

YOUTH AND WORKFORCE DEVELOPMENT PLP TECHNICAL NOTE



AUTHORS: Mary Liz Kehler, Fundación Paraguaya; Luis Fernando Sanabria, Fundación Paraguaya; Paul Teeple, Partners of the Americas

EDITORS: Stephanie Chen, The SEEP Network; Fiona Macaulay, Making Cents International (PLP facilitator); Laura Meissner, The SEEP Network

TECHNICAL NOTE

Market-Driven Youth Programs and the Bottom Line

Using Income-Generating Activities to Make Programs 100% Market Driven

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The SEEP Network
1875 Connecticut Avenue NW, Suite 414
Washington, DC 20009-5721
Tel.: 202-534-1400 Fax: 202-534-1433
E-mail: seep@seepnetwork.org
Web: www.seepnetwork.org

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Abbreviations and Acronyms

AED	Academy for Educational Development
FP	Fundación Paraguaya
IDB	Inter-American Development Bank
NGO	non-governmental organizations
POA	Partners of the Americas
PLP	Practitioner Learning Program
SEEP	The SEEP Network
SFAS	San Francisco Agricultural School
USAID	United States Agency for International Development

Introduction

Youth workforce training programs aim to help 100 percent of their graduates find jobs. In order to accomplish this, programs need mechanisms. The best way to achieve this is for programs to be part of the market system themselves—by having youth sell the goods and services that they are learning to produce or by selling their program’s services to future employers of their youth trainees. They can also ensure that program instructors have first-hand exposure to the needs of the marketplace by, for example, conducting market research. These mechanisms also become more rigorous in ensuring that programs are fully responsive to market demand—“100% market-driven”—when they are an integral part of the institutions’ strategies for achieving financial sustainability.

Market-driven programs find, read, and respond to signals from the broad economic market. This includes not only signals about product supply and demand but also the job skills demanded by employers.

This technical note explains how income-generating activities help ensure market orientation and improve the ability of students or trainees to find employment. It also outlines six benefits of market engagement: creating a “reality check,” measuring program quality, improving the skills of teachers and trainers, identifying new market niches or funders, forming links with private-sector actors, and generating funding to cover costs. The document provides lessons from practitioners that can be applied to other programs.

About The SEEP Network

The SEEP Network,¹ founded in 1985 and headquartered in Washington, DC, is an association of more than 70 international NGOs (non-governmental organizations) that support micro- and small enterprise development programs around the world. SEEP’s mission is to connect microenterprise practitioners in a global learning community. As such, SEEP brings members and other practitioners together in a peer learning environment to produce practical, innovative solutions to key challenges in the industry. SEEP then disseminates these solutions through training, publications, professional development, and technical assistance.

About The PLP

The Practitioner Learning Program (PLP) methodology was developed by SEEP as a way to engage microenterprise practitioners in a collaborative learning process to document and share findings and to identify effective and replicable practices and innovations to benefit the industry as a whole. The PLP combines a small grant program with an intensive small-group-facilitated learning process. Practitioner Learning Programs focus on learning at three levels: the individual organization, the PLP group, and the industry at large.

The objective of the PLP in “Youth and Workforce Development: Using 100% Market-Driven Programs to Achieve 100% Employment,” funded by USAID through the [AED FIELD](#)-Support mechanism, is to identify, encourage, and disseminate replicable strategies for using market-driven program design to improve the success in youth employment and for measuring the effectiveness of these strategies.

The PLP learning products are written by and for practitioners in the field of youth workforce development. For more learning products, please visit <http://seepnetwork.org/Pages/YouthandWorkforceDevelopment.aspx>.

