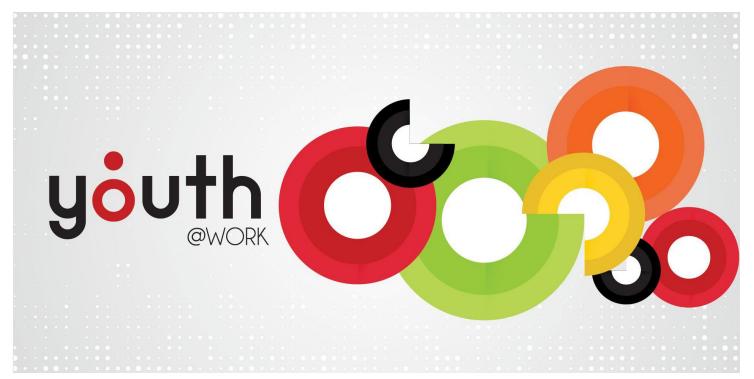


# YOUTH @ WORK IMPACT REPORT A HIGH-LEVEL OVERVIEW OF IMPACT AND LESSONS OCTOBER 2024



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## **1. EXECUTIVE SUMMARY**

**Youth at Work** presents its 2024 Impact report which is a "dip stick" view of the organisations progress and lessons. The programme continues to make significant strides in increasing the number of youth who obtain the opportunity to enhance their employability and increase their opportunities for economic participation. The report indicates the views of the key stakeholders who advance the objectives of the organisation as per the theory of change.

In 2024 Y@W entered into a partnership with Silulo to grow the number of youth led SME's to support them in becoming job creators. This partnership is critical to address slow economic growth, lack of jobs and career pathways for youths.

#### 2. INTRODUCTION

## 2.1 Purpose and objective of the impact report

**Youth at Work (Y@W)** is committed to ensuring transparency and accountability to its stakeholders regarding the program's progress, successes, and lessons. Therefore, Y@W produces an annual impact report in two main formats:

• The first impact report is a "dipstick" assessment of the program's progress, focusing on its impact and outcomes. This report includes a limited review and data collection processes of participants representing all key stakeholders identified in the organisation's Theory of Change (TOC) framework.

• The second impact report offers a more comprehensive view of the program's progress and impact. It provides greater insight from all key stakeholders identified in the organisation's TOC framework. This report was conducted in 2022 and is scheduled to be conducted again in 2025.

The 2024 Impact Report is a "dipstick" assessment of progress. The data collection involves a limited sample size of 215 alumni from a population of 5,800, resulting in an approximate sample representation of 4%.

#### This report illustrates the following:

• The programme's activities, inputs and outputs from 2019 to 2024, as identified in the *Theory of Change*.

• High-level overview of the programme's impact from the perspective of the alumni, funders, host sites\* and partners.

- High-level overview of the labour absorption rate.
- Real-life impact stories; and

• Key lessons and insights for evolving the programme to the next level to meet its medium- to long-term impact objectives.

 $\ast$  Host sites are organisations where youth are placed for 12 months for on-the-job work experience.

#### The main objectives of the programme are:

INCREASE THE NUMBER OF YOUTHS THAT ARE PERMANENTLY EMPLOYED AT MONTH 12 OF THE PROGRAMME

ENSURE THAT UNEMPLOYED YOUTH AT MONTH 12 ARE AT LEAST ECONOMICALLY ACTIVE AND OBTAIN PERMANENT EMPLOYMENT WITHIN 12 MONTHS AFTER THE PROGRAMME.

3

ENSURE YOUTH AND PARTNERS CREATE SHARED VALUE THAT BENEFIT BOTH PARTNERS.



INCREASE THE NUMBER OF YOUTH LED SME'S TO BECOME EMPLOYERS AND YOUTH JOB CREATORS

#### 2.2 Organisational background

Y@W, a non-profit organisation created in 2018, aims to reduce South Africa's high youth unemployment by offering a 12-month quality work experience program in collaboration with various stakeholders.

Although there are numerous contributing factors to South Africa's high youth unemployment rate, reports by Statistics South Africa (Stats SA) note that "youth with some form of experience far surpass adults in transitioning from unemployment or inactivity into employment between quarters, with rates of 12,3% and 7,4% respectively\*\*" and that youth with experience also outperform those without experience by a ratio of 4:1 in the employment transition rates.

<sup>\*\*</sup> Stats SA; May 2024; https://www.statssa.gov.za/?p=17266

**The** Y@W programme is designed to increase youth's "employability" and labour absorption rate\* by tackling some of the factors driving youth unemployment.

#### Some of the identified drivers of youth unemployment

#### **UNEMPLOYED YOUTH CHALLENGES AND IMPACT ON UNEMPLOYMENT\*\***

• YOUTH'S LACK OF QUALIFICATIONS AND EXPERIENCE

A lack of work experience is a major barrier preventing youth from successfully transitioning into employment. Research shows that young people who have any form of work experience are more likely to find jobs. Additionally, qualifications significantly impact the ability to transition into employment and maintain a job. Notably, over 70% of unemployed youth have only completed their matriculation or have lower qualifications.

- NO WORK REFERENCES, LIMITED WORK ROLE MODELS AND LIMITED WORK NETWORKS In today's job market, many positions are filled through networking and personal referrals. Unfortunately, without strong professional networks or role models, young people often miss out on valuable job opportunities.
- LACK OF SUPPORT DURING THE JOB SEARCH PROCESS
  Many young people do not have the support needed to navigate the job search process, which prolongs their unemployment.
- LACK OF MENTORSHIP AND ROLE MODELLING Lack of mentorship access can hinder young people from setting realistic career goals and gaining essential insights for employment.
- INFRASTRUCTURE CHALLENGES Insufficient infrastructure such as financial resources and poor access to the internet, greatly limit young people's ability to attend interviews, pursue training, or take advantage of remote work opportunities.

\*Labour absorption rate is defined as: The proportion of the working-age population that is employed. (Stats SA Definition) \*\* According to numerous studies and documents such as the Stats SA QLFSA, ILO

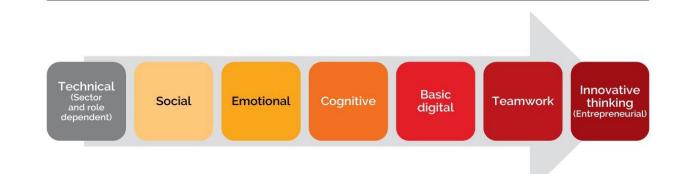
**Over** the last five years, Y@W has successfully onboarded more than 9,000 youths. Approximately 5,800 have completed the work experience program, and approximately 3,200 are active participants.

Y@W provides an excellent opportunity for unemployed youth to engage in a comprehensive 12-month "on-thejob" work experience programme, regardless of their current education level (a minimum matric qualification).

Each participant gains an average of 9,500 hours per year of work experience (covering technical and soft skills as outlined **below**), a monthly salary\*, psychosocial support, and guidance from an advisor to ensure they are well-prepared for entry-level job opportunities.

The 7 core skills

# youth cools



\*The salaries are benchmarked at the rate of the minimum wage.

(technical and soft skills) from Y@W work experience



## 2.3 THEORY OF CHANGE AND IMPACT FRAMEWORK

**Y@W** acknowledges that youth unemployment in South Africa is a complex issue, caused by multiple factors deeply embedded in economic, social, and political constructs. It is for this reason that Y@W created a TOC Framework that:

- Helps the organisation navigate its process of developing a holistic solution for a complex challenge.
- Helps the organisation systematically consider the underlying root causes and how they influence each other.
- Provides a roadmap of how the organisation intends to achieve its long-term goals and create a meaningful impact despite the underlying challenges.
- Articulates the assumptions about the process through which change will occur.

