# What factors contribute to the unemployment duration of youth: A case study of the Action Volunteers Africa's youth labour market programme

# Mapaseka Setlhodi

Report for Action Volunteers Africa in collaboration with the UCT Knowledge Co-op

Supervisor: Dr. C. Mlatsheni

February 2019



The UCT Knowledge Co-op facilitated this collaborative project. See <u>http://www.knowledgeco-op.uct.ac.za</u> or Contact us at <u>barbara.schmid@uct.ac.za</u> / 021 – 650 4415

This report is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike license: http://creativecommons.org/licenses/by-nc-sa/2.5/za/deed.en

# Background to why this study was needed

South Africa is faced with very high levels of unemployment which is now standing at 26,6 percent. Unfortunately, this incidence of unemployment falls most harshly on youth, who are generally low skilled and often have no experience of formal sector employment, with 51.1 percent of youth between 15-34 years old facing unemployment. Youth unemployment is greatest amongst youth who are in particularly challenging socio-economic circumstances. This hinders them from pursuing a higher education qualification which would aid their employability status. However, AVA has pillared itself as an institution that is capable of bridging the gap between school and the successful transition to work. Hence the aim of this study is to establish how effective the AVA programmes have been in equipping young people with work experience, confidence, skills as well as a level of self-awareness that will allow them to take full responsibility of the opportunities around them and the ability to reap the benefits of their experience at AVA.

# The primary research questions this study seeks to answer are:

- i) How does the experience of participants in different programmes compare and how much do they learn during their placement?
- ii) What proportion of those who went through the AVA program got employment after completing the programme; and what are the other common exit states?
- iii) What is the duration of unemployment that these participants experienced post AVA and is it any different from before they joined AVA?
- iv) Is there a difference in attitude towards job seeking between AVA graduates before and after the programme? Is there a change in attitude regarding future prospects?
- v) Is there a difference in the levels of self-confidence amongst the participants before and after completing their programmes?
- vi) Do they gain transferable skills, e.g. managing resources, planning projects, managing time, being able to communicate in the work place and being confident in their ability to execute tasks?

# Methodology

The data used for this research is based on an online survey administered to post-AVA participants. The survey covered questions about individual and household characteristics, unemployment duration before and after joining AVA, level of schooling, attitude towards self-development, as well as current exit states. A total of 46 responses were received and the results of the survey were used to compile descriptive statistics to aid the qualitative analysis which answered the above-mentioned questions.

# Findings

Race		Highest Level of Education		Gender		AVA Program		Employed Household members		Exit state		Grant Recipient		Dependents	
Black	26	Incomplete High School	1	Female	26	Year Beyond	35	Yes	44	Education	17		s 18	Yes	23
		Matric	37			Teal Deyonu	35				17	Yes			
		Trade/Technical/Vocational Training	4			Khanyisa	8			Employment	21				
Coloured	20	Diploma	1	Male	20	Work 4 Progress	3	No	2	Continued	8	No	28	No	23
		Degree	3							Unemployment					

Table 1: Summary of the participants

#### Socio-economic background and the role of AVA in enhancing exit states:

Table 1 above gives a summary of the participants who responded to the survey. It can be observed that the participants' education levels are not very high as majority have only completed their secondary education obtaining their matric. And even though there are only 2 households with no employed members, 39% of the households are still dependent on state grants as a source of income; while 50% of these young people have the responsibility of providing for their dependents. The risk of unemployment in the school-to-work transition is associated with the standard correlates of inequality (Hällsten, Edling and Rydgren, 2017:236), with education, social background and cultural norms playing a key role globally and especially in the South African context given the country's unequal history.

The pool of participants represented above is indicative that AVA has targeted young people who would have otherwise been further marginalised because of their socio-economic backgrounds.

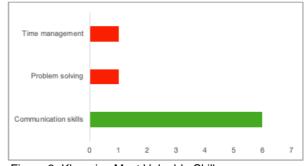
Majority of the youth who go through the AVA programme end up successfully securing employment (46%), this holds true for both male and female participants. The next most dominant exit state is education (37%) followed by continued unemployment (17%). The unemployment duration falls equally between the male and female participants before the programme, with each experiencing 9 months of unemployment on average. Once the participants have completed the programme their unemployment duration decreases to 3,37 months for males and 4,45 months for females. This is indicative that AVA increases the employability of their participants through their volunteer work experience.

#### **Comparison across different programmes**

The most popular programme is year Beyond, followed by Khanyisa and then Work for Progress. Participants were asked to identify their most valued skill which they obtained from their respective programmes. The most commonly cited transferable skill was 'Communication skills' for both Khanyisa and Year Beyond. The results are summarised in figures 2 and 3 below. Since there were only 3 participants from Work for Progress, their responses are not summarised in a graph. Their cited transferable skills were 'Problem solving'; 'Ability to work in a team' and 'Communication skills'.



Figure 2: Year Beyond Most Valuable Skill





## Increased higher education enrolment

As previously mentioned, the second most dominant exit state after employment is higher education. In order to understand the reasons why such a considerably large proportion of the participants opted to continue with higher education even though their odds of finding work were considerably greater after concluding the programme; the survey asked the participants who stated that they had gone back to school to study why they chose to go back to school after the programme, and these were some of their responses:

To be honest, at first, I joined (AVA) because I had nothing to do and didn't want to spend my gap year not being productive but after joining and experiencing working in a school and with these kids, I realised that there is so much more in giving back and trying to make a difference. Once I completed my Year Beyond programme, I decided to register at a local TVET because I developed an interest in a course I was previously not interested in (teaching) (*Neveshni*<sup>1</sup>, 20 years old).

It appears that quite a number of the participants who went through Year Beyond quoted similar reasons for going back to further their studies; that being part of the programme ignited a passion for teaching thus enticing them to pursue a teaching qualification. Another 20-year-old female said:

I decided to go back to school because I previously did not meet the entry requirements for the course I wanted to do but after completing Year Beyond I did qualify for the course (*Allison*).

An additional reason why such a large proportion of the participants decide to pursue a higher education after completing the AVA programme could be that all available jobs in the market are for skilled employees and having a higher education is a signal to employers that an employee is immediately productive<sup>2</sup>. A total of 6 of the 17 participants who decided to further their studies cited *'I wanted to gain more relevant skills'* as a reason for going back to school.

<sup>&</sup>lt;sup>1</sup> Please note all the participants were given fictitious names

<sup>&</sup>lt;sup>2</sup> Ismail & Kollamparambil, 2015, Youth Unemployment Duration and Competing Exit States: What Hides Behind Long Spells of Black Youth Unemployment in South Africa?

Furthermore, for an unequal country such as South Africa- affordability is a major hindering factor for many youths which prevents them from furthering their education. The recent student protests revolving around a call for free education, has shed plenty of light on the plight of these poor students and the exclusionary reality that exorbitant tertiary fees create for poor youth. There were 3 participants who said that their reason for deciding to further their education was based on receiving funding to further their studies. One 18-year-old male said:

I have decided to further my studies at Life Choice Academy, they teach us the art of coding front end and back end, this was made possible by me receiving funding for my studies after completing the Year Beyond programme.

Therefore, AVA has not only helped a handful of participants transition more successfully from school into work, but they have also equipped these youths with knowledge to want to further their education so as to better their chances of finding employment, in addition to exposing these youth to opportunities that can help them fund their tertiary studies.

Additionally, the results also show that even after completing the programme there is still a handful of participants who remain in unemployment. There is an equal share of unemployed men as there are women (4 participants each). When asked whether they think that they will find work in the future now that they have completed the AVA programme, 7 of the 8 participants responded *'yes'* while the other one responded *'maybe'*, meaning that these youths are still quite hopeful about their future prospects albeit not fully optimistic.

## The effects of AVA on attitudes

In order to gauge how the attitudes of the participants had changed after completing their AVA programmes; the participants were asked to answer a series of questions by indicating their level of agreement or disagreement on a 4-point Likert scale. The before and after responses referring to the '*enthusiasm about their future*' show a significant change in attitude about how the participants feel about their future prospects. Before the programme roughly only 20 percent said they felt really enthusiastic about their futures and almost half said that they either *strongly disagree or disagree* with the statement. But there was a major improvement in attitude after the programme, with none of the participants stating that they still strongly feel unenthusiastic about their future. 95 percent either *agreed or strongly agreed* that the AVA programme made them feel more positive about their futures. Studies have shown that physical and mental health is just as important in a young person's life as the availability of jobs. The stress of not finding a job may give rise to demotivation and depression, which will in turn further hamper effective labour market participation<sup>3</sup> by discouraging active job search. A change in attitude about future prospects is indicative that AVA has given these youths a more positive outlook on life.

<sup>&</sup>lt;sup>3</sup> Brick, K, Mlatsheni, C, 2014., Examining the determinants of duration dependence in the Western Cape

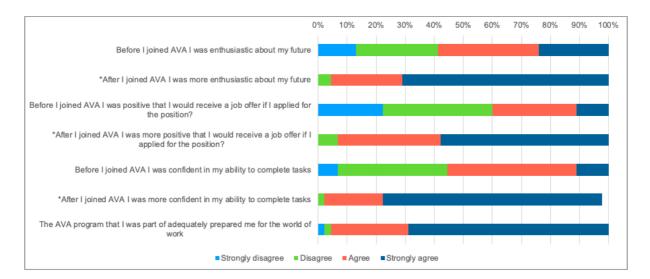


Figure 4: Changes in attitudes

In responding to the question about job offers, again we see a major improvement in attitudes with 17 percent of those who said they strongly disagree with the statement going down to zero percent after the programme, and the 41 percent who disagreed going down to 5 percent. Again, 95 percent of the participants either agree or strongly agree with the statement that they are now more positive about receiving job offers having completed the AVA programme. The last 3 questions measure the changes in self-esteem the participants by asking about the confidence they have in their ability to complete tasks. Before the programme most of the participants (76 percent) either disagreed or agreed with the statement but after the programme, 75 percent strongly agreed with the statement and 23 percent said they agree with the statement.

Therefore, it is reasonable to say that the self-development component of AVA has played an important role in significantly changing and improving the attitudes of their participants. It is not enough to only provide disenfranchised youth with technical or soft skills, but it is also important to tend to the mental health of young people. The provision of guidance measures and policies promoting successful transition into the labour market need to go beyond providing information and training. They need to also be equipping the young person with the confidence and competences necessary to manage their progression independently. A good quality programme encompasses career guidance, holistic support and self-development which are part of the key ingredients to support young people's transition from unemployment to work; or to reintegrate them into further education<sup>4</sup>.

One of the respondents had the following to say about their experience with AVA:

AVA has taught me so much about myself and my capabilities, AVA gave me confidence and made me want to give back to the community (*Teressa, 26 years old*).

<sup>&</sup>lt;sup>4</sup> Hawley et al., 2012, Effectiveness of policy measures to increase the employment participation of young people Click for contents

#### **Overall impact on participants**

The survey asked participants to how AVA has impacted their lives by describing their experience of unemployment before and after the programme. These are some of the responses:

Before I joined AVA, I never had any luck finding employment. I completed my matric and I just could not find work which was important because I have a child to support. But after completing my Year Beyond programme I was able to find work within less than 2 months. I joined AVA because at the time I couldn't find a job and I got the call to come for an interview and from that moment I decided to do well on the interview and remain in the program for the entire duration and then make friends and work on improving certain skills of mine which I have

(Ntando, 23 years old).

Before I joined AVA, I was unemployed for about 2 months. I was spending a lot of money trying to find work...about R150 a week... because I stay in Khayelitsha and a taxi to town costs R25 one way and you also have to pay for internet...I would be on the internet for about 3,5 hours a week just looking for work and I didn't used to get job offers. But once I was finished with Khanyisa it took me about a week to find a job then the following year I went back to school to further my studies (*Shumani, 19*).

I just matriculated and thought volunteering would be a great way to find what I wanted to do with my life (I am still not sure though) *(Melishia, 21 years old female).* 

I joined AVA after matric because I wanted to get used to being in a teaching environment with the children to better my skills as I am interested in teaching (*Kendrick, 19 years old male*).

Overall the post-AVA participants have expressed a very positive experience from their AVA programmes. Even for those who were still in unemployment after the programme, they have expressed that they are much more confident in their ability to find work. The optimism that the AVA participants feel after completing their program has lent a key role in maintaining job search activity as most of the participants stated that they spent quite a considerable amount resources in searching for work; this is also evident by the number of average job-offers they were receiving which increased from 0.28 to 1.92 offers per month.

## Recommendations

The first and perhaps the most important recommendation is to keep a rich data base of all the participants who go through the programme. In order to meaningfully determine whether the programme is working to reduce youth unemployment, data needs to be collected for each group upon entering and completing the programme. The participants could complete a basic online survey at the beginning of the programme that asks them to provide information pertaining to their socio-economic background, length of unemployment, skills they hope to acquire from AVA, job search activity etc. Once the participants have completed the programme, they should be asked follow-up questions about their job prospects, their experience of unemployment after the programme, length of unemployment, skills acquired, as well as new income levels. This will serve as the post programme data thus allowing for ex-post evaluation on the effectiveness of the programme. If the causal effects of the programme can be determined, and if those effects are found to be significant then the AVA model could be implemented in other youth labour market programmes and even policy for youth unemployment eradication.

While employers state that they seek candidates with an array of soft skills such communication skills and teamwork; they also value candidates who are equipped with a high sense of problem solving. From the responses on the transferable skills the participants gained from AVA communication skills appear to be a common factor across all three programmes. AVA should look into enhancing the other skills valued by employers such as problem solving and critical thinking. This can be achieved through tasking participants with a case study on a real problem, which they then have to work on in teams throughout their time at AVA.

The third recommendation is to form stronger networks which the participants can tap into. Social capital has been found to be among the leading factors that lead to successful employment as more and more employers are recruiting through networks. The survey has shown, that youth are aware that good connections can get you a job and they even think it is one of the most important determining factors for finding work.

Therefore, the youth should be given an opportunity to network outside of their social circles. This can be achieved in one of two ways: the first being AVA setting up and arranging a networking session themselves where they invite various businesses to present about their companies and what opportunities the youth could take advantage of in their companies. But this will come at a rather high cost when taking into account the amount of time and resources that go into organising such an event. The second and more cost-effective method would be to liaise with universities such as the University of Cape Town's Career Service and ask them if the AVA participants could attend one or two of their major career fairs. These career fairs are a great way to network with recruiters as the participants can ask questions about the application process, entrance requirements and the possibility of getting funding to study. By exposing youth to other career options, they can be inspired to want to study further with the possibility of getting funding to pursue their studies or they can make connections with other students who can assist them by giving advice on their studies and how to overcome certain challenges.