



MAKING PAID INTERNSHIPS THE STANDARD : A GLOBAL LENS

By Peter Joyce, Sandra Staklis, Ami Thakkar, and John Vavricka
RTI International



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Citi Foundation



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A Global Lens**

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Introduction

To meet labor force needs and prepare young people for employment, policymakers, educators, and business leaders are increasingly looking to programs that prepare students for employment through authentic work activities (Stewart et al., 2018). Collectively known as “work-based learning (WBL) opportunities,” these programs include project-based learning, internships, apprenticeships and pre-apprenticeships, and practical placements. These programs provide young people with the skills and background needed to pursue careers or training in high-wage, high-demand fields, while helping employers contribute to the development of a workforce with the skills they need (Atkinson, 2016). Many of these programs offer postsecondary tuition reimbursements or allow students to build a professional network and earn a living wage while in school.

A recent cross-national review of work-based learning by the International Labor Organization reviewed participation in a variety of WBL activities, specifically “... any arrangement for the performance of work within a business or organization, a primary purpose of which is to gain experience, skills and/or contacts that will assist the worker to gain employment or other work opportunities in the future” (Stewart et al., 2018). WBL opportunities range in duration from a few weeks to six months or more and are administered by schools and educational programs, employers, state and local government agencies, and private for-profit and nonprofit intermediaries (Carnevale & Hanson, 2015). The diversity of programs and providers makes estimating the prevalence of WBL opportunities challenging.

With support from the Citi Foundation, RTI International undertook a research process that was guided by the following research questions. When answering each of these questions, the researchers sought to address how and to what extent the answers to these questions vary by country and within countries, by employer’s industry size.



UNITED STATES



SOUTH AFRICA

1. What is the prevalence of paid and unpaid internships as well as other types of work-based experiences among the grantees' partnering employers?

2. What is the role of interns among employers?

3. What are the primary facilitators and barriers to employers offering compensation for internships?

4. What are the benefits of internships from the perspective of employers who have paid and unpaid interns?

5. Do interns (paid and unpaid) get job offers (from their host employer or another employer) at the end of their internships? And if so, what is the starting salary?

Drawing on the input of employers, students, policymakers, and others, this study includes findings from case studies in the United States, South Africa, Lebanon, and El Salvador. These case studies address how and when WBL opportunities are offered and compensated, as well as cultural, economic, and legal facilitators and barriers to WBL opportunities. Based on these findings, promising practices were identified with the aim to raise awareness of the important contribution WBL opportunities are making and specific strategies that may be replicated elsewhere in order to increase the scale and impact of work-based learning around the globe.



LEBANON



EL SALVADOR

Key Terms and Definitions

Apprenticeship

A combination paid work and educational experience that allows secondary- or postsecondary-level students to build workplace-relevant knowledge and skills while, in some cases, earning industry recognized credentials in their field.

Aprendizaje

Regulated, formal apprenticeships in El Salvador.

Internship

An experiential education arrangement that allows individuals, typically secondary or postsecondary school students, but also adults or out-of-school youth to gain experience as a non-employee within a business or organization. Internships help individuals build skills and gain experience necessary for application in a professional work setting.

Learnership

Paid work-based experiences that expand beyond blue collar trade of the traditional apprenticeship system and incorporate institutional learning organizations in the collaborative effort. Learners, employers, and training providers enter into a fixed contract agreement that offers both institutional and on-the-job training that typically is implemented over a 12-month period. Learners attend an average of three days of training each month in addition to completing their assessments. Youth are provided a monthly stipend for the duration of the contract.

Pansantia

A catchall phrase used in El Salvador to encompass internships and similar experiences.

Practica

Similar to an internship, practica allow students to apply and practice classroom skills within a structured workplace-based learning experience. Practica are often required for the completion of secondary and postsecondary training programs, particularly in allied health and medical fields, and designed to prepare students to enter the workforce upon completion of their education.

Pre-apprenticeship

Pre-apprenticeships combine classroom instruction with industry-based training to prepare individuals to enter registered apprenticeship programs. Pre-apprenticeships must have a partnership with a registered apprenticeship program sponsor.

Project-based learning

A teaching method that allows students to gain knowledge and skills by engaging in a long-term, extended project to explore and interact with complex, real-life questions or challenges.

Viático

A form of compensation for internships, which translates to travel allowance or the basic minimum needed to cover transportation and food.

Work-based learning

Educational opportunities through workplace (or simulated workplace) interactions or in collaboration with industry professionals that are aligned with classroom-based instruction and designed to provide students with in-depth, hands-on experiences in a career field.



UNITED STATES



“One phrase we sometimes use is, **‘Businesses need to be producers of talent, not just consumers of it.’** A lot of these companies have just amazing leaders that say, ‘Hey, not only is this a novel solution to some of our entry-level talent problems but this is actually the way we can **drive change and benefit our communities** in a new and novel way.”

— Outreach Coordinator at an internship program for out-of-school and underemployed youth



13%

of young people ages 16 to 19 are unemployed

7%

of young people ages 20 to 24 are unemployed

In spring 2018, the U.S. unemployment rate dropped below 4 percent, the lowest rate since 2000 (Kitroeff, 2018). Even before recent drops in unemployment, employers were reporting challenges in finding qualified applicants for well-paid jobs (with median annual earnings of at least \$55,000) (Cappelli, 2012). These include middle-skill positions in advanced manufacturing, construction, and skilled-service industries, such as health care and financial services (Burrowes et al., 2014; Carnevale, Strohl, & Ridley, 2017).

Despite a competitive labor market, unemployment rates are higher among youth, with a rate of about 13 percent for young people ages 16 to 19 and 7 percent for the 20 to 24 age group (BLS, 2018). In addition, many young people, and particularly young people from disadvantaged backgrounds, do not have access to well-paid, middle-skill jobs, most of which require at least some postsecondary education or training (Hanson & Gulish, 2016). In recent decades, the costs of postsecondary education and income inequality have grown, shutting out or discouraging youth from pursuing education beyond high school or leaving them at risk of accruing substantial debt (Mitchell, Leachman, & Masterson, 2017). Even when young people earn postsecondary credentials, their training may not prepare them to meet employers' talent needs. For example, they may lack communication and organization skills, and the ability to collaborate effectively with colleagues (Carnevale, Garcia, & Gulish, 2017; Bessen, 2014).

This case study provides an overview of workplace training programs for young people in the United States, with a focus on internship programs. Most internships are offered by employers who aim to recruit college students for entry-level positions (NACE, 2017c), but a growing number of organizations are working with employers to develop similar opportunities for high school students and out-of-school opportunity or disconnected youth. This study summarizes the findings of a literature review on the prevalence and compensation of internships for college students, which revealed a lack of information on relatively newer and growing programs for high school and out-of-school youth. To collect information on these programs, the authors interviewed staff from more than a dozen organizations to explore how internship programs serving these groups of young people are organized and funded, how they engage employers and manage intern compensation, and what is known about the effect of these programs on participants' education and labor market outcomes.

Connecting Young People to the Workplace

The United States does not have a national database or clearinghouse of data on work-based learning experiences such as internships, and estimates of the prevalence of these programs vary (Stewart et al., 2018; Eisenbrey, 2012). Most available data are on college students, which suggests that 55 to 75 percent of U.S. students participate in an internship at least once before graduating, and of these internships, one-third to one-half are unpaid (NACE, 2017a;¹ Braun, 2012; Crain, 2016). The information available provides some clues regarding participation rates in these programs, but is more useful for distinguishing among the following program types:

College internships:

Most internships in the United States are for college students and recent graduates, and are typically administered by employers, who may work with college career offices to recruit candidates (NACE, 2017c). The participation rates include the four percent of college students who participate in co-op programs, which typically alternate full-time paid work in a single firm with course taking over multiple semesters (NACE, 2017c). Internships, in contrast, tend to be shorter-term (i.e., less than six months) extracurricular or summer programs.

Internships or practicums in education programs:

These work-based experiences are a component of a degree- or certificate-awarding education program and may be required for some postsecondary programs in technical fields, such as advanced manufacturing and construction, or needed to meet licensing requirements in fields like healthcare (Lain et al., 2014). Compensation for participants varies; some healthcare programs require that work-based experiences be unpaid, and others combine paid and unpaid placements in which students are paid once they have completed a few weeks or months of on-the-job training.

¹ The most frequently cited data source on college internships are the annual surveys of employers and graduating students conducted by the National Association of Colleges and Employers (NACE). These data are useful for tracking changes over time, but may not be representative of all employers, since responses are limited to employers with more than 5,000 employees that are NACE members, and response rates are low (about 26 percent in 2017).



Apprenticeships:

Apprenticeships in the United States traditionally have been registered federally and administered by trade unions, but new employer- and educational institution-led models are emerging, as well as internships in new fields, such as advanced manufacturing, information technology (IT), and healthcare, including IBM's New Collar Initiative and a program offered by CVS Health. Regardless of the administering organization, interns are generally not required to pay for their training and must complete a set number of hours on the job, for which they are paid at rates that vary depending on their skill level. In April 2018, the federal Task Force on Apprenticeship Expansion released recommendations for expanding apprenticeship opportunities to new populations and industries through industry-recognized apprenticeship programs (U.S. Department of Labor [DOL], 2018b). To achieve this goal, the task force recommends building connections between internships and secondary and postsecondary education programs to make it easier for employers to offer internships.



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1/3 to 1/2

are unpaid.



In addition, the last two decades have seen the expansion and emergence of internship programs outside of formal postsecondary education and training systems. Although overall participation rates in internships outside of the formal postsecondary education and training systems are difficult to quantify, one estimate suggests that these internships account for as many as half of the total two million internships (Edwards & Hertel-Fernandez, 2010; Perlin, 2011). These programs may be for incumbent workers seeking new skills or job opportunities, for high schoolers, and for youth ages 16 to 24 who are not in school and under- or unemployed (also called opportunity youth):

High school internships and apprenticeships:

A growing number of programs are offering high school students internship and apprenticeship opportunities during their last years of high school. These programs typically combine instruction and mentoring with an academic year or a summer job placement. In contrast to those serving college or older students, these programs may be administered by intermediary organizations that support and coach the interns and manage compensation, like the PrepareRI Internship Program. Delaware is instituting a similar program, and workforce innovation boards serve as internship intermediaries for high school students regionally in Massachusetts' Connecting Activities program (Delaware Pathways, 2018; MDESE, 2018).