**The** Y@W TOC Framework at a high level is as follows: The impact goal is twofold:

**Firstly,** partner with stakeholders to empower unemployed youth in South Africa to improve their livelihoods by obtaining quality work experience and core skills development that will help them improve their employability and employment rate.

**Secondly,** through strong partnerships, Y@W endeavor's to assist its partners in meeting their organisational and sectoral goals.

In the past couple of years, Y@W has identified that the success of the programme (meeting its impact goals) and its implementation is effectively driven by FOUR key stakeholders:

- **YOUTH:** Select and support youth through their personal development journeys.
- **PARTNERS:** Collaborate with partners that are like-minded and have similar objectives.
- SUPERVISORS: Ensure supervisors are "fit for purpose" and engaged.
- Y@W: Administer and monitor the work experience program.

Y@W is dedicated to achieving the impact goals with measurable and sustainable effects.

#### The roles of the key stakeholders

## YOUTH

- Growth Mindset
- Self driven
- Confident
- Committed
- Curate and manage individual theory skills development
- Identify personal journey
- Purpose beyond work experience

#### PARTNERS

- Committed to vision
- Alignment and shared vision
- Goal of improving youth lives during and post Y@W
- Funding
- Collaboration of resources



#### SUPERVISORS

- Committed to the process
- Draft job descriptions
- Offer quality work and experiential learning
- Monitor youth's skills development
- Host sites

#### Y@W

- Select candidates
- Match youth skills and job description
- Orientate youths
- Psychologically support youths
- Support youth work and development journey

#### DIAGRAMMATIC REPRESENTATION OF THE THEORY OF CHANGE (IMPACT AND OUTCOMES)

## Y@W IMPACT GOALS

UNEMPLOYED YOUTH OF SOUTH AFRICA IMPROVE THEIR LIVELIHOODS BY OBTAINING QUALITY WORK EXPERIENCE AND CORE SKILLS DEVELOPMENT THAT IMPROVE THEIR EMPLOYABILITY AND EMPLOYMENT RATE

THROUGH STRONG PARTNERSHIPS SUPPORT THE DIFFERENT STAKEHOLDERS TO MEET THEIR SECTORAL AND ORGANISATIONAL OBJECTIVES AROUND CAPACITY AND YOUTH DEVELOPMENT

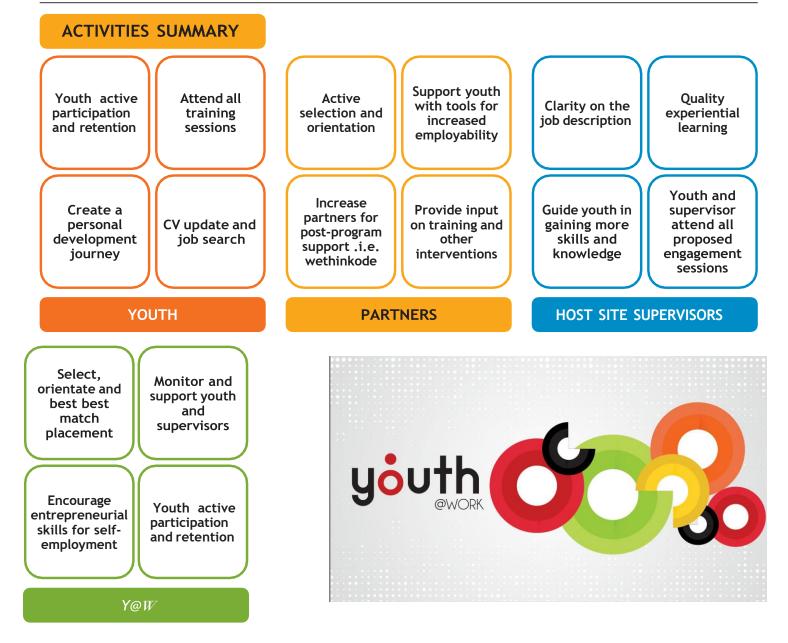
## **STAKEHOLDER OUTCOMES**

YOUTH EMPOWERED TO INCREASE THEIR EMPLOYABILITY AND EMPLOYMENT RATE

#### PARTNERS AND SECTOR MEET THEIR OBJECTIVES WHILE HELPING Y@W VISION

HOST SITE SUPERVISORS DELIVER AND MONITOR QUALITY ON-THE-JOB LEARNING YOUTH ARE SUPPORTED BY Y@W AND ARE THRIVING IN HOST PLACEMENT

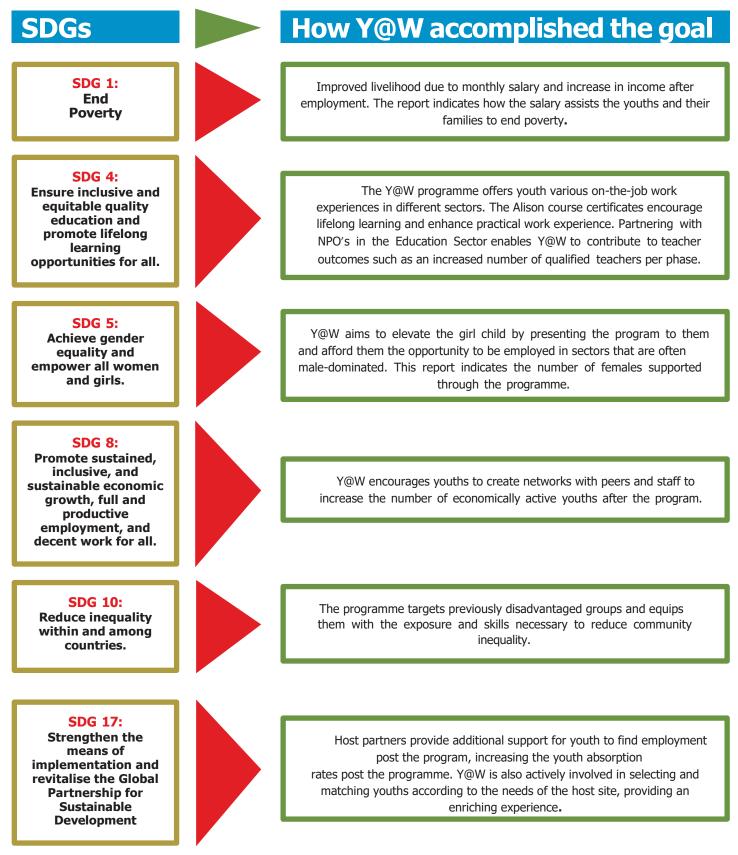
## Diagrammatic representation of the Theory of Change