1. www.seepnetwork.org

See these other learning products in the Youth and Workforce Development PLP:

- “Guidelines and Experiences for Including Youth in Market Assessments for Stronger Youth Workforce Development Programs”
- “Monitoring and Evaluation for Youth Workforce Development Programs”
- “Staying Connected: Partnerships That Keep Youth Workforce Development Programs Market Driven”
- “Scaling Up Youth Workforce Development Programs”
- Market-Driven Youth Programs and the Bottom Line: Using Income-Generating Activities to Make Programs 100% Market Driven

1. Case Studies: Fundación Paraguaya and Partners of the Americas

This technical note presents the experience of two organizations—Fundación Paraguaya and Partners of the Americas—whose youth-workforce development programs actively participate in the market, selling the same goods and services that they train their students to provide and/or selling their own services as effective trainers of youth, as a way of both overcoming resource constraints and ensuring program quality and relevance.

Both institutions had strong financial reasons to adopt this approach. For Fundación Paraguaya, the inspiration for developing its financially self-sufficient, rural-school model grew out of the goal that its programs should be able to cover 100 percent of operating costs within five years. For Partners of the Americas (POA), the impetus to develop new income-generating approaches came from an opportunity to access financing from the Multilateral Investment Fund of the Inter-American Development Bank (IDB), if its *A Ganar/Vencer* program could match a significant portion of the funds in cash and in kind. However, as this technical note explains, in both cases the drive to have these programs generate some or all of their own resources—and the consequent imperative that they be “100% market-driven”—has had effects beyond the financial bottom line and has led to improved quality and relevance of both organizations’ youth-workforce development programs.

Fundación Paraguaya’s Financially Self-Sufficient Agricultural School

Fundación Paraguaya,² a social enterprise based in Asunción, Paraguay, runs the San Francisco Agricultural School (SFAS), a boarding high school and farm for approximately 165 youth, ages 15–19, in the Chaco region of Paraguay. The school has developed a 100-percent-market-driven rural education program that seeks to transform youth into “rural entrepreneurs.”

To unleash youth’s economic potential, Fundación Paraguaya believes it must address both access to education and the quality and relevance of that education. The program at SFAS provides poor youth with access to a relevant, high-quality education because the program stays constantly engaged in the market.

The program integrates the teaching of traditional high-school subjects and technical skills with the running of 17 small-scale-on-campus rural enterprises. Student- and teacher-operated enterprises teach farming, tourism, marketing, and management skills by selling agricultural products (such as fruits, vegetables, meat, eggs, milk, and cheese) that the students produce on the school’s farm, and by providing services in demand in rural areas, such as a small hotel and conference center on the school grounds and a road-side store. The income generated by these enterprises covers 100 percent of the school’s operating costs, including depreciation, allowing SFAS to educate poor students at virtually no cost to their families and without government subsidies or long-term reliance on donors. These on-campus enterprises also provide a “learning by doing” environment for students to develop the technical, entrepreneurial, financial, and leadership skills they need for future economic success.

Fundación Paraguaya measures the success of its model by the fact that 100 percent of its students are “productively engaged” within four months of their high school graduation. This means students either find mid-level jobs in the modern agricultural sector, become agricultural extension agents or instructors at other agricultural schools, return to the family farm with a business plan and a line of credit to start their own small rural enterprises, or enter university.

2. www.fundacionparaguaya.org.py

Partners of the Americas' *A Ganar/Vencer* Program

In 2005, Partners of the Americas developed *A Ganar/Vencer*, a youth-employment program that uses a sports methodology.³ The program targets over 3,100 at-risk youth, ages 16–24, in Brazil, Columbia, Ecuador, and Uruguay. *A Ganar* uses a soccer-based methodology to motivate and assist youth in translating sports skills and values into market-driven employment skills. The goal is to provide youth with the knowledge, skills, confidence, experience, and work history that will enable them to successfully compete in the marketplace. While not all youth secure jobs at the end of the program, all *A Ganar* youth should be prepared to enter the job market with valuable skills upon graduation.