Economic opportunity internship programs:

These programs mostly serve young people who are either at risk of dropping out of high school or are opportunity youth (out of school and under- or unemployed). Examples of organizations offering these programs include YouthBuild, Year Up, and Urban Alliance. The programs typically combine paid work experiences or subsidized employment with training in employability skills and financial literacy. The programs are typically offered independently of educational institutions and financed with private funds or a mix of public and private funds, but some collaborate with and recruit students through high schools, and Year Up is partnering with almost 20 community colleges nationwide for its Professional Training Corps model.





Compensation

As noted, about half of internships for college students and recent graduates are unpaid (i.e., do not receive monetary compensation). Compensation rates for paid internships vary by program type and field. The mean hourly wage for undergraduate interns increased from \$16.35 per hour in 2014 to \$18.06 per hour in 2017. In real terms, 2017 wage levels were below the inflation-adjusted average intern wage of \$18.93 in 2010. Interns in engineering or physical science majors receive the highest salaries; these fields also pay the highest starting salaries for college graduates, averaging about \$57K for the class of 2018 (NACE, 2017b). Unpaid internships are relatively more common in politics, research, journalism, and nonprofits. A study of internship participation in a large, public university found the lowest compensation rates for internships in journalism, family and consumer sciences, political science, and international studies, relative to business and agriculture (Crain, 2016).

All providers of internship opportunities reviewed for this study offered most or all interns wages or a stipend, either paid by employers or subsidized through philanthropic or public funds, and in most cases a combination of both. High school-age interns may receive course credit, monetary compensation, or both; for this group, pay rates tend to be close to the area minimum wage. Compensation for older interns starts at minimum wage, with increases over time based on performance and skill attainment, but also varies by field, internship provider, and location. In competitive industries, compensation may be equivalent to the pay for entry-level full-time employees. In one multi-site program serving opportunity youth, most interns earn a wage close to that of an entry-level middle-skill employee. The program representative described the pay level as a balance among what the youth say that they need to cover living expenses, what the organization can afford to pay, and what is the average entry-level wage for high school graduates in an area. Another program described their pay based on local labor market rates, which are typically about 15 percent above minimum wage for most interns, and 20 percent above minimum wage for interns who are military veterans. Programs may also offer additional compensation, such as funds for college or the opportunity to earn college credits.

The mean hourly wage for undergraduate interns was

\$16.35

per hour in 2014

\$18.06

per hour in 2017

In general, well-established programs serving opportunity and older youth had fewer challenges in convincing employers to pay interns than those serving high school students. Among the former group of providers, employers regarded their programs as a resource for filling job vacancies in a tight labor market and increasing the racial and ethnic diversity of their workforce. Because high school-age interns are younger and cannot work more than 10 to 12 hours a week, they cannot play the same role. Programs in regions with tight labor markets, such as Denver, noted that a shortage of entry-level workers has made employers more willing to support paid high school internships to build local employment pipelines, particularly among young people with family ties to the region who may not be planning to attend college. In other areas, employers' ability and willingness to pay varies by sector and enterprise size. For example, internships in community and nonprofit organizations are either unpaid or subsidized. Employer payment is more common in growing industries with significant hiring needs, and among employers with over 50 employees. For example, internships in IT and creative industries offered through one organization pay intern salaries, but students in veterinary internships typically earn course credit only.



“Employers are willing to pay for interns for two reasons. One, even in job markets where they have a lot of candidates, they’re still **looking for diverse candidates, diverse local talent**, and that is something we provide. The second thing is the social component—that they are giving back to their community.”

— Employer engagement specialist at an internship provider for at-risk high school students



Legal and Cultural Context for Compensation

The debate about unpaid internship generally focuses on internships for college students and recent graduates, of which about half are unpaid. Payment rates vary by field and industry sector, with the highest rates paid by private, for-profit companies and the lowest by private nonprofit organizations (NACE, 2017a, 2017c; Edwards & Hertel-Fernandez, 2010). Unpaid internships have been criticized for placing young people with limited economic means at a disadvantage in the labor market by restricting their access to economic opportunity, since participants

must either self-finance or rely on their families for living expenses (Bennet, 2011) and for potentially displacing regular workers (Discenna, 2016, Stewart et al., 2018). Critics also note that these opportunities take unfair advantage of young workers with little bargaining power (Thompson, 2012). Advocates argue that unpaid internships offer valuable experience at a lower cost than postsecondary tuition, which could be made available to lower income youth through subsidies or scholarships (Kessler, 2018).

The Fair Labor Standards Act (FLSA) requires employers to pay employees the federal minimum wage.² The U.S. Department of Labor (DOL) issued guidance on the applicability of the FLSA to internships and established a six-factor test for internships in 2010, all of which had to be met for an intern to be exempted from the federal minimum wage requirement.

The guidance states

1. the internship, even though it includes actual operation of the facilities of the employer, is similar to training which would be given in an educational environment;
2. the internship experience is for the benefit of the intern;
3. the intern does not displace regular employees, but works under close supervision of existing staff;
4. the employer that provides the training derives no immediate advantage from the activities of the intern; and on occasion its operations may actually be impeded;
5. the intern is not necessarily entitled to a job at the conclusion of the internship; and
6. the employer and the intern understand that the intern is not entitled to wages for the time spent in the internship (US DOL, 2010).

²The Fair Labor Standards Act, 29 U.S.C. § 206.

The above guidance and several high-profile lawsuits that awarded damages to unpaid interns have increased scrutiny of unpaid internships, although observers noted that enforcement tends to be lax (Yamada, 2016; Bennet, 2011). The DOL released more flexible guidance with seven factors in January 2018. The updated fact sheet noted that no single criteria should be regarded as determinant and that “... whether an intern or student is an employee under the FLSA necessarily depends on the unique circumstances of each case” (US DOL, 2018a). The seven factors are designed to determine the primary beneficiary of an internship experience:

- 1.** The extent to which the intern and the employer clearly understand that there is no expectation of compensation. Any promise of compensation, express or implied, suggests that the intern is an employee — and vice versa.
- 2.** The extent to which the internship provides training that would be similar to that which would be given in an educational environment, including the clinical and other hands-on training provided by educational institutions.
- 3.** The extent to which the internship is tied to the intern’s formal education program by integrated coursework or the receipt of academic credit.
- 4.** The extent to which the internship accommodates the intern’s academic commitments by corresponding to the academic calendar.
- 5.** The extent to which the internship’s duration is limited to the period in which the internship provides the intern with beneficial learning.
- 6.** The extent to which the intern’s work complements, rather than displaces, the work of paid employees while providing significant educational benefits to the intern.
- 7.** The extent to which the intern and the employer understand that the internship is conducted without entitlement to a paid job at the conclusion of the internship (US DOL, 2018a).

In accordance with DOL guidance, if the primary beneficiary is the employer, the intern must be compensated as an employee under at least the minimum wage provisions of the FLSA. Unpaid internships are permitted if the intern is the primary beneficiary of the position. Although the changes are too recent to assess the impact of the relaxed guidelines, some observers predict that the change will increase the number of internships that are unpaid (Smith, 2018).



Labor Market Outcomes

Rigorous studies of labor market outcomes associated with internships for college students and other young people are few. Although graduates with internship experience fare better in the labor market than graduates without internships (O'Higgins & Pinedo, 2018; Nunley et al., 2016), evidence suggests that labor market benefits are higher for paid versus unpaid interns. A recent survey found interns 20 percent more likely than noninterns to be offered full-time employment prior to graduation, but employment offers were more common and came with higher starting salaries for graduates with paid versus unpaid intern experiences (NACE, 2017a). Research has not yet examined the reasons behind this discrepancy, which may be attributed to paid internships allowing interns to focus on and benefit from the experience more because they do not have to work elsewhere to earn a living wage (O'Higgins & Pinedo, 2018). Job offer rates may also reflect the prevalence of unpaid internships in fields in which employment is harder to find (NACE, 2017a). Two recent small studies compared paid and unpaid internships within the same field. One study focused on graduates of a single college, and found that graduates who had participated in unpaid internships took longer to find employment and were, on average, less satisfied with their first job than graduates whose internships were paid (Crain, 2016). A similar study at another college found no difference in six-month post-graduation employment rates between students who participated in paid and unpaid internships (Townsley et al., 2017).

Evidence from the employer side supports the positive relationship between internships and post-college employment. NACE's 2017 survey of the organization's employer members, which includes national firms with 5,000 or more employees, found that three-quarters of employers with internship programs use the programs primarily to recruit college graduates for full-time, entry-level positions (NACE, 2017b). The employers reported an overall offer rate of 67 percent, and an offer acceptance rate of 76 percent, resulting in about 51 percent of internships being converted to regular employment (NACE, 2017c).

Among other types of internships, employment outcomes vary by program and location, and most available evidence is collected by the organizations themselves. One well-established internship program for opportunity youth, for example, reported that from 40 to 45 percent of its interns were eventually hired by the company in which they were placed. Available evidence for labor market and other outcomes provided by the organizations is summarized by program in Appendix A. With time, increasingly rigorous program assessment will be available, including the results of a U.S. Department of Health and Human Services research program on employment programs for low-income individuals. A recent study of the Year Up program found the program increased quarterly earnings of participants over that of a control group by 53 percent during the first year following the program, a gap that shrank only slightly (to 40 percent) during the following year (Fein & Hamadyk, 2018).

Employers reported a

67%

overall offer rate



76%

offer acceptance rate



51%

of internships being converted to regular employment

Promising Practices

When asked to share effective practices for offering internship programs, the representatives highlighted best practices in two key areas of their organizations' work: employer recruitment and program design. According to the organization representatives, these practices emerged in response to the challenges that their internship programs have encountered, such as convincing employers to work with young people who may not be ready for full-time employment, integrating interns into busy work environments, and providing the support needed to resolve conflicts as they arise and help the intern and employer have a positive experience.

Employer Recruitment

Connect internships to employer needs.

The programs contacted emphasized the importance of responding to employer incentives for offering internships, which may vary by location, industry, and organization. As one representative noted, "Some companies now have some sort of talent pain point, others are progressive or visionary where the CEOs want to impact [the] education system and impact their communities." Even within the same organization, hiring managers may be spurred by a need to find talent, human resource specialists by a need to diversify their recruiting pool, and corporate-level executives by philanthropy. The organizations are also, however, prepared to help employers see and understand their future labor force needs and make the case for building a pipeline or provide development opportunities for current staff. For example, internships can be a way to provide training and professional development for staff, such as supervisory experience for junior employees, or to free up regular employees from mundane or simpler tasks.

