

Skills and enterprise for the transformation of women's lives in Nepal

*Bal Ram Paudel
Team Leader
Employment Fund Project
HELVETAS Swiss Intercooperation Nepal
balrampaudel@helvetas.org.np*

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Abstract

The issue of youth unemployment and underemployment is a major challenge in many developing countries across the world. There are varieties of promising efforts made in the developmental arena to increase employment and fight against poverty and deprivation for the transformation of life of the youth. This paper argues that technical skills training and enterprising education can be very effective in transforming the life of rural poor youth. This is especially of more relevance in the case of women because one can argue that it yields more impact on women. The paper emphasizes that marketable technical skills together with life skills and enterprising skills training significantly helps unemployed women to become either employed by others or self-employed. This could be the key entry point to reach to the women, raise their job and enterprising skills, and increase their income and hence be an effective means to economic and social transformation in the life of the women.

The paper analyses the impact of technical skills training and enterprising skills training in the life of rural poor using the experiences from the practices of "Employment Fund Project" in Nepal in technical skills and enterprising skills training. Beginning 2014, the project has trained almost 100,000 trainees (of which above 50% women) in over 65 districts of Nepal. The paper is also based on several other available studies and documented experiences of the programs especially in the sector of skills and enterprising for youth. The paper also benefits from various observational and experimental studies that the project has commissioned. The paper presents different dimensions of economic and social impact of these interventions on women and men. Based on the study it argues that the economic and social impact of such intervention on women is much higher compared to men.

A substantial portion of the paper explores the effective ways and means to reach to the rural women and increase their participation in the program. It also analyses the participation and performance of the women in non-traditional trades that are currently dominated by men. It also addresses whether the promotion of non-traditional trades among women is a good idea. It argues that promotion of non-traditional trades for job skills and enterprising skills training could bring demonstration effect and overall positive impact in the life of the women and enhance the economic and social impact.

The participation of women in the technical skills and enterprising skills training is not the tradition in the country like Nepal. It requires innovative ways and means to enable and stimulate rural poor women's participation in job skills and enterprising skills training. Above the participation it requires more appropriate ways and means to link them to jobs, retain and grow in the job and support for their enterprise and ensure their sustainability. Based on the documented experiences, the paper presents also the effective ways and means to increase the women's participation in such technical skills and enterprising skills training program.

Key words: Skills; Enterprising; Employment; Results Orientation

Skills and Enterprise for the Transformation of Women's lives in Nepal

Introduction of Employment Fund Project in Nepal

The Employment Fund (EF) is a national program having multi-donor funding support established based on an agreement between the Government of Nepal (GoN) and the Swiss Agency for Development and Cooperation (SDC) in 2007. At present, the U.K. Department for International Development (DFID), Swiss Agency for Development and Cooperation (SDC) and World Bank are contributing to the Employment Fund.

The purpose of the Employment Fund is to provide gainful employment to unemployed youths by imparting technical and soft skill through private sector training and employment service providers (T&Es). EF promotes private sector T&E to impart occupational skills training to young people from poor and discriminated groups that will lead them into gainful employment in national and international labour markets. It enhances the training and management capacity of private sector training providers so that they are able to deliver quality trainings and achieve the intended outcomes. EF follows an outcomes-based post financing mechanism where the T&E are paid only when they achieve the results. The payment is made in three installments: after completion of the training, after confirming first three months income or establishing new enterprise and after confirming second three months income or creation of new job.

The Employment Fund collaborates with 40 different private sector T&Es for technical skills training and employment placement services. It has adapted outcome based financing approach to its partner organizations (T&Es) and pays based on the outcome (i.e gainful employment) (training). Similarly, it also supports graduates to establish their enterprises. T&Es are selected through a public procurement process.

The Employment Fund has two major program components:

- a) Skills training for very poor youth and youth with special needs (called: Path to Prosperity)
- b) Micro-enterprising for Job Creation.