A Ganar training includes market-driven job skills, market-driven technical proficiencies (such as customer service and computer skills), practical experience, mentoring, and community service. The *A Ganar* curriculum typically takes seven to nine months and is implemented in three integrated phases. Phase 1 combines soccer field activities and examples with classroom activities to help youth develop key workplace skills, such as teamwork and discipline. Information technology skills, discussions on gender, and activities focusing on critical decision making are also part of this highly interactive phase. Phase 2 brings these job skills to hands-on activities to learn vocational/technical skills needed in the market. The specific vocational skills taught vary by country and group, based on changing market conditions. Phase 3 offers youth the chance for practical experience via internships, apprenticeships, or other activities. Throughout their training, youth are mentored by members of the local business community and perform community service.

IDB's Multilateral Investment Fund provided US\$ 3.6 million to start the program, but required POA to match these funds with an additional \$1.2 million in cash and \$1.2 million in kind from other sources. This match requirement motivated POA to market itself as a training provider and training broker to potential employers, who would co-finance or provide in-kind support for the training provided by for POA and its partners. POA also works closely with potential employers to make sure that the POA "product" is relevant to the market. Corporations are most interested in supporting training programs whose outcomes are aligned to their needs and consider their involvement a success when youth gain the skills demanded by future employers.

POA establishes partnerships with companies that are interested in hiring youth trained for a specific sector. The companies specify what type of training they need, and POA then trains the youth in the appropriate skills, in addition to the general *A Ganar* curriculum. In return, the companies provide co-financing that cover the costs of training not already covered and/or in-kind support, such as training rooms, food, or other costs (e.g., related to a guest speaker). Rather than simply donating money, the companies in essence develop an alliance with POA, which becomes their training provider. The situation is beneficial to all three parties: the companies secure low-cost (subsidized), high-quality training for new hires, POA covers its costs and gains new clients (plus knowledge about growing employment sectors), and the youth receive training for jobs that are actually available when they graduate.

2. The Dangers of Market Mismatch

Keeping programs current and aligned with market demand can be a challenge. The litmus test of effective youth-workforce development programs is whether their graduates find jobs, create their own businesses that offer in-demand products or services, or make the decision to invest in continuing education. In many cases, graduates complete a job program, but are ill-equipped for any of these paths—which suggests that youth training programs have not provided them with the skills that employers or buyers seek, or prepared them to seek additional skills elsewhere. Without concerted effort to ensure that teachers and trainers, administrators, and program designers are in constant contact with the market, it is difficult to keep youth-workforce development programs fully aligned with market demand.

This "market mismatch" can occur for a number of reasons. Market demand may shift between the time a program is first designed and when graduates of the program finally enter the workforce. Without immediate and continuous feed-

3. www.aganar.org

back from the market about the supply and demand for skills, programs run the risk of flooding the market with too many candidates in a particular area, thus decreasing opportunities for all youth.

Teachers and program designers themselves generally lack business training and experience. They know how to teach students technical skills, but they are not usually entrepreneurs. They themselves do not necessarily know how to turn skills into money-making opportunities. In most cases they teach what they themselves were taught 1, 5, 10 or even 20 years earlier. They have no way of knowing, nor do they have the experience to find out, what the market wants now.

The practical and technical training activities in many youth-workforce development programs are too often merely demonstrative. That is, they are not carried out on a large-enough scale or with the rigor required to ensure that the good or service can actually be sold in the market. As such, these activities allow students to practice technical skills, but are not designed to teach youth how to confront real-life marketplace conditions.

Since the appropriateness of training offered—removed from market realities—does not usually have an immediate impact on the program’s bottom line, neither teachers nor program administrators have pressing financial incentives to efficiently adapt or re-align the content of their programs in response to changing market conditions. For example, a program that receives donor funds for a period of three years does not need to generate additional revenues during that time. However, unless they conduct regular market assessments, they may not know if market conditions have changed. Declining enrollment and reputation can provide signals to training providers that their content needs to be improved, but these signals tend not to be as immediate as, for example, the inability to sell a product or graduates not finding jobs because they lack relevant skills.