Leverage employer-to-employer relationships.

Employer peer-to-peer contacts and communities can be effective tools for allaying barriers to employer participation, such as concerns about what an intern can do in an organization or investing in interns who may one day work for a competitor. One organization reported bringing their employer partners together annually by sector to build a sense of a common cause in developing diverse employee pipelines and diffusing competition for talent. Representatives from multiple organizations described connecting experienced and prospective employer partners to allay concerns about having interns on site, such as demands on employee time or working with high school students.



Provide multiple options for employers to contribute.

Providers observed that a year or more may pass before a new employer onboards its first intern, due to budget and workflow cycles, the need to get buy-in from employees, or concerns about the amount of commitment involved. To maintain contact and build relationships, providers advocated having multiple options. For example, employers who are not ready for interns may be willing to have employees participate in a career fair, host a visit by a group of students, offer a guest speaker for an intern training program, or provide mentoring. At the other end of the spectrum, several providers are offering (or planning) apprenticeship programs with employers with acute hiring needs.

Send well-prepared interns to new employer partners.

Several organizations observed that they typically send their most experienced interns with strong communication skills to new employer partners. Once an employer has hosted a few interns or has been a part of the program for a year or more, it is asked about its willingness to work with young people with lower skill levels who need more support. Organizations also described sharing or covering costs for new employers so that they could try the program out before making a monetary commitment. One recently established program noted that all current interns are subsidized by the organization, and that the program plans to introduce and increase contributions from employers as they become more bought in and have positive experiences with interns.

Internship Program Design

Provide training and guidance for employers.

Employer support was an important component of the programs for high school and opportunity youth contacted in this study for two reasons. First, employers may be reluctant to participate because they do not know how to work with interns. Having a clear onboarding process with training and resources for employees working with the interns can assuage this concern. As one representative described, “We thought they would help us design the program, but we’ve found that businesses appreciate when you come to them with a developed package and process.” Some programs provide templates that employers can use to develop internship plans: one shared a toolkit and video for training worksite supervisors. Second, employer guidance can help ensure that more interns have positive and high-quality learning experiences, since organizational capacity for working with interns varies. One provider described how internship quality improved after the organization started training employers on the types of work that interns can do, the importance of setting clear expectations, and techniques for providing constructive feedback. Programs also advocated working with the employer to identify a specific project or skills on which the intern should focus. When alumni from an IT internship program expressed that they felt their skills were underutilized, the organization worked with employers to develop internships based on technical skills rather than a more general introduction to the field.

Match interns and employer needs.

Organizations match interns with employers based on skills, experience, and career interests, but noted that other factors should also play a role. These include distance between home or school and the workplace, and whether a student’s personality is a good match for the work setting. One organization, for example, found that some of their more social interns struggled in settings in which most work was done independently. Employer buy-in tends to be higher if intern skills are aligned with the organization’s talent needs. Some organizations therefore provide pre-placement technical skills training, particularly in business-relevant computer skills, such as using spreadsheet programs. One organization trains most prospective interns in using Microsoft Excel because of its high value across industries for basic business operations, such as accounting, finance, data analysis, and project management.

Offer training to prepare interns for the workplace.

All the programs interviewed provide workplace readiness training for interns prior to placement. The training typically covers soft or 21st century skills, such as personal presentation, business communication, and organization skills, which have value across industries and economic conditions (Bughin et al., 2018). One organization shared, “In the past, we messaged our summer programs by saying, ‘These could be your future employees! Part of the global workforce!’ At the end of the program, we heard back from employers that the students were not ready.” In response, the organization developed a tool for assessing interns’ skill levels, and a career preparation program for middle school students to prepare them for internship opportunities when they enter high school.



Provide support during the internship.

All organizations contacted for this case study provide advice and support for interns and employers once the internships are underway, typically through a person at the organization that the student or employer can contact should difficulties arise. Some organizations ask employers to identify a mentor as well as a supervisor for the intern to provide guidance when conflicts arise or help the intern navigate organizational nuances. Other organizations provide mentoring outside of the placement organization. Because mentors are not responsible for managing interns' work or performance evaluations, some organizations have found mentoring to increase the likelihood that interns will seek the support and help they need to have a successful placement. Programs for at-risk or opportunity youth may also offer case management services that connect interns with more intensive supports, including social workers, counselors, and specialists who can assist with accommodations for learning and other disabilities.

“Everybody benefits from a simplified and unified set of explanations and communications about how the program works... because what we’re trying to do is integrate sectors that, traditionally, haven’t been integrated: **the education system and business.**”

— Staff member from an internship provider for opportunity youth



SOUTH AFRICA



“Our most grave and most pressing challenge is youth unemployment. It is therefore a matter of great urgency that we draw young people in far greater numbers in productive economic activity.”

— *President Cyril Ramaphosa, February 2018*

South Africa is caught in the perfect storm — a lingering history of apartheid, bulging youth population, and sluggish economic growth.³ Consequently, a significant portion of youth are drifting at sea with little sense of direction — that is, 30 percent of male youth and 36 percent of female youth are in neither education, employment, or training (NEET). Recently, the business community and national government announced a unique plan to collaboratively support a large number of youth with paid internships and learnerships to provide a bridge to potential employment.

This case study examines this unique country-level initiative to address youth unemployment through internships and learnerships in the private sector, whereby youth are given the opportunity to develop skills through a combination of classroom and on-the-job training. The study pulls from key documentation, as well as interviews with stakeholders. The study includes with an explanation of what might be considered an intractable problem and describes how this newly launched initiative is leveraging a unique suite of policy tools aimed at ensuring private sector engagement in the employment of youth.

Youth that are in neither education, employment, or training (NEET):

30%

of males

36%

of females

³According to the World Bank, South Africa's growth is expected to reach 1.1 percent in 2018 from 0.8 percent in 2017 (World Bank, 2018). The United Nations Development Programme states that South Africa's growth is vulnerable to fluctuations in international commodity prices due to the reliance on the export economy (UNDP, 2011).

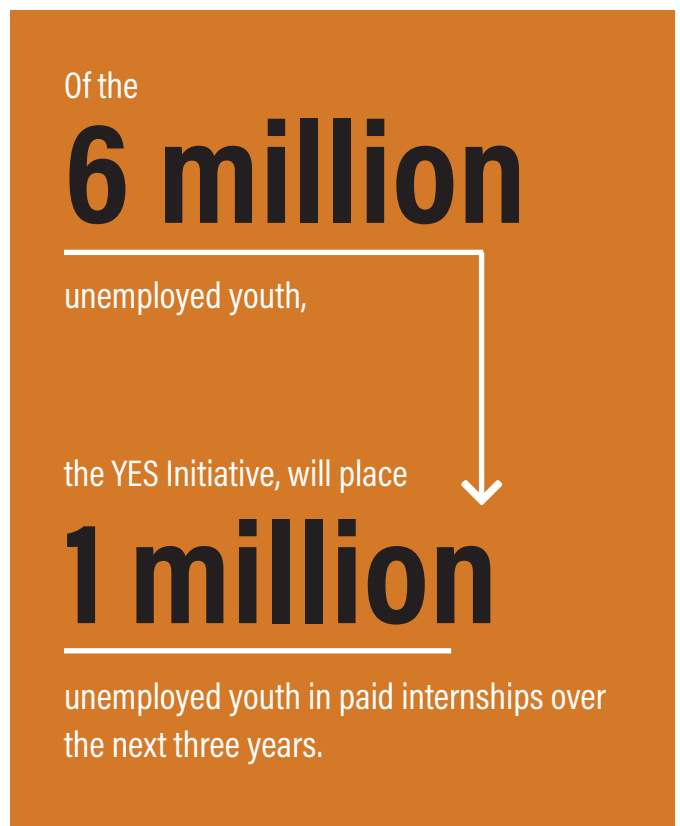
Tackling a Seemingly Intractable Problem

Some of South Africa's six million unemployed youth may have reasons to be optimistic following the announcement of the Youth Employment Service Initiative (YES Initiative) during President Ramaphosa's recent State of the Nation address in February 2018.⁴ The initiative has set an initial goal of placing one million unemployed youth in paid internships over the next three years.

It was private sector leaders who encouraged the incoming president to launch this strong youth program. "They felt a need to finally address the perceptions of inequality and to make a commitment to connect youth to promising economic activities," says Rob Urquhart, from the Harambee Youth Employment Accelerator Program, a training and placement organization involved in the effort.

The YES Initiative is designed to be a private sector led collaboration among government, labor, civil society, and youth. While the initiative takes advantage of previous policy and financial programs, stakeholders welcome the renewed focus on job creation and skills development of youth by the new administration. "Yes, there are current activities already taking place, but having the business community and the President's office driving this effort, is raising visibility," states Urquhart.

An oversupply of labor makes it difficult for inexperienced youth to get a foot in the door. "Too often, employers opt for experienced candidates over non-experienced youth," says Sean Blagsvedt, founder of Baba Jobs in India, who is providing technical assistance to Harambee's program in South Africa. By funding and supporting learnerships and internships, YES is designed to incentivize companies to take on more youth, and thereby, offer a bridge to employment. When young people are provided with a year of real work experience, it is thought that their employability can significantly improve as they become more competent, capable, and driven.



It is difficult to forecast whether the YES Initiative can help the country through this storm. South Africa's youth unemployment rates are now considered to be chronic. The unemployment rate among young people aged 15–34 was 38.2 percent in 2018, implying that more than one in every three young people in the labor force did not have a job in the first quarter of that year (STATS SA, 2018).

⁴From South Africa's [YES Initiative's](https://www.yes4youth.co.za/) website: <https://www.yes4youth.co.za/>

In 2018, more than
1 in 3

young people in the labor force did not have a job in the first quarter of that year.



These are youth who should ideally be starting their first jobs or continuing their studies (STATS SA, 2016). “As a result of the protracted joblessness over the past eight years, more and more young people are simply giving up on the idea of looking for work,” shares Nelly Mofokeng, Director of Junior Achievement in South Africa. Between 2008 and 2015, the number of youth who have become discouraged has increased by 8 percent (STATS SA, 2016). Furthermore, racial and gender inequalities impact the youth unemployment landscape in South Africa. Black youth are far more vulnerable to unemployment than their white or Indian counterparts; young women are more likely to not be in employment, education, or training than their male counterparts.