Under the Path to Prosperity component, training for economically very poor and socially discriminated youth is offered. Their entry into the labour market immediately after the training is ensured. Training is offered in market oriented skills in about 80 different trades. The program also facilitates youths to establish enterprises of their own and to become self-employed and create additional jobs for others under the Micro Enterprising for Job Creation component. Out of the total trained and employed, more than 50% of the participants are women. The quality technical skills training, combining with other soft skills training and linking graduates to wage and self-employment, providing them the required post training support to retain and grow into their job/enterprise has transformed life of many of the rural women economically and socially.

Women and Skills Training

Women face additional challenges compared to men to enter into labour market. A combination of age, sex and low educational attainment appends multiple disadvantages to women in the labor market. Many of the women's transition from training to employment are mediated by marriage and childbearing responsibilities. Almost 80 percent of Nepali women are married by age 20; and nearly 90 percent of Nepali women have child bearing responsibility during their age of 25 to 35 years. Anecdotal evidence from private vocational training providers indicates that once trained, women may enter the labor market but exit at the time of their first child. Many may, however, re-enter the labor market if they have the appropriate skills.

Nearly one quarter of women do not receive any form of payment for their work. Women that do earn cash income predominantly work in lower wage "female trades" (like embroidery, tailoring and home based food processing). Consequently, women appear to have a much lower decision making role in the household and the public space due to their lower economic status. Women face gender specific barriers to success in gainful entrepreneurship and wage employment for which they need training in additional life skills.

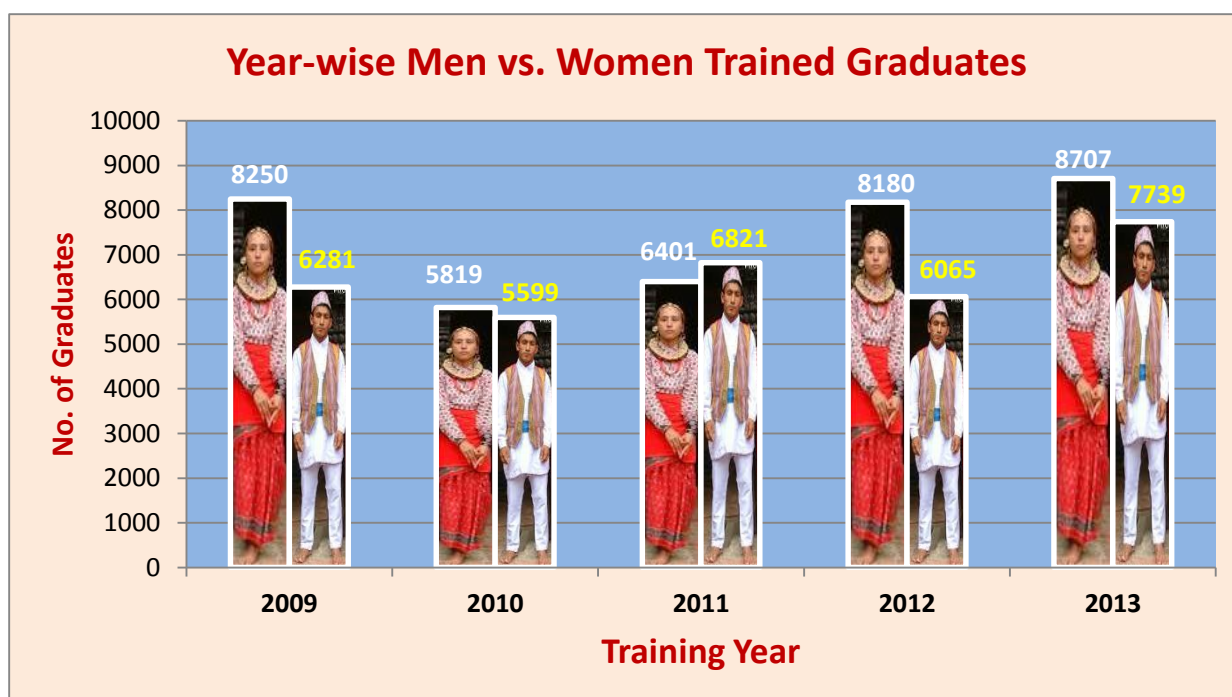
Women's participation in the skills training is not the tradition. So far, women's enrolment in technical education is also very low. There are multiple causes of low participation of women in Technical Education and Vocational Training (TVET) such as: lack of access to technical schools, lower education level of women, high involvement in daily household work, male dominated society, lack of access to information and high levels of poverty (Lamichhane R.H.(2006). Table 1 presents the women's participation in technical education.