Fundación Paraguaya’s San Francisco Agricultural School depends on the revenues of its on-campus enterprises to pay teachers’ salaries, buy feed for its animals, and cover other school costs. Thus, a shortfall in revenue has serious consequences. Consequently, SFAS records data daily on costs, production, and sales, and evaluates each enterprise’s financial performance at least once a month. If a product or service is not selling, the school takes immediate action to determine the cause and adjusts its production or marketing techniques and its training activities, as needed, in response to market demand.

3. The Benefits of Market Engagement

The problems cited above are more easily overcome when the program providers and instructors actively participate in the market themselves, selling the goods and services that students produce or selling their own services as cost-effective trainers of youth. Fundación Paraguaya and Partners of the Americas realized six significant benefits by establishing a direct connection with the market.

Measuring Program Quality

The market’s acceptance (or rejection) of the goods and services produced by a youth job-training program provides an immediate “reality check” as to whether students are being trained in skills that the market values and that training programs are therefore appropriately designed. If the job training program cannot sell a certain good or service at an attractive price, then there is little point in training youth to do it. For example, Fundación Paraguaya came to this conclusion with regard to cotton production. Although Paraguay is a cotton-producing country, the crop is widely grown by small farmers. As a result, cotton production is a standard part of other agricultural school curriculums, even though it is not a very profitable crop. In contrast to other schools, SFAS grasped this fact because it was in the market itself, selling cotton. Because of its market activities, the school decided to stop growing cotton and stop having students practice growing cotton in favor of other, more profitable crops.

Fundación Paraguaya’s Student Cooperative

In Paraguay, cattle must be vaccinated against hoof-and-mouth disease. The vaccination campaign requires not just the services of veterinarians and those who do the vaccinating but also good record keepers, who are scarce. The national

ranchers' association has hired the record-keeping services of the student-owned cooperative at the San Francisco Agricultural School because it knows that these students have learned to keep careful records in the field and enter data in a computer. The student cooperative's contract with the ranchers shows the students that what they are learning has real market value.

The successful sale of goods or services that youth learn to produce and the training service that the program provides are objective measures of program quality, which can be used to validate the program's claim that it serves youth effectively.

Fundación Paraguaya's Rural Hotel and Conference Center

When the Fundación Paraguaya took over the San Francisco Agricultural School in 2002, it inherited, among other campus facilities, a run-down building where religious retreats had been held for several decades. Fundación Paraguaya transformed the building into a simple, attractive rural hotel and conference center, intending to generate income for the school and teach students how to run a successful service business. Soon the hotel became one of the most profitable of the school's on-campus enterprises, and school graduates found good jobs in the rural tourism sector.

The reality check point is whether a program trains youth to do things they can make a living at. If a program produces especially high-quality goods, services, or trained students, this in effect can give the training program a "seal" of good quality. Employers liked the hotel so much that they wanted to hire SFAS graduates who trained there. As the hotel developed its reputation in the local market, the government of Paraguay authorized the school to offer an additional degree program, a high-school diploma with a specialization in tourism and hotel management. Now students graduate with two diplomas—one in agriculture, the other in tourism and hotel management.

Benefits for Teachers and Trainers

Active market participation has beneficial effects on teachers and trainers and their curricula, particularly when teachers themselves are held accountable for the outcomes of their work. For example, a teacher who trains youth as computer technicians might be in charge of ensuring that the private companies are sufficiently pleased with the caliber of the graduates they hire that the company will be willing to contract the training program again. When a program leader's own salary—or the salaries of the people they manage—depends on the success of the product being produced, they become more vested in and attentive to program quality. In this context, it equates to teaching youth to successfully meet a market need or prepare youth with the skills, knowledge, and attitude that employers are willing to pay for.

