienced youngster without a proven employment record.⁸ Such arguments support the use of lower minimum wages for young people to encourage their transition from school to work.

An alternative school of thought argues that different generations of people complement each other in the workplace, reflecting evolving skill requirements. If this is true then arguments in favour of lower rates for young people no longer hold. For example, in many OECD countries the relative wage rates of young people fell during the 1990s, while youth unemployment rates rose. The phenomenon led some to argue that reducing youth wages in order to cut youth unemployment may be ineffectual. Linked to this is recent controversial research indicating that changes in the minimum wage for young people may not significantly affect levels of employment.⁹

One way forward is for employers to work with governments and workers' organizations to pursue common strategies to encourage job creation among the young. This may extend to high-level national agreements between the social partners on youth employment. In collective bargaining, employers may wish to make the creation of jobs for young people a goal. There may be room to include concrete youth employment measures into the collective agreements as well as targets for cutting youth joblessness.

It is also important that employers push ahead with efforts to stimulate employment through reform of labour relations and employment regulations. Rigorous analysis of the impact of any regulation, and practice on employment will be important in convincing other interests to support reform.

Employers can contribute to jobs for youth by checking that employment regulations (including laws on minimum wages) do not harm their ability to hire young people. This applies both to existing legislation and policies still in development.

1.3 Getting the most out of labour relations

⁷ Ghellab, Y. (1998): Minimum wages and youth unemployment, ILO Employment and Training Papers – No. 26, Geneva. See also: Marsden, D. (1995): The impact of industrial relations practices on employment and unemployment, OECD Jobs Study Working Papers – No. 3, Paris.

⁸ ILO (2000): Generating opportunities for young people, op. cit., p. 16.

⁹ Card, D. and Krueger, A. (1995): *Myth and measurement: The new economics of the minimum wage*, Princeton University Press, New Jersey.

Readers will be aware that labour relations reform can be highly contentious. Despite the success of tripartite and cooperative approaches, employers won't always manage to build support for labour relations reform in the interests of job creation. In these cases, employers may need to lobby governments in support of fundamental reform.

Optimizing government labour market programmes

overnments throughout the world have come under political pressure to act on youth employment issues. In response they are delivering a variety of labour market programmes to stimulate employment and employability. Among their initiatives are incentive or subsidy schemes, job search assistance for the unemployed, direct job creation schemes in the public sector (see section 1.5), education and training measures (see Chapter 2), and government assistance in fostering entrepreneurship (see Chapter 3).

Incentive programmes are commonplace in many countries to stimulate employment by effectively reducing the cost of new labour for employers. Sometimes the government provides a direct subsidy or incentive payment; at other times employers who take on unemployed youth receive tax exemptions.

Economists have tried to measure the effects of many of these programmes.¹⁰ Employers can use this material to ensure that government efforts have the best chance of success. In summary, current research thinking suggests:

- It may be possible to increase the effectiveness of programmes by tightly targeting measures to particular groups of the unemployed, for example, by using detailed and personalized case management.
- Labour market programmes are most valuable in combination with other policy initiatives, such as those to stimulate economic growth.
- Government labour market programmes can have valuable nonemployment effects. These include reductions in crime and health care costs associated with prolonged joblessness.
- The most effective programmes work closely with employers. Programmes that understand the hiring practices of local employers, or that try actively to amend these practices are likely to be particularly effective.
- Two significant conclusions that emerge are the importance of active labour market programmes and the need to monitor, control and target schemes to ensure that incentive payments translate into employment.¹¹

The employment of young people is too important an issue for employers to leave to government alone. Employers and their organizations can play a number of roles where government programmes are already in place, and where they are under consideration:

¹⁰ Martin, J. (1998): What works among active labour market policies: Evidence from OECD countries' experiences, Labour Market and Social Policy Occasional Papers, No. 35, OECD, Paris, p. 21.

¹¹ ibid., p. 20.

Establish dialogue. One of the major themes of this guide is that employers have both the incentive to act and the experience to act effectively to tackle youth unemployment. Given this fact, the involvement of employer' organizations is not only legitimate, it is essential. The first step for employers seeking a role in this area is to establish a dialogue with government and other stakeholders on programmes to create more jobs for young people. While government is the most important player, its agencies administering the programmes are also relevant. In some circumstances partnerships with other groups such as workers' organizations will also be fruitful. International contacts and networks can be very useful because many countries have already undertaken significant reform of their labour markets.

Develop expertise. There is growing international research on which labour market programmes are effective and actually create jobs. Given this wealth of literature, employers may have more influence with governments the more they are aware of previous efforts. Developing employer expertise, recruiting the right personnel and engaging in rigorous policy research are ways to make sure government listens to employers. By learning the lessons of other countries, employers can become advocates of best international practice.

Contribute to programme design. As key customers of labour market programmes, the next goal for employers is to make sure they work. Employment programmes are designed to make employers react in certain ways, in this case hiring the young unemployed. No group is better placed to predict whether programmes will be effective than employers themselves. They are the ones who can answer the following questions:

- Do the incentives actually work? Employers can provide governments with feedback on whether proposed programmes will work and organize focus groups to test them.
- Are the programmes simple to use? Administrative and procedural simplicity makes programmes more attractive and accessible to employers. Employers can also provide government with feedback on the ease of use of programmes, particularly regarding administrative and paperwork requirements.
- What are the likely side effects? Employers have an interest in ensuring that programmes do not provide incentives for unintended and undesirable behaviours. In particular, employers can warn governments about programmes whose consequences would likely be: (a) hiring only when subsidies are offered; (b) using subsidies to hire employees who would have been hired anyway; or (c) preferring employees for whom subsidies are available, and dismissing existing workers.¹²

¹² Fey, R. (1996): Enhancing the effectiveness of active labour market policies: Evidence from programme evaluations in OECD countries, OECD Labour Market and Social Policy Occasional Papers No. 18, OECD, Paris, p. 20.

Promote government programmes to employers.

The effective use of subsidy programmes to get young people into work is vital. Employers' organizations have a role in promoting this to their members through their own publications, internet sites or other information channels. Not only will this ensure that young people enter employment or training, it also means they retain some purchasing power while ensuring that there is a job-ready labour force to take advantage of subsequent upswings in labour demand.

- Employers' organizations can publicize and even reward those employers who use programmes to employ young people. They can do this through publications, awards and recognition on notice boards.
- Employers' organizations can also provide a valuable service to their members and encourage the use of government programmes by developing expertise to help their members with the administrative and paperwork requirements. This could be on a fee-for-service basis or as part of the membership subscription.

Concentrate on following through. Employers can also provide feedback to government and other stakeholders about how programmes are working in practice. Are the incentives right? What is the cost per young person placed into work? Do the programmes show a benefit in the longer term? Are the young people available under the schemes actually employable? For example, public employment officials may not appreciate the needs of specific employers, thereby referring the wrong kind of applicants.

1.5
Monitoring direct job creation in the public sector

overnments may sometimes come under pressure to intervene directly in the labour market to create jobs for unemployed young people. Perhaps the most obvious option is a large-scale public works programme designed to stimulate economic growth. Programmes may also be targeted to specific groups such as unemployed young women or disabled people.

Employers have a clear interest in ensuring that any public programmes operate efficiently, actually create productive and continuing jobs for young people, and do not compromise employer interests. Where governments embark on this course, employers should begin a dialogue on what are the right approaches for their national economic and labour market context.

In the case of direct job creation by governments, there may be opportunities to use public programmes as a bridge into future private sector employment. Employers may, for example, seek to have any successful and effective public works programmes translated into private sector contracts. In that way subsidized unemployed workers can become regular workers for private employers.

long with other approaches outlined in this guide, there may be scope for employers to re-examine their enterprises to maximize job opportunities for young people:

1.6
Reviewing additional job opportunities

- Promote the importance of youth employment to their members, and encourage individual employers to examine existing staffing levels, unfilled vacancies, workloads and work practices to identify any additional work opportunities for young people.
- Encourage employers to consider their capacity to create new jobs using government programmes and incentives.
- Urge employers to examine their existing organizational structures, work practices and work organization for non-productive impediments to job creation for young people.
- Encourage employers to undertake an age and experience profile of their existing workforce to identify where jobs for youngsters may be found in the future, and use workforce and succession planning to facilitate the future employment of young people.
- Give simple workplace and jobs analysis tools that employers can use to identify employment opportunities for young people. Employers' organizations can even undertake workplace and jobs analysis for individual employers where appropriate.
- Establish a committee or similar body within an employers' organization to promote youth employment.
- Publicly recognize and promote those employers who create new job opportunities for young people, for example, through employer newsletters, press releases or internet sites.

On their own such efforts may not "cure" youth unemployment in any one country. But if each employer looks afresh at his or her existing workforce with a view to identifying further scope for youth employment, it is probable that they will find at least some new job opportunities. Importantly, such an exercise can also demonstrate the commitment of employers to unemployed young people, and legitimize wider employer efforts to influence public policy.

2

Enhancing employability

Education and training are a means to empower people, improve the quality and organization of work, enhance citizens' productivity, raise workers' incomes, improve enterprise competitiveness, promote job security and social equity and inclusion. Education and training are therefore a central pillar of decent work.

ILO resolution concerning human resources training and development¹

2.1 Introduction

emand for skilled labour is rising because of globalization, technological development and changes in the organization of work.² Empirical evidence suggests that a better-trained labour force can increase competitiveness, reinforce economic growth and improve job prospects.³ So it is hardly surprising that there is a growing recognition of the need to improve the life-long employability of young people.

Employers have a clear interest in ensuring that education and training creates the skilled, competent and flexible labour force they will need for the future. This section outlines various contributions employers can make in improving society's return on its investment. It also gives examples of a range of initiatives for employers and their organizations to consider.

A highly trained and highly skilled workforce will be more flexible and better able to meet the changing production and service needs of globalized markets. Increased skills also generate a workforce better able to operate new machinery, tools, and information and communication technology (ICT). Increased employability will also significantly cut future training costs, as skilled employees (and perhaps more importantly literate employees) will be more easily and economically retrained.

As key clients of the education and training system, employers can help inform policy and practice across a variety of issues, including:

What work demands from education and training

The demand for education and training is determined to a large extent by the knowledge, skill and ability requirements in work-places. The skills young people gain must help them compete in contemporary labour markets. Vocational instruction must be relevant to the evolving needs of industry.

How they learn

Theoretical instruction needs to be balanced by hands-on learning. Employers may have a role to play in determining the balance between school-based teaching and instruction by employers in the workplace. Who does the teaching will obviously have important repercussions on what exactly gets taught.

¹ International Labour Conference (2000): Resolution concerning human resources training and development, 88th Session, ILO, Geneva, Paragraph 3 (www.ilo.org/public/english/standards/relm/ilc/ilc88/com-humd.htm #Resolution)

² ILO (1999): World Employment Report 1998-99, ILO, Geneva, pp. 33-52.

³ ibid., p. vi.

⁴ Garona, P., Reboani, P. and Sziraczki, G. (eds.) (2000): *Achieving transparency in skills markets*, Franco Angeli, Milano, p. 13.

Who learns what

Employers may have valuable opinions on what sort of young people enter vocational education, at what age and what educational entry requirements are appropriate (for example, a requirement that mathematics or a language be studied for entry into specific vocational streams). Employers and their organizations can go further in lobbying for meritocratic criteria for admission to courses that embody principles of gender and racial equality.

How education is funded

Education and training needs adequate funding by government. This is a challenge that may become increasingly difficult as training on sophisticated or expensive technology becomes essential to a wider range of vocations.

2.2 Developing relevant curricula

mployers can help themselves and contribute to youth employment by ensuring that what young people learn actually boosts their employability. Education should cultivate in them the skills that employers will need to compete internationally. They can do this by contributing to curriculum development, particularly for the final years of compulsory schooling, school-based vocational education and vocational training.

There appear to be seven essential competencies that school education needs to produce to maximize employability:

- Literacy, spanning abilities with both spoken and written language sufficient to understand and implement job demands in increasingly complex modern workplaces.
- Numeracy, including an ability to add, subtract, count, number, check off, etc. Basic mathematical skills are now important to many jobs, and this can only increase in the future.
- Computer and keyboard skills, which are essential for work in an ever-wider range of industries, among which are: retail, customer services, manufacturing, agriculture and mining, and the ICT industry itself.
- Vocational skills, which employers can use as the basis of on-thejob education and training. For example, schools can provide young people interested in pursuing employment in manufacturing with basic machining skills, or those interested in office work with keyboard and administrative skills.
- Personal qualities, needed to operate in the modern workplace, such as an orientation to work, an appreciation of the concepts of enterprise and interpersonal skills all of which are best learnt at an early age.⁵
- Language skills, with a growing emphasis on competence in languages other than those prevailing nationally.
- Problem-solving abilities and the ability to think creatively. In all but the most regimented jobs, employers will often need to rely on their employees' discretion and power of initiative.

⁵ ILO (2000): Generating opportunities for young people, op. cit., p. 15.

Core skills and competencies are important not just for meeting the present demands of employers, but also for meeting the likely market demands of the future. It is up to employers to stress their requirements.

Schools also have an important role to play in teaching working skills. In many countries schools allow suitable students to move into vocational or work-based curriculum streams during their final years of schooling, often securing credit towards educational qualifications at the same time as working towards technical qualifications. This may be by way of either special technical schools, or vocational course options within regular schools.

Employers can participate on school boards, lobby governments on the importance of core competencies and provide feedback on the employability of recent school graduates. This may include, for example, stressing to governments the importance of all high school graduates being able to read and write. In extreme cases it may be necessary to push for a thorough reform of curricula.

Employers may wish to consider incorporating a statement of national core competencies into their policy lobbying agenda, so as to provide a visible and transparent framework to guide employers' efforts in this area. For example, employers' national policies on education and training might incorporate specific goals for literacy or numeracy.

If employers believe that priority learning areas are not getting the necessary funding they can push for extra teachers, better infrastructure or more textbooks and teaching aids.

Box 2.1 National skills development, Singapore

Some countries have developed statements of generic or core work skills that should apply nationally as a base for employment, regardless of the specific education or training options pursued. For an example see Singapore's Critical Enabling Skills Training (CREST) programme.