Why is youth unemployment in South Africa such a seemingly intractable problem? The evidence suggests that there is no single factor. One principal factor is the nature of the labor market and the mismatches between the skills needed by industry and those provided through the educational system. A substantial challenge facing young employment seekers, in particular, is the fact that South Africa’s labor market favors highly skilled employees (Banerjee et al., 2007). The high demand for skilled labor means that those with a postsecondary qualification are far more likely to find employment than those with only a matric certificate (i.e. the South African equivalent of a secondary school diploma/degree) (News24, 2016). Given that 56 percent of the one million young people entering the job market each year do not even have a matric certificate, this leaves the majority of youth with little hope of employment (Parent24, 2018). This is especially worrying since there appears to be “credential inflation.” South African employers, in their apparent distrust of the quality of education received by young people, have raised the bar for entry into low-level jobs, effectively shutting out a large pool of potentially good young employees.

Geographic location also acts as a barrier to employment.

According to the World Bank, as much as half of South Africa’s urban population lives in townships and informal settlements, accounting for 38 percent of working-age citizens, but home to nearly 60 percent of its unemployed (Mahajan, 2014). Under apartheid, black South Africans were forced to live in the dormitory-style townships that were built as far away as possible from economic city centers. Since these residents live outside the major metropolitan hubs, they must spend more time and money looking for work. A national study of participants in a youth employability program reported that the average transportation and other job search costs for young people were around R560 (\$44 US) per month, while the average per capita household income for the same group of youth was R527 (\$41.95 US) per month (Graham & De Lannoy, 2016). More than half of young people aged 15–24 live in households with a per capita monthly income of less than R779 (the “upper bound poverty line” as defined by Statistics South Africa). “Many of the youth enrolled in our program live with at least four people in the household and usually rely on only one check. Money is a factor in their job search,” shared Diane Woodward, Account Manager at Harambee Youth Employment Accelerator. Many youth lack access to information as they are unable to afford the high costs of data so cannot use mobile phones or Internet cafés to search for job opportunities or for postsecondary education opportunities. And, unlike their middle-class peers, poorer young people lack “productive social capital”—social networks that can be used for information about and access to the labor market. These are important for navigating entry into the labor market (Graham et al., 2016).

Starting with the Private Sector

“It is not one program or fund, but rather the **holistic and reinforcing nature of the policies and programs in place.**”

— Vuyo Tetyana, Monitoring and Evaluation Manager at the National Jobs Fund

South Africa is attempting to address youth unemployment by focusing on the demand side — the requirements of employers not the available training programs. Therefore, the country has enacted the following suite of programs aimed at supporting employer engagement in the skills development of youth: (1) a skills development levy on employers that funds learnerships and internships; (2) a scorecard on employer training and hiring practices that target equity; and (3) a government-sponsored National Jobs Fund to spur innovation in the skills space (see Exhibit 1).

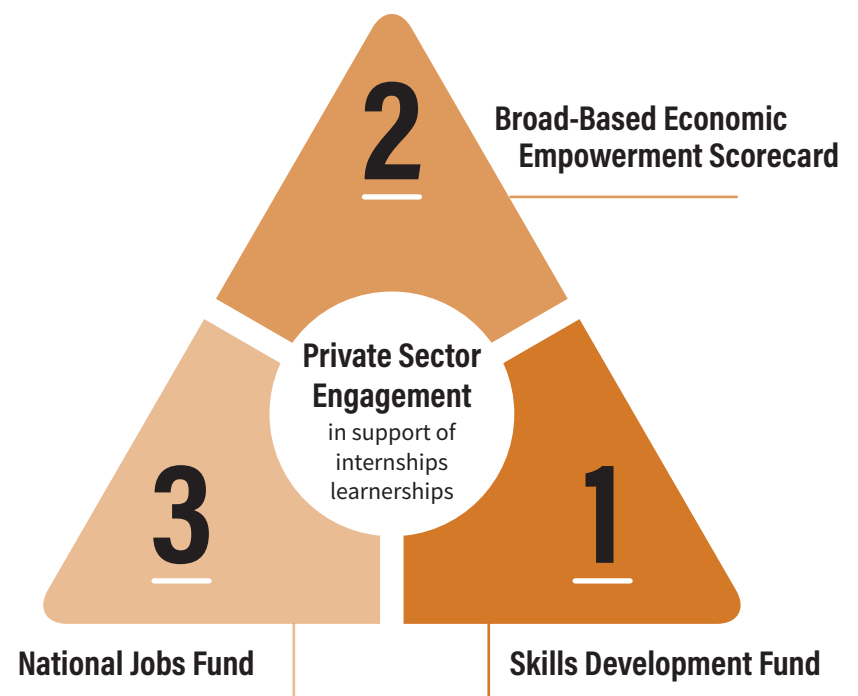


Exhibit 1: Suite of Programs

Skills Development Levies Act of 1998

Realizing the important role of private sector employment in targeting skills development, the government established the Skills Development Levies Act in 1998.⁵ This compulsory levy scheme continues to fund education and training. Employers are required to pay 1 percent of workers' salaries to the South Africa Revenue Services (SARs). This revenue is then distributed into two key resources — 80 percent is paid to the Sector Training and Education Authority (SETA), and 20 percent is directed towards the National Skills Fund. The SETAs represent specific sectors and administer mandatory grants to accredited training providers and employers. Employers receive a return on the levies paid by training workers and successfully submitting skills plans and annual training reports.⁶ The National Skills Fund funds skills development projects that do not fall under the SETAs.

Broad-based Black Economic Empowerment Scorecard

Another mechanism intended to incentivize employers is the Broad-based Black Economic Empowerment Act (BBEE), that was passed into law in January 2004. The BBEE essentially works on the understanding that years of systemic racism contributed to contemporary economic woes, and that government intervention can help stem the results of the past. A set of Codes of Good Practice contains sections about measuring ownership, management control, employment, skills development, preferential procurement, enterprise development, socioeconomic development, and qualifying small enterprises. Although there are no direct penalties for BBEE noncompliance,

the system encourages buyers and procurement managers to favor BBEE-compliant businesses because it enhances their own BBEE scorecard. On the other side, compliance with BBEE credentials decreases the risk of losing contracts to suppliers with better BBEE credentials and increases opportunities to interact with government and private sector businesses. To score highly, BBEE compliance must be integrated throughout the organization. However, BBEE requirements are not presently incorporated in reporting systems; therefore, reporting costs are extremely high.

National Jobs Fund

The Jobs Fund, a government-sponsored training source, was launched in 2011 to support novel approaches and initiatives that create employment in new and innovative ways. “The fund provides one-off grants in the areas of enterprise development, infrastructure, support for work seekers and institutional capacity building,” explains Vuyo Tetyana, the Fund’s Monitoring and Evaluation Manager. (See Appendix A for sample initiatives.) The Jobs Fund uses a “challenge fund” methodology, which involves the use of matching grants that are allocated following a competitive, transparent, and open application process. This competitive application process means that only the best ideas are funded to catalyze innovation and investment in activities that contribute directly to enhanced employment creation in South Africa. Final funding decisions are made by an independent Investment Committee according to clearly defined criteria. The Jobs Fund does not intend to tackle the long-term, structural causes of low growth and unemployment on its own. Numerous government initiatives are already tasked with aspects of that challenge, and the Jobs Fund forms part of a suite of such interventions.

⁵Skills Development Act 97 of 1998.

⁶SARS (Skills Development Levy, 2017)

Learnerships and Internships

Apprenticeship to “Learnership”

The cornerstone to the YES Initiative is the promotion of the learnership model. The more formal education system (technical training centers, postsecondary technical colleges, and universities), as well as some programs supported by the Jobs Fund such as Harambee), still refer to internships. Learnerships are paid work-based experiences that expand beyond blue collar trade of the traditional apprenticeship system and incorporate institutional learning organizations in the collaborative effort. Learners, employers, and training providers enter into a fixed contract agreement that offers both institutional and on-the-job training that typically is implemented over a 12-month period. Learners attend an average of three days of training each month in addition to completing their assessments. Youth are provided a monthly stipend for the duration of the contract. On the supply side, the learner has the opportunity to receive on-the-job training and gain an entry point into the job market. On the demand side, the employer has the opportunity to grow and develop employees in areas most needed by the company and receive tax rebates from the BBEE, as described earlier. Exhibit 3 shows a map of South Africa’s education and training schemes and highlights where work-based learning experiences — both internships and externships — take place.

As mentioned, learnerships are managed by the Sector Training and Education Authority (SETA) and encourage employers, workers, and training providers to design new learnerships; recommend new learnerships to the Department of Labor; administer the learnership agreement among the employer, learner, and training provider; issue training certification; and help monitor implementation. Initially, 23 SETAs were created, each responsible for a different industry or economic sector. Replacing the previous 33 training boards, SETAs have greater responsibility, cover a wider range of industries, and expand beyond *apprenticeships* to include *internships* and *learnerships*. In addition to the mandatory grants, SETAs also administer discretionary grants to employers, learners, training providers, and other stakeholders for various skills development initiatives that fulfill objectives in South Africa’s National Skills Development Strategy.⁷

By participating and investing in learnerships, companies are able to capitalize on the various reimbursements, grants, and tax rebates. For instance, employers who pay the skills development levy to the South African Revenue Service, who are registered with

Learnerships

- Broad spectrum of sectors is involved.

- 12-month contracts are signed.

- Learner receives on-the-job training.

- Learner receives stipend.

- Employers receive back from levy to grow and develop employees.