Table 1 : Sex wise distribution of Technical Education (TSLC and Diploma) by Location

Geographical Area	Total	Men	Women
Rural	1,107	631	476
Urban	1,745	1,442	303
Total	2,852	2,073	779
%	100%	73%	27%

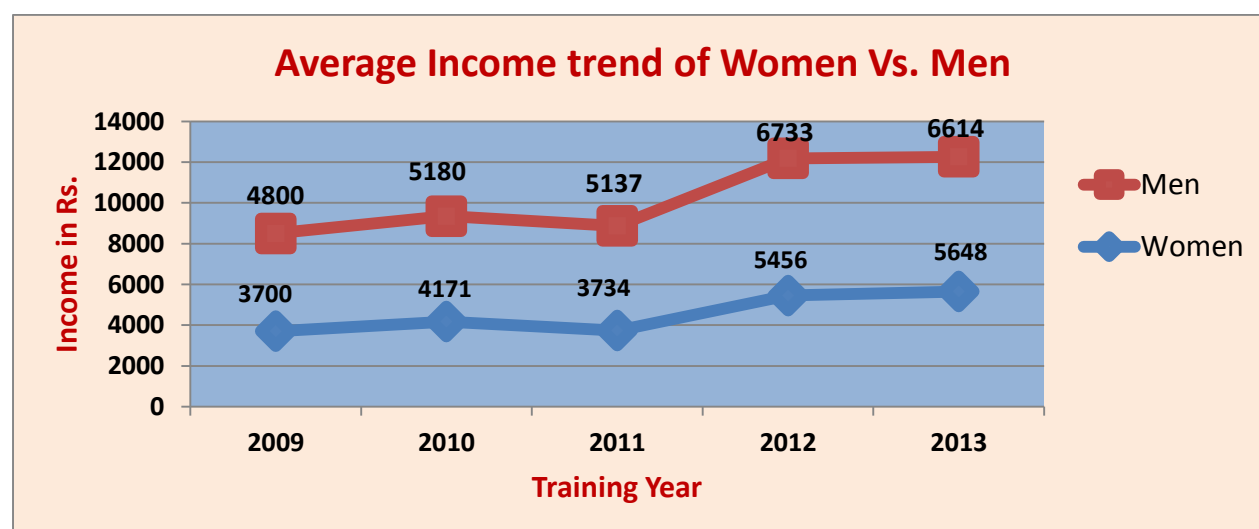
The above table shows that 73% of graduates are men, compared to only 27% women graduates in the case of Technical School Leaving Certificate (SLC) and Diploma. The conventional thinking towards women that "women should do only the household chores" is the barrier to enhance access of women in TEVT. There are many ways to overcome this problem, such as: women focused education programs all levels, awareness programs and design and development of women friendly programs, use of appropriate media and approaches to disseminate information about these programs, and introducing different incentive mechanisms can all be measures to encourage women participation.

Chart 1: Year wise trained Men and Women of Employment Fund (2009-2013)



The Employment Fund project, since its inception, set itself the ambitious target to reach at least 50% women participation in training and employment annually. This vision forced the project to work out ways and means to achieve this ambitious target. Through its strategies and innovative approaches (elaborated below), the program has been able to reach the target and even exceeded it in many cases. The innovative approaches to attract women into skills training and to retain them in jobs are popular in Nepal and are also replicated in other countries.