Source: www.ymca.org.sg/life/crest.htm

Box 2.2 ICT skills and Nokia's Internet partnership with China's Tsing Hua University

Skills relevant to the burgeoning ICT sector will be particularly important in determining employment outcomes for young people. There is a hope that this new and dynamic sector will provide improved employment opportunities for many of the world's 70 million unemployed young people. There is also scope for the Internet in particular to significantly contribute to opportunities for youth entrepreneurship (see Chapter 3). Employers are already contributing to the creation of ICT-ready generations of young school leavers. A joint project between Nokia and the China Youth Development Foundation will fund a team to provide computer and Internet support to a number of rural schools in China. A student volunteer association will also allow the University's students to improve their own skills by providing assistance to rural communities via mail, and serving as student aids in schools.

Source: www.nokia.com/makeaconnection

⁶ Industry In Education (1999): *Towards* employability, Report, UK, p. 9.

Promoting school retention

n important element of employers' promotional efforts may be to convince more young people to complete school. Despite the efforts of countries to improve the employability of youth through the education system, many still leave school with very limited skills. Research shows that exclusion from education, training and employment is often systemic: early school leavers and other at-risk young people are often drawn disproportionately from particular ethnic, social and regional groups.

These young people are particularly vulnerable to repeated spells of unemployment, long-term unemployment and intermittent and low paid work. Different countries have tackled the issues in a wealth of ways. These are mostly multifaceted programmes, ranging from remedial education and training to work experience, job search assistance, support for returning to formal education and various forms of wage subsidies. The OECD has found, for example, that "higher levels of education generally not only reduce the risk of unemployment, they also increase the chance of obtaining a full time job with permanent contract". Higher levels of education are primarily achieved through school retention, which also delays the transition of young people into the labour market – and potentially into the ranks of the unemployed. That's why reducing early exits from education is an important challenge in many countries.

Employers generally appear to have a limited role in this area, but may wish to consider some of the following:

- Recognizing the importance of school retention in employer policies on education and training. Stressing the importance of school completion in all contacts with young people and in all written materials prepared by employers for young people.
- Promoting the importance of the issue to government, and supporting government initiatives to increase school retention.
- Subjecting government education, training, and employment policies to an analysis of their impact on school retention.

Remedial education is also important, particularly for illiterate young unemployed people and those with poor competencies in the prevailing national or regional language. Attracting premature school leavers back into education and training is a vital element of remedial education. Again, partnerships may be sought with other stakeholders, especially governments, educators, and workers' organizations who have an interest in remedial education to maximize the employability of some of their members and potential members.

Where appropriate, employers can use their standing to promote the importance of higher educational qualifications for entry into employment and redirect undereducated job seekers back into remedial programmes.

⁸ OECD (1998): Employment Outlook, OECD, Paris, p. 81.

⁷ ILO (2000): Generating opportunities for young people, op. cit., p. 20.

2.4 Better vocational guidance

any unemployed young people come from communities that experience widespread, inter-generational unemployment and have few if any working adult role models. Often, their only source of career advice is from school-based schemes staffed by dedicated career counsellors. Government job centres and other information services may also have a role to play in helping young people to choose their career. Such vocational guidance can be very important in determining the direction of young working lives, and in ensuring that the skills, attitudes, and training of young people all maximize their life-long employability.

Gender stereotyping is sometimes found in vocational guidance leading young women not to choose training programmes that would have otherwise led them to higher long-term earnings and status. Particularly in developing countries, young women are often unable to take advantage of training opportunities due to barriers to entry such as male preference in selection. In some countries, young women are encouraged to train in household-related work while young men are encouraged to aim for high skill and modern technology-based jobs. As a result, many young women end up in relatively low-skilled and poorly paid occupations with little prospect of upward mobility.

Box 2.3 Autodesk and Design Your Future: Math, Science and Technology for Girls

Autodesk, Inc. is a world leader in the design software industry. But another side to the company is its commitment to leadership by example in education. "Design Your Future: Math, Science, and Technology for Girls" (DYF) is an educational initiative launched by Autodesk in 1997. DYF is driven by a group of female Autodesk managers in partnership with a team of female interns. The DYF goal is to inspire and empower girls to pursue careers in math, science and technology, and to influence other companies to do the same. Some of the programmes include:

- The DYF Website: A place for girls, families and educators to learn about career possibilities, internships, etc. The site includes links to exciting organizations and opportunities. This site is designed and maintained by female student interns.
- **DYF Interns:** Female interns, aged 14-19, work together with the women of Autodesk to develop and maintain the DYF website and implement all DYF programmes. Autodesk's Piracy Prevention Department also endows a college scholarship for female interns.
- **DYF Annual Event:** A day-long series of hands-on activities providing girls with a fun way to learn about the high-tech workplace and the skills that lead to successful careers within it.
- **DYF Speaker's Bureau:** Professional women from throughout the company act as role models, visiting classrooms and educational events to share their experiences and advice.
- **DYF Job Shadow:** An opportunity for groups of middle and high school girls to visit Autodesk to get a closer look at careers.
- Strategic Partnerships: A programme that connects DYF to some other important efforts nationwide to support the education and advancement of young women.

Source: www.autodesk.com/dyf/

Better vocational guidance – backed up by a commitment to gender equality – can provide a number of different mechanisms for improving young women's position and access to the labour market. By widening the range of options that young women actively consider, vocational guidance can launch them on the path to higher-level jobs. Employers also get to choose from the widest possible pool of talent.

At the heart of each of the above is the importance of promoting to young people exactly what employers will be seeking when they enter the labour force. No one is better placed to do this than the people who ultimately pick and choose between youngsters. In some countries, vocational guidance may not be strongly developed, and government may allocate little or no resources. This does not preclude a role for employers, who may wish to:

- Encourage governments to provide effective vocational guidance services where these do not exist. Forging strategic linkages with career counsellors at both the central and local level can create a mutual flow of information, and a shared understanding of priorities.
- Advise school and vocational counsellors on available careers, and current and predicted skills requirements to ensure that young people can be guided into priority areas, for example, ICT skills.
- Speak directly with students either by visiting schools or even offering tours of workplaces to give young people a more realistic impression of work.
- Offer places on "work experience programmes" in which students spend a short period of time working for no pay, or for only nominal pay, to learn what a given vocation is actually like.
- Identify suitable young people as future employees, and provide assistance with the purchase of books and materials, on an understanding that they will work for the employer when schooling is completed.
- Encourage greater use of the Internet to supply vocational guidance information to young people, for example, career options available with particular companies and the education and training levels required.

Box 2.4 Employer-provided vocational guidance

Futurefinder is a powerful employer-provided Internet site for young people. It provides students, teachers and parents with online career guidance free of charge, including information on careers, and on educational requirements for career entry. It also provides information on open days, career fairs, and scholarships. It uses an online questionnaire to suggest career options based on questions about work preferences, and the individual hopes, fears and aspirations of young people. The site also provides information on other issues affecting young people, including learning to drive, and starting personal savings accounts. It is sponsored by a major retail company, and enjoys the support of major international companies, including Apple.

Source: www.futurefinder.com.au/

oung people are increasingly willing to move in search of work. There is a decline throughout the world in extended employment with a single employer, and a move towards more frequent job mobility during working lives. The risks that employers will lose their investments in training can be balanced out by being able to hire those trained by others. But employers face the challenge of assessing employees they did not themselves train, and of judging the worth of academic, trade and vocational qualifications that they may be unfamiliar with.

A standardized national framework of qualifications can help. Such a framework can break down divisions between university qualifications and those secured through vocational and school education and rank the equivalence of all national qualifications in a continuum based on issues such as requirements for entry, complexity of study, trade recognition and occupational licensing. This has many potential benefits for employers. For a start, it provides a reference point so that employers can have confidence in a young person's skills and competencies, based on their qualifications. The development of a national qualifications framework is in the interest of enterprises and workers as it facilitates life-long learning, helps enterprises and employment agencies match skill demand with supply, and guides individuals in their choice of training and career. A standard approach will also allow employers to contribute more effectively to skills instruction and curriculum development.

With these advantages in mind, employers can play the following roles in this area:

- Encouraging the adoption of a unified national qualifications framework and, where appropriate, raising the issue for national discussion, perhaps forming partnerships with others supporting this approach.
- Seeking standardized and consistent evaluation of school leavers with qualifications that are comprehensible to all employers nationally.
- Helping to create a system for recognizing and grading training qualifications so that they are portable and recognized nationally.
- Articulating the competencies employers seek from the various levels of qualification, and employers' preferred qualifications framework.
- Checking that training and apprenticeship qualifications are integrated into the national qualifications framework along with academic study, and that suitable recognition is given to prior training in these areas.
- Making sure the right hierarchy and equivalence of qualifications is established and maintained. This may include ensuring that formal apprenticeships are recognized as being superior to non-indentured training, which may be shorter and less rigorous.
- Ensuring that there are pathways into training qualifications from schooling and from one level of qualification to the next (for example, upgrading from a non-trade to a trade qualification).

The role of a national

qualifications framework

⁹ International Labour Conference (2000), op. cit., paragraph 17.

Improving the quality and efficiency of training

s demand for skills shifts in response to far-reaching economic and technological change, existing training systems need to adjust their methods and content to ensure the ongoing creation of an employable labour force that is internationally competitive. Shorter product cycles and new forms of work organization have both served to alter the environment in which training decisions are made. Training systems need to react quickly and flexibly, whether they are training institutes and colleges, systems of trade qualifications or indentured apprenticeships.

This guide stresses the need for employers to make their views count when governments are trying to act on youth employment issues. This area is no exception. There may be no one correct approach to any of these matters; all training systems must overcome two principal challenges. First, they must train more young people, more cost effectively. Secondly, they must develop an adaptable labour force to cope with the changing needs of the labour market. ¹⁰

While the design and reform of training systems is highly complex, a number of issues warrant specific consideration, including:

- The right mix between vocational education given in schools, in training institutions and in the workplace itself.
- Separating the question of who pays for the training (governments, employers or individuals?) and who actually supplies the training services.
- The relationship between apprenticeships and other forms of training.
- The level and content of skills and competencies to be delivered through the training system.
- The use of financial and other incentives for employers to take on young people as trainees.

Perhaps the most important contribution employers make to training young people is providing on-the-job training, either as part of or in addition to the formal training system. There is scope in many national training systems to enhance the role of on-the-job training, and to provide greater recognition of employer-based training within formal training frameworks. Some countries have "apprenticeships" in the informal sector. Employers in the formal sector should not overlook the potential value of these structures in their own education and training efforts.

Employers can also directly assist vocational education by providing instruction on special skills and access to machinery and the technical resources necessary for modern and relevant training. This is especially relevant for instruction on hi-tech machinery, which only employers may have access to, although in some cases employers may wish to donate obsolete but still functional and safe machinery for vocational/school-based training. Employers can also provide financial assistance for vocational education where necessary and appropriate, and lend their management and commercial expertise to steering committees and advisory boards of educational institutions providing vocational training.

Training systems have become very bureaucratic and rigid in many countries. There can be little marginal advantage for an employer to

¹⁰ ILO (1999): World Employment Report 1998-99, op. cit., p. 57.

master all the relevant procedures needed to hire a trainee. Employers' organizations can play a major role in promoting training by ensuring that training systems are as cost effective and user-friendly as possible. In particular, they can:

- Participate in industry boards or committees that determine training curricula.
- Help to choose appropriate and relevant texts and educational materials.
- Take part in the selection of appropriate trainers and teachers.
- Ensure trainees are rigorously tested and appraised, to reassure employers that all graduating young people are competent and have skills that can be relied upon.
- Alert training authorities to any worrying fall in standards.
- Build up expertise on how to navigate training systems and then share it with their members. They may even wish to offer a complete service in which the organization will assume responsibility for the engagement process on behalf of an employer. Depending on national circumstances this may be a fee-for-service activity, or offered within the standard subscription.

hile some countries have modern, targeted and evolving apprenticeship systems, in others these institutions are very old in their design and operation and increasingly ill equipped to meet apprenticeship systems changing and varied demands from young people and employers.

Although international lessons are important, there are dangers in simply transplanting very successful systems (such as that of Germany) into other national contexts. Employers are well placed to alert governments to these kinds of issues. One particularly important role employers can play is to use their business experience to make sure that apprenticeships are run on a commercial basis, subject to commercial management, accounting and performance standards.

Among the possibilities for reforming traditional apprenticeship systems, employers may want to consider the following:

- Ensuring that the apprenticeship curriculum is modern and up-todate, and will provide people with appropriate skills and capacity for ongoing learning and productivity improvement. This may include pushing for the incorporation of additional ICT skills into traditional apprenticeships.
- Incorporating apprenticeship qualifications within any unified qualifications framework, and breaking down divisions between apprenticeships and other training options.
- Providing young people with a voice in the determination of curricula and competencies to be taught in apprenticeships, for instance, through participation in school committees.

Modern and relevant

- Scrutinizing apprenticeships for options for reform, which may include looking at the period of the apprenticeship, opportunities for accelerated completion, options for varying the order in which competencies are attained, and so on.
- Pursuing reform of apprenticeship institutions to reflect the changing needs of young people and their potential employers. This can include significant organizational change to ensure that apprenticeships are administered as effectively and efficiently as possible.

There are a number of measures employers' organizations can take to promote vocational education and training in their national context, to create greater employability for young people. These include promoting the importance of vocational education and training to employers, building relationships with training providers, participating on boards that run or oversee training services, and assuming a central role in training policy.

Many training systems, especially apprenticeships, have evolved over many years on a standardized basis. A single model of training is generally offered, to which employers and trainees must conform. This can form a barrier to training where employees and employers cannot comply with the standard model. This can be overcome by making apprenticeships more flexible to meet the needs of employers and apprentices. This can include flexibility in the following areas:

- Mix of on- and off-the-job training and the times when training can take place.
- Freedom for employers to release apprentices who do not reach the necessary standard.
- The ability of apprentices to transfer their indentures between employers.
- Choice and tailoring of programmes to suit individual employer needs.
- Delivery of off-the-job training, and in particular flexibility concerning when and where training is delivered.
- Order in which trainees undertake specific training curricula.
- Mix of on- and off-the-job training and the recognition of employerprovided training within the national qualifications framework.

At the heart of such options is the importance of providing maximum opportunity for employers and young people to move into mutually beneficial training arrangements, and minimizing institutional rigidities.