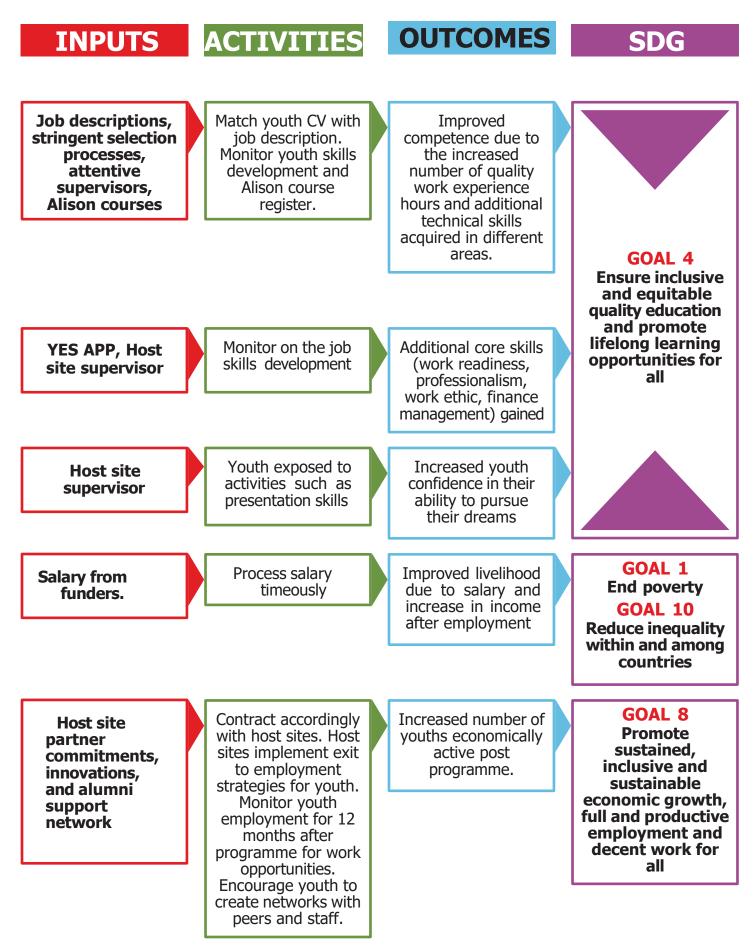
## 2.4 ALIGNMENT WITH SUSTAINABLE DEVELOPMENT GOALS

**The** 2030 Agenda for Sustainable Development outlined 17 Sustainable Development Goals. These goals provide an impact framework to assess an entity's contribution towards "ending poverty and other deprivations". Y@W is committed to contributing to the Sustainable Development Goals (SDGs)'s. The work experience programme aligns with six key SDGs, aiming to create lasting and sustainable impact:

#### How the Sustainable Development Goals (SDG) link to Y@W



#### **Extract of YOUTH@WORK TOC model linked to SDGs:**



## **Extract of YOUTH@WORK TOC model linked to SDGs:**

INPUTS	ACTIVITIES	OUTCOMES	SDG
Host sites partner networks, host site training	Host sites embark on road to employment programmes from month eight of the programme.	Partners provide additional support for youth to find employment post the program, increasing the networks youth are able to tap in to for job searches.	<b>GOAL 17</b> Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development
Host sites partner networks in teacher development, teacher youth/ youths	Support teacher development programmes.	Partners and sector meet teacher outcomes	GOAL 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
Host site partners, Y@W, youth, funders	Select and match youth according to needs of host site. Place sufficient youth at host sites. Host site monitor additional beneficiary impact driven by youth availability.	Partner organisations increase the number of beneficiaries they can help in their communities.	GOAL 17 Strengthen the means of implementation and revitalise the Global Partnership
Diverse host site partners in different sectors.	Select and match youth according to needs of host site.	Youth are exposed to additional critical skills like coding, software development.	for Sustainable Development

#### 3. Y@W IMPACT

#### 3.1HIGH-LEVEL DATA COLLECTION

**As** highlighted, this report primarily undertook a high level review of the program's impact from 2019-2024. Consequently, the data collection processes, and sample sizes are somewhat constrained. Nevertheless, the data collection process prioritised both quantitative and qualitative metrics. Data collection procedures were employed to gather data from various stakeholders (including funders, supervisors, host site MDs, alumni, and Silulo entrepreneurs). The programme's operational data was reviewed, and the following surveys and interviews were conducted:

- The **alumni** surveys were focused on obtaining data on alumni's employability and labour absorption rate.
- The alumni interviews were focused on better understanding some of the pull and push factors that contributed to youth being employed or remaining unemployed.
- The supervisor surveys were focused on obtaining data concerning how the supervisors experienced and supported the alumni.
- The **funder** interviews were focused on understanding the funding objectives and whether the programme has helped meet those objectives.
- The host site MD interviews were focused on understanding the value the youth brought to the host sites.
- The interviews with Silulo entrepreneurs were focused on understanding how funding SMMEs to grow enabled those SMMEs to employ the owner and create jobs for other people as well. This is a new initiative that Y@W experimented with in the current year.

#### 3.2FINDINGS

#### 3.2.1 Findings: Y@W operations

**Y@W** has been successfully operating since 2018, with its inaugural alumni cohort graduating in 2019. To date, Y@W has proudly graduated approximately 5 800 alumni. These carefully selected youths are placed in numerous host sites across various sectors in South Africa. They are equipped with essential technical and soft skills while receiving unwavering financial and emotional support from Y@W and its partners. This section underscores the exceptional operational standards that set this program apart.

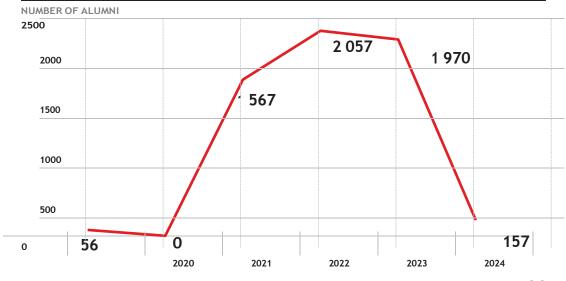
#### Alumni growth:

Over the past five years, Y@W has contributed to a pool of semi-skilled youth better equipped for the labour market, highlighting its increasing impact in tackling youth unemployment.

Although the organisation is still evolving to equip the youth and increase its labour absorption rate to the desired 75%, it is worthwhile to note its outcomes and impact to date.

Starting with an intake in 2019, the program has rapidly expanded, graduating over 2 000 alumni in 2022 alone. This surge indicates the program's increasing capacity to provide youth with valuable work experience, technical skills, and professional networks.

While there was a slight dip in alumni numbers in 2023, the overall upward trend demonstrates sustained momentum in meeting its program objectives and vision. It is worth noting that 2024 alumni statistics are low as 3, 223 youth are currently in the programme and will graduate at the end of 2024 or in early 2025



#### The Alumni growth trajectory

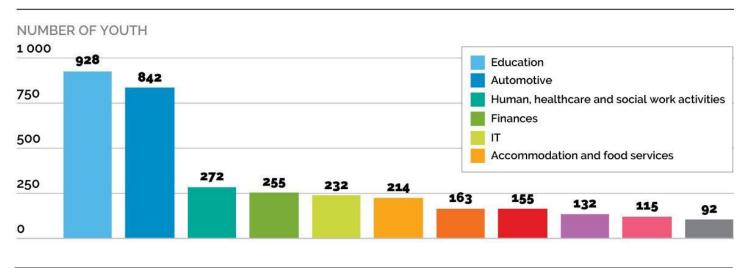
#### FINDINGS

#### Sector and province representation:

The distribution of youth across the various industry sectors highlights diverse placement opportunities. The diverse sector placements also indicate the development and support given by Y@W to make a difference in those sectors and provinces. The top two popular sectors that the youth have been placed in over the years are the Education and Automotive sectors.

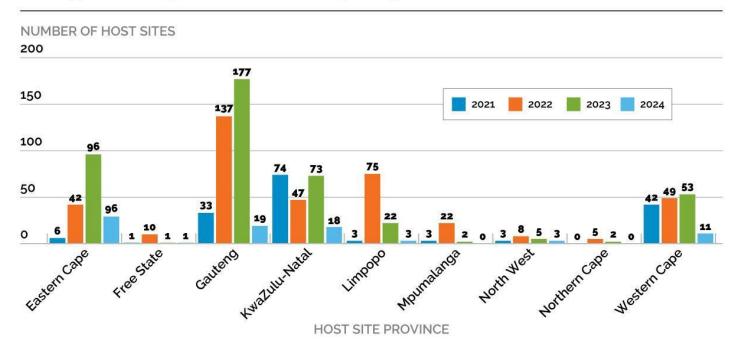
Significant placement is also seen in healthcare, social work activities, finance, and information technology. Emerging fields such as science and research and construction showcase the importance of technical skills, while arts, beauty, and tourism reflect niche interests. Public safety, SMMEs, and mining have the lowest uptake numbers. The widespread placement sectors present career paths available, underscoring a rich landscape for youth engagement in today's job market.