This accountability provides a strong incentive for teachers and trainers to:

- stay abreast of market developments and adjust their course content and methodology so that it results in superior products, services, or employees;
- develop their own entrepreneurial skills, such as marketing and cost control, which they can then pass on to their students; and
- develop a creative, proactive approach to their work and its challenges that is characteristic of successful entrepreneurs and thereby become more effective role models for their students.

Partners of the Americas: Changing Staff Mindsets to Be Market Based

Originally, *A Ganar* hired staff members (often NGO officials) for their ability to develop and manage the program, not for their business or sales acumen. They were less familiar with the language of business, which made it harder to present the program as a business opportunity to the private sector and attract private-sector involvement. When POA began making sales pitches to attract commercial sponsors or support, they had limited success. POA realized that it needed to transform its staff into market-savvy promoters and build relationships first, and then move to fundraising once rapport was built. POA hired a sports-marketing expert to help develop plans and train staff. This was particularly important in the early years of *A Ganar*, before the program had proven results that spoke for themselves.

With training and support from marketing experts—plus time and practice—*A Ganar* staff learned to explain and demonstrate the value of the *A Ganar* model in private-sector terms. Specifically, they approached the companies as potential employers of *A Ganar* graduates. Their presentations centered on how *A Ganar* could produce a pool of qualified and screened job applicants, already trained in key skills (including specific technical skills selected by the company), who had practical experience and references from mentors and instructors. *A Ganar* could compete by helping companies lower their costs of recruiting and training new employees. *A Ganar* pointed out additional advertising benefits to the companies, such as putting their logos on the *A Ganar* soccer jerseys.

As a result, businesses saw financial value in supporting *A Ganar* with funding and were interested in helping design and review the training curricula. This shift in staff mindset, however, is not quite complete; many *A Ganar* staff still see themselves as non-profit managers (even if they have become more comfortable with commercially oriented approaches and language) and still think in terms of “donors” and “matching funds,” rather than corporate clients. However, this major transformation is proceeding steadily with encouraging results so far.

San Francisco Agricultural School: Giving Teachers Business Management Responsibilities Improved Program Design

The San Francisco Agricultural School teaches several courses on plant cultivation. It also has several small-scale, on-campus agricultural enterprises, including an organic garden and field crops. The plant cultivation instructor is also the school’s agricultural production manager and ensures that these enterprises generate income to help support the school. This dual responsibility has led to a number of innovations to the school’s program, agricultural enterprises, and student learning:

- **Better mix of agricultural products.** Cotton is a traditional crop for farmers in Paraguay and is a standard feature in most agricultural schools’ curricula, despite the fact that cotton is no longer very profitable for most small farmers. When the SFAS agricultural instructor saw that the school’s cotton crop was losing money, the teacher replaced cotton with more profitable crops, such as sorghum. Now students practice agricultural skills on marketable crops that can provide them a decent living as small farmers.
- **Lower production costs and more appropriate use of technology.** The same teacher, concerned about the financial performance of the SFAS farming enterprises, questioned why these enterprises required an expensive tractor, which was infrequently used, needed costly repairs, and had high annual depreciation costs. With this teacher’s recommendation, the tractor was sold. The school now uses a horse and wagon and rents a tractor as needed. The profitability of the agricultural enterprises increased, and students gained real-life insight into how to use technology more cost-effectively.
- **Greater emphasis on business innovation.** Experimenting with ways to repel destructive insects in their organic garden, the SFAS agricultural teacher and students planted hot chili peppers in the garden. They discovered that peppers not only grew better than some of the other plants they were trying to protect but, when dried and ground, yielded a much higher return per hectare. As a result, hot chili powder became one of the garden’s most profitable products, and students learned about the commercial benefits of innovation and value-added in small-scale rural enterprises.
- **New marketing strategy.** Although the SFAS organic garden already had several marketing channels for its fresh fruits and vegetables, it had difficulty selling all of its production at the peak of the season. To boost gar-

What Are the Characteristics of an Effective Entrepreneurial Trainer or Teacher?