One idea is to provide employers and young people with the flexibility to contract out training services to private training providers. That way they are not bound to use only government-funded providers and institutions. Funding for such an approach could be achieved either by providing employers with dedicated money for such training, or by way of a voucher system.

nhancing the employability of young people needs concerted action on a number of fronts. But nearly all of the suggestions discussed in this section fall into three broad themes:

Partnerships, funding and performance

- Building partnerships
- Securing proper funding, and
- Monitoring performance to provide feedback

A partnership model is particularly appropriate because employers **Building partnerships** are generally powerless to determine most education and training matters on their own. Employers need to leverage and influence government to see their aims translated into effective policies and services. They will often need to assemble coalitions to support particular positions. The key objectives are to secure cooperative relationships:

- With governments, which will often determine the extent to which employers can influence many of the matters related to education and training.
- With the national and local agencies that administer and implement government policy in this area. This includes partnerships with national curriculum bodies, educational administrators, and administrators of technical and vocational education.
- With individual schools and training institutions. Such links can provide employers not only with influence over course content and formulation, but also perhaps with advice on which graduates to employ.
- With universities, to ensure their curricula cultivate appropriate competencies in graduates. The partnership may extend to providing universities with teaching materials, practical examples and case study examples or even offering workplace experience to university students and lecturers.
- With other stakeholders, including workers' organizations. Employers will not be the sole policy voice in the areas of education and training policy, and coalitions will be needed to ensure the best policies are pursued.
- With other employers and employers' organizations, so that general experience and particular expertise may be shared freely.

There is also scope for employers to provide very direct assistance to schools and training institutions. Such initiatives can also help generate a positive relationship between employers and their local community, by:

- Sponsoring events, and providing funding to schools and institutions for specific initiatives and infrastructure.
- Helping schools and training institutions to raise their own money from the communities in which they operate, as well as brokering coalitions of employers and charitable trusts to help with finance.

- Sponsoring scholarships, some of which may provide for employment with the employer on graduation. Sponsoring the training of teachers or the direct funding of teachers' wages.
- Providing schools and training institutions with infrastructure such as books, manufacturing, computer and office equipment, or even accommodation.
- Allowing schools to make use of employer facilities after each working day or at weekends.

Box 2.5 Cisco Education Ecosystem / Networking Academy Programme

A very sophisticated example of partnership between an employer and schools throughout the world is the Cisco Education Ecosystem/Networking Academy Programme (NAP).

In 1993, Cisco embarked on an initiative to design practical, cost-effective networks for schools. It became apparent that designing and installing the networks was not enough – schools also needed some way to maintain their networks. Cisco developed training for teachers and staff to maintain school networks. The company discovered that school staff lacked the time to learn the material, and moved to the next population of learners in schools – students. The success of student seminars led to requests from participating schools across the USA for Cisco to develop a curriculum that could be integrated as an elective course taught in a semester format.

The formalized curriculum and support activities evolved into the Cisco NAP. The programme is a comprehensive, eight-semester, 560-hour curriculum that uses a combination of web-based, instructor-led learning and hands-on lab work to teach students networking and ICT. Students learn how to design, build and maintain computer networks. The programme is aligned with national math and science standards as well as with basic workforce competencies.

The NAP is established in more than 4,800 institutions in the USA, and in 80 countries worldwide. More than 81,000 students and 11,000 instructors around the world are pioneering new ways of teaching and learning in this comprehensive elearning environment. The NAP is implemented in high schools, community colleges and higher education institutions as well as learning institutions located in empowerment zones, juvenile detention facilities, military retraining centres and homeless shelters.

In June 2000 Cisco launched a Work-Based Learning Initiative to help students' transition from the classroom to the "real world". NAP students can now search an online database of employers, which have partnered with Cisco to offer handson opportunities via internships, mentor programmes and on-the-job training. In July 2000 Cisco announced an additional \$3.5m investment in educational programmes in developing countries. The project will enable businesses and governments in these countries to compete in the global internet economy. Internationally, where there is little or no internet infrastructure, the NAP is teaching students how to design, build and maintain computer networks. These students are then able to use these skills in business, where they can build computer infrastructures and eventually connect their countries to other developed nations. This digital opportunity will hopefully greatly benefit business, government and ultimately the people, in all parts of the world.

These programmes are supposed to augment a wide-ranging Cisco commitment to the communities in which it operates, including a strong culture of volunteerism by Cisco staff.

Source: www.cisco.com/warp/public/779/edu/ and www.cisco.com/edu/academy

Box 2.6 Eskom, South Africa

South Africa's Eskom electricity company has committed itself to upgrading teachers' skills in South Africa. Since 1997, Eskom has provided additional training to almost 40,000 unqualified and under-qualified teachers. The company has also invested in the provision of teaching aids such as science laboratories, mathematical equipment, books and educational toys and has established education resource centres in three South African provinces.

Source: www.eskom.co.za

Employers have an interest in ensuring that overall levels of spending on education and training are appropriate. Vocational education and teaching core competencies must get the money they need. It is also in the self-interest of employers to monitor government spending on education and training. Employers can push to link budgets to demonstrated performance measured through achievements in employability. Beyond this, employers may also wish to consider the scope for government to provide tax incentives or other regulatory concessions to encourage enterprise-based training and skills-development for young people (see Box 5.2).

Employers have information that governments need to know in order to maximize the potential of training systems. For this reason employers have a crucial role to play in promoting the importance of monitoring and evaluation for all facets of education and training. They can also ensure that all education and training systems are subject to ongoing performance monitoring and evaluation that guarantees improved employability for young people. The ILO¹¹ and other international organizations¹² have prepared a variety of materials to help employers in this area. Among the things that employers, together with governments and other partners, can do are:

- Monitoring total numbers of students or trainees graduating during a given period.
- Assessing competencies of recent graduates.
- Gathering opinions and feedback from both employers and young people on their satisfaction with the training system, and opportunities for improvement.
- Performing financial monitoring, through an assessment of cost against performance. This can include the development and refinement of specific performance measures, such as the number of young people trained/educated per unit of government investment.

Securing funding and monitoring performance

¹¹ Norton-Grubb, W. and Ryan, P. (1999): The role of evaluation for vocational education and training, ILO, Geneva; and Garona, P. Reboani, P. and Sziraczki, G., op. cit.
¹² Fey, R. op. cit.



Youth entrepreneurship

Entrepreneurship and business creation are also a growing alternative for young people whose age group often faces a labour market with double digit unemployment rates. Traditional career paths and opportunities are disappearing rapidly. A growing number of young people are taking up the challenge of starting their own business and much is being learned about how the odds for success can be improved through various types of assistance and through the creation of a supportive environment.

Juan Somavia, Director-General of the ILO¹

Promoting youth entrepreneurship

any of the world's largest and most successful companies recognize the benefits of supporting youth entrepreneurship. In theory all employers can benefit from creating increased opportunities for young entrepreneurs in their societies. Active participation in programmes to foster youth enterprise will be a commercial decision but employers are encouraged to adopt a long-term perspective, and consider the skills requirements of their businesses in five, ten or twenty years' time. When viewed from this perspective, encouraging youth entrepreneurship can be very efficient, especially if costs are shared between employers.

It is not just that employers and their organizations need new recruits. Young business leaders can also help spread the values of enterprise to the next generation. Making entrepreneurship a viable and attractive option for the young can break down negative stereotypes of employers among young people and the wider community. And by becoming successful role models for their peers, young entrepreneurs can raise the working aspirations of other young women and men.

These advantages go beyond the obvious benefits of self-employment among the young, namely lowering youth unemployment and creating a tier of dynamic young start-ups. Exposing young people to entrepreneurship can increase their employability, even if their initial businesses fail. And young employers often tend to employ people their own age, multiplying the benefits of successful ventures.

Box 3.1 Confederación AJE (CAJE), Jóvenes Empresarios, Spain

The CAJE is a Spanish organization that includes 35 national organizations of young entrepreneurs from all over Spain. CAJE was created in 1991 and about 16,000 young people are members. According to CAJE these young entrepreneurs have created more than 120,000 jobs with a global investment of 110,000 million ptas.

Source: www.ceaje.es

¹ Opening Statement by Mr. Juan Somavia, Director-General of the ILO, on the occasion of the Second Enterprise Forum (Geneva, 5 Nov. 1999). (http://www.ilo.org/english/bureau/dgo/speeches/somavia/1999/forum.htm)

However, before this virtuous circle can begin² young entrepreneurs need to overcome an array of obstacles:

Finance

Securing adequate start-up funds is all the more challenging if there is a lack of personal financial capital. It can be made worse by an inability to cope with fluctuating costs and prices, problems managing cash flow and debt, bookkeeping complexities, and removing too much money from the business for personal use.

Regulations

Complying with all the appropriate regulations and laws is sometimes an art – as is employing the right staff and managing other people.

Experience

With limited access to established business networks and contacts and less honed communications skills, it's not surprising that starting up your own enterprise is stressful.

Expansion

Successful young entrepreneurs often face difficulties in increasing their share of the market and more generally in expanding the business.

Many of these challenges faced by young entrepreneurs correspond directly to the strengths of established companies. Established employers are very well placed to assist young entrepreneurs in overcoming the inevitable hurdles.

Female entrepreneurs face particular challenges, especially in securing finance, entering markets and breaking into male-dominated structures and networks. They sometimes face opposition, distrust and disregard not just because of their age but also their gender (see Chapter 4).

Despite these obstacles, women entrepreneurs are a growing force within the business community. According to the NFWBO³ women-owned firms comprise between one-quarter and one-third of the businesses in the formal economy, and are likely to play an even greater role in the informal sector. In the USA the number of women-owned firms is increasing at nearly twice the national average. Technology is playing an important role in the growth of women-owned businesses internationally.

Promoting self-employment to young people is a crucial first step. Many young people grow up with no entrepreneurial role models in their families or communities, and will not consider self-employment unless encouraged to do so. That's why it's never too early to start promoting enterprise. From school, through formal education and beyond, there are opportunities to foster youth enterprise through the media, sponsorship of youth events, and via community networks. The next few pages will look at ways to make self-employment a viable option for young people, including:

² White, S. and Kenyon, P. (2001): Enterprise-based youth employment policies, strategies and programmes, ILO, IFP/SKILLS Working Papers No. 1, Geneva, p. 3.

³ NFWBO (1998): (ILO, National Foundation for Women Business Owners): *Women entrepreneurs worldwide voice optimism*, 1998. www.nfwbo.org

Enterprise education

Teaching enterprise skills through the school curriculum can pay large dividends later on – not only because it enhances school leavers' employability, but also because it cultivates the "can-do" attitude that will be essential in any successful young entrepreneur.

Raising capital

Banks often have a bias against young borrowers that may threaten the long-term creation of new businesses. Among the ways employers' organizations can help is by leveraging their status with big lenders to help address the problem.

Advice and networks

Taxation, regulations, liabilities: every successful employer will have experience in these matters that could be vital to the success of a start-up by a young person. By sharing their expertise and giving young businesspeople access to networking opportunities, established employers and their organizations are in a unique position to help.

Enterprise competitions

Youth business competitions that reward innovation in young companies can be an excellent way to raise enterprise awareness while promoting a positive image of sponsoring companies. By sitting on judging panels with other social partners, employers can also establish good working relationships with different stakeholders.

Doing business with young entrepreneurs

Some employers may be concerned about competition from young enterprises. But within the boundaries of national competition law, they could consider forming synergies with the new enterprises to the benefit of both parties. Favouring young people when contracting out ICT services or awarding franchises are also possible ways to make a difference.

Box 3.2 The Chilean employers' organization and youth entrepreneurship

The Confederación de la Producción y del Comercio of Chile (CPC) and the ILO undertook an analysis of the youth employment situation in Chile. Among the proposals presented in the final report, the CPC stressed the need to promote youth entrepreneurship by:

- Fostering entrepreneurial attitudes among young people at school.
- Convening a group of experts to develop educational guidelines in order to promote entrepreneurship, especially during secondary education.
- Evaluating fiscal measures that promote the creation of innovative enterprises by people younger than 25. These fiscal measures could be, for instance, tax allowances or subsidies.
- Adjusting the resources that Chile Joven allocates to help young people to create micro enterprises.
- Undertaking a National Contest of Young Entrepreneurs. The contest will give prizes to innovative business ideas developed by Chileans between 19-24 years old.

Source: Propuestas para el fomento del empleo juvenil, ILO and CPC, Santiago de Chile, 1999.

Fostering enterprise education

any countries have recognized the value of "enterprise education" in shaping entrepreneurship attitudes and competencies during the final years of schooling. The goal is to give interested young school leavers the basics they'll need to start their own businesses.⁴ Initiatives can include:

- Teaching enterprise skills and attitudes through educational curricula generally, and through commercial subjects in which students manage or simulate their own micro-businesses.
- Exposing teachers to business, helping them to better understand the dynamics of small business and the value of self-employment as a career option.
- Providing career information to introduce young men and women to self-employment as a realistic post-school career option.
- Using successful young entrepreneurs as role models.

Box 3.3 Real Enterprises Programme (REAL), USA

REAL seeks to help individuals, schools and communities in rural America through hands-on entrepreneurship education. It tries to link education with rural economic development by assisting students in rural areas to plan and establish their own businesses.

REAL provides entrepreneurship training as well as supporting a national network of educators and member organizations. It also takes care to document its effectiveness and actively promotes entrepreneurship education. REAL has created many profitable and viable businesses and has established itself in rural communities across the USA. It is now being tested in the African environment of Eritrea.

Source: www.realenterprises.org/

Box 3.4 Youth Enterprise Society (YES), South Africa

The aim of YES is to "empower young people, through enterprise, to become masters of their own destinies. Or, put another way, to help more and more young people to become business creators rather than simply job seekers."

YES is an extracurricular, multi-racial, school-based "learning by doing" programme for grade 9 to 11 pupils. After meeting certain requirements, interested parties within a community form a "Local Partnership", which then initiates YES societies at one or more schools in the area.

Under the guidance of specially trained teachers, students learn, practice and develop a variety of business skills during twice-weekly meetings, learning the importance and means of creating capital ownership and wealth within their community. The medium- to long-term aim is to establish a future entrepreneurial stratum, especially in low-income regions. The plan is that in time this will help create jobs, build community resources and contribute to the national economy.

Local business people, community leaders, educators and young people are involved in Local Enterprise Councils which own the local YES societies and form a business support system for participants.

Source: ewet.org.za/yes/yes.html

⁴ White, S. and Kenyon, P., op. cit., pp. 26-27.

Where schools do not promote entrepreneurship as an option for young people, employers can lobby for its incorporation into the curriculum. Employers can also spell out what they really want from school-based entrepreneurship programmes. For example, particular priorities might be basic budgeting skills, pricing and stock control, a familiarity with lending, and concepts such as interest and collateral, and an understanding of the role of government regulation.