Over the years, the organisation has increased its representation across the provinces, granting more youth in different provinces the opportunity to enhance their employability. The figure below indicates that in 2023 (which is the last year with a complete set of alumni data), the top 3 provinces with the most host sites, and youth are Gauteng (177), Eastern Cape (96) and KwaZulu Natal (73). According to the Q2 2024 QLFS (Quarterly Labour Force Survey) by Stats SA, the top THREE provinces with the highest youth unemployment are North West, Eastern Cape and Free State.



## **Top industry sector placements**

## **Program representation per province**



#### FINDINGS

#### Courses and skills:

**One** of the main objectives of the Y@W programme is to increase the "employability" of the youth by exposing them to skills, knowledge, and personal attributes that will increase their opportunities to secure and maintain employment. This is accomplished through:

- On-the-job training at the host sites.
- Online courses for additional learning and.
- Monthly soft skills sessions.

Y@W, in partnership with the host sites, has helped expose the youth to the following on-thejob work experience opportunities to improve their skills for entry-level job placements:

#### Indicates the on-the-job work experience opportunities available to the youth.

#### **ADMINISTRATIVE ROLES**

ADMIN ASSISTANT, ADMIN CLERK, RECEPTIONIST, OFFICE ADMIN, ADMINISTRATOR & PR OFFICER

#### YOUTHSHIPS

ACCOUNT YOUTH, BUSINESS ADMIN YOUTH, LEGAL YOUTH, MARKETING YOUTH, ENGINEERING YOUTH

#### **ARTISTIC & CREATIVE ROLES**

GRAPHIC DESIGNER, JUNIOR WEB DEVELOPER, PHOTOGRAPHER, CONTENT EDITOR

#### **TECHNICAL & ENGINEERING ROLES** CIVIL ENGINEERING YOUTH, ELECTRICIAN ASSISTANT, MECHANICAL ENGINEERING YOUTH, IT SUPPORT

**BUSINESS & FINANCE** ACCOUNTANT, FINANCE ASSISTANT, PAYROLL YOUTH, BUSINESS CONSULTANT, HR YOUTH

HEALTH & WELLNESS BEAUTICIAN, HEALTH CARE ASSISTANT

#### **EDUCATION**

TEACHER ASSISTANT, AFTER CARE SUPERVISOR, ECD TEACHER, LITERACY & COACHING ASSISTANT, ECD PRACTITIONER

CUSTOMER SERVICE & SALES CALL CENTRE, CUSTOMER CARE, SALES ADMIN ASSISTANT, SALES REPRESENTATIVE

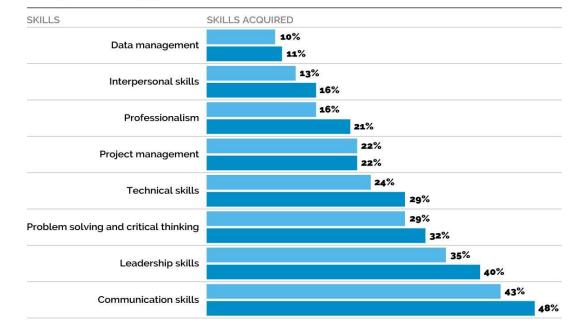
HOSPITALITY & CULINARY BARISTA, CHEF, ASSISTANT CHEF, FRONT OF HOUSE

#### **MANUAL & GENERAL LABOUR**

CLEANER, GENERAL WORKER, CARWASH ATTENDANT, FARM ASSISTANT

The host sites also confirmed that the key skills acquired by the youth at the host sites are indicated in the right figure. The host site and Y@W monitor and track the youth's skills development journey.

#### Host sites view of the skills acquired by youth at the host sites





#### FINDINGS

Wrap around and wellness support: wraparound support is critical to ensuring an

impactful work experience programme. It is intended to respond to the youth's myriad needs during and after the programme, decreasing the barriers to employment entry for the youth. The Y@W programme administers the following support structures:

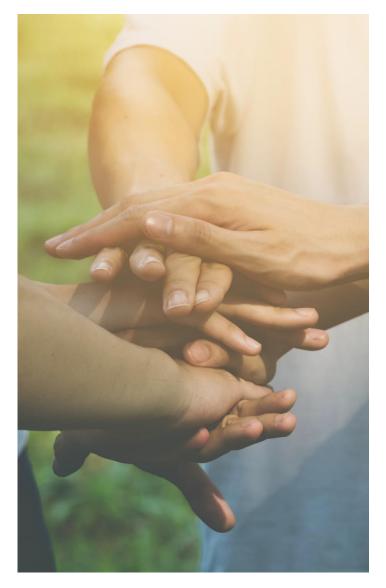
• **ALISON COURSES:** These free online courses offer the youth thousands more learning opportunities in various fields. These courses are designed to support the youth with the technical skills they need to fulfil their duties at the host sites. Youth can choose between online certificates, diplomas, and learning paths.

• **YES MODULES:** These are educational app modules designed to enhance professional and personal skills.

• **THINK TANK THURSDAYS:** These monthly virtual sessions aim to facilitate growth and learning for the youth, giving them knowledge and skills for the workplace & future employability.

• **NETWORKING OPPORTUNITIES:** Events and sessions encourage youth to connect with professionals and peers.

• WELLNESS SUPPORT: Youth are scheduled a monthly "mental health" check-in session to understand their emotional health and wellness needs so they can be assisted accordingly during their term on the programme. The youth also have access to mental health resources and counselling.



#### 3.2.2 Findings: Funders

Funders are critical stakeholders in ensuring Y@W meets its vision and goals. The partnership involves Y@W as the implementing partner, and the funders provide the finances. Both Y@W and the funders agree on the programme's main objectives and success metrics. Between 2019 and 2024, Y@W has partnered with more than 80 funders, with the most funders (54) being involved in the 2023 cohort. Although Y@W and the Funders share a common goal of increased youth employability and labour absorption, each funder has additional organisational-specific objectives that Y@W endeavor's to assist funders in meeting. The interviews with the funders revealed the following invaluable insights:

- Key organisational objectives for partnering with Y@W on this programme.
- How the programme has helped the funders contribute towards meeting their key developmental objectives.
- The aspects of the programme that the funders deem valuable and the aspects of the programme the funders believe Y@W can improve on.

The four funders interviewed represented the following sectors: automotive, finance, health care, and environmental.

The interviews revealed that funders partner on this programme for the following main reasons:

• BBBEE COMPLIANCE OBLIGATIONS: Funders want to improve their BBBEE scores by supporting skills development initiatives. Funders identify with the importance of obtaining and keeping one's "social license" to operate. Although meeting BBBEE compliance obligations is an important business imperative, the funders note that "doing right" in the society in which they operate is a key business value.

"Our objectives are to improve our BBBEE scorecard; contribute towards original BBBEE objectives and legislation, contribute to youth employment and help support youth by providing them opportunity to get experience (learn about the world of work and provide a safe environment where they are accepted and can learn from mistake)."Funder in health

• MEANINGFUL YOUTH EMPOWERMENT: The funders are committed to improving the skills and employability of unemployed youth, as it is the right thing to do. Henceforth, skills development must be impactful and sustainable so that youth can participate in some form of economic activity.

"We want to add value to the community via employing youth who can save lives (e.g. fire hydrant installers)"-Funder in insurance (finance)

• TALENT PIPELINE: Some funders have emphasised that if this program is executed effectively, it has the potential to serve as an alternative platform for funders to diversify their business recruitment. This could result in the creation of a talent pipeline of experienced youth for entry-level job placements for them.