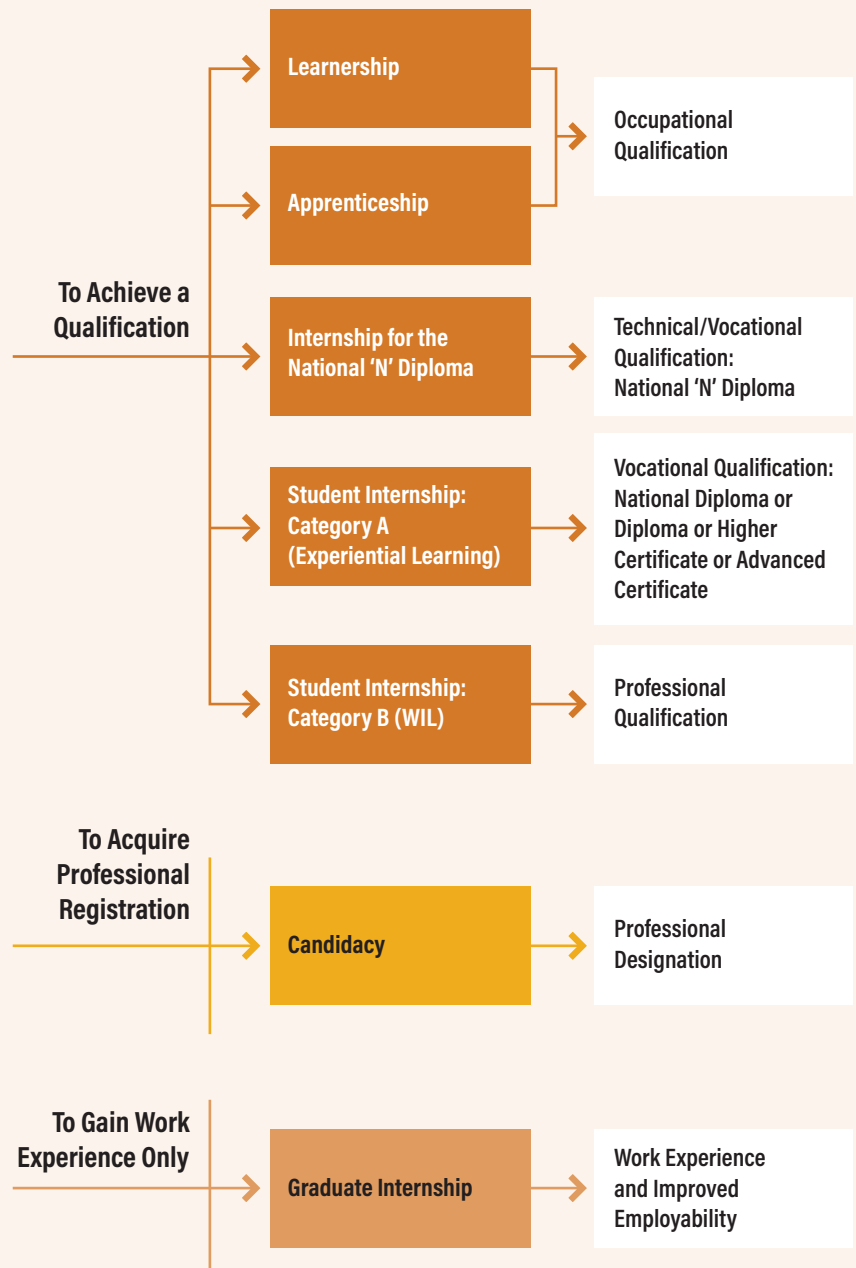
- Employers attain credit on BBEE.

⁷SARS (Skills Development Levy, 2017)

their Skills Education Training Authority, and submit their Workplace Skills Plan and Annual Training Report each year, qualify for further reimbursements that can be used towards the cost of the training. These benefits aside, the core purpose of learnerships is, of course, to ensure that the business is empowered by a relevant skills base over the long term. “The unique advantage of learnerships is that they are work-based and delivered onsite in a company’s environment,” says Nomadlozi Bathelezi of the Finance and Accounting SETA. “They can, therefore, be specifically and strategically designed, and then embedded within the context of your organization’s talent development objectives and goals.”

The SETAs are responsible for seeing that the outcomes of the learning program meet the standards for the industry. Therefore, when employers participate in these learnerships, they have the assurance that the learners can demonstrate the competence reflected in their qualifications. In addition, employers have an opportunity to collaborate with training providers to customize learning programs to meet specific workplace needs.

Exhibit 2. Use of Internships/Learnerships



Benefits of Learnerships and Apprenticeships

Reports and studies indicate relatively positive results for learnerships. Conversations with stakeholders corroborate that there have been significant benefits and that opportunities should be increased in order to attract more youth.

A 2014 tracer study has shown that the majority of apprenticeship and learnership participants (70 percent and 86 percent, respectively) complete their qualification and experienced a smooth transition directly into stable employment. Ninety percent of learners who completed a learnership reported that they were offered permanent employment afterwards and most candidates entered the formal sector in large private firms or were employed by the public sector. More than 50 percent of the candidates were employed at the same workplace where they completed their experiential training. The study concludes, on aggregate, that participation in both learnerships and apprenticeships decreased the unemployment rate of young participants; however, it was the learnership programs that had the greatest impact as they better prepared individuals for the working world (Kruss et al., 2014).

The banking sector is quite invested in learnership programs and reports significant results. For example, the Kuyasa post-graduate learnership is a BANK SETA-funded youth development intervention aimed at recruiting unemployed graduates in order for them to further their studies and exposing them to the world of work. The duration of the learnership is one year. Registered employers are responsible for hosting the learner(s) and making provision for training, workplace coaching, and learner support. Training is linked to the registered skills program. While a learnership does not guarantee permanent employment, the track record of absorption into the sector by learners in the Kuyasa program has been an impressive 75 to 85 percent.⁸

The Fibre Processing and Manufacturing (FP&M) SETA, which was established by the Minister of Higher Education and Training in April 2011, facilitates skills development in the following sub-sectors: Clothing, Footwear, Forestry, Furniture, General Goods, Leather, Packaging, Print Media, Printing, Publishing, Pulp and Paper, Textile and Wood. This SETA recently reported that unemployment among those unemployed upon entering the learnership program dropped from 72 percent to 44 percent. Directly after completion, 27 percent of the previously unemployed found employment, while the rest who are now employed, found work within a few months (FP&M SETA, 2014).

Another benefit to learners in the FP&M program was their earnings potential has increased. This SETA reports that on average, employed learners earn more per month after completing the learnership than before. The average salaries for trained learners differ across the different sectors, with some higher or lower than others. The salary of a trained learner is, however, always higher than the minimum wage (FP&M SETA, 2014).

Learners do face certain challenges during their training that determines whether they are able to pursue the opportunity as well as complete the training. Some learners report struggling with the long working hours required as part of the practical training. Employers see these hours as training hours and believe that learners have not yet reached the expected level of productivity. On the other hand, some learners compare their outputs to those of permanent employees and some feel disgruntled at receiving a stipend instead of a salary (FP&M SETA, 2014). While a few of the interviewed stakeholders thought that in rare cases employers might be using the program for “cheap” labor, they felt this was a minority, and overall, believed the programs were having an impact.

⁸More information can be found at Bank SETA website: <https://www.bankseta.org.za/>

The stipend paid to learners was a well-discussed issue among those interviewed. Everyone supported the need for young people to be paid a stipend. Transportation costs alone, particularly for youth coming into cities from the townships, are quite high. Youth also count on the money for clothes, food, and general living expenses. Many youth forgo earnings from formal or informal work in hopes that a learnership will result in a higher paying position. The amount of the stipend varied across programs. Financial institutions have a reputation for paying higher stipends in an effort to attract the higher skilled youth. Some consider the stipend to be too low. Many learners point to this factor as a reason for dropping out, as it affects their transportation and subsistence negatively. Many learners feel that it either only covers transport and lunch, or for some, not even that (FP&M SETA, 2014). In addition, companies sometimes deduct from the stipend when a person is sick, and working overtime and weekends adds an additional transportation burden.



Of the 2014 apprenticeship and learnership participants

70%

completed their qualification

86%

experienced a smooth transition directly into stable employment

90%

reported that they were offered permanent employment afterwards

Promising Practices

There are many lessons to be drawn from South Africa's efforts to reduce youth unemployment. First, it is important to keep in mind that the sheer magnitude of the country's problem is daunting and eradication will require massive investments, political will, and time. While the current approach to date is not perfect, the initiatives and associated components are showing results. This section highlights a few of the most important lessons gleaned from this examination of South Africa's policies and practices that might help efforts elsewhere.

Going big requires a suite of complementary policies.

The high levels of unemployed youth in South Africa necessitated an approach that would create solutions at scale. All the interviewees acknowledged that supporting small and isolated programs was not enough. The country had to adopt a bold approach that would formalize large numbers of partnerships between government and employers. Consequently, the country initiated a suite of interrelated legislation and programs that would address the challenge at hand. The Skill Development Levies Act provided the funding necessary to establish an infrastructure consisting of operational partnerships with private sector employers. These levies required employers to put "skin in the game," thereby, becoming a truly committed stakeholder. The Broad-based Black Economic Empowerment Scorecard further rewarded employers for participating in the training of youth, and specifically those most in need, by opening access to the coveted government contracts. Finally, these two initiatives were further enhanced by the experimental field models funded by the government's Jobs Fund. Small investments were available to support program models that did not quite fit the mold of the other substantial initiatives. These proven practices could then be incorporated into the larger initiatives.

Employers need a seat at the head of the table.

If there was one lesson on which all interviewees agreed, it was the importance of putting the employer first. From the beginning, employers in South Africa had a seat at the head of the table. This was the best way to get employers to support the funding levies. Employers had direct input on how the funds would be spent and, in the end, they ensured that programs would directly benefit their businesses. Employers served as the foundation on which learnerships and the supporting system was built. Through the SETAs, employers had an industry-focused organization designing programs that were demand-driven and met employers' skill needs. In many cases, the SETA offset the initial training cost and employers were then able to design the learnership component to meet their more company-specific skills needs. As one interviewee said, "SETAs served as a finishing school and dating service."

Paying youth is essential.

Despite differences on paid learnerships, there is consensus among people interviewed for this study, that youth should be paid. In South Africa, all learnerships and most internships are paid – support for which is built into the employer levies. The SETAs and the employers determine the amount offered. Some consider the payment a “training wage,” emphasizing the time spent learning versus doing productive work. Others consider the payment a way to offset cost such as lunch, transportation, or other things. For many youth, transportation from the townships where they live to the urban centers where the job opportunities reside can be quite costly and time-consuming. Youth often report that the stipend is too low to cover their transportation and subsistence to the point where this becomes a reason for their dropping out. Youth also report struggling with the long working hours and compare their outputs to those of permanent employees and feel disgruntled at receiving a stipend instead of a salary. Additionally, youth complain that some companies deduct from the stipend when a youth is sick and, when youth must work overtime and weekends, the additional transportation costs are not considered.

Despite the nuances, everyone agreed that a paid learnership or internship should be a best practice. If youth are expected to properly transition into work, as well as adulthood, receiving compensation for work is an important lesson to teach. At the very least, the associated costs of working – transportation, subsistence, and other necessities – should be compensated. Just as important, any time spent doing “productive work” that is adding value to the company should be properly compensated. If youth are actual workers, they should be treated and compensated as such. If youth are “learners” on the path to employment, then they must be given a clear explanation, so they can understand their role as well as the short- and long-term incentives.

Foster a dialogue.

The economic vitality of any country relies on the influx of skilled new workers into the labor market. A system that successfully facilitates this cycle requires an effective working relationship among many stakeholders. South Africa has placed the employment of youth front and center through its national policies. The country’s policies and practices are not only supporting on-the-job training for young people and their placement in jobs, but the partnerships being formed are also fostering an on-going dialogue among key stakeholders. As employers learn more about youth and the training field, government and training stakeholders are learning more about the workplace and employer skill needs. This communication should not be underestimated. One such example is the use of inflationary signaling of the education level in the hiring process. It is not unusual for employers to raise qualification requirements to include indication of academic credentialing in math and science for jobs that do not involve knowledge or skills in these areas. The requirement is simply used as a means of sorting candidates. When this practice arose in South Africa, conversations between employers and training entities began that highlighted how the practice of escalating the educational requirements for entry-level jobs may thus effectively shut out a large pool of potentially good young employees. As for the employers, they realized that this practice was causing them to pay a premium for “over-qualified” employees who might not fit the job. Through a dialogue among the parties, they were able to work together to improve the recruitment, referral, and placement practices and better meet the needs of employers as well as youth.

Summary

This South African case study illustrates the importance of large-scale efforts that can be scaled and institutionalized. There are many models of effective youth employment programs around the world. Unfortunately, the impact is often limited since the programs are not linked to existing systems. This is particularly true for establishing a scalable level of engaged employers. There is value for “top-down” support for “bottom-up” activities. In this case, national legislation supports local employer-driven training programs. This type of support structure is applicable for efforts at a country, state, or regional level.

South Africa’s skills development strategy considers market needs, opportunity, and potential. It is a way of addressing previous forms of economic marginalization imposed upon people and preventing similar forms of ostracism from reoccurring. Learnerships and apprenticeships, whilst different to traditional programs, are not cheap training interventions only targeting the poor. These programs are specifically structured to be as accessible to as many people as possible. If South Africa is to address poverty, it must expose people to as many different types of education and training opportunities as possible in order to create a competitive, growing, and learning economy.





LEBANON



“Internships are viewed as a training period. Businesses recruit interns to train them, but also to **select the right people to offer them a job later.**”

— Career Guidance Lead Officer, Lebanese American University



28%

of youth ages 15-29 make up the Lebanese population

66%

of these youth are unemployed

In the wake of political turbulence and regional conflicts, Lebanon's economy has suffered. Its economy is currently under significant strain due to a high amount of internally held debt by the national banking system and the recent influx of large numbers of Syrian refugees (Chaabani et al., 2009). Economic growth in Lebanon has hovered between 1 to 2 percent annually and an influx of over 1.3 million registered and unregistered Syrian refugees has increased the population by over 20 percent since the Syrian crisis began in 2011 (The World Factbook, 2018). Lebanon now has the largest number of refugees per capita in the world (Yassin et al., 2015). This crisis has increased both the competition for low-skilled work and the demand for public services in Lebanon.

The resulting economic and social changes have had a negative impact on employment rates and opportunities for young people in Lebanon. Youth ages 15–29 make up 28 percent of the Lebanese population, but are disproportionately represented among the unemployed (Abboud & Betamouni, 2017). Reflecting the country's changing social conditions, unemployment rate estimates vary widely by source. The World Bank reported that about 17.5 percent of youth were unemployed (and 21 percent were not in education, employment, or training) in 2017, compared to an overall unemployment rate of 6.6 percent (World Bank, 2018a-c). Unemployment is estimated to be even higher among university graduates, which has led to many to leave for opportunities in other countries (Rønn, 2017).

Internships have long been a way for university students in Lebanon to gain labor market experience and secure employment. Nearly all are for students who are enrolled in higher education institutions or recent graduates, especially those from the country's elite, English-speaking universities, such as the Lebanese American University (LAU) and the American University of Beirut. The specialists contacted for this study were unaware of any internship programs for young people outside of higher education, and observed that internship opportunities are few for students attending Lebanon's only public university (Université Libanaise), which offers instruction in French or Arabic and enrolls just over a third of the country's higher education students (EACEA, n.d.). Most internships in Lebanon are unpaid. University students who find and secure an internship are willing to forgo pay in exchange for an experience that some view as a necessary step to a full-time job, or at the very least, an advantage in the country's highly competitive job market.

Profile of Programs Contacted

For this case study, representatives from two nonprofit organizations operating in Lebanon, as well as staff members from the career services offices of two schools at the Lebanese American University, were interviewed. The internship specialists from the nonprofit organizations are developing internship programs that provide access to students who did not attend elite universities. The university specialists from the career services offices connect students attending their institutions with employers.

NONPROFIT INSTITUTIONS		UNIVERSITIES	
AMIDEAST	AMIDEAST’s Lebanon office recently launched an internship program for university students and graduates from underprivileged backgrounds. The organization also offers a program called “Skills for Success” for recent university graduates on personal and professional skills and an entrepreneurship institute that helps young entrepreneurs create their own businesses.	Lebanese American University (LAU)	LAU’s Career Guidance Office maintains a database of internship opportunities provided by recruiters from Lebanese and international companies. LAU students participate in three types of internships: (1) internships directly linked to coursework; (2) non-course linked internship experiences in their second or third years; and (3) clinical internships for students studying health sciences or medicine.
INJAZ Lebanon	INJAZ Lebanon’s Steps to Success program provides training to help students at the Lebanese American University successfully enter the professional job market. This two-year program combines 27 hours of on-campus training with internship and work placements at national and international companies in Lebanon.	LAU School of Business	The LAU School of Business has a dedicated Career and Placement Officer to help find internships, which are required for students in some of the school’s programs. The officer also assists students in securing elective internships.

Internships in Lebanon are viewed as a way to provide an edge in securing employment and are increasingly required for university programs and courses in the country's private, elite institutions of higher education. Staff from these institutions observed that students and staff view internships as a way for students to gain professional skills and workforce exposure and increase their likelihood of finding employment.

Employers in Lebanon use internships in three ways:

1. to create a more robust talent pipeline;
2. as corporate social responsibility initiatives to give back to their communities; and
3. as free labor to complete necessary business tasks.

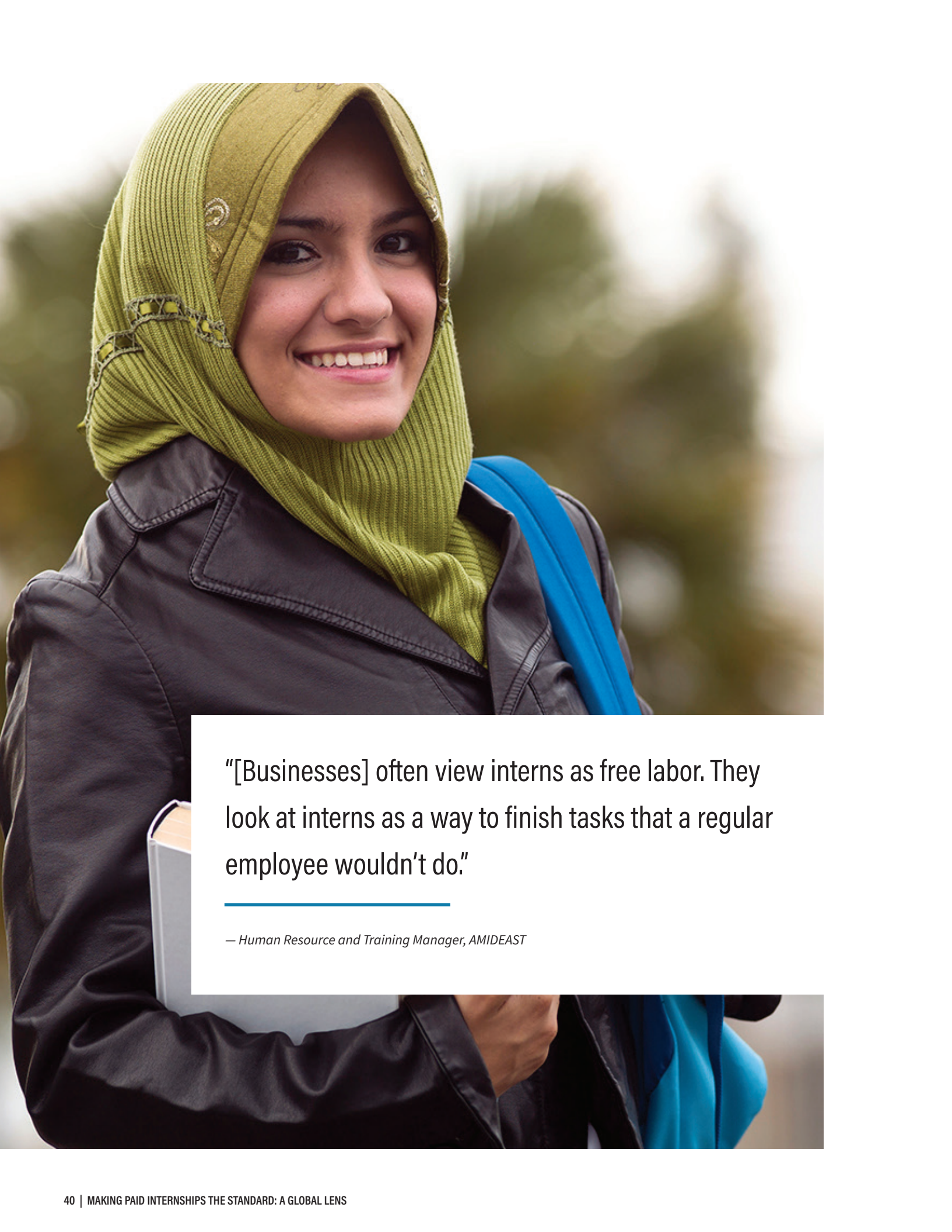
In terms of talent pipeline development, internships are effective and efficient ways for companies in Lebanon to recruit new, entry-level employees. In the past, it was not uncommon for students who intern at a company or organization during their second or third year of university to secure an offer from the company they interned with upon graduation. In the current labor market where competition for positions is high, a career specialist interviewed for this study explained that a full-time position is not guaranteed, but successful former interns have an advantage for the positions that do come available.

There are no standards to guide the content or duration of internships, which might last from a few weeks to six months. Internships are typically not guided by learning objectives or goals,

particularly in companies lacking formal internship programs. In such companies, internships may include performing menial tasks and observation and offer little in the way of professional skill building. According to one career placement officer, some students see required internships as a necessary waste of time — the experience itself is not enriching, but the potential for a job offer and the exposure to workplace culture is helpful when seeking employment later.

Internships are commonplace among students attending private, elite universities, but less common among students attending other types of institutions. At LAU, 80 to 90 percent of majors require a course in professional skills and/or participating in an internship or experiential learning opportunity.

Elite universities, such as LAU, maintain large databases of company contacts developed through years of collaboration. According to a career guidance office representative, these databases are “one-stop shop[s] for the three parties: administrators, students, and the recruiter whereby they post their vacancies and they are announced directly to the students where [the students] can then apply.” Institutional databases like these allow students to quickly access information about internship opportunities that may not be available outside of these institutions. Students who attend Lebanon's public university (Université Libanaise) do not have access to the same level of support, placing them at a disadvantage in the labor market. To address this opportunity gap, the two nonprofit organizations consulted for this case study are developing programs to assist students from Lebanon's public university in accessing internships and employment opportunities. At one nonprofit, students are responsible for finding their own internships, but receive coaching from nonprofit staff on soft skills, resumes, and interviewing skills. In addition, this nonprofit pays its program participants' transportation costs.



“[Businesses] often view interns as free labor. They look at interns as a way to finish tasks that a regular employee wouldn’t do.”

— Human Resource and Training Manager, AMIDEAST

Internship Compensation

Lebanon lacks good data on internship compensation levels, but nonprofit and university internship specialists observed that most of the internship opportunities they oversee are unpaid. They described compensation for internships as a “pay what you like” system in which payment is typically not required or expected. Depending on the field, 20 to 50 percent of internships offer a transportation stipend of about \$200 per month, as required by the government in accordance with a 2005 update of Decree 6263 passed in 1995 (ILO n.d.). Compliance with this requirement, however, is low and employees are often unwilling to put their job at risk by reporting employer noncompliance (Assaf, 2004).

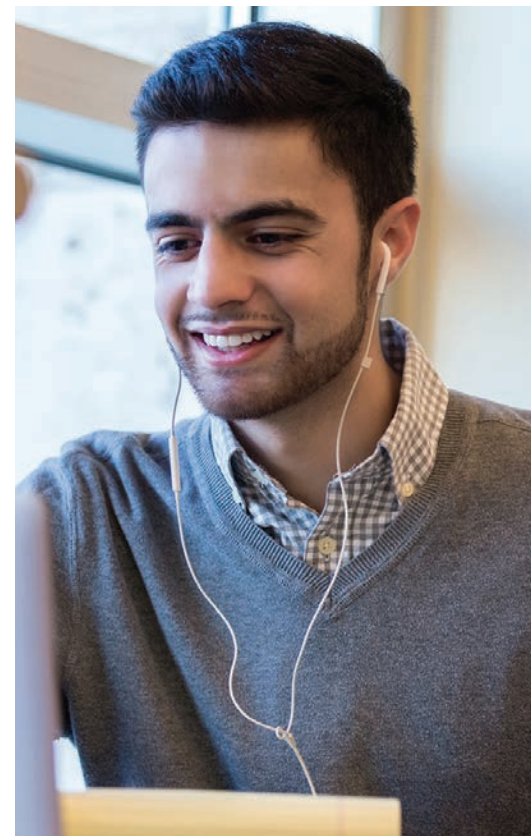
The internship specialists described exceptions to low or no pay as rare, but noted that some large and multinational companies, such as Philip Morris, pay monthly stipends of up to \$600, which is roughly half the pay rate of an entry-level employee. Similar levels of compensation are offered by companies seeking interns in competitive fields; students specializing in computer science, graphic design, and some fields of business and engineering can expect payment for an internship. Unpaid internships predominate in fields with poorer employment prospects, such as civil engineering and architecture, humanities, arts, and sciences, or with nonprofit employers, such as non-government organizations and research centers.

20-50%

of internships offer a transportation stipend of about

\$200

per month





EL SALVADOR



“There needs to be a **disruption in the education system** in El Salvador to introduce **new models of learning by doing.**”

— *Gracia Rossi, Microsoft El Salvador*

Salvadoran young people face a formidable challenge in their economic aspirations to become gainfully employed. Sluggish growth coupled with a low-quality education system leaves too many young people without access to decent jobs. Even if the jobs existed, the lack of hands-on experience the private sector says they so desperately need has created a tricky situation for young Salvadorans yearning for a shot at their first job and a foot in the door.

This case study examines the landscape of actors and initiatives at play to advance Salvadoran youth's employability prospects through access to quality internships and other work learning opportunities. The study draws from key interviews with over 20 companies, higher education institutions, NGOs, and government agencies, as well as youth in El Salvador. Businesses featured include multi-national and Salvadoran companies from a cross-section of sectors, including information technology, light manufacturing, retail, tourism, and banking. Higher education institutions are represented through private universities as well as business and technical schools. A description of select programs can be found in Appendix A, with key findings summarized below.

10%

youth unemployment rate

50%

youth underemployment rate

29%

of young Salvadorans neither study nor work

Understanding the Context

As a lower middle-income country with one of the lowest GDP growth rates in Central America, El Salvador faces persistent challenges in growing its economy. The slow growth, coupled with a weak understanding of mutually beneficial relationships between educators and employers, means limited job opportunities for a large and growing cohort of young people seeking jobs. According to the International Labor Organization, the youth unemployment rate (10 percent) is significantly higher than the adult rate. Add to this the growing phenomenon of young Salvadorans who neither study nor work (28 percent) and a clear picture emerges of the significant constraints Salvadoran youth face in accessing work (ILOSTAT, 2017). Opportunities for rural youth are even more restricted, given the high concentration of industries in and around the capital of San Salvador. Complicating the situation, youth unemployment and underemployment are also major push factors for labor migration, informal work, and the recruitment of young people for violent youth gangs or illegal drug trafficking. Finally, violence in El Salvador perpetuates discrimination against young people that prevents the hiring of “at risk” youth who come from high crime communities.

Higher education enrollment rates have increased steadily over the past three decades from 16 percent in 1990 to 28 percent in 2015 (UNESCO, 2018) and yet Salvadoran students are entering the workforce without the skills and competencies companies need to grow and compete. Curricula and teaching at universities remain largely theoretical and disconnected from real-world application, and students rarely practice what they learn.

Within this challenging backdrop, some positive signals are emerging of efforts by the government, donors, and the private sector to reform education in order to provide young people with more applied learning opportunities, especially in science, technology, engineering, and math (STEM) programs where practical learning is critical for labor market participation and success. The country’s first National Higher Education Policy, drafted in 2018 and awaiting adoption, addresses the importance of providing Salvadoran students with practical work learning opportunities to complement classroom teaching.



Environmental Scan: A Fragmented and Unregulated Sector

In El Salvador, the most commonly used term for internships or work-based learning is *pasantias*. The country's labor law does not regulate internships, but it does cover formal apprenticeships known as *aprendizajes*. The National Youth Policy affirms the right of youth to have access to a "first job." However, young people have a difficult time securing a first job because of the paradox of employers requiring experience for entry-level positions. Interviews with students and employers alike consistently revealed this apparent contradiction, creating a catch-22 situation, where employers with job vacancies asked for experience even for first-time job seekers. Under Article 17 of the Youth Policy, internships are encouraged to provide young people with practical learning experiences and flexible hours so that students can combine both their studies and work (Dirección Nacional de la Juventud, 2011).

An environmental scan for this study found one unpublished 2011 report (USAID, 2011) that researched internships in the country. The report noted a limited prevalence of internships, with probably no more than 500 in the whole of the country. The report argued the value of internships as primarily a learning experience for students, saying "an internship is an educational activity not a work relationship; it is a contribution of the private sector and the participating governmental agencies to the practical

training of youth, principally university students. The goal of an internship is to allow students to obtain professional experience which compliments their academic training through on-the-job experience or professional practice." The report recommends that compensation not be a part of internships, in order to promote these opportunities more widely for youth. However, in viewing internships as solely of benefit to the student, the study fails to value the contribution of the intern to the business. The report also recommended the need for a national law to standardize, govern, and regulate internships.

Although the Constitution and Labor Code stipulates 14 as the minimum age, culturally work is acceptable for youth 18 years and older. In a sense, age has discouraged companies (and to some extent support from families) to provide work experiences for young people who are younger than 18 and either in high school or in the first years of university.

Because there is no explicit law governing internships, interns are typically hired by companies under the "professional services" contract, which is most commonly used to hire consultants. Given that companies are largely concentrated in the capital, most internship opportunities are offered in San Salvador.

Country Synthesis

Overall Prevalence of Internships

This section highlights some of the practices of work-based learning being supported by employers, education institutions, NGOs, and the government. While the concept of internships is relatively new in El Salvador, the research revealed several trends:

- First, there are now programs in existence, many of them industry-led but also several run by education institutions, NGOs, and the government, which are providing structured learning opportunities to students in the workplace. “Structured” means a set of standardized guidelines that govern the purpose and define the characteristics of the internships, including duration, mentorship, and evaluation.
- Second, there appears to be a changing mindset among employers in no longer viewing internships as solely a corporate social responsibility (CSR) initiative, which used to be commonplace, but instead as adding business benefit to the company.
- Third, interviews revealed a growing understanding among employers, education institutions, and students that internships need to be treated as distinct from part-time or full-time work, with an explicit learning objective for young people.
- Finally, compensation was increasingly seen as necessary, not only so that more Salvadorans can take advantage of the opportunities, but also for advancing the perspective that interns play a valuable role to the business.