Employers can also help develop enterprise curricula and teaching materials. They can also play a very useful role in working out formal competency models for student assessment to ensure high-quality, business-ready young graduates. Another option is to support the creation of a certificate or qualification signifying that a graduating young person is competent to do business with. This could be recognized by lenders and suppliers as an indication of the enterprise readiness of aspiring young entrepreneurs.

Teaching enterprise skills is something that should come relatively easily to employers. They may want to volunteer to serve on the committees or boards that oversee school-based entrepreneurship initiatives. Alternatively, recently retired entrepreneurs could share their experience with potential young entrepreneurs by talking to school groups about the importance of enterprise and the rewards of self-employment. At the lower end of the effort scale, employers can arrange for school groups to visit their enterprises.

Box 3.5 Learning By Doing Programme, UK

Students aged 14-19 establish and run companies to discover what it takes to manage a successful business. The programme gives students experience of the real world and simulates the experiences of being accountable to shareholders. There is also an optional University of Oxford Delegacy Young Enterprise Examination, offering a recognized qualification and an annual competition to identify the top companies in the UK and Europe. The programme can be run in or out of school hours and by single employers and schools or in groups. The programme can also contribute to meeting formal curriculum objectives for a range of qualifications.

Employers are vital to the programme, providing volunteer business advisers and sharing their know-how. Companies report that helping young people overcome the challenges of managing a business can bring immense rewards for employers, and can help develop new skills. The programme enjoys the support of major UK and multinational employers, including Nestlé, Cadbury and BMW.

Source: www.dthomas.co.uk/young-enterprise/company.htm

Box 3.6 Young Achievement Australia (YAA) – Business Alive Programme

YAA is a non-profit organization that attempts to bridge the gap between business and education by teaching young people hands-on business skills while still at school. Supported by over 600 companies, YAA provides business education programmes to over 14,000 students each year.

Business Alive teaches senior secondary students about business through the experiences of a consultant from a sponsoring company. YAA coordinates an orientation briefing for consultants and teachers, and provides comprehensive written reference materials. Consultants cover topics such as marketing, ethics, management, production, finance and budgeting, and human resources.

The YAA web site provides links to a diverse range of resources, including career information, links to educational institutions, job vacancies, and other entrepreneurship materials.

Source: www.yaa.org.au See also: www.jaintl.org/

It is also vital that the teachers who are trying to impart entrepreneurship skills and attitudes have a sound grasp of modern business. Employers can provide temporary training and work experience to teachers to increase their understanding of industry. By building bridges between the private and public cultures employers can make sure teachers really convey to their students the potential excitement of business and commerce.

Box 3.7 Teacher Release to Industry Programme (TRIP)

TRIP provides teachers with direct working experience in industry. Experienced teachers work for an extended period in industry (usually 40 weeks). Teachers work normal industry hours and conditions but remain government employees. The scheme is fully managed by employers' organizations on behalf of the government education bureaucracy.

Teachers are matched to industry through a rigorous process, but the ultimate choice is up to the employer. Only a limited number of placements are funded each year and competition is intense, among both host employers and teachers. Placements coincide with the school year. Teachers complete a nationally accredited workplace qualification in management during the TRIP year. The system provides relevant industry based professional development for teachers, and the expertise and fresh perspectives of teachers to enterprises.

Participating in TRIP can raise a company's profile in the community, illustrating good corporate citizenship. It may also improve internal training standards and foster company networking.

Source: www.vecci.org.au/

Training companies have been developed in some countries to help young women and men learn about business through practical, "hands-on" experience. Training companies provide opportunities for young people to plan, develop and operate their own company, under the supervision and ultimate management of a support agency. They are often run as business partnerships between employers, youth groups and educators.⁶

⁵ Perry, C. and Ball, I. (1998): What do teachers really know about work? Professional development through education-industry links, Teacher Development, Vol. 2, No. 1. Contains a detailed evaluation of the impact of the TRIP programme on teachers' professional development: www.triangle.co.uk/tde/02-01/cp.pdf
⁶ White, S. and Kenyon, P., op. cit., p. 30.

any young people have good business ideas, but nowhere to progress them. Finding a suitable place to work that is affordable, well located and with flexibility to accommodate business expansion, is a challenge for many young entrepreneurs. Employers can consider making unused office, factory and storage space available to fledgling enterprises, either free, or on a cost recovery only basis (charging only for power, water, etc.). Another option is to create a business incubator, which is a shared workspace accommodating the start-up and early development of embryonic businesses. Tenants enter into a short-term flexible licensing arrangement, rather than a long-term lease, and centralized services such as reception and bookkeeping are provided.⁷

Young entrepreneurs often face substantial difficulties in securing adequate business capital, due to their lack of business experience, the absence of sufficient collateral and bias from banks against younger borrowers. This shortage of capital can kill off many good business ideas before they even begin. And when young entrepreneurs do win some financial backing it's often not enough, leading to an undercapitalization that threatens business viability.

In most countries there will be some source of capital available to young entrepreneurs, be it from private lenders or government schemes and subsidies. Employers can help young enterprises to exploit all sources of capital in a variety of ways, including:

- Providing or brokering small start-up grants, or larger amounts to provide greater support for very sound business proposals. Low interest or no interest "soft loans" are also an option. They allow some level of cost recovery from successful young entrepreneurs while increasing funds for subsequent generations of entrepreneurs, and teaching young people about loan financing.8
- Helping young entrepreneurs to access conventional finance schemes by advising on business plans, easing introductions to banking officials, and offering ongoing support and mentoring services.
- Guaranteeing loans to young people as an incentive for finance institutions to lend money to suitable young entrepreneurs who lack sufficient personal collateral.

Employers are powerful and significant customers of banks and lending institutions. Employers and their organizations can try to ensure that commercial capital is as accessible as possible for young entrepreneurs:

- Employers can open a dialogue with banks and financial institutions to encourage lending to young entrepreneurs. This may include developing frameworks and documentation to very clearly spell out what young people need to do to access capital.
- Employers can facilitate dialogue between banks and young entrepreneurs or youth business organizations, to create mutual understanding.
- Employers can help young people prepare their pitches to lending institutions through advice on documentation and business planning. An employers' organization website could provide young

Providing access to work space and capital

 $^{^{7}}$ ibid., cited at p. 32. 8 ibid., cited at p. 31.

people with materials on lending, security, collateral, interest and repayments, and on drafting a viable and convincing business plan. Such assistance could also be provided through more traditional mentoring and advisory services.

Employers also have an interest in government funding for young entrepreneurs:

Employers can lobby government for appropriate and targeted funding for young entrepreneurs so that support goes to the most viable new enterprises. Where necessary employers can also seek to convince government of the importance of youth entrepreneurship as a measure to reduce youth unemployment.

Box 3.8 Examples of capital funding for young people

Commonwealth youth programme

The Commonwealth administers a Youth Enterprise Fund in a number of Commonwealth countries, through its Regional Centres in Africa, Asia, the Caribbean and the Pacific.

Italian legislation promoting youth entrepreneurship

In Italy, a law introduced in 1986 aims to promote youth entrepreneurship in the underdeveloped south of the country. The programme offers generous financial help for the development of business plans put forward by people aged between 18 and 29. Successful applicants can qualify for grants to go towards start-up capital, special purpose loans, and two further grants during the first and second year of life of the company. Young entrepreneurs are also trained in how to run a company.

The Canadian Youth Business Foundation

The Foundation runs a Specialized Youth Business Loan Programme designed to help young women and men, particularly those who are unemployed and underemployed, over the initial start-up phase of their own business. To access loans young people must have a sound business plan, and agree to work with mentors to minimize the risk of business failure. The Foundation is entirely funded by the private sector, including the support of Canada's second largest bank (CIBC) as a foundation partner.

Youth business initiative in Australia

This programme offers small start-up funds to unemployed people who have undergone business training, have an approved business plan and wish to establish their own business.

Source: www.cybf.ca, www.thecommonwealth.org, White, S. and Kenyon, P. (2001): Enterprise-based youth employment policies, strategies and programmes, ILO, IFP/SKILLS Working Papers, No. 1, Geneva.

Box 3.9 Non-discriminatory bank lending

Employers may wish to advocate a better linking of lending to young people's commercial and financial competencies rather than their age. One possibility is a certificate of competency in commercial and financial principles such as a *Certificate In Small Business Readiness*, which employers could help formulate and promote to business lenders. The certificate could be marketed on the basis that: (1) fewer new young entrepreneurs would fail due to any lack of understanding of lending and finance, (2) banks could gain greater confidence in lending to young entrepreneurs may be eased, and (4) banks could offer preferential repayment options to those with training in commercial principles (i.e. who have completed the certificate).

- Employers can seek a partnership with government in the services it provides to young entrepreneurs. Given that wealth creation does not lie within the expertise of government, informed and interested participation from employers may be welcome.
- Employers can help decide who qualifies for government enterprise grants and lend a hand in establishing criteria for receiving loans.
- Employers can open a dialogue with government on providing taxation and social security incentives to employers financially supporting young entrepreneurs.

There will be an even clearer role for employers in the absence of any government commitment on this issue. Employers may themselves choose to finance youth entrepreneurship in the interests of the societies and markets in which they operate. The main role would be in the establishment of non-bank/non-government sources of finance for young people, perhaps through the creation of finance coalitions.

Where appropriate, employers can also seek to have charitable, international and other funding allocated to the establishment of new youth enterprises. In these cases, priority funding may go to enterprises that will benefit local communities, and assist in minimizing the social and familial impact of unemployment.

he learning curve facing young entrepreneurs is probably steeper now than ever before. Young women and men starting out in business have to master a great deal of information on complex matters such as taxation, labour and product regulations, insurance, product liability and intellectual property. Providing effective and timely information to young entrepreneurs is an important factor in maximizing the viability of new enterprises.

Here again, employers and their organizations are uniquely placed to share their expertise in the interests of helping young people into work. By taking decisive action employers can not only promote a positive image, they can also create a strong relationship between a new generation of employers and employers' organizations. Possible initiatives include:

- Writing guides, manuals or help-sheets explaining the essentials to young entrepreneurs, while advising government on the information needs of emerging business people and the best way to get its message across.
- Opening up the information resources that employers' organizations already provide their established members. One step further could be to adapt existing employer manuals for use by young entrepreneurs.

3.4
Offering mentoring and access to enterprise networks

- Taking a role in managing or overseeing government advisory services so that young entrepreneurs receive high quality counselling.
- Delivering advisory services to young entrepreneurs on behalf of government, on the basis that employers' organizations have greater expertise in enterprise matters. This may be funded by government contracts or an employer initiative in cases where government efforts are inadequate.
- Providing free or discounted employers' organization membership to young entrepreneurs, and advising them with little or no cost recovery during the initial phase of their enterprise.
- Setting up advisory services that are more responsive to the needs of young women and promoting women in business as role models. More women can be recruited as business advisers so that young women feel more comfortable asking for support.

International experience has demonstrated the value of the self-employment option in terms of empowering certain disadvantaged population groups such as young women. The USA has now implemented programmes such as "Camp Start-Up", "An Income of Her Own" and

Box 3.10 Business birth rate strategy, Scotland

Scottish Enterprise (Scotland's main development agency) has launched more than 100 initiatives to create more new enterprises and improve attitudes towards starting a business. These included sponsorship of a major television series, the nomination of 1995 as Scotland's Year of the Entrepreneur, the creation of six Centres of Entrepreneurship in Scottish universities, preparing entrepreneurship materials for secondary and primary schools, and eight mobile exhibitions addressing all facets of enterprise creation.

Scottish Enterprise used a framework of macro-level goals to shape the development and implementation of detailed policies and initiatives. The guiding framework was based on comprehensive empirical research and wide stakeholder consultation. The strategy as a whole and each of the initiatives is subject to ongoing performance monitoring and continuous improvement, including the publication of statistics.

Source: www.newbusiness.org.uk

Box 3.11 The independent means, USA

Camp Start-Up: Each summer, teenage women attend residential camps to learn the rudiments of creating a business plan and master a vocabulary of basic business concepts. Camp Start-Up curricula are also made available to other camps, after-school programmes, and summer day camp programmes.

An Income of Her Own Conferences: These one-day programmes bring women entrepreneurs together with teenage women for activities and discussion to explore ownership and entrepreneurship as career options.

School Programmes: A one-day school conference, a satellite broadcast (Picture Yourself in Business), and the National Business Plan Competition, are all made available to individual teachers, as well as entire school systems. In California, the state Gender Equity Commission has implemented a series of programmes with teachers and students.

Source: www.independentmeans.com

"School Programmes" with the aim of providing young women under 20 with business experience.

One of the most beneficial services employers can offer young entrepreneurs is mentor support. Mentoring helps overcome two of the major problems young people face as they enter business: limited experience and not enough contacts. Mentoring can also be a valuable and rewarding activity for all concerned, with mentors gaining a great deal on a personal and operational basis from the experience.

Box 3.12 Bharatiya Yuva Shakti Trust (BYST), India

BYST's experience shows that its most beneficial service to young entrepreneurs is creating one-to-one linkages along the lines of the "Guru-Shishya Tradition", where the teacher (mentor) not only teaches, but also guides and helps to develop discipline in the young person. The mentors of this organization, who are all interested professionals, give personalized advice and maintain regular contact with the young enterprise. They monitor progress, help solve problems, and generally assist in the development of the enterprise. The mentor also provides regular reports to the BYST Secretariat. The trust partners are employers from around the world, not only from India. 12

Box 3.13 Youth Business International (YBI)

YBI is a joint venture between the Prince's Trust and Prince of Wales Business Leaders Forum to help and mentor disadvantaged young people into self-employment. Its objectives are to help partner organizations start up youth business initiatives in new countries and to support those already up and running by networking and benchmarking best practices and by acting as an advocate to international organizations who support youth enterprise.

Source: www.youthbusiness.org

Employers are well placed to facilitate the mentoring of young entrepreneurs, including:

- Identifying suitable mentors and matching them with young people. Issues of balancing skills, experience, gender, culture, personality, and locality should be considered.
- Providing facilities for young entrepreneurs to meet with their mentors and administrative and logistical resources to support mentoring programmes.
- Ensuring mentoring is effective, instructive and operates to the satisfaction of all concerned.