- They replicate good business practices in their classrooms and activities, including promptness, proper dress, proper speech, and other habits that will be required for a job.
- They make learning as participatory as possible, both in the classroom and in real-market or real-job settings.
- They teach students to recognize market opportunities and they understand the barriers to employment and participation in the market faced by youth. They are especially proactive in addressing both with the resources available.
- They teach students to make things happen, rather than waiting for something to happen.

den revenues, students went out in teams of two to sell fresh organic produce door-to-door in the local community. This new system allows students to learn first-hand which products sell best and why, and how to make a good impression on customers—insights that will make them better employees and entrepreneurs.

This instructor’s flexibility and understanding of markets and products—the entrepreneur as teacher—resulted in higher revenues for SFAS and incorporated hands-on, real-market learning experiences into the students’ training program.

Branding and Finding Niches

When training programs actively participate in the market and count on market revenues to directly support training activities, they are forced to market their goods and/or services more aggressively. This leads them to develop recognizable program “brands” and constantly look for new market niches. These efforts also contribute to the overall success of their workforce development program by raising the program’s profile among potential employers, funders, and students. Agile programs with market-trained staff are able to constantly adjust to market changes and are able to recognize a new opportunity—by accident or design—and have the motivation to seize it. Many youth training programs focus on training large numbers of participants in the same skills. However, employment opportunities are often found in market niches. *A Ganar* staff seeks out job opportunities for 20 to 80 youths within a specific company or sector. They adjust the technical focus based on the present opportunities and are willing to make adjustments with every group. This keeps the program relevant to the business community and increases the chances that program graduates will find employment.

A Ganar in Uruguay worked with Coca-Cola™ Uruguay to develop a program to train social event planners and coordinators. Coca-Cola provided matching funds for training courses and specified the skills and attitudes that they wanted the graduates to have. This relationship fit Coca-Cola’s desired brand image as an active lifestyle product (thanks to *A Ganar*’s soccer connection) and provided employees needed to meet a market need for event planners for birthday parties, corporate training events, and other activities.

The San Francisco Agricultural School realized that it sometimes finds attractive market niches by chance or simply by trial and error. For example, as noted earlier, the school’s experimentation with hot chili peppers as a natural insect repellent in its organic garden led to developing ground hot chili powder as a new product line. In another case, SFAS set out to raise hogs, but its ability to be competitive depended on its ability to raise its own corn for feed. When flocks of parakeets wiped out the corn crop, the school switched to raising suckling pigs for sale to high-end restaurants in the capital—a product which is probably better suited to the school’s small-scale production capacity.

The San Francisco Agricultural School also markets its products under its own “Cerrito” brand, which is named for the closest little country town and is intended to evoke the idea of wholesome, natural products. Through the Cerrito brand, the school seeks to create a virtuous circle through which high-quality products contribute to the reputation of the school, and the connection of these products to the school, its students, and its educational goals increases product sales. Cerrito-brand products are marketed in venues that emphasize this connection, including an attractive stand staffed by students at the weekly organic farmers market in the capital, the school’s roadside store, and its rural hotel.

Linking to the Private Sector

Market-engaged programs, by necessity, form close links to the private sector. This helps infuse these programs and their youth trainees or students with market-oriented values and attitudes. It also ensures that programs, teachers, and youth receive immediate feedback from the market as to whether the skills being taught or applied are actually in sync with market demand.

***A Ganar*: What Is So Special about a T-Shirt?**

Traditional vocational education programs in Latin America do not always emphasize the importance of being on time, wearing a uniform or neat clothing in the workplace, or adapting to a specific corporate culture. *A Ganar* staff models these qualities in order to transmit them to students. When POA developed the *A Ganar* curriculum around soccer and the soccer culture, the program designed T-shirts originally intended to market the *A Ganar* program and recognize donors and sponsors. However, the T-shirts quickly became a symbol of pride and the program's values for the staff and students who wore them.