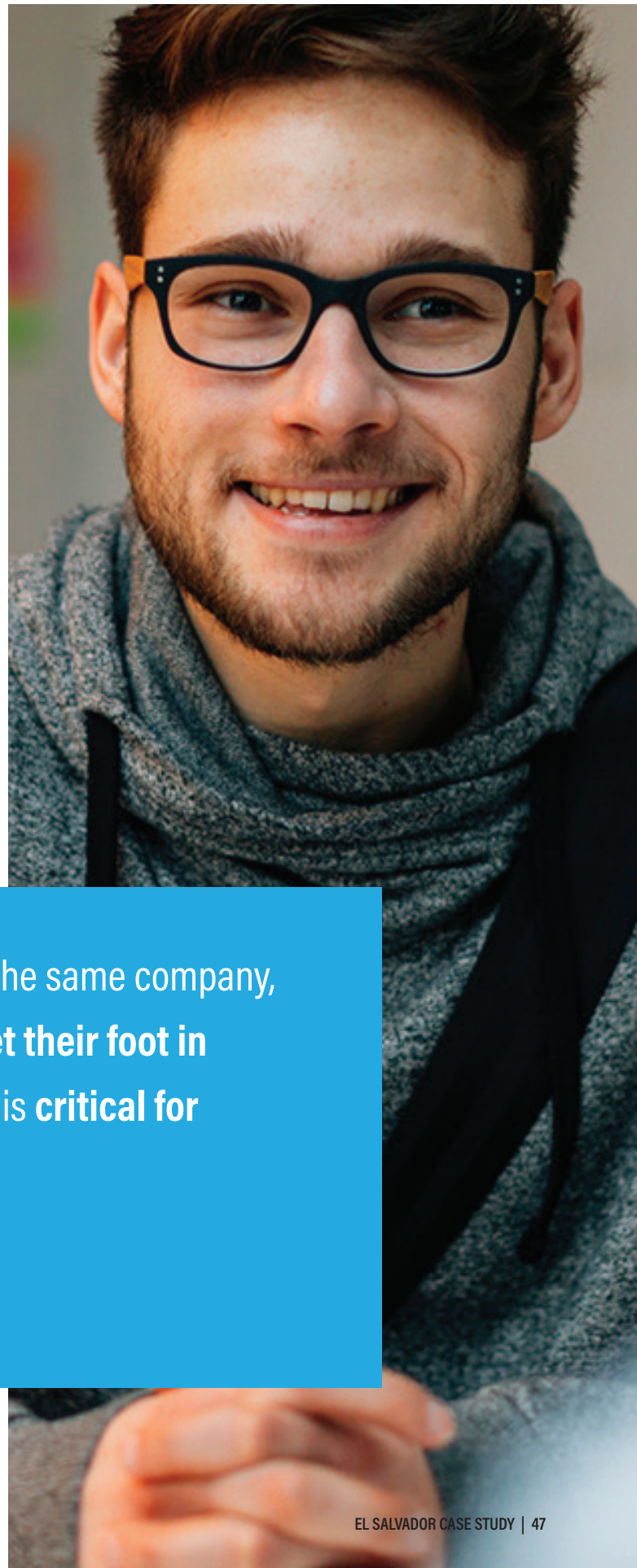
Employers who were most enthusiastic about internships appeared to be influenced by regional or international exposure to similar models. These employers also approached internships

as a win-win opportunity — where they improved their talent recruitment but also contributed to a social responsibility to provide young people with practical opportunities. In these cases, time and effort was spent to design structured internship programs with explicit learning goals for the student, assign a mentor/advisor who follows the progress of the student, and typically provide some form of minimum compensation. Large companies like UNICOMER, TIGO, SIMAN Sherwin Williams, and ADOC approach internship programs as a way to grow their talent pipeline and improve the quality of their recruitment. Microsoft, which has a small office and employee base in El Salvador, leverages its global brand to promote work-based learning and job opportunities for students through its supply chain of some 300 local businesses. Students who participated in training center IT programs supported by Microsoft could then gain practical work experience and even job opportunities with its suppliers. Some employers like UNICOMER and Sherwin Williams view internships as both an opportunity to recruit talent (and hire several of their interns full time) but also a way of helping young people gain their first experience so they will be more employable when they graduate. Many of these companies work directly with a social enterprise called Joven360, which identifies and places interns through their flagship program known as *Joven con Valor*. Joven360, which began with seed funding from USAID as the country’s first National Internship Program, has transformed its business model over the years. One of their main assets is an online platform which features around 60,000 youth profiles from El Salvador. Large companies come to Joven360 because its service makes it easier to identify, match, and train youth for internship opportunities.

Catholic Relief Services (CRS), a global NGO that works with marginalized out-of-school youth in El Salvador, believes the

environment is changing for internships, mostly out of necessity. Employers are looking at internships as a strategy where they can attract and retain talent while at the same time providing youth with the experience they need to obtain a job. INJUVE, the government-supported National Youth Institute, has been implementing a program called *Jovenes con Todo* to provide marginalized youth with practical work experience. The program makes a commitment with businesses, but the government incentivizes the business to take on at-risk youth by paying the interns directly.

In the highly structured banking sector, where internships are a way of recruiting talent and building their pipeline, interns benefit from well-designed and compensated programs. Interns at Banco Azteca, for example, receive a mentor, orientation, and specific



“Even if they don’t secure a job with the same company, they can take that experience to get their foot in the door at another employer. This is critical for marginalized youth.”

— CRS’s Marisa Fortin

work assignments to help them understand the banking business, and then they are evaluated. They are paid at the highest end of the market (\$500/month for a period of four to six months). Ninety percent of their interns (about 10 a year) are offered a job at the end of their internship. A limitation of this type of internship is that banks such as Banco Azteca are seeking full-time interns. Because the banks offer an attractive package, universities are willing to adjust their course schedules to accommodate a full-time work day for interns.

In El Salvador, students are burdened by the economic reality facing most young Salvadorans, which forces many university students to take on a part-time job that pays. However, these work experiences typically do not relate to their field of study and there is no explicit learning objective. Moreover, businesses still see internships as a way to substitute paid labor, although this is changing in the capital San Salvador.

While large companies are increasingly investing in formal internship programs, small and medium enterprises (SMEs) make up the majority of the Salvadoran economy, employing one third of the workforce but rarely offering internships. In speaking with the Salvadoran Industry Association (ASI) whose membership comprises large and small businesses, Mario Panameño reiterated a lack of culture of internships where SMEs are not taking advantage of this resource to help grow their companies as well as prepare the workforce. ASI believes companies do not have time to pre-select or match students but would value this service from universities or other institutions.

Perspectives from Young People

In a focus group of 14 young people who were connected with Glasswing, a local NGO that supports voluntary opportunities for youth in their communities, about 50 percent had indicated they performed some sort of internship. The types of internships varied greatly, as did the length of time (one week to six months) and compensation (ranging from unpaid up to \$300/month), and for some even included entrepreneurial experience. Supporting the global evidence, their internships generally did not connect to their field of study and in many ways were similar to a “part-time job.” The young people interviewed recognized the need to provide more work-learning opportunities, especially to youth who need it the most, and to standardize internships so they have a minimum requirement of learning for the student.

The young people overwhelmingly spoke positively about their internship experiences, and said it weighted heavily to have an internship on their resume, because it signaled to companies that the young person had some practical experience and would not be starting from scratch.

Reasons given for nonparticipation included age as well as a lack of awareness of such opportunities. Nonparticipating youth cited a number of barriers including the fact that young people must be age 18 or older in order to participate in an internship

Youth focus group participants who undertook an internship spoke about their experience as one of the **best ways to learn non-technical or soft skills**, such as team work, communication, multi-tasking, and managing conflict.

and that companies were not willing to make the internships part time or have flexible hours, which made it difficult for students to attend classes. There are very few programs in which to partake for out-of-school youth and even more so for youth who live in dangerous zones known for crime and violence. One issue raised was that because youth must show their IDs when applying for an internship (or a job) they can be discriminated against based on the neighborhood in which they live.

Compensation a Necessity but not Always a Given

The most popular form of compensation the research found is known as *viáticos*, which translates to meals and incidentals or the basic minimum needed to cover transportation and food. The amount equals the minimum salary, which is approximately US\$300/month. In some cases, businesses paid less than this amount, from US\$200–250, considering that interns were not working full time. The highest amount paid was for computer engineer and finance students at US\$500; however, it is important to note that the requirement (in the banking sector, for example) was for full-time internship.

Businesses from the banking, telecommunications, services, and retail industries were asked whether they saw any difference in paid versus unpaid internships and how much should be the minimum payment. The majority felt that paid internships were taken more seriously by the student and that the minimum amount paid should be equal to the national minimum wage to cover transportation and food costs. Interviews with university administrators reiterated this belief. In fact, some universities like Universidad Centroamericana Jose Simon Canas (UCA) make compensation a requirement. The policy was instituted more than a decade ago by the president who argued that the internship's value needed to be seen as both for the student but also for the service the student provides to the business. The business must define a concrete task that the intern will work on for which the business is unable to invest its own resources and a task that directly contributes to improving internal processes, systems, or products. UCA says the risk to making internships unpaid is that

Interns were paid a
range from US

**\$200-
\$250**

per month for part-time
internships to

\$500

per month for full-time
internships



students will not take the work seriously and businesses will be more inclined to give menial or unrelated tasks. Initially, UCA said it took some convincing with companies who were interested in supporting interns but reluctant to pay. Through dialogue and demonstration of the way it supports its interns, UCA was able to increase its partnerships with companies from 10 to 75 from 2003 to 2018. The compensation for UCA internships is higher than average and ranges from \$300–400, with several exceptions for computer programming students who get paid \$500 or more a month.

The concept of internships is complicated in El Salvador, as the term *pasantias* can be a catch-all phrase that covers anything from a part-time job, administrative work, to apprenticeships. One major factor contributing to the confusion is that the Ministry of Education requires university students to conduct “*horas sociales*” or social hours, which many universities and businesses have confounded with the term for internships. But in these cases, the work is typically administrative, like answering phones, and there is no learning component for the student.

Under the government’s apprenticeship program, run by INSAFORP, compensation is required and regulated by law. While compensation for internships is not regulated by Salvadoran law, most companies interviewed still offered some form of compensation. Education institutions support the idea of compensation but find it difficult to impose as this could reduce their pool of potential employers with which to partner. INJUVE’s *Joven Con Todos* pays interns on behalf of businesses in order to offer an incentive to companies to give opportunities to marginalized youth.

There is a clear recognition that given the economic situation of young people, some form of payment is necessary to improve access to these types of opportunities. However, it is also common that young people in El Salvador are forced to make difficult choices every day, forgoing compensation in order to learn and gain experience they know is vital for them to secure a job.

Discussion of Labor Market Outcomes/Barriers

El Salvador’s stagnant economy, coupled with the security situation, limits the ability to increase access to work-based learning opportunities for students. On the one hand, companies, especially SMEs, are struggling to grow and lack the extra resources (time and money) to design and execute a successful internship program. On the other hand, many companies can use the term *pasantias* to hire essentially part-time or full-time labor without paying them the market wage and benefits.



"To move the needle on the value of youth internships, we need **businesses to share their experiences with other businesses.**"

— Juan Francisco