"We want to create an effective simple talent pipeline for entry level positions within our organisation and create more permanent positions" – Funder in health care

#### •DECREASED ADMIN BUSINESS COST AND

**CAPACITY:**Y@W, as the implementing partner, manages the full programme administration, reducing the funders' required capacity to meet their developmental needs.

In lieu of the above objectives, the funders indicated that the Y@W program has met its goals and objectives in the following ways:

**IMPROVED BBBEE SCORE:** The funders indicated an improvement in their BBBEE scorecard, as their labour absorption rate and requirements were met. All the funders noted satisfaction related to the contributions made by the Y@W programme towards their BBBEE score objectives.

"We are satisfied with the programmes and feel the expectations and outcomes have been met. However expectations in terms of communication surrounding youths activities and documentation can be improved' - Funder in the automotive sector.

•YOUTH DEVELOPMENT: All the funders indicated they were satisfied with the quality of the candidates recruited and placed at the host sites.

•TALENT PIPELINE DEVELOPMENT: They also highlighted that the program is becoming a platform they use to develop their youth talent pipeline from which to recruit and develop. This partnership has encouraged businesses to focus on recruiting youth with qualifications but no work experience to develop their skills and train them internally rather than predominately searching for and recruiting highly experienced individuals amidst a scarce skilled pipeline.

•IMPROVED BUSINESS EFFICIENCY: Y@W helped the funders contribute to improved business efficiency. Many admin-orientated tasks were delegated to the youth, freeing up more skilled-level employees to focus on pressing work and allowing for improved operational efficiency within the business. •BRAND IMPROVEMENT: 50% of the funders indicated that the program improved brand perception amongst its community stakeholders.



#### **Findings : Funders**

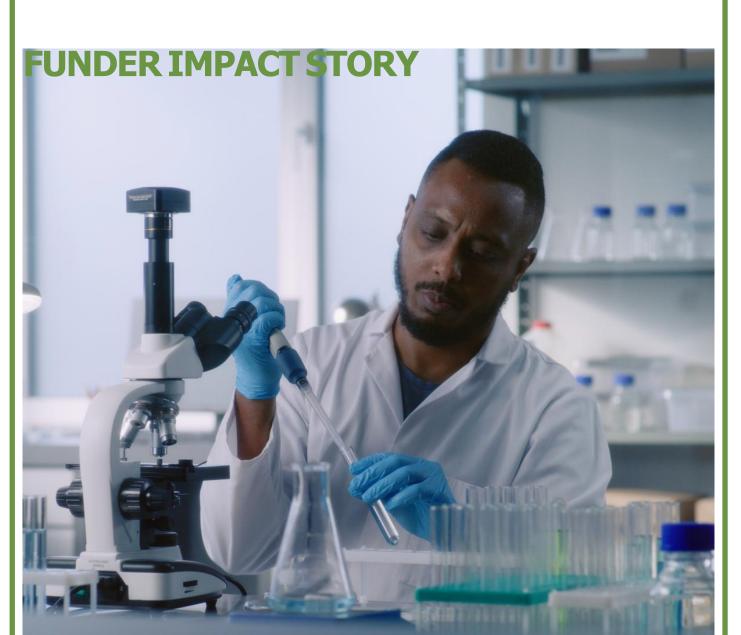
However, the funders also noted some areas where Y@W can develop. these areas are as follows:

- ENHANCED REGISTRATION PROCESS: Y@W should simplify and streamline the registration and documentation processes to enhance the participant experience.
- EXPANDED SCOPE: There are opportunities to increase the programme's reach to involve a more diverse range of youth,

including those from marginalised communities, i.e., a greater focus on rural communities and provinces with high youth unemployment.

• **MORE IN-PERSON ENGAGEMENT:** Provide more opportunities for networking and in-person training sessions to enhance youth development.

While the programme has largely met its funder outcomes, continued focus on refining processes and expanding opportunities will ensure sustained success in the future.



One youth recruited by Y@W based in Mpumalanga was placed at the funders host site as part of their first intake. The youth had a diploma qualification in analytical chemistry. Within three months at the host site the youth was to sent to Dubai. Fast forward two years and the youth is now permanently employed and working in Switzerland. The organisation continues to invest in his skills development. "*As the funder, we are extremely satisfied in increasing the talent pipeline, and we have seen the improvements in Y@W's administration and transactional documents. This improvement has helped us to lean more towards focusing on the individual and less on the HR process"* 

#### 3.2.3 Findings: Alumni

To date, approximately 5 800 alumni have successfully completed the programme and are either currently employed (permanently, on fixed-term contract, graduate programmes), unemployed (currently actively looking for employment), self-employed, or studying. This section is reviewed considering that youth (aged 15-34) are the most vulnerable in the labor market. The youth unemployment rate in May 2024 (Q1;2024) was 45.5%, equating to 4.9 million unemployed youth. Stats SA also indicates that the youth's overall transition rate into employment was only 4.7% in 2022.

This section and the host site section describe the holistic impact of the programme on the employability and labour absorption rate of the alumni, as well as the contributing factors. Below, we discuss and illustrate findings from surveys and interviews of 215 alumni, of which 68% were female and 32% were male:

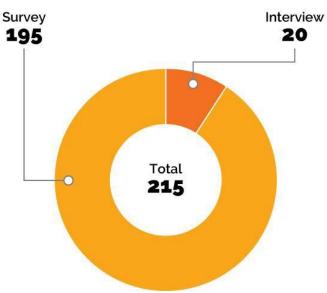
- Current alumni work employment status and turnaround times of securing employment.
- Any key contributing factors to the employment rate after the programme.
- Challenges with finding employment post the programme.
- Impact of the 12-month salary as a temporary lever to alleviate poverty (Silulo partnership).
- Areas of programme improvement.



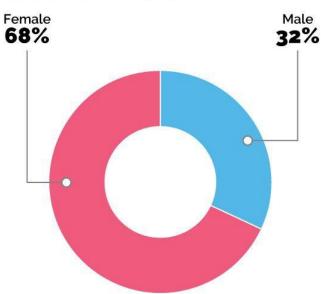
## The survey sample of 215 alumni representing 2019 to 2024

## The gender demographics of the survey respondents





#### GENDER DEMOGRAPHICS



#### Findings ALUMNI: EMPLOYMENT STATUS

**Upon** analysis of the survey and interview sample size, the results reveal that 49% of respondents are employed, and 51% remain unemployed after the programme. The Y@W current labour absorption rate is 44.3% higher than the national youth labour absorption rate of 4.7\*.

#### Employed alumni :

Further analysis of the youth absorption rate indicates that 43% of the alumni are absorbed into the labour market within 1 month of the programme, 42% of the alumni are absorbed into the labour market within 12 months of the programme, and only 15% of the alumni are absorbed into the labour market after 12 months of the programme.

The increased uptake of alumni into the labour market within one month of programme completion and 85% absorption into the labour market within 12 months is indicative of the additional efforts put into place by Y@W to encourage host sites to find alternative employment opportunities for the youth.

Although Y@W's employment status of 49% remains the same compared to the 2022 independent verified report, this indicates at a high level that the organisation has maintained its efforts over the years. This observation also indicates a greater opportunity for all stakeholders to work together to find solutions to increase the youth labour absorption rate post the programme.



The em	ployed	alumni	data
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EMPLOYED STATS	RESPONSE SIZE	EMPLOYED	EARNING <r10 000<="" th=""><th>EARNING &gt;R10 000</th><th>CURRENTLY STUDYING</th><th>SIDE HUSTLES</th></r10>	EARNING >R10 000	CURRENTLY STUDYING	SIDE HUSTLES
Interviewed	20	10	8	2	6	0
Surveyed	195	96	80	16	16	11
Total employed	215	106	88	18	22	11
% employed	I. I.	49%	83%	17%	21%	10%

\*Stats SA youth labour absorption rate as recorded in a 2022 study.