Chart 2: Average income trend of Men and Women, Employment Fund (2009-2013)



The average total income of women was consistently lower compared to the one of men. The main reason for lower incomes of women is not because of the lower wage rate, but because they are able to dedicate less time to the job because they have multiple responsibilities in their households. Another important reason is that most of the trades chosen by women have lesser earning potential compared to other trades.

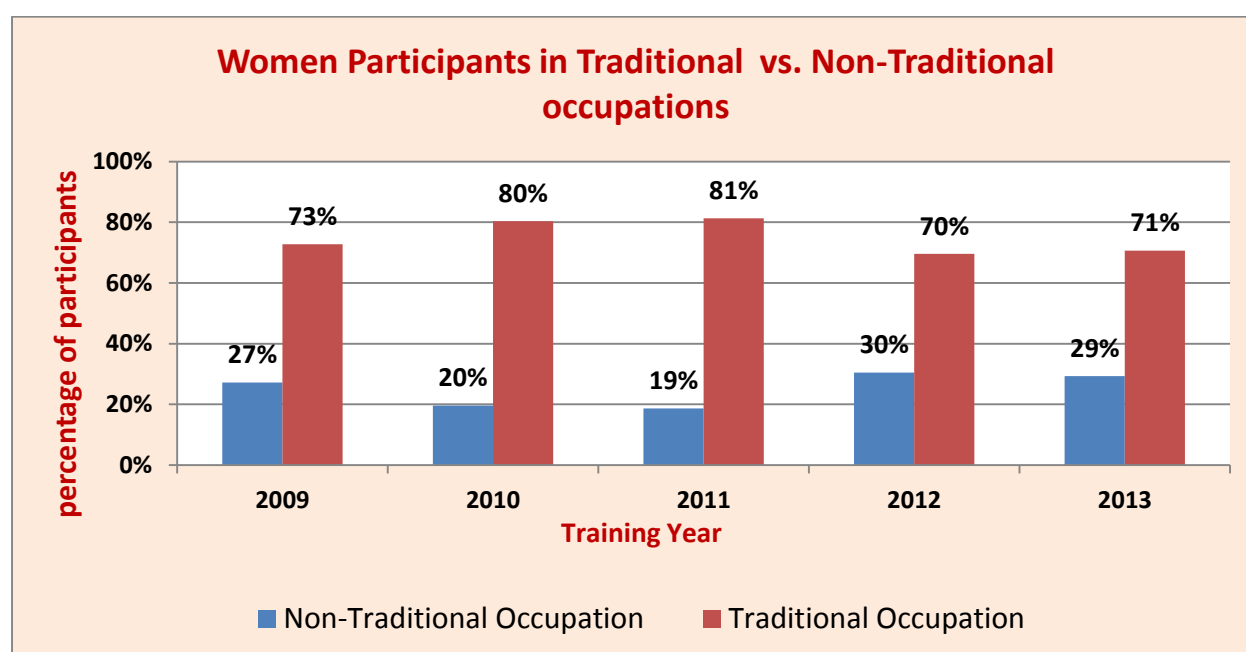
Women in non-traditional trades

Non-traditional trades for women are defined and classified as the ones that are traditionally perceived being the ones having a male dominance in terms of participation in training and their engagement in employment. These trades are traditionally perceived be unsuitable for women with respect to the nature of job and perception of society and job market. These are for example: motorcycle repairing, furniture making, arc welding, electrician etc. In any society, social and cultural norms, beliefs and values have a considerable influence on which trade a young woman or man envisages for her/ his future career. EF is trying to challenge some of these stereotypes by stimulating women to learn a trade which is typically perceived as a man's job.