An apparently little explored field is online mentoring for young entrepreneurs. Employers may wish to, for example, establish an internet facility to allow young business people to seek advice from established colleagues online, without the need for face-to-face meetings. Sponsorship and even internet hosting could be sought from a major employer member.

9 ibid., cited at p. 3.

¹⁰ It is interesting to note that the use of mentors is not restricted to young people. There is a growing use of business "coaches" by established enterprises and entrepreneurs. These coaches are experienced business people who advise on, or simply talk through, challenges with those running their own businesses. This indicates that the value of mentoring may not be limited to the establishment phase of an enterprise, and can be useful on a longer-term basis.

White, S. and Kenyon, P., op. cit., cited at

p. 33.

12 This includes Diageo PLC of the UK, which achieved the Worldwide Rio Tinto Business Award for its long-term programme of community involvement.

Mentoring is just one example of the value of contacts to young entrepreneurs. In fact, networking is a major function of employers' organizations in many countries. Finding personal contacts is also vital for young entrepreneurs, who must rapidly build business networks for enterprise support and commercial viability. Some countries have created youth chambers of commerce and youth entrepreneurs clubs to achieve this goal.

Box 3.14 Junior Chamber International (JCI)

JCI is a worldwide organization of people aged 18 to 40 that offers a number of activities to develop business leadership. The mission of JCI is to "contribute to the advancement of the global community by providing the opportunity for young people to develop the leadership skills, social responsibility and fellowship necessary to create positive change". JCI programmes include leadership, management, and personal development training, a variety of community and social programmes, and international collaboration.

Source: www.juniorchamber.org/

Box 3.15 WISE Women Network, New Zealand

WISE is a network for women who are self-employed or interested in self-employment. They meet every month to "encourage and learn from one another". While not specifically a youth organization, WISE offers a valuable insight into the possibilities of support networks for young people in business. The network "provides an opportunity to meet other businesswomen, listen to a guest speaker and participate in forum groups on topical issues". The benefits from joining go beyond promoting individual businesses, sharing ideas and trading with each other. The network also helps to overcome isolation, learn new skills, keep up to date with legislation and business trends and meet role models.

Source: www.wisewomen.org.nz/

Box 3.16 Internet support

The Internet is an increasing source of information for young people, and a source of potential entrepreneurship in ICT areas. Employers can assist youth entrepreneurship schemes by sponsoring, funding and supporting Internet sites that promote entrepreneurship options to young people, parents, schools and communities.

Employers might, for example, provide funding to establish an Internet site on youth entrepreneurship and employment (which could then link back to the sponsoring employer site, and acknowledge their sponsorship), or act as web hosts. For examples see the YAA site, which is sponsored and supported by an Australian employers' organization (box 3.6), and the Learning by Doing site (box 3.5), which has both employer sponsorship and employer Internet hosting.

In some countries employers and their organizations may also wish to consider providing free or subsidized Internet access to young entrepreneurs. This can help not only in providing access to international resources and networks, but also in building internet competence in local communities. Young entrepreneurs could for example be provided with access to free email hosted by an employers' organization.

Employers' organizations and individual employers can gain a number of collateral benefits from supporting networks of younger entrepreneurs, particularly through creating linkages to an emerging generation of potential members. Employers can facilitate networking for young entrepreneurs by hosting, sponsoring or supporting junior networks, holding joint functions in conjunction with junior enterprise organizations, or by providing links to networks in the "senior" business organization. This could extend to the creation of representative structures for young entrepreneurs within an established employers' organization, for example, a young business council, or a youth chapter.

nother highly visible way to promote youth entrepreneurship is through competitions that reward excellence and innovation in young enterprises. Competitions often begin with a national advertising campaign inviting nominations. Entry is generally restricted to certain age groups, and there may be various prize categories (best young manufacturer, best young financial company, and so forth). Prizes are commonly in the form of business capital, an investment account or free advice on specific aspects of management. The prize-giving ceremonies frequently attract significant national figures such as national leaders and heads of state and wide media coverage.

- Employers can become involved by sponsoring these kinds of competitions or running them alone where they do not already exist. They can choose to act alone or as part of their trade bodies. Employers can help promote competitions on a national, regional or industry basis and provide logistical support.
- Offering prize money, helping to judge winners or presenting awards for specific categories is another way to demonstrate support. Prizes can also come in the form of free advice, internships or even contracts.

Box 3.17 Shell Livewire

Livewire (sponsored by the Shell Oil Company) provides opportunities for young women and men (aged between 16 and 30) to explore and develop business ideas. Each year over 5,000 young people register with Livewire in the UK. Young people with a business idea complete a simple Livewire Start-Up Entry Form and are then linked with a local business adviser (or mentor) who provides free business advice on how to develop the idea. The competitions are organized on a regional basis, with the winner of each region going on to a national competition. Livewire is an interesting and multi-faceted programme that extends beyond the competition – readers are encouraged to access the Livewire Internet site.

Source: www.shell-livewire.org/

3.5
Promoting youth
enterprise competition

Box 3.18 Nescafe Big Break (Nestlé)

The Nescafe Big Break is another example of how business competitions can be used to promote a spirit of initiative and enterprise amongst young people. It provides eight yearly awards of approximately AUS\$20,000 and a further ten awards of AUS\$2,000 to people with "original and achievable" ideas. In 1999, winners included a surf tour operator, a computer hardware developer, and a horseshoe manufacturer. Finalists are judged by previous winners and, like many successful programmes, the competition appears to be based strongly upon its Internet site.

Source: www.nescafe.com.au/

Doing business with young entrepreneurs

- mployers can also help young entrepreneurs directly by doing business with them. Options include:
- Making dealing with young entrepreneurs, where possible and legal, ¹³ a stated part of purchasing and supply policies, where young entrepreneurs are competitive on cost, quality and delivery.
- Reserving a specific proportion of appropriate contracts for young entrepreneurs from the local community.
- Promoting contracting with young entrepreneurs to other employers.

A problem faced by many young entrepreneurs is that they have a good product, for which demand exists, but cannot produce sufficient quantities to satisfy the ordering requirements of large companies. Retailers, for example, could help by agreeing to stock the products of young entrepreneurs at lower supply levels than normally required, perhaps identifying them to customers as the products of young entrepreneurs. If the product is successful with a proven customer demand, retailers could then consider funding options (such as pay in advance of delivery) to allow the young entrepreneur to complete larger consignments.

One way of doing business with young entrepreneurs is franchising. Franchising is a fairly new consideration in efforts to stimulate youth entrepreneurship, but is likely to become a more common option as its use is spreading rapidly throughout the world, and franchises are becoming more accessible to smaller and medium-sized enterprises.

There may be particular advantages in franchising some products and services to young people, especially where the target market is

Box 3.19 Contracting to young people in ICT

The ICT industry offers significant opportunities for contracting to young people who may have sophisticated technical expertise that is as good or better than much of what is commercially available.

CISCO cites as one of its major achievements, a school in Minnesota, USA, which has made a business out of networking, and acts as the sole Internet service provider for its community. Another very viable example for employers is contracting out web page design and maintenance to a new young entrepreneur.

¹³ National competition regulation in some countries may preclude such arrangements.

itself young. For example, in areas such as clothing, hairdressing, music and consumer electronics, granting a franchise to a young person may make very sound commercial sense. Franchising is also suited to the creation of new markets, or in new localities in which the young person may be better placed to operate than the existing enterprise.

Employers can franchise young people to sell their products and services. Young people could be given preference in the allocation of new franchises, and even financial assistance to purchase stock, and the franchise itself. In some cases this may amount to little more than selling on consignment from the established enterprise. Such arrangements benefit the young person by providing a ready-made enterprise and a proven product. They can benefit established enterprises by creating new markets, or making potential markets viable for the first time.

Employers should ensure that franchising arrangements are genuine, and formalized, with necessary legal documentation drawn up. Arrangements should not breach minimum wages and labour laws, and any establishment costs (such as the cost of purchasing the franchise) should not be so excessive that the young person cannot make money from the deal and becomes massively indebted. This could undo any positive public relations benefits for the employer.

Box 3.20 Eskom electricity company, South Africa

South Africa's Eskom electricity company is a major company that has chosen to pursue a wide range of initiatives to support youth employment (and a variety of other community initiatives). Eskom has created a small business development franchise and support programme that aims to support electricity-intensive franchisers in emerging markets. By mid-2000, 295 franchisees had been helped by the programme, among them bakeries, butchers and laundries.

Source: www.eskom.co.za

3.7 Following through

ven when young entrepreneurs get past the initial stage of their enterprise, in a sense the test has only just begun. With the knowledge that a product is saleable, or a service marketable, the young entrepreneur faces the challenge of expanding the micro-enterprise into a larger viable firm that will provide employment for further young people. Expanding an existing business is an aspect of business development often forgotten in enterprise promotion programmes. Special support measures are also often needed to assist in this vital step.

Box 3.21 Shell Livewire

Over the last decade, Livewire has piloted a range of successful programmes that focus on business expansion, including "Business Growth Challenge". This programme offers young business owners and managers a weekend workshop of personal, management and business development activities with other young business operators who are facing the demands of growing their business.

A second Livewire expansion programme is called "On the Right Tracks", and explores techniques for continual review of business objectives. It uses an informal and participatory approach and covers selling techniques, perceptions of business, recognizing achievement, goals and uncertainties, and action planning.¹⁴

Source: www.shell-livewire.org

It is precisely the successful and viable new enterprises that will be the most likely to create jobs for other young people. Ensuring young entrepreneurs with demonstrated competence are able to progress their businesses should be a key consideration in any employer efforts to encourage youth entrepreneurship. Employers should ensure that services for young entrepreneurs are not restricted to the start-up phase, and then abandon successful entrepreneurs. Employers' organizations in particular should seek to establish enduring membership relationships with successful emerging businesses.

¹⁴ White, S. and Kenyon, P., op. cit., cited at p. 34.

Equality at work for young women and men

Why do we need equality at work?

oung people may feel it is pointless to learn the skills that businesses want if employers will not recruit on grounds of merit. Unless employers treat young women and men equally, they are distorting the labour market and destroying incentives for half of the labour force to enhance their own employability.

It is sometimes said that as women and men can never be the same, it goes against common sense to require employers to treat them equally. This is a misperception. The promotion of equality is about the full use of human resources, both male and female.

However, equality starts from recognizing that people are not identical. Their different characteristics are important, because they make up the whole person. Equality in rights, opportunity and in treatment at work is about ensuring that all persons are treated with dignity and allowed to develop to their potential capacity.¹

The fundamental requirement for equality at work is the prohibition and prevention of direct and indirect discrimination. Direct discrimination occurs when someone is not hired or misses out on promotion where the reason is openly stated to be because the applicant is "a woman" or "a man". Indirect discrimination happens when specific requirements are set, but the job does not actually need that qualification. If such a requirement has the effect of excluding most applicants of one sex, race, religion and so on, then it is discriminatory.

It is important to differentiate between sex and gender. Here, sex refers to biologically determined differences between men and women that are universal. This term is used whenever making reference to women and men as belonging to different physical categories. Gender

- ¹ Down the years the ILO has made a series of constitutional commitments to equality. It has sponsored and published extensive research and guidance on the subject. The following box presents some of the ILO's relevant standards, policies and instruments:
- Equal Remuneration Convention, 1951 (No. 100)
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111)
- Workers with Family Responsibilities Convention, 1981 (No. 156)
- Declaration on Equality of Opportunity and Treatment for Women Workers, 1975
- Resolution on Equal Opportunities and Equal Treatment for Men and Women in Employment, 1985
- Plan of Action on Equality of Opportunity and Treatment of Men and Women in Employment, 1987
- Resolution concerning ILO Action for Women Workers, 1991

See also: webfusion.ilo.org/public/db/standards/normes and www.ilo.org/public/english/bureau/gender/

Box 4.1 Are women business owners as successful as men?

Among the findings of the study undertaken by R.D. Hisrich, Professor of Entrepreneurship at Case Western University, are the following:

Women are not as family-friendly as one might think. Despite the general consensus that women are more family-friendly, male employers pay much more for employee benefits – up to \$3,561 more per employee.

Women are more educated. Today's female professionals, particularly those who own small companies, are often more educated than the men they compete against.

Women take business personally. Women say they are better at managing human resources, communicating orally and in written form, and developing personal relationships.

Source: www.smallbusinessdepot.com

refers to the social differences that are learned, changeable over time and have wide variations both within and between cultures. Within any given social context they may be flexible or rigid, similar or different, and complementary or conflicting.²

Women are just as successful in business as men. Empirical evidence suggests that businesses owned by women record just as many sales, are just as profitable and generate just as much employee-growth as those owned by men.

Equality in practice is good for business and means:

- Not letting unintended discrimination be an obstacle to getting the best candidates for jobs. Equality in recruitment implies choosing from the widest possible pool of talent, thereby maximizing the returns from individual employees in terms of productivity or creativity.
- More flexibility for both the employer and the staff, especially now that new technology has removed many of the constraints placed on women who wish to participate in the labour market.
- Greater credibility from selection for clear, open and recorded reasons.
- Benefits to the business from diversity of approach, background, and priorities.
- Good company position in the context of current or future legal obligations.

However, these benefits will only accrue to employers if they tackle discrimination and sexual harassment in the workplace by implementing a policy of equal opportunities.

The employer's decision to recruit, train, promote young people – or discipline, or make them redundant – should always be based on such reasons as competence, behaviour, contribution, the needs of the enterprise and never on the sex of the individual. Sex is a poor indicator of competence.

The rest of this chapter will summarize how the goal of greater youth employment can be furthered by a policy of equal opportunities between young men and women. In particular, the focus is on: recruitment, sexual harassment, work and family responsibilities, and integrating equality policies into human resource management.

² As one employer to another ... What's all this about equality? ILO, Geneva, 1996.

herever employers need to select a young woman or man, it 4.2 must be in the interest of the business to choose the very best Recruitment candidate, on the basis of competence. All the relevant circumstances can and should be taken into account. To this end:

- Advertisements should not indicate a preference for applicants of a particular group or sex unless the preference is clearly justified by the job on offer.
- Potential applicants from both sexes and all groups should be encouraged to apply for positions.
- Selection criteria should be objective and genuine, related to the requirement of the job and consistently applied to all applicants irrespective of their sex.
- The content and evaluation of selection tests should be free from bias against any particular group or sex.
- The scope of job interviews should be job-related and the interview should cover each applicant's relevant qualifications.
- Employment agencies should promote equal employment opportunities in their services to clients, and not condone or follow discriminatory practices.