\*\*Employed mean: Youth employed on a permanent or contract basis (fixed term or part-time).

\*\*\*Side hustles mean instances where the youth are obtaining an income from entrepreneurial activities such as selling goods and services through platforms that are not registered with CIPC. Those that are registered do not have contracts, thus falling into the unemployed category.

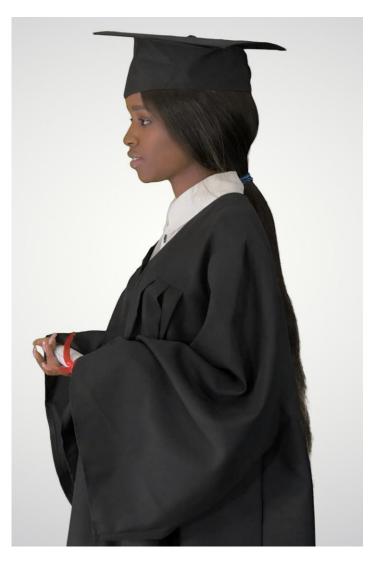
## Findings ALUMNI: EMPLOYMENT STATUS

After further analysis of the employed alumni, the following anecdotes were identified:

- It was identified that 46% of the employed alumni held permanent positions, while 54% were given fixed and part-time contract positions.
- The fixed and part-time contract positions were further divided up into:
  - **12 month contracts:** 67% of the alumni on contract positions were given 12 months.
  - 6 month contracts: 21% of the alumni in contract positions were given 6 months.
  - **3 month contracts:** 12% of the alumni on contract positions were given 3 months.

The data also revealed that 83% of the alumni, regardless of employment contract position, earned less than R10 000 per month, while 17% earned more than R10 000 per month. Of the alumni earning more than R10 000 per month, 63% had post-matric qualifications, most of which were bachelor's degrees, but they also included certificates.

This data indicates early signs that a qualification and quality work experience potentially give youth a greater chance of labour absorption, as most of these alumni were absorbed within one month post the programme with a higher income.



## The unemployed alumni data

UNEMPLOYED STATS	RESPONSE SIZE	UNEMPLOYED	SIDE HUSTLES	STUDYING	ACTIVELY SEEKING WORK
Interviewed	10	10	1	1	8
Surveyed	195	99	17	17	99
Total unemployed	215	109	18	18	107
% unemployed		51%	17%	17%	<b>98</b> %

## **ALUMNI IMPACT STORIES**





#### **UNEMPLOYED ALUMNI**

lumni A is Female who is 28-years-old based in the Free State. She entered the programme as part of the 2023 cohort. Her qualifications upon joining the programme were a Diploma in Business Administration and a Diploma in Educational Psychology. In the programme, she was placed at the Tshiya Department of Basic Education, where she obtained approximately 9 500 hours of work experience as a clerk. After the programme, within 6-12 months, she started and registered with the CIPC. The business offers 'edutainment' events (educational and entertainment in schools). "She notes she has been able to employ an additional 5-10 people on a part-time basis. Her business benefits the community as it focuses on career guidance which is a great need for youth in high school. However, she doesn't feel the business is sustainable nor sufficient to help maintain her livelihood as it earns her R5 000 - R10 000\*. Her main struggle is finding funding for her business. The alumni contributed her desire and ability to finally start and expand the business through exposure to Y@W programmes and support, which helped her improve her confidence and

self-belief. To date, she is running her business and applying for jobs to help her have an income that is sustainable to support her family."

Lumni **B**, is a male who is currently unemployed. He joined the programme as part of the 2023 cohort. His qualification was a diploma in Tourism Management. Upon completion of the programme, he obtained a sixmonth learnership.

Currently, he is looking for the next opportunity which has been a great challenge. He believes this might be because he still is lacking in the experience companies are looking for. He notes that the Y@W experience was beneficial as it helped him gain new skills, like data capturing and working with a computer."

#### **EMPLOYED ALUMNI:**

Lumni C, is a male currently employed at a retail company as a general worker, earning R4 500 monthly. The alumni entered the programme as part of 2021 cohort. His qualification when he joined the programme was a matric, and he was studying towards an N4 in Engineering certificate. He was placed in a construction consulting host site. Upon completing the programme, although he did not obtain employment from the host site, he did get employment as an assistant in a learnership programme. He remained there until he got the opportunity to work at the retail store."

Iumni **D**, is a female currently employed at Advania UK as an IT Support Youth earning +-R10 000\* \. The

alumni entered the programme as part of the 2023 cohort, where they were placed in a host site in the hospitality and tourism sector. Upon joining the programme, her qualifications were a matric and studying towards an ICT in Application Development. She is currently pursuing an honours degree in ICT Application Development. She obtained employment immediately upon completion of the programme. She notes that before the Y@W programme, she struggled to obtain employment. She notes that she learned a lot from her host site, where her knowledge of software was translated into practical networking and support services, which she is now using in her current job."

\*The income values are obtained per month.

#### 3.2.4 Findings: Host sites



Host sites and supervisors are vital to the programme's success. Following recruitment, the youth are allocated to the host site that best matches the site's needs and the youth's aspirations and qualifications. The host site designates a "supervisor" to actively mentor and oversee the youth's on-the-job development and exposure, creating shared value for the youth and the host site. The desired shared value is such that:

- Host sites receive youth from Y@W. The youth have the attitude and desire to gain on-the-job learning experience, which is crucial in helping host sites meet their operational objectives. The youth's monthly salary is fully covered by funders, ensuring that host sites have access to fully funded resources for a year.
- The youth will gain quality work experience and

technical and soft skills, significantly increasing their employability and labour absorption. This section discusses the shared value impact derived by the youth and host sites from this partnership and any key lessons to further advance the objectives of both organisations.

• The findings are themes derived from interviews with the supervisors and managing directors of the host sites.



#### HOST SITES: FINDINGS

#### Objectives for joining the programme:

The host sites emphasised that their organisations volunteered to support Y@W in developing and exposing youth to a quality work experience program for the following reasons.

- BUSINESS GROWTH: Partnering with Y@W enabled the host sites to enhance their business productivity and impact by accessing muchneeded human capital and workforce without the additional financial commitment that many host sites lack. The host sites get to increase the workforce and staffing gaps while reducing overhead costs related to salaries and hiring. This opportunity allows for sustainable business growth to employ individuals, boost efficiency and expand business in the medium to long term.
- YOUTH EMPOWERMENT AND EXPERIENCE: It is important to contribute to skills development and training for youth by providing opportunities for quality on-the-job training and work exposure. Host sites want to develop qualified individuals for business and industry growth.
- DECREASE UNEMPLOYMENT: Host sites aim to provide employment opportunities for disadvantaged unemployed youth, reducing unemployment.

 TRUSTWORTHY PARTNERSHIPS: Host sites want to partner with organisations offering trustworthy support for sustainable business growth.

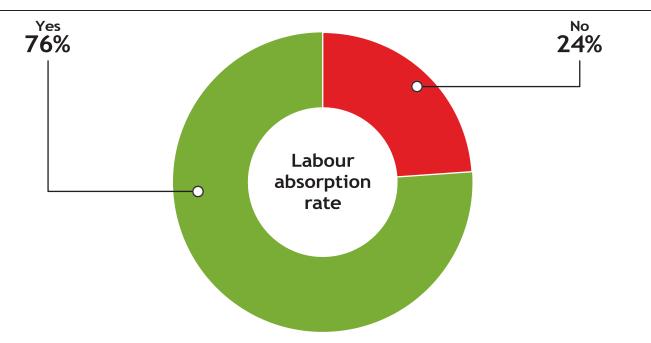
#### Labour absorption rate:

Y@W and the host sites agree that the host sites must commit to either employing the youth or assisting the youth in obtaining employment upon completion of the programme. The current labour absorption rate is 49%.