A Ganar began to use the T-shirt as a tool for teaching market-driven job skills, borrowing the idea that when athletes wear uniforms, they put on the values and history of their team and dedicate themselves to a set of rules that govern their sport. When students wear the *A Ganar* shirt, they are expected to act the way they will in future jobs. The T-shirt and its significance become a way to talk to youth about how they may be required to conform to a dress code, modify personal behavior and appearance while on a job site, and abide by a set of work rules. These are key job skills and attitudes that all employers seek in any job. The T-shirt is also part of helping youth form a positive identity and feel part of a supporting group. The same T-shirt that is part of the sponsorship package has thus become a tool for market-driven employment training.

Sustainability for Fundación Paraguaya and *A Ganar*

Fundación Paraguaya launched its school in 2003 with partially donated land and buildings. By 2007, its income-generating activities profiled in this technical note covered 100% of the school's operating costs—including depreciation—about USD \$300,000 annually at time of publication.

Partners of the Americas first began developing *A Ganar* training programs in late 2005. At the time of publication (2009), revenues and in-kind support from corporations are about 25% of the total annual *A Ganar* budget of \$1,000,000 for four countries.

Generating Revenue

With revenues generated by the sale of goods and services, youth-workforce development programs can begin to cover part or all of their operating costs. This can reduce their dependency on external funding and enhance their prospects for long-term financial sustainability, along with their ability to scale up the program and reach larger numbers of disadvantaged youth. In the case of programs that are not 100-percent financially self-sustaining, the fact that they can cover even part of their basic operating costs is still attractive to donors and can help to attract additional funding to strengthen or expand the program.

4. Conclusion

The purpose of youth-workforce development programs is to give youth the most effective preparation to enter the job market and become productive members of their communities and economies. To achieve this, training programs must provide them with appropriate skills that are currently in demand in the market—programs that are fully “market driven”—which can be difficult because market demand is constantly changing.

The experiences of Fundación Paraguaya and Partners of the Americas show that youth training programs can stay effective and market-driven by being active participants in the market. They sell the goods and services produced as part of their programs or market themselves as effective youth employment trainers. The market's acceptance or rejection of these goods and/or services offers immediate feedback on program design and training quality.

This market feedback offers an even stronger positive validation of program quality when programs depend financially on the income generated by their own market activities, and teachers and trainers are responsible for generating finan-

cial resources to support program activities. In this case, program instructors become much more responsive to market signals and are more likely to make the rapid programmatic changes needed to keep programs fully market-driven.

Program designers and practitioners who would like to implement this approach in their own programs should refer to the appendices, which outline in greater detail some of the key steps that the Fundación Paraguaya and Partners of the Americas follow to ensure that their programs are 100% market driven.

Appendix 1

Partners of the Americas: Steps to Implement a Program

POA shares its step-by-step implementation of an *A Ganar* program, including market surveys and market engagement.