Every year, around 15,000 youths are trained through the Employment Fund project. Out of them, at least 50% are targeted as women. Among them, a majority of women participates in women-friendly trades (traditionally to women) like tailoring, beautician, Tharu handicraft, pashmina knitter, hand embroidery, garment fabricator, Dhaka weaver, housekeeping, etc. An income analysis conducted by EF showed that these trades yield lower income as compared to other trades which are stereotyped as non-women friendly trades viz. plumber, building electrician, arc welder, aluminium fabricator, building painter, motor cycle mechanic, bar bender, furniture maker etc.

A study was conducted to develop an understanding of the socio-economic and cultural impacts on women because of their engagement in non-traditional trades, and to thus find out the suitability of various non-traditional trades for women in various markets. The study also aimed at developing a better understanding of the marketplace and employers in relation to the employability conditions of women in non-traditional trades. The aim was to improve the implementation arrangement (if needed) to ensure that there are no negative impacts on women in relation to their social, professional and economic life because of their choices of non-traditional trades.

Chart3: Women's participants in non-traditional occupations



The study shows that larger percentage of respondents got encouragement or support but with some reservation from family regarding their decision to get trained on non-traditional trades. The reservations were mostly related to the followings:

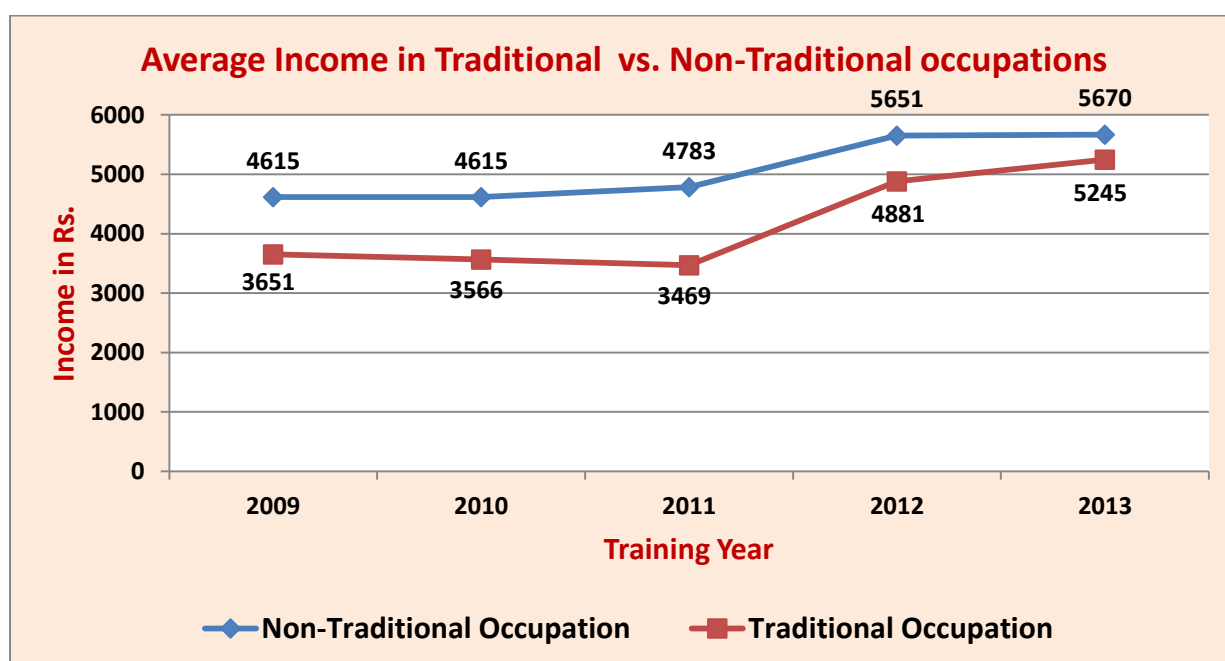
- a. Apprehension due to traditionally “trade of male” perception
- b. Potential physical difficulty due to nature of trade
- c. Employability potential in future

Larger percentage of respondents was found to have very positive self-perception of their capabilities in choosing the trade to get trained on reflecting positive self-belief. This was found to be influenced positively by promotional campaign and motivational sessions/talks conducted by training providers and their staff/trainers. The role of the family is very crucial for the success. Equally important is the role of trainers and the role of husbands (in the case of married women).