However, only 41% of employed alumni obtained employment within 1 month of programme completion. Although this absorption rate and time frame are good, the desired absorption rate within 1 month of programme completion is 75%. The variance indicates the opportunity to find solutions to increase the absorption rate to the desired 75%.

Upon further investigation, the survey responses from 63 host site supervisors and 10 host site managing directors indicate that 76% of the host sites had preplans in place to absorb the youth upon programme completion. The remaining 24% noted they didn't have specific plans to absorb the youth upon programme completion.

# The % of host sites that have plans in place to absorb youth



#### **FINDINGS: HOST SITES**

**Upon** further investigation, host sites note that the key contributing factors that lower the desired absorption rates:

• Youth's poor work conduct: 16% of the host sites indicated poor conduct was a key contributing factor to youth non-absorption. Many organisations indicated challenges with workplace behaviour, poor attitudes, a lack of willingness to work, and a lack of work preparedness.

"She only did the bare minimum of what was required for her, and she needed monitoring in order to perform her duties." – **Host site 1** 

• **Resource constraints:** 63% of the host sites indicated that financial resources were a critical constraint that hampered their ability to give employment contracts.

"Lack of funds play a part in stopping us from getting as many people as we want to meet the demands of our programme, and we end up being left with no option of being able to absorb due to not having funds on our site." – **Host site 2** 

• Operational capacity and human capital costs: 16% of the host sites indicated that their greatest challenge was not having an additional budget for operational costs. "No vacancies were available in the company." - Host site 3

"We do not have enough customers available to fully employ the youth permanently. – **Host site 4** 

• Lack of necessary required skills by host site: 5% of the host sites mentioned that the alumni could benefit from further skill development to better support the organisation.

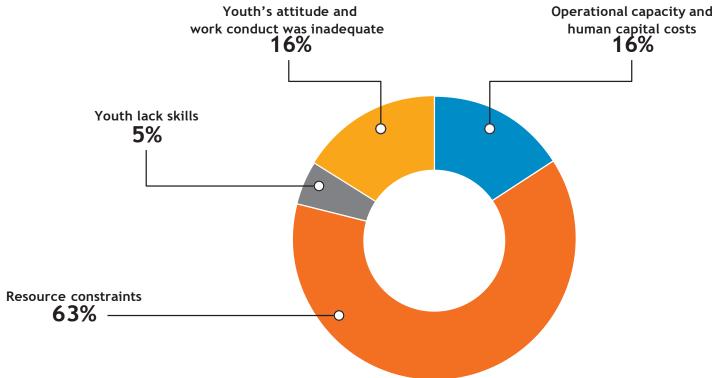
"The youth lacked skills for what we needed." – Host site 5

"Mismatch in skills and needs; they lacked the practical experience or specialised skills required by our organisation." – Host site 6



# Some of the contributing factors to non-labour absorption

#### % DISTRIBUTION OF FACTORS PREVENTING HOST SITE FROM ABSORBING YOUTH



#### **FINDINGS: HOST SITES**

Although the host sites highlighted several factors they believe significantly hinder the desired labour absorption rate, it is also important to note that there are lessons to be learned from the reasons given by the host sites. Y@W can note the following learnings to consider when increasing youth absorption rates:

#### RECONSIDERATION OF HOST SITE SELECTION

**CRITERIA:** Y@W has an exciting opportunity to establish partnerships with various host sites. One potential group of hosts includes organisations needing skilled human resources but lacking the means to hire. These hosts can develop valuable skills in sectors that offer promising entry-level employment opportunities.

Another group of potential host sites consists of organisations that can employ young people or provide short-term growth funding. Y@W must carefully consider the growth trajectory and financial status of host sites and the sectors in which alumni are acquiring skills.

#### • PLAN IN PLACE FOR LABOUR ABSORPTION RATE:

Although 76% of the host sites noted they had preplans in place for youth absorption post-programme and 24% noted they didn't have a plan, tightening this process is critical.

• **INCREASE STAKEHOLDERS:** There is an opportunity to partner with funders and a recruitment/ placement agency to use Y@W as a talent pipeline development platform, i.e. recruit alumni who are well-selected, trained and supported.

#### Shared value creation:

Establishing mutually beneficial partnerships with host sites is a primary goal that aims to create value for both parties involved: youth and the host sites. After conducting investigations with the host sites about the value created by the youth, the responses indicated that the youth was a valuable resource and the host sites benefited in the following ways:

**Business development and growth:** The youth contributed towards business growth.

"The youth showed constant proactive engagement in emerging trends and technologies, which allowed her to develop relevant skills continuously."

**Innovation and fresh perspectives:** The youth contributed with innovative and fresh perspectives when tackling their tasks.

"She is an amazing person who takes initiative and is always willing to go the extra mile."

• **Diversity and inclusivity:** In some instances, the youth enhanced the organisation's diversity and inclusion statistics.

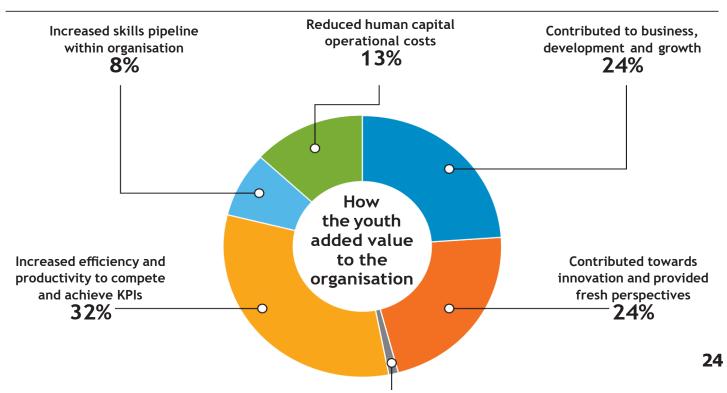
• **Increased efficiency and productivity**: The youth's presence in the organisation helped it increase its efficiency and productivity in achieving the host site's KPIs.

*"The unpacking process has been quicker ever since the youth arrived."* 

• **Increased skills pipeline:** The youth increased the skills pipeline, as some were recruited with tertiary qualifications in areas of specialisation.

• **Reduced human capital operational costs**: Since the youths are fully funded by Y@W funders, the host sites can decrease their operational costs.

## How the youth added value to the host sites



#### **FINDINGS: HOST SITE**

#### Increasing shared value:

To further enhance the value provided to the host sites, Y@W is committed to understanding their core needs. Survey and interview responses from host site supervisors have highlighted key areas for improvement in the program's operations and for boosting the employability of the youth. The following considerations have been suggested for Y@W and funders to consider.

• **INCREASE SALARY AMOUNT:** Several host sites have emphasised the need to increase the salary amount to provide adequate financial stability for the youth. This would help cover daily living expenses and reduce the risk of the youth leaving organisations for better work opportunities.

• ENHANCED PROGRAMME DURATION: The host site supervisors strongly recommend extending the program from 12 to 24 months. This will provide a significantly longer period for the youth to grow and develop within the organisation, enabling the organisation to train and develop them effectively. • ENHANCED COMMUNICATION: The host sites emphasise the need for improved communication between y@W and the managers and supervisors to ensure a clearer, more transparent collaboration and stronger relationships. Suggestions include improving communication channels, regular check-ins, and formal reporting mechanisms to enhance clarity and reduce confusion.

#### • INCREASED FINANCIAL SUPPORT AND

**RESOURCES:** Host sites emphasise the importance of offering personalised support and supplementary resources for managers, supervisors, and youth. This includes providing access to training modules and courses to enhance managers' business management proficiency. Additionally, investing in and upgrading technological resources is necessary to optimise business efficiency.

#### • IMPROVEMENTS ON MONITORING AND FEEDBACK

Creating a structured system for host sites, supervisors, and youth to document progress can significantly enhance business and program efficiency. This will enable regular review of progress, assessment of program effectiveness, and the implementation of necessary adjustments to address any issues.



"One of the host sites has an incentive and company recognition values rewards system. In one of the months, four of the youth hosted at the site were chosen among experienced employees to win awards and vouchers." At another host site, the youth were recognised for meeting sales targets. The youth were also exposed to other key stakeholders as well. The host site noted that the youth add value everyday. The host site has more clients, and their partnerships are growing due to their talent."

## **IMPACT STORY**

#### **3.2.5 FINDINGS : SILULO PARTNERSHIP**



**2024**, Y@W entered an exploratory partnership with Silulo's Enterprise Development Programme. The partnership was to explore the impact of the salary if it was given to youth SMMEs rather than youth placed in a host site. This salary would be given to SMMEs who are part of the Silulo Enterprise Development

programme, where SMMEs would obtain mentorship and training. The partnership aims to assess how the SMMEs would grow to create jobs for the founder and others if the SMMEs obtained a monthly salary for 12 months. The SMME founders were interviewed to identify the key insights and lessons from this exploration.



#### FINDINGS: SILULO PARTNERSHIP

#### SMME progress before the salary:

The interviews with the youth on the Silulo SMME development programme noted that before they obtained the salary, these were the state of their enterprises:

- The SMMEs were generating inconsistent or minimal income. The owners noted that they were earning very little in good months and no profit in bad months, but they were still making ends meet.
- The majority of the participants indicated that they were not making enough to pay themselves a salary and had no clarity on how to grow their businesses sustainably as they did not have access to capital. This limitation caused them to produce products sporadically and have limited inventory to sell, damaging the brand's reputation and growth abilities.
- Some youth were in debt, facing financial hardships, and were on the verge of quitting entrepreneurship as their businesses were not growing.

#### Use of the salary

After obtaining the salary, the youth indicated that the salary assisted in their business development as follows:

- The salary created a financial buffer to alleviate financial stress, allowing the youth to focus more on business growth and develop better growth strategies.
- Some of the youth used the salary to reinvest in their business by buying more inventory, paying for marketing costs and covering other business costs. Using the salary in this manner further helped them expand their business and improve productivity and operations.
- Some used the salary to employ additional staff, which further helped them increase their business productivity and efficiency, contributing towards growth.

#### The value of the salary

The ultimate value derived from the salary was:

• Some of the young entrepreneurs have achieved remarkable revenue growth. For instance, one business that initially generated a profit of R4,000 per month is now making R16,000 a month.

This substantial profit increase has enabled them to employ an additional staff member to focus on marketing. Additionally, other young entrepreneurs have successfully established more stable and reliable sources of income, moving away from their inconsistent earnings before receiving the salary.

- The salary and mentorship assisted the youth in generating better strategies, which helped them develop more predictable and manageable income-generation strategies that provided stable incomes.
- A few of the youth are still continuing to struggle to make financial gains. However, they have significantly improved confidence to increase their profit margins and have stated they have not made less than outside of the programme.

#### Plans for sustainability:

- Some youth plan to invest in more equipment, increase their marketing efforts and seek funding from investors to help grow their operations. There are possibilities to employ more people and train them
- Some youth want to expand their product offerings to increase their income streams and improve their profit margins. The youths also wish to expand their business locations to diversify their customer exposure.

A few youths highlighted that they don't have plans to scale but are focused on increasing stability within their businesses and ensuring sustainability. The partnership between Silulo and Y@W has shown promising early results. To achieve their desired objectives, extending the availability of salaries and mentorship opportunities beyond 12 months would be beneficial. Additionally, they could consider implementing a minimum revenue criterion for youth SMMEs to qualify for the salary opportunity.

#### 4. CONCLUSION AND RECOMMENDATONS

This impact review provides a high-level overview of some of the programme's key indicators. However, it is also important as it indicates where the programme is and highlights areas for improvement. In conclusion, the following analysis is highlighted about the programme:

## PROGRAMME HIGHLIGHTS

• LIKE-MINDED STAKEHOLDERS: All Y@W stakeholders have the same primary objective of partnering to increase youth's employability (improved technical and soft skills) and labour absorption rate (employment). The shared vision between all stakeholders is an opportunity to engage broader efforts and opportunities to increase the current labour absorption rate of 49% to the desired 75%.

#### • WIDE VARIETY OF SKILLS DEVELOPMENT

**OPPORTUNITIES:** The youth are placed in various sectors to obtain quality and diverse work experience. With the support of the YES App and Alison courses, youth can access multiple platforms for lifelong learning. Youth use these platforms to support their on-the-job training and to further their studies in their areas of specialisation. These platforms have technical and soft skills resources, which are much-needed, easy- access resources.

• **SUPPORTIVE HOST SITES:** The majority of the alumni indicate extreme satisfaction with how they are supported and developed at the host sites. This is a testament to the vigorous work Y@W has undertaken since 2021 to vet and engage the sites before placement and during the programme.

FAIR LABOUR ABSORPTION RATE: According to the data collected for this review, only 49% of the sample are employed, with 41% employed within 1 month after programme completion. Currently, Y@W is approximately 35% below the desired absorption rate. Y@W is aware of the complexities they presented with, of increasing the absorption rate. However, there are opportunities for growth. It is important for funders to understand and adhere to the minimum requirements of selection by Y@W. There appears to be a strong relationship between Y@W's selection and recruitment practices and amazing impact stories. Y@W's minimum operational standards must be adhered to by all stakeholders, if stakeholders would like to increase the labour absorption rate.

## PROGRAMME LESSONS



• TIGHTEN LABOUR ABSORPTION PLANS AND RESPONSIBILITIES: It's worth noting that some host sites currently lack absorption preplan options. This presents Y@W with an opportunity to gain a deeper understanding of the challenges these host sites face and to support them in finding effective solutions. Additionally, this situation allows Y@W to review and strengthen its vetting process for host sites, incorporating due diligence criteria that relate to a host site's future growth plan. The goal here is not to exclude host sites but to enhance Y@W's ability, alongside other stakeholders, to effectively plan for labour absorption.

- NICHE MARKET: Y@W services impact several sectors, catering to youth nationwide. Focusing on niche sectors or job descriptions may be merited. This would assist in streamlining the organisation's resources, focus, and specialty while ensuring a less mismatch of skills supply and demand.
- FORMALISE SKILLS DEVELOPMENT AND TRACKING FRAMEWORKS: Y@W has opportunities to create a minimum skills development framework, metrics to track youth engagement more succinctly and reporting templates that can be uniform across youth and host sites to track youth's development.
- SILULO PARTNERSHIP: Y@W has opportunities to offer SME support and expand the Silulo model to increase the intake to 5% of the total annual placement numbers.
- **PURSUIT OF FURTHER EDUCATION:** Y@W to ensure all youth are studying and gaining further qualifications as this is a key driver of employment.
- ENHANCED COLLABORATION AND SUPPORT: Opportunities exist for Y@W to increase their host site engagements in order to strengthen communication and support. Y@W to consider an increased financial contribution to support youth gaining additional qualifications. Host sites should consider supporting the youth with additional training and salary.
- ALUMNI TRACKING: Tracking youth engagement can give Y@W data that will enable them to understand the youth employment landscape better. Therefore, Y@W needs to develop relevant metrics that will allow them to track and collect that data for decision-making and strategy development purposes.