1. Talk to and survey the market. Talk to human resource experts, small business owners, managers, corporate officials, and others who make personnel decisions. Find out where the jobs and the common traits they seek in all their employees.
2. Talk to youth and community development experts to know your youth audience better. Find out their interests and determine just how much training the target students will need to reach a level that the market will hire them.
3. Hire and train staff that has a healthy mix of youth and social development skills plus marketing skills. When possible, pair staff with marketing backgrounds with those with development backgrounds, so that they complement each other. Remember that you are preparing youth to enter a competitive market, so you need staff that can help youth transition successfully into the market. Use members of the business community, marketing experts, and others to teach your staff to speak the language of the market, if they do not know it. Promote your program in ways that attracts the private sector based on its value to them as a way to increase their earnings. The more your project helps the private sector meet its goals, the better chance it has to succeed.
4. Develop and test your curriculum with input from market advisors. Consistently revise your program based on market input.
5. Recruit a board of advisors from the market who can open doors for you and offer guidance based on real-market experience. Business people want to be involved in programs that support youth, but their time is limited. Find specific activities and tasks for them to contribute to without open ended commitments and long meetings (such as those that often plague the NGO community). Adjust your meeting style to theirs. Provide opportunities so that advisors and other members of the business community can see the real benefits of your program by arranging for them to visit training sites and meet students.
6. Design training materials, products, and events with the market in mind. Make your logo and training materials attractive to the market. If necessary, seek some pro-bono support from communications experts. Sell sponsorships when possible with different benefits based on the level of sponsorship. Use your contacts to open doors to corporate social responsibility offices and foundations.
7. Train your trainers to emphasize both the spirit of the program and the need to base activities in market realities. Conduct certification workshops for the training staff, using experiential learning activities that stress the values of your program. Stress the integration of activities, so that training in life and job skills link closely to technical training. Monitor and coach your instructors and facilitators to ensure that they are doing a good job.
8. Check that job placement staff, which place youth in internships, apprenticeships, and other practical experiences, follow up with the students' supervisors and give feedback to trainers. The knowledge gained from job placement and follow-up is vital to trainers so they can know if their instruction is on target or not.
9. Manage training activities with the rigors of the business world. If employees are penalized for not wearing their uniforms correctly or arriving late for work, find appropriate ways to teach and reinforce the same values with your students in curriculum activities.
10. Convene your training instructors regularly to share program ideas and concerns. Invite business or market representatives to meet with them to help keep up-to-date on market issues and needs.
11. Link youth to volunteer mentors and others who can give them personal advice. Young people deserve individual attention and need to know that some one beyond the program believes in them. Recruit mentors from the sectors you are training for when possible, but choose those who can make a commitment to helping youth.
12. Keep going back to steps 1 and 2.

Appendix 2

Fundación Paraguaya: A Tool for Integrating Training Curricula and Market Activities

At Fundación Paraguaya’s San Francisco Agricultural School, their “Business Plan for Production and Learning” links the program’s curriculum and its market activities. As such, it is an essential tool for ensuring that the school’s workforce development program is 100 percent market-driven.

Through this special type of business plan, SFAS identifies income-generating activities that will provide both financial resources to support its training program and opportunities to teach students the skills demanded in the marketplace. Like any business plan, the plan describes in detail the business, market, competition, and location on the campus of each “enterprise” that SFAS develops, as well as the financial, physical, and human resources needed to carry it out and the financial results expected. In addition, the plan also integrates the production activities of each on-campus enterprise with the school’s learning objectives for its students and students’ daily schedule of activities.

Developing such a business plan should include the participation of all the teachers and administrators who will ultimately be involved in its implementation, according to these steps:

1. Estimate program expenses—and by extension the program’s resource needs—and consolidate this information in a balance sheet, income statement, inventory, budget, and cash flow statement.
2. Define the competencies required for the type of qualified labor the program will train; for SFAS, these are the competencies that financially successful “rural entrepreneurs” should have.
3. Based on the competencies identified, determine which income-generating activities or enterprises will provide the best platforms for teaching these competencies, using a “learning by doing” methodology.
4. Determine whether there are good markets for the enterprises identified in step 3 and whether the school-based enterprises will be able to compete in these markets.
5. Determine whether the program has the means to establish the identified enterprises, given the human, financial, technical, and physical resources it has at its disposal.
6. Develop a standard business plan for each of the enterprises to be established to ensure that each achieves a minimum level of profitability. Keep daily records on the income and costs of each enterprise.
7. Establish a schedule of classes and practical activities in the field that dovetail with the production and investment plans of the various school-based enterprises.
8. Compare the educational results achieved in the classroom and the field to the desired competencies established in step 2. Analyze the financial results achieved by each school enterprise against the production, income, and expenditure projections developed in steps 1 and 6.
9. Continuously adjust activities in the classroom and the field in response to market signals.