It was observed that women who pursued non-traditional trades as their career choice mentioned a high level of self-esteem, social and economic recognition and pride as core motivation of choosing to get trained. This points out the need of selecting participants who are in need of job (i.e. economic need). A large share was found to have felt that the trade would be difficult for them. However, the reason of unemployment is not the feeling of difficulty, but the lack of family support, household chores, children and lack of employment opportunities.

Many of the employed women were satisfied economically. Those who were moderately satisfied said that they will not be leaving the trade for economic reasons; they will rather be looking forward to upgrade their skills further so that they can earn more. Bar bender, motorcycle repairer, plasterer, poultry technician and welding among employed were all found to be highly satisfied economically, while Wood carving and Leather shoe maker related respondents among employed were all found to feel “just enough” about the economic benefit derived out of employment in their trade. Almost all respondents emphasized the essential need for support from the family, husband and trainer to progress in their career.

Chart4: Incomes of women's in traditional and non-traditional occupations

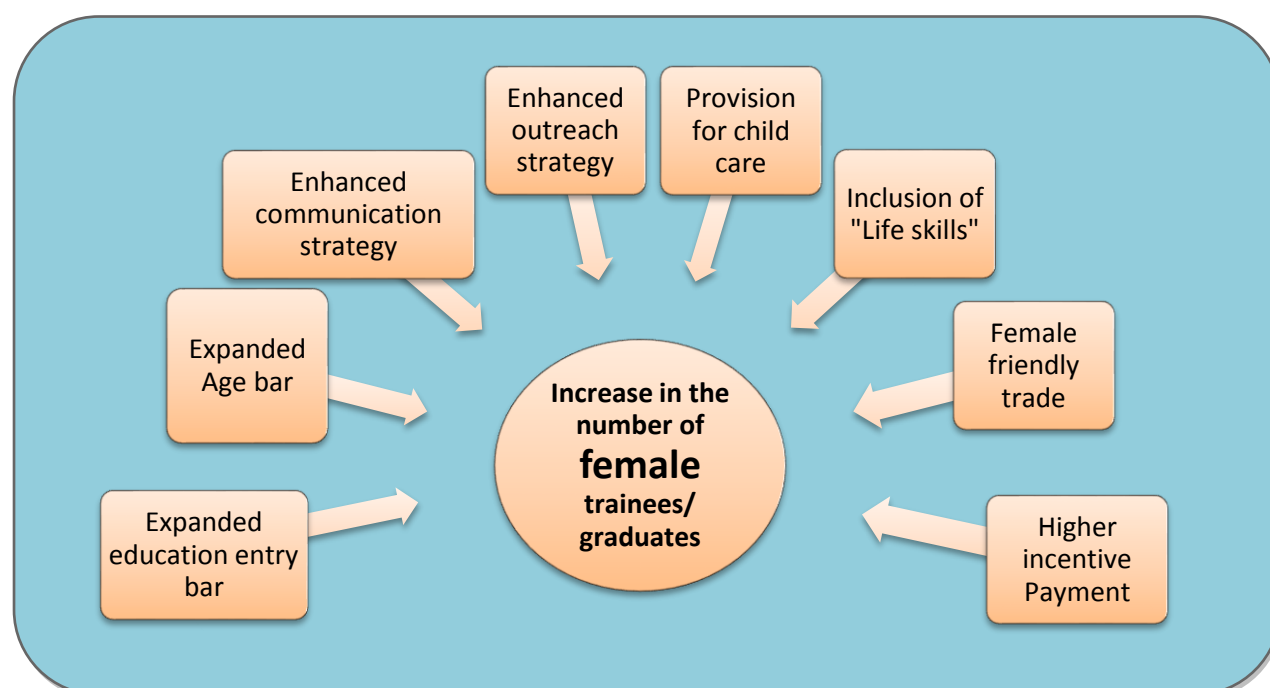


Non-traditional trades add the extra mileage towards positive change of the society by increasing social prestige, self-esteem and income of the women graduates. However, the training program needs to be implemented with a proper support package to create a conducive environment by the society, and more importantly ensure the encouragement and support from the family members, trainers, employers and training providers.