Positive action within recruitment policies aims to combat the current direct and indirect consequences of past discrimination by creating new practices within the framework of existing gender neutral legal instruments. It reflects an understanding that social, political and economic

Box 4.2 Singapore National Employers Federation (SNEF). Non-discriminatory job advertisements

The SNEF has publicized in their web page the Tripartite Guidelines On Non-Discriminatory Job Advertisements. Among other things the guidelines state:

"Candidates for jobs should be selected based on merit, experience, capability and other relevant job requirements ... Singapore employers have to hire the best and most suitable candidates for the job. They cannot afford to deprive themselves of talents by selecting candidates of a particular race, religion, age or gender...Only a small minority of employers have adopted discriminatory criteria in recruitment practices and we would like to encourage them to make use of these tripartite guidelines so that they can select the best candidate for the job, based on their job requirements."

The web page gives "acceptable" and "unacceptable" examples for job advertisements, where practical requirements of the job dictate the need for employees of a particular sex:

Unacceptable examples

- "Male despatch driver wanted"
- "Female sales executive wanted"

Instead ...

- "Selected candidates required to handle heavy equipment."
- "Women's fashion boutique requires salesgirl to model clothes while on the job".

Source: www.snef.org.sg/guide.htm

structures were established at a time when discrimination existed and that without temporary measures to alter those structures, movement towards significant objectives such as democracy, freedom of choice and social justice will be unjustifiably slow. Positive action entails measures aimed at:

- Diversifying young women's vocational options and helping them to acquire more relevant vocational skills, particularly through appropriate vocational training, including the implementation of supporting measures and suitable teaching methods.
- Ensuring that placement, guidance and counselling services have sufficient skilled personnel familiar with the special problems of young women.
- Encouraging the participation of young women in various occupations in developing sectors of the economy and at higher levels of responsibility.
- Fostering greater sharing of occupational, family and social responsibilities between women and men.
- Encouraging employers to recruit and promote young women in sectors, occupations and grades where they are under-represented. For instance, employers can also try to make sure that applications from at least some women are received for all jobs.

Enthusiasm for equality sometimes leads to proposals for the setting of quotas or targets. There are important differences between them, but essentially both involve a commitment to change the proportions of men and women employed in a particular category. For instance, if in a company all the sales staff are men, the firm might decide that they want to change so that a certain percentage are women. If they set a quota for women, then no men will be recruited until that quota is achieved. A target is more flexible, because suitable men will continue to be recruited, although efforts will be made to employ suitable women as well, until the target is reached. Therefore, targets are accepted as the preferred approach.

Such measures are often established following past discriminatory practices and are usually considered to be temporary and are removed once the effect of the discriminatory practices has ended.

Quotas and targets are only justifiable if their aim is to promote equality. Employers should not use quotas and targets to help any group or sex to gain unfair advantage. In some countries, policies based on equality have set temporary targets of at least 40 per cent of both sexes on boards or positions. Once the percentage falls under 40 per cent then efforts are made to recruit the lesser represented sex.

exual harassment is a new name for an old problem. Both men and women of all ages can be sexually harassed but young women Sexual harassment are especially vulnerable.3

Sexual harassment is inextricably linked with power. The likelihood of being sexually harassed is closely associated with the vulnerability and financial dependency of the victim. Young employees may find it extremely difficult to protest against offensive behaviour by their supervisors or managers. Complaints about such matters in the past have too often resulted in the arbitrary dismissal or transfer of the more junior employee since they are normally less valuable to the company. The irresponsible use of authority should surely be regarded as a matter of serious concern for any business.

The last decade has seen a remarkable growth in awareness of sexual harassment at work, especially in the industrialized countries. This has led to widespread recognition that this is an obstacle to equality of opportunity and treatment, and an unacceptable aspect of the working environment that must be addressed.

Employers should implement preventive policies and procedures at the enterprise level in order to reduce the risk of sexual harassment. It is not enough to provide a remedy to a victim of sexual harassment after the harm has been inflicted.

Effective approaches taken by employers include steps to:

- Develop a company policy to prohibit sexual harassment and state that it will not be tolerated in the enterprise.
- Set up a procedure to submit, examine and take action following complaints.
- Notify all employees of the enterprise's sexual harassment policy.
- Expect supervisors and managers at all levels to be aware of the problem and alert to possible incidents.
- Provide opportunities for private counselling.

³ Sexual harassment at work can be defined as unwanted conduct of a sexual nature the rejection or imposition of which can have negative employment consequences for the victim, as well as undesirable effects on the work environment.

4.4 Work and family responsibilities

ome employers have strong views about the ability of young women to be available for work when required. The real issue is women's reproductive role, related to biological reproduction and to the social reproduction of the family. The responsibility reduces women's employment opportunities because it may be assumed that women will not be committed to the job. Young women suffer this problem more intensively. It is often assumed that they already have young children or expect to become mothers soon, and therefore they will have higher absence rates compared to young men.

Irregular attendance is costly and disruptive to the employer, whether the absence is paid or not. However, there should be no discrimination against particular applicants for employment on the grounds that young women are believed to have unacceptably high absence rates as this is not necessarily the case. The rules about notification of absence, medical certification, acceptable duration and frequency, if and when absence is paid and so forth, must be fair and leave men and women on an equal standing. Absence rates are strongly linked to low status, low-responsibility jobs. Women higher up in business are likely to show availability for work comparable to that of their male colleagues.

Box 4.3 Gender stereotypes

Traditionally, parents who have to choose which of them should be away from work to care for the young child have been influenced by several practical aspects: the perceived incompetence of most men as carers; the likelihood that the husband's career was more important to the family; the argument that if pay was to be lost, logically the lower-paid partner should be the one to lose it. None of these can be assumed to apply today, but in the past they reinforced each other in creating the view that all women were likely to be unpredictably absent more than men.

If employers are to promote gender-based equity then work-family schemes must be aimed at both men and women workers, and promote care-sharing between men and women. It is only through such care-sharing that women can overcome the double burden of work and family duties. However, this requires a change in the societal perceptions of men and women, as well as a change in the perception of their rightful place in society.

Evidence shows that family-friendly work places motivate employees and increase the identification the staff feel with the company they work for, which leads in turn to a better performance by the company. Employees who are not burdened with family responsibilities during working hours are more content, concentrate better and attain better performance – qualitatively as well as quantitatively. ICTs have an important potential to improve the balance between family and working life through, for instance, telework and other innovative forms of work organization.

Box 4.4 The case of German family friendly companies

••Young women wish to start a profession after a good education and want to stay in the labour market for a long time. At the same time, they want to have a family. If they are given the choice between the two, one must not be surprised when they choose to work and not have children.*

Claudia Nolte, Minister for Family, Senior Citizens, Women and Youth, Germany.

Germany is trying several approaches to create a family-friendly climate among businesses. In 1993 the government organized the national competition "The Family-Friendly Company". Companies that had particularly family-friendly working conditions that made it easier to reconcile the demands of jobs and families for both women and men were honoured. The competition was held again in 1996 when 215 companies of different sizes entered.

The model programme "Consultation for better reconciliation of family and work in small and medium-sized companies" was set up in 1994. Chambers of industry and commerce as well as other trade bodies sponsored the programme. Its objective was to show that small and medium-sized companies can also introduce family-friendly measures.

Source: Equal opportunities and family policy, employment and social affairs, European Commission, European Network "Family and Work", *New Ways*, No. 2, 1997.

mployers can contribute to gender equality in the workplace by implementing an equal-opportunity policy. An equal-opportunity policy is a commitment to engage in employment practices and procedures which do not discriminate and which provide equality between individuals of both sexes. Therefore, such a policy should outline the intentions and measures to be taken for equal participation and treatment.

An equal opportunity policy could include the following:

- Policies and programmes to avert gender-based job segregation, and to implement programmes designed to increase the opportunities for women to move into skilled and non-traditional jobs and managerial positions. These programmes could include the areas of leadership and skills training.
- Enforcement of strict policies to eliminate sexual harassment and discrimination.
- Support for family-friendly policies that encourage and support equal family responsibility and benefits for both parents and for single and dual-job parents.
- Information campaigns to declare and publicize the policy.

4.5
How to integrate gender issues into employers' activities? An equal-opportunity policy

Box 4.5 AT&T's equal opportunity statement

AT&T's policy:

- provides equal opportunity on the basis of merit to all employees and applicants for employment;
- prohibits unlawful discrimination because of race, colour, creed, religion, national origin, citizenship, sex, marital status, age, physical or mental disability, sexual preference or orientation, or because of one's status as a special disabled veteran, veteran of the Vietnam era or other veteran, in any employment and employment-related decision or in the administration of any personnel policy;
- prohibits unlawful harassment;
- makes managers responsible for implementing affirmative action initiatives that are consistent with AT&T's obligations as a government contractor on behalf of women, minorities, persons with disabilities, special disabled veterans, veterans of the Vietnam era and other veterans;
- ensures maximum opportunity for all minority- and women-owned businesses to participate as suppliers, contractors, and subcontractors of goods and services to AT&T;
- advises employees of their right to refer violations of this policy to the AT&T EO/AA group, the organization charged with administration of the Equal Opportunity Policy. No employee will be subjected to retaliation in any form for exercising such rights.

Source: www.att.com/hr/life/eoaa/index.html



How to proceed: An action plan for employers and their organizations

uccess in tackling youth unemployment is likely to come by harnessing the strength of a fundamentally sound economy to fund quality education and training, to encourage young entrepreneurs and to ensure fairness in recruitment and promotion. That's why the focus of this guide has been on creating economic growth, enhancing young people's employability, fostering youth enterprise and embedding gender equality in the workplace.

Governments, employers' groups and workers' organizations should all share these goals. But at the same time they need to recognize that each has a different role to play and none has a monopoly of wisdom. The goals will only be achieved if the social partners find ways to trade their expertise for mutual benefit. In an ideal situation, employers and their representatives will have a clear, consistent message on youth employment issues. They will know who to speak to and how to get their message across. And their involvement will range from commenting on policies to giving feedback on actual programmes to launching their own initiatives.

This final chapter offers a broad action plan to help structure employers' efforts on the youth job front. It has been drafted both for organizations commencing such a role and those with more experience. Readers are invited to make as much or as little use of it as is appropriate to their circumstances.

The term "employer" has been used throughout this guide to refer to both individual employers and employers' organizations. However, this final chapter focuses on options best pursued at a collective level by organizations rather than by individual enterprises. That said, it may also be useful for individual employers, particularly larger companies, who can adapt elements of the plan to suit their own needs.

Understanding the youth labour market

first step for employers seeking to maximize youth employment is to understand their national youth labour market. To do this, employers should consider and study any available data on the size and nature of youth unemployment. This includes data on:

- the extent of youth unemployment and underemployment, both in terms of total numbers and relative to the rate for adults;
- regional, gender, educational and demographic characteristics of unemployed young women and men compared to the rest of the population; and
- young people who should not be counted as unemployed (for example, those undertaking school and university education).

Many countries have well developed, government-funded statistical agencies that regularly measure employment using internationally agreed techniques. In these countries, it is relatively simple for employers' organizations to obtain data on the current state of youth unemployment as well as on longer-term trends.

In other countries statistical collection may be less developed, or undertaken less regularly. Employers in these countries may need to take whatever national data is available and make informed assumptions to reflect developments since data was last collected. They can also use secondary sources, such as the ILO and other international research.

Where up-to-date information is not available, discussion with individual employers and communities may provide an alternative framework for assessing the extent of the problem. This guide can be adapted as the framework for analysis, via very simple and inexpensive exercises such as:

- local area surveys of employers (by mail, fax, Internet or telephone);
- discussions with employers on the extent of youth unemployment in their regions; and
- simple surveys of young people or school leavers in particular areas.

What is important is that employers' organizations develop some sound basis for considering whether youth unemployment is a problem affecting their members and, if so some reference point for assessing whether it is improving or getting worse. But gathering data is not an end in itself. Data collection is only a starting point for organizations to undertake actual initiatives to encourage youth employment.

fter appreciating the extent of youth unemployment, the next step is to begin to understand the causes that are retarding the progress of young people into decent and productive employment. This is important to create a solid foundation for employer policy development and employer initiatives.

The best way to understand the causes of youth unemployment in a given labour market is through solid and reliable empirical research. This can include research into (a) the operation of national and regional labour markets, (b) the quality and effectiveness of education and training, and (c) the attitudes of employers and young people.

In some countries, employers can draw on existing research in these areas on which to base their initiatives. In other countries, there will be less in the way of detailed research on the causes of unemployment. Employers in these countries have a number of options:

- Make use of secondary research in place of domestic research, such as international research by the ILO and other international organizations or academic institutions.
- Commission detailed empirical research on employment or even under take the task themselves. While this can be effective, it is recognized that not all employer groups will have the resources.
- Use local area surveys, focus groups and the like to develop an experience-based understanding of the causes of youth unemployment in a specific national or regional context. This guide can provide a framework for employer efforts in this area.

Identifying the causes of any nation's youth unemployment is complex and consensus may not be possible. Even in countries with well-developed research, statistics and policy debate, there is considerable disagreement on what lies behind the phenomena, which differs from country to country and region to region. Chapters 4 and 5 are linked: it is also important for employers to consider the causes of disproportionate unemployment amongst specific groups, including young women.

The key point is that employers should develop a clear, practical, operational understanding of what they believe to be the fundamental causes of youth unemployment in their areas. Targeting these causes can then become a goal for employer policies and initiatives.

5.2 Understanding the causes of youth unemployment

Articulating the impact of youth unemployment

nce the extent and to some degree the causes of youth unemployment have been identified, the next step for employers' organizations is to develop awareness of its impact on their members' operations and profitability. It is crucial that employers' organizations recognize that high youth unemployment hurts both the short- and long-term interests of all employers.

In many cases, it will only be when employers are able to recognize, and articulate the impact of youth unemployment on their operations and societies that they can viably pursue policies and initiatives to create jobs for young people. While in many countries there will be a well-developed employer appreciation of the importance of youth unemployment, in others its commercial and economic impact will not be widely understood. In these cases, there is considerable opportunity for employers' organizations to provide leadership. The various chapters and sections of this guide will hopefully provide some useful material for this effort.

Employers rely on their organizations to represent their interests, both where these interests are established (as with collective bargaining) and where they are emerging and yet to be defined. One of the less appreciated roles of employers' organizations is leading employer opinion and identifying key issues that have a bearing on their long-term success. Youth employment is just such an issue in many countries.