Mechanism to increase Women participation in skills training program

In order to increase the women participation and to reach out to the rural poor women, the Employment Fund introduced a number of innovative ways. The changes initiated for participants were, revision of the threshold in education for eligibility into the trainings that had been below SLC and 16 to 35 years for age, were now relaxed to below Plus Two and 18 to 40 years respectively, increasing the pool eligible for EF's trainings. Other measures were the introduction of a toll-free number for direct communication between the trainees and the EF, and the partnership with women and community based organizations (based on a financial incentive) for an enhanced communication and outreach strategy. Child care facility was provided for women with small children. Essential life skills were incorporated into trainings, which include the important aspects of social and interpersonal skills, cognitive skills and emotional coping skills. The payment scheme to the training providers comprised of an incentive payment in addition to direct training cost that was much higher for women as compared to men.

Figure 1: Major initiatives to increase women participation in trainings



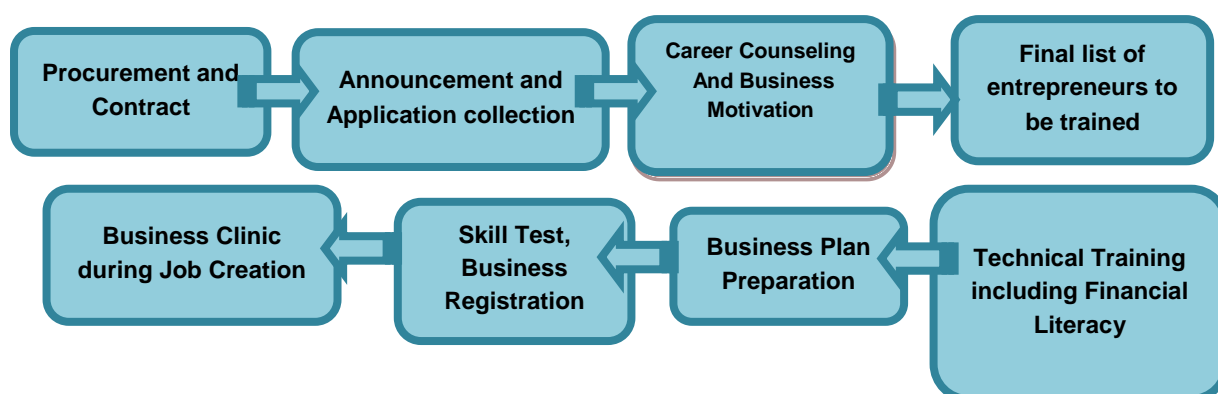
Enterprise training for women: a comprehensive package

The EF broadened the scope of its trainings that focus on occupation specific skills by adding business skills, social and interpersonal skills, and cognitive and emotional coping skills. Thus, this specialized intervention became a comprehensive package, attractive for future female entrepreneurs of Nepal.

The technical training includes two main components. Occupation specific technical skills are offered alongside business skills and financial literacy. These include information on savings, enterprise registration, management of enterprise, basics on accounting, documents necessary for financial institutions, and negotiation skills. At the end of the training period, the T&Es link the trainees to financial institutes, thereby increasing the trainees' chance to start an enterprise.

The post-training support offers a starter tool kit comprising occupation specific and basic tools. Moreover, opportunities are provided to discuss ideas and challenges with other entrepreneurs in a "business clinic" peer-to-peer set-up. The EF furthermore assists graduates on a technical level, if they choose to officially register their enterprise with respective trade associations, the local Chamber of Commerce and Industry or the Office of Cottage and Small Industries of the Government of Nepal.