Promoting youth employment to employers

aving assessed and articulated the impact of youth employment, the next step is for employers' organizations to move it up their members' agenda. No employer organization is likely to be able to make an active contribution in this area without widespread support from its members, particularly large and influential companies.

One of the uses of this guide may lie in helping employers' organizations to promote youth employment measures to their members. This could include messages from the heads of employers' organizations to members, detailed articles in employer publications, and briefings to employer forums.

Specific options include:

- Raising youth employment for discussion by the managing boards or committees of employers' organizations.
- Initiating dialogue on youth employment among key organization members and the largest employers.
- Submitting draft policies on the issue for consideration by the managing boards of employers' organizations.
- Producing information for employers that promotes the importance of youth employment and the need for employer action. This can be in the form of discussion papers, articles in newsletters or Internet site links. The information and arguments in this guide can provide a useful starting point.

nce employers appreciate the nature of youth employment and how it affects them, the next step is to develop broad employer framework policies or commitments to guide specific employer action. The core policy aims of the Swedish Employers' Confederation (SAF) illustrate the form such employer framework policies can take (even if the case in point does not refer specifically to youth employment).

A framework policy on youth employment could embody its own broad aims. For example:

- Employers believe that all children should leave school being able to read and write.
- Employers will contribute to youth employment through cooperation with government and other stakeholders in education, training and economic policy.
- Employers will campaign to make youth employment central to the formulation of policies on the economy, the labour market and labour relations.

Box 5.1 The policy aims of the SAF

- **1. Open market economy** Private ownership, business freedom and contractual liberty must be safeguarded. The public sector must be strong and stable, but limited to what cannot be run by private companies or individuals.
- **2. Low inflation and low interest rates** Public finances must be put in order. Sweden must meet EU convergence criteria and inflation and interest rates in Sweden should be no higher than those in competing countries.
- **3. Lower taxes** The tax burden must be reduced to a level corresponding to the EU average. Taxes must be equitable and visible.
- **4. Competitive labour** Wage costs must not impair Swedish competitiveness. Pay and terms of employment, like taxes, must promote corporate and employee development in terms of productivity, skills and quality awareness.
- **5. Flexible labour market** It must be possible to adapt pay rates, terms of employment, working hours and labour law to the disparate conditions of companies and individuals. Old divisions into salaried and manual workers should not be retained. Unemployment insurance is required. Social-insurance schemes must be designed that stimulate work, saving and individual responsibility.
- **6. A minimum of regulations** There must be fewer and simpler regulations that are not constantly being amended, particularly in the areas of taxation, the labour market and the environment. The burden on companies with respect to all the information they are obliged to submit to national and regional government must be reduced.
- **7. Quality in education** The education system must train people for jobs in business, not just the public service. Schools and companies must cooperate. Free competition between different seats of learning and forms of ownership must exist at all levels. The state must invest in basic research and provide favourable conditions for companies' R&D. Training must be limited and adapted to companies' needs.
- **8. Good infrastructure and environment** An effective infrastructure, including telecoms and computer-linked systems of a high international standard, is essential.
- **9. A positive business climate** Sweden must become a country where business and entrepreneurship as a lifestyle are encouraged and promoted. People capable of becoming entrepreneurs, especially young people and immigrants, should face a minimum of obstacles, enjoy low taxes and receive great encouragement.

Source: www.saf.se

5.5 Developing broad policy commitments

These broad policy commitments can influence the public debate and heighten political pressure on governments to act. They may also steer competition between political parties in a favourable direction. Depending on the national context, the following initiatives may be appropriate:

- Employers can publish and advertise their framework policies. Not only does this illustrate their commitment to youth employment, it may also increase the pressure on others to join with employers in creating jobs for young people. These framework announcements may also be linked to national youth policies.
- Employers may create special internal committees within their organizations addressing youth employment or specific issues such as education and training, labour market reform or minimum wage legislation. Such committees can exploit the expertise of individual members and establish a communication channel to influence governments and other stakeholders.
- Broad-based business coalitions can multiply employers influence with governments in some countries. Forming joint positions with groups such as chambers of commerce can widen the audience for the arguments that employers advance.

Developing detailed implementation strategies

he next step is to translate broad goals and commitments into detailed policies, clear objectives, strategies and initiatives in areas such as economic reform, education and training, and labour market regulations. These should be implementation-geared strategies, outlining specific initiatives and approaches in relation to issues set out in the first four sections. Consistent with the theme of this section, initiatives are likely to have greatest success when they are based upon a clear understanding of the individual national labour market.

Employer action for youth employment need not be restricted to telling governments what they should do. They can extend to any employer funded and delivered programmes, such as services for young entrepreneurs or employer provision of training. In some cases, initiatives for youth employment will raise new issues for employers and their organizations. For example, they may have taken no previous stance on education policy and curriculum reform. In others, employers will seek to incorporate their understanding of youth employment into existing policy areas, such as policies on economics and government regulation.

Detailed strategies incorporating timeframes for specific initiatives can provide employers' organizations with plans for action and a benchmark against which their efforts can be assessed. Such strategies can either be formulated by specific committees of members, or by employers' organizations themselves.

Implementation strategies should not require outcomes that are beyond the discretion of employers to deliver, and will be most valuable if they incorporate realistic timeframes.

mployers' organizations throughout the world operate with tight budgets and limited human resources. Ways to get best value for money include:

5.7Making use of resources effectively

- Creating coalitions of interest, support and expertise within the employer membership. For example, many individual employers take a deep interest in skills development for their industries, and are willing to represent organizations on training boards and committees.
- Creating partnerships with other interest groups (e.g. chambers of commerce) that can share the cost and operational burden of initiatives such as policy development, research and advocacy.
- Incorporating the youth employment "angle" to existing statements on economic policy, regulatory reform and labour market policies generally.
- Using international resources such as this guide to formulate documents and draft policies.

Employers' organizations have limited resources that must be used efficiently and strategically. This guide has outlined a very wide range of initiatives, only some of which will be appropriate in any single national context. Policies and strategies on youth employment need to be selective and incremental. Organizations that leverage their expertise and resources, pursue policies systematically, and have strategies to achieve initiatives that lie within their competence and capacities, are likely to have the most success in encouraging youth employment.

mployers directly control few of the policies and services essential to really dent youth unemployment. In most countries, employers will only be able to implement their preferred approaches for youth employment if they can secure the support of key stakeholders, including most importantly, government. This is why partnering and building a consensus is vital.

Employers and their organizations regularly use a range of approaches in their relationships with other organizations, ranging from consensus and partnership to rigorous defence and outright opposition. Readers will be familiar with these approaches in their national context, and the success employers have been able to secure using each of them. However, partnership seems by far the best way for employers to achieve their goals of reducing youth unemployment and its impact on their businesses. Governments, schools, other business associations, employee groups and youth organizations are all potential partners.

Building and strengthening partnership

Partnerships with government

Many of the most important efforts that employers can make in the area of youth employment are based on working with government. Some form of enduring partnership or relationship is necessary in which employers can influence government policy, and hopefully succeed in having employer policies implemented. But building partnerships with government agencies and public officials is also important, as they:

- Advise government on appropriate approaches and policies, and often determine which policy initiatives are considered by government.
- Evaluate and analyse policies and reforms advanced by employers.
- Implement government policies, and translate broad policy decisions and legislation into specific actions and initiatives.
- Often control administrative regulation, paperwork and budgets that can determine the capacity of employers to make cost effective use of specific government programmes.
- Can provide a useful resource to overcome problems with administrative requirements. For example, if employers experience administrative problems with the operation of a traineeship or incentive scheme, the capacity of the employers' organization to assist will be aided by having constructive contacts within the relevant government department.

Box 5.2 Career Space

This is a good example of an employer-initiated project to stimulate cooperation with government and ongoing public-private partnership, which highlights many of the approaches raised throughout this guide.

A group of Europe's largest and most influential information and communications technology employers have banded together to address the skills shortage facing the ICT industry. This "consortium" has made a number of strong recommendations to the European Commission and national governments, while also taking action themselves by providing an Internet site as well as undertaking preliminary research and policy development.

Recommendations relevant to national governments include: (a) the establishment of a Task Force (comprising industry, educational institutions, the European Commission and EU Member States) to examine how the educational infrastructure can meet the ICT needs of European industry and implement appropriate actions, (b) the establishment of a dedicated team within the European Commission to coordinate action in this area, (c) various education and training reforms, and (d) tax exemptions for investments in ICT skills. The consortium's recommendations also range into areas not traditionally linked to employment including pension and work permit reform.

The consortium of companies argues that "Governments and the private sector should work together to provide ICT training through public-private partnership programmes", on the basis that "a number of programmes of this kind have been undertaken with impressive results and that these should be carefully evaluated as possible models for more general application". The employer consortium concludes its recommendations by stating its readiness to cooperate with "all concerned" to address the skills shortage facing the ICT industry.

Source: www.career-space.com

Public officials also often outlast governments, so relationships of influence and reciprocal understanding with employers may be enduring and valuable in the long term. Public agencies and officials that employers may seek to build partnerships with include: (a) treasuries, finance ministries and departments; (b) taxation officials; (c) employment offices including those charged with the administration and delivery of government labour market programmes; (d) national public employment services; and (e) central education departments and curriculum councils.

Chapter 2 highlighted the importance of education and training in enhancing youth employment. Partnerships between employers and educators will play an important role in determining employer influence in this area. Targets for partnership include: education and training interest groups, including teachers and head teachers, parent groups and education and training institutions.

Partnerships with schools and educators

Box 5.3 Irish Business and Employers' Confederation (IBEC) Business and Education Links Programme

The Business and Education Links Programme brings businesses and secondary schools together to provide learning experiences to prepare young people for work. The support of IBEC assists in encouraging employer involvement and IBEC's published information on the programme quite explicitly sets out the benefits of employer participation, and the benefits for schools and communities. The programme emphasizes and facilitates partnerships between businesses and schools, through meetings, visits, running mini-companies and the like. IBEC organizes the initial matching of businesses and schools, publishes programme materials, provides and compiles evaluations, undertakes ongoing research and programme improvement, runs an Internet site, helps networking, publishes a supporting newsletter, undertakes workshops to support programme operation at a local level, and provides completion certificates. The programme enjoys the support of a large number of major IBEC members, including Cadbury Ireland, which chairs the programme, and Allied Irish Bank.

Source: www.ibec.ie/belp

In essence there are three types¹ of business organizations:

- Those established to protect and promote the interests of businesses affected by the economic, political and social environment in which business is conducted. Such organizations include chambers of commerce, and trade chambers.
- Those aimed at protecting and promoting business interests in labour-related or social policy matters. The term "employers' organization" is most accurately applied to this grouping.
- Those that combine these roles.

Youth unemployment impacts on all businesses, and all business organizations can benefit from forming the broadest possible coalitions for youth employment. Employers acting in concert should be more successful in lobbying government, in building coalitions, and in persuading the com-

Partnerships with business organizations

¹ de Silva, S. R. (1997): Employers' organisations in Asia in the twenty-first century, Paper presented at the ILO Workshop on Employers' Organizations in Asia-Pacific in the Twenty-First Century, Turin, 5-13 May 1997.

munity than a more diverse range of associations pursuing inconsistent strategies and approaches. Government is also more likely to listen to a unified business community than a divided one, from whose views it can pick and choose. Options for cooperative approaches include:

- Forming broad business coalitions or taskforces to lobby and influence government. These could be formed under the banner of existing peak or umbrella associations, or under a new banner such as "The Business Coalition For Youth Employment".
- Industry associations, regional and national employers' organizations acting in combination on this issue, including those which traditionally operate separately and compete for membership.
- Employers' organizations acting in combination with bodies such as chambers of commerce.

The terms under which different, often competing, business organizations act in concert on youth employment will differ from country to country, based on history, circumstances, and personalities. Whether these coalitions are temporary or lasting is also a matter for national determination.

Partnerships with workers' organizations

Youth employment lends itself ideally to social dialogue. Like employers, workers' organizations have a clear interest in increasing youth employment, not only in the interests of creating future generations of members, but also to ensure that economies provide adequate living standards, wages and purchasing power. Consultative and policy committees, especially those organized on a tripartite basis, can offer a sound basis for partnerships between employers' and workers' organizations to support greater youth employment.

While employers and workers have differing views on many issues, there should be substantial scope for a cooperative approach to improving the future for young people by tackling youth joblessness. There may also be scope for employers and unions to reach broad framework agreements on mutual efforts to encourage youth employment.

Partnerships with youth and other organizations

Youth organizations can also be included in consultation and consensus building where appropriate. It's only fair for young people to have a say in affairs that affect them. Beyond that, young people may also have a superior sense of whether particular programmes will work for their peers. In many countries, there will be a diverse range of youth organizations, including community, social, religious, regional, and other interest groups. Employers may wish to either consult with all such groups, or encourage youth organizations to put forward a small representative group to consult with employers, governments, and other interest groups on issues affecting youth employment.

A variety of other organizations take an interest in policies affecting youth employment. Employers may wish to consider the benefits of undertaking dialogue with such groups to promote mutual understanding, and promote options for coalition building and mutual policy development. Such understandings may be especially important where employers are seeking a role in new areas of policy with which they have not traditionally been involved.

mployers can also promote the youth employment challenge to the wider community. They can make public any material they have on the impact of youth unemployment in terms of lost revenues, lower aggregate demand, reduced taxation and the associated opportunity costs. Employers can further stress the importance of youth employment in all appropriate public statements, especially when commenting on economic developments.

Appropriate approaches will differ from country to country, as will the likely audience for employer policies on youth employment. What remains constant is the role employers' organizations can play in promoting the importance of this issue to all relevant communities within their national contexts.

Perceptions of employers' attitudes to youth employment are likely to determine the success of employer lobbying and other initiatives. A public commitment by employers to tackle youth employment will help build the profile of employers' organizations and spread the message that their role extends beyond the immediate interests of business.

any employer readers will already be familiar with national youth policies. These broad commitments have been used in 144 countries to guide programme development for young people across diverse policy areas. A national youth policy is not only an important national symbol and public relations exercise, but can also provide a solid foundation for public-private partnerships for young people, and greater cooperation between stakeholders.

5.9 Promoting youth employment to the community

5.10 A national youth policy

Box 5.4 Examples of national youth policies

Malawi's national youth policy aims to establish the identity and status of its youth as a distinct sector of government policy so as to create a direction for youth activities and programmes for various interest groups. The policy seeks to address key challenges currently affecting youth such as unemployment, education opportunities, young people's non-involvement in decision-making, AIDS and HIV, crime and youth deviance, teenage pregnancy and drug and alcohol abuse. The policy also advocates the rights and responsibilities of young people and the positive role models provided by adults and parents.

The Indian Government has set up a Committee on National Youth Programmes chaired by the Prime Minister. The Committee's members include ministers in charge of various youth-related departments, provincial ministers, Members of Parliament, representatives of political parties, non-governmental youth organizations and young people of various socio-economic backgrounds. This body has helped the Government to update its national youth policy, which clearly acknowledges the role of non-governmental youth organizations as partners in development. In addition, the Government has also supported the creation of youth organizations with large national membership and broad geographic spread across the country. For example, the Nehru Youth Centres (Nehru Yuvak Kendras) have been established in 500 districts out of the total 522 districts in India.

The Government of Malta has established a national youth policy that has been in operation since 1993. The drafting of the policy involved various government ministries such as those for social policy, health and education, as well as the National Youth Council and various individuals in the youth field. The national youth policy has served to produce guidelines for the ministry responsible for youth affairs and administrators. The national youth policy is a yardstick by which the ministry measures its rate of progress and is equally so measured by others. The policy functions as a catalyst, spurring government into embarking on its youth programmes and initiatives.

The national youth policy of the **Syrian Arab Republic** treats youth as part of integral strategies taking into consideration the nature of the society and the tasks before it. That policy is part of the national aims to achieve comprehensive human development together with socio-economic development. This youth policy is coordinated on an inter-ministerial basis and involves two major NGOs: the National Union of Syrian Students (with a membership composed of students in universities, postgraduate studies and higher and intermediate institutes) and the Revolutionary Youth Union (with a membership of over 1.5 million of young workers, rural youth, students with both political and non-political backgrounds, including social, economic, vocational, cultural, tourist, athletic and artistic).

Source: www.un.org/esa/socdev/unyin

Box 5.4 and the UN material from which it was drawn indicate little employer involvement in the formulation of national youth policies to date. There appears to be scope for employers to become closely involved in these policies in the future. Where a country has no national youth policy, employers may wish to promote the importance of this approach to government. Where a national youth policy is already established, employers can seek a role in its evolution and publicly commit to the policy and its aims.

mployers can also participate in policy and operational structures to support youth employment. Opportunities for employer participation and representation exist on a variety of policy, consultative, and administrative boards, committees of management and so on, in areas such as public employment services, labour market policies, and education and training, including:

- Formal tripartite structures monitoring the performance of education and training.
- Curriculum development and monitoring bodies.
- Boards of management of schools and training institutions.
- Consultative bodies that administer or oversee government labour market programmes.
- Funding bodies for grant allocation to young entrepreneurs.

Employers participating in such initiatives gain not only a representative voice on the issues concerned, but also important contacts and wider policy legitimacy. Employers who are generous with their time, and participate in as wide a range of consultative and decision structures as possible, are likely to gain significant advantages in this and other areas.

mployers' organizations can also directly assist their members in the use of government programmes and services.² They may, for example, give advice on the best funding or subsidy option for an employer's needs, and the best source of job-ready young people. In some systems, a very complex and confusing range of programmes has emerged. Helping individual employers navigate these schemes to create actual job opportunities for young people can be an invaluable service. One particularly interesting approach is for employers' organizations to assume a role in job brokering, offering to manage recruitment and selection for their members by themselves maintaining databases of suitable young job seekers.

Box 5.5 Group training

Under the Group Training Model, young people are apprenticed to a group training company (some of which are employers' organizations) rather than individual employers. The group training company is then able to offer employers apprentices for periods shorter than the traditional indenture. This enables young people to gain skills through apprenticeship, without employers needing to make an extended employment commitment. For example, where a traditional apprentice may be asking a single employer for a three-year work commitment, a group-training apprentice may work with four or more employers during his or her three-year indenture.³

5.11Participation, consultation and representation

^{5.12}Service delivery for employers and government agencies

² See for example: the Chamber of Commerce and Industry of Western Australia: http://www.cciwa.com

³ See for example: Group Training Australia Limited: www.gtaltd.com.au

Employers' organizations can also deliver services on behalf of government, such as advisory services for job seekers and entrepreneurs. Employers' organizations will often provide superior services for employers and young people, as governments and bureaucrats often lack appropriate private sector links and experience. Contracted government services can also be a valuable source of income, resources, and membership for employers' organizations, and are an option that should be brought to the attention of government.

Service contracts between employers' organizations and government should stipulate that government meet all costs incurred in delivering services for youth employment and employability. They should be commercial in nature, and should clearly and unambiguously set out the performance and other obligations of both parties.

This is not to say that employers should not offer services to young people in the absence of any government commitment. Employers can, for example chose to provide advisory services to young entrepreneurs, even where government has not chosen to support this important area.

5.13 Lobbying and influence

obbying and influence are core representative functions of most employers' organizations, especially the lobbying of governments and bureaucracies. Organizations may wish to cultivate relationships with relevant politicians, advisors, and bureaucrats linked to the various areas outlined in this guide to lobby for the preferred policy approaches of employers. Depending on the nature of the political/legislative system concerned, it may also be appropriate to cultivate relationships with opposition parties and politicians, and their political support bases.

Employer lobbying is a complex matter, and differs widely from country to country. It is also a matter upon which most organizations are very well versed. Readers will be in the best position to determine appropriate strategic approaches based on their national circumstances.

Lobbying can be significantly aided by what the public sees, the opinions it forms, and in turn the pressure it brings to bear on politicians and decision makers. The public release of reports, policies, commitments, and statements can form a valuable part of employer lobbying for youth employment. If, for example, employers have resolved that a public employment service requires significant reform, they could augment their private lobbying efforts by publicly releasing a report on the

problems employers experience with the service in its current form, and perhaps benchmarking the financial and service performance of the organization against other comparable organizations. This may serve to place additional public pressure on government to reform the service concerned. Such efforts are likely be most effective where the research is undertaken independently of the employers' organization. Where this is not viable or cost effective an emphasis should be placed on using widely accepted research methodologies.

he only way to properly determine that both government and employer efforts are working as intended is to build regular monitoring and evaluation into all policies and initiatives. Employers have a role in ensuring that all initiatives for youth employment are subjected to a rigorous, ongoing, reassessment of effectiveness and efficiency.

5.14 Monitoring, evaluation and continuous improvement

One option is to prepare periodic "report cards" on government policies and initiatives, which can be used to assess and publicly comment on their performance. Monitoring and evaluation can also be built into employer policies and strategies to ensure that they too are operating efficiently and providing maximum benefit to members, and to the young unemployed. This monitoring and evaluation should also feed back into employer programmes and initiatives to improve their effectiveness.

- mployers' organizations also represent employers internationally.

 5.15

 National organizations in particular can contribute to the creation

 Information sharing of enhanced youth employment throughout the world by:
- Sharing their national experiences through the ILO and IOE to contribute to ongoing policy development and the creation of international best practice models to guide other employers in stimulating youth employment.
- Applying the lessons of employers in other countries to their national circumstances.
- Using, promoting and distributing international resources on youth employment, such as this guide.

at international level

Appendix 1: Further reading and resources

his appendix provides interested readers with links to further, more detailed information on various issues raised in the guide. Where possible, Internet sources have been identified. In other cases, publications should be available from the organizations concerned, or from libraries. The list of sources is by no means exhaustive. Rather it is designed to provide an introductory guide for those employer readers seeking to undertake further research to support national policy and programme development.

Foreword

The incidence, impact and importance of youth employment

- ILO Youth Employment Page www.ilo.org/public/english/employment/skills/targets/youth/index.htm
- ILO Key Indicators of the Labour Market www.ilo.org/public/english/employment/strat/polemp/kilm/index.htm
- OECD Education, Labour and Social Affairs Statistics www.oecd.org/els/stats.htm
- ILO Youth Employment Contacts And Links www.ilo.org/public/english/employment/skills/targets/youth/links.htm

The international commitment to youth employment

There is a wide-ranging international commitment to youth employment from UN, ILO and other international organizations.

- United Nations Strategies on Youth and UN Youth Information Network / Youth Unit www.un.org/esa/socdev/unyin/
- ILO Conventions and Recommendations with significance for youth employment www.ilo.org/public/english/employment/skills/targets/youth/convent.htm
- IOE Programme of Action on Youth Employment Enhancing Youth Employment: Employers' Actions www.ioe-emp.org/papers_statement/papers_statments_home.htm
- European Union Employment Strategy www.europa.eu.int/comm/employment_social/empl&esf/ees_en.htm
- OECD Ministers' Conference on Youth Employment, London, 8-9 Feb. 2000 www.oecd.org/els/employment/meetings.htm

Chapter 1

Generating economic and employment growth

- ILO World Employment Reports www.ilo.org
- United Nations Economic and Social Council www.un.org/esa/
- The World Bank www.worldbank.org/
- The World Trade Organization www.wto.org
- OECD (the OECD produces a wide variety of online material on economic growth)
 www.oecd.org

Regulatory reform

- OECD Regulatory Reform Research and Resources www.oecd.org/subject/regreform
- OECD Links to National Regulatory Reform Information www.oecd.org/puma/regref/index.htm
- The World Bank www.worldbank.org/

Labour relations and minimum wage reforms

- ILO (many areas of the ILO programme seek to support appropriate employment regulation)
 www.ilo.org
- Youcef Ghellab, Minimum wages and youth unemployment www.ilo.org/public/english/employment/strat/publ/etp26.htm
- OECD Employment and Labour Market Research, including the OECD Jobs Studies and Labour Market Research Papers www.oecd.org/els/labour
- Marsden, D. The impact of industrial relations practices on employment and unemployment OECD Jobs Study Working Papers www.olis.oecd.org/olis/1995doc.nsf/linkto/ocde-qd(95)25

Government labour market policies

- ILO Youth Employment Page www.ilo.org/public/english/employment/skills/targets/youth/index.htm
- ILO Employment Papers www.ilo.org/public/english/employment/strat/publ/index.htm
- ILO Publications on Public Employment Services www.ilo.org/public/english/employment/skills/empserv/publ/index.htm
- OECD Employment Outlook, Country Studies, Working Papers and Ministerial Meetings www.oecd.org/els
- European Union Employment Strategy www.europa.eu.int/comm/employment_social/empl&esf/ees_en.htm

Chapter 2

Employability

- ILO World Employment Reports and Other Publications and Initiatives www.ilo.orq
- ILO Employment Sector Skills Development Resources www.ilo.org/public/english/employment/skills/training/publ/index.htm
- UNESCO http://www.unesco.org/education/ and www.unesco.org/youth/index.htm
- European Union Employment Strategy www.europa.eu.int/comm/employment_social/empl&esf/ees_en.htm
- Employability Skills Profile: What employers are looking for (Canada) www.conferenceboard.ca/nbec/eprof-e.htm
- Towards more flexibility in training: A review of some experiences in rationalizing the provision of vocational qualifications A. Tchaban (ed.) www.ilo.org/public/english/employment/strat/publ/etp56.htm
- National Youth Employment Coalition www.nyec.org

Employer influence on national training policy

Sriyan de Silva, ILO – Developing the training role of an employers' organization www.ilo.org/public/english/dialogue/actemp/papers/1998/srsdevel.htm#F2-3

Chapter 3

Entrepreneurship sites

- Aboriginal Youth Business Council (North America) www.aybc.org
- Canadian Youth Business Foundation www.cbyf.ca
- EDTEC (Education, Training and Enterprise Centre) http://www.edtecinc.com/
- Ewing Marion Kauffman Foundation (USA) www.emkf.org and www.entreworld.org
- Junior Achievement www.ja.org
- Learning By Doing www.dthomas.co.uk/young-enterprise/company.htm
- National Foundation for Teaching Entrepreneurship www.nfte.com
- Nescafe Big Break www.nescafe.com.au
- OECD Youth Entrepreneurship Information www.oecd.org//tds/bis/entrepreneurship/youth.htm

- REAL Enterprises www.realenterprises.org
- Shell Livewire www.shell-livewire.org
- Start-Up Education opens.org/start-up/s
- Young Achievement Australia www.yaa.org.au
- Youth Entrepreneurs Network www.idye.com
- Youth Enterprise Society ewet.org.za/yes/yes.htm
- Youth Livelihoods Knowledge Network International Development Research Centre www.idrc.ca/socdev/research/youth/
- Chapter 4 ILOLEX: the ILO's database on International Labour Standards ilolex.ilo.ch:1567/public/english/50normes/infleq/iloeng/index.htm
 - Publication on Gender from ILO's Bureau for Employers' Activities As one employer to another... what's all this about equality? ILO, Geneva, 1996
 www.ilo.org/public/english/dialogue/actemp/papers/1998/egual.htm
 - ILO's Gender Promotion Programme "More and better jobs for women and men" www.ilo.org/public/english/employment/gems/
 - ILO's Gender Web Site www.ilo.org/public/english/bureau/gender/
 - Employer Gender Materials (from National Employers' Organization sites) www.snef.org.sg/guide.htm
 - Women and business http://www.smallbusinessdepot.com
 - Employment and Social Affairs, European Commission, European Network "Family & Work" www.europa.eu.int/comm/employment_social/family-net/index.htm
 - Companies Equal Opportunity Statements www.att.com/hr/life/eoaa/eo.html

Partnership

- **Chapter 5** ILO Resources on Tripartism For Employers' Organizations www.ilo.org/public/english/dialogue/actemp/papers/1998/srstripa.htm
 - ILO, Public private partnerships and their role in creating youth employment (unpublished)

National youth policies

United Nations Youth Information Network / Youth Unit www.un.org/esa/socdev/unyin/

International employer resources

- ILO Bureau For Employers' Activities www.ilo.org/public/english/dialogue/actemp/
- International Organisation of Employers (IOE) www.ioe-emp.org/
- The Business and Industry Advisory Committee to the OECD (BIAC) www.biac.org/
- Links to National Employers' Organizations www.ilo.org/public/english/dialogue/actemp/contact/emp-org.htm

- Other interesting sites

 Hope Now for Youth www.hopenow.org
 - Morgan and Banks Youth Jobs Day www.morganbanks.com.au/youthjobsday/
 - Next Steps Programme www.nextsteps.org
 - Youth Resource Network of Canada www.youth.gc.ca