Figure 2: Sequencing of enterprising training



Innovative ways for women to participate in training and retain in job

Soft Skills: Apart from the technical skills, number of soft skills trainings are provided to women. Life skills training comprises goal setting, stress management, sexual harassment at work, work life balance, reproductive health, labour rights, HIV AIDS, etc. This helps trainees to prepare themselves for training, and stay in their job. Apart from the life skills training, business skills, business motivation and business exposure are also provided to the women participants, which prepares them to start their own enterprise. Many of the women participants benefit from financial literacy and functional literacy as well.

Mobile Training: Because of the multiple roles of the women and social problems, many of the women participants cannot go far from their community to attend the training and work. The mobile training approach, where training is organized close to their vicinity is very popular. This allows women to participate in the training close to their home. During the training, their confidence and self-esteem increases, which helps them to start their own enterprise nearby or work with others in the closeby market center.

Childcare facility: Provision of childcare facility at the training venue encourages and enables many mothers of young children to join the training. A caretaker is assigned to look after the children in a common place. Mothers can focus on acquiring skills and gaining new knowledge.

Promoting Women Trainers: Women trainers are role models. They bring demonstration effect on the society and encourage many other women to participate in the training and work. Women trainers are also focal persons for whom women trainees share their feelings, problems and opportunities. Women trainers work also as a mentor for many of the trainees.

Promoting home based work: In where women are not allowed to go out from their society, training providers create a link with factories who provide f work which can be done at home by women. The finished productsare sold back to the factory. This is especially popular among the Muslim women,since they can work from home and earn good income.

Promoting Group Enterprises: After the training, when women graduates are not confident on running a business and lack the sufficient capital, but want to start the enterprise, they often do it collectively in a group. Two/three women come together, bring their capital and expertise and start their joint enterprise. This increases their confidence and diversifies the risk.

Skills Training have higher impact on women compared to men

The World Bank conducted a rigorous Impact Evaluationof Employment Fundproject. The Impact Evaluation aimed towards the outcomes attributed to the EF program components and the effects on the lives of people without the EF interventions.The evaluation shows how effective the EF trainings wereand how they changed the lives of the participants in comparison to a control group.

The findings revealed larger positive impact on employment and earnings of female participants compared to male. The average earning of the treatment group had risen by 45-75% following the training. Further, the off-farm employment of graduates increased by 44-48% as a result of the training. The Impact Evaluation concluded that EF training was not just effective at getting young people into jobs, but particularly effective at getting young people employed in the professions that they were trained for. According to an impact evaluation undertaken by the World Bankthe trainings of EF had major benefits for their 63-66% female participants. With a higher impact on women than on men, the EF trainings prove significant impacts on the life prospects. The trainings generated a higher income and increase the probability of finding employment in both farm and non-farm sectors.

Conclusion

The participation of women in the technical skills and enterprising skills training is not atradition in Nepal. Technical skills training needs to be combined with other essential soft skills training. Job skills and enterprising skills training bring social and economic empowerment to the livesof many rural women, and is part of rural transformation in a real sense. Through innovative ways rural poor women's participation in job skills and enterprising skills training is enabled and stimulated. It is clear that women create widespread impact for economy and society. Additionally tothe participation, we should ensure more appropriate ways and means to link womento jobs, support their enterprises, retain and grow in the job and ensure their sustainability by designing and implementing post training support.

That is why the Employment Fund attempts to build stronger linkages with employers and enterprises and ensure the post training support to the graduates.

EF program is economically and socially meaningful

- 44-58% increased non-farm employment
- 45-75% generated growth
- 21-31% of all trainees are more likely to find work in the area they were trained in
- Higher impact on getting women into employment they are specifically trained in
- Higher impact on getting women into cross-sector employment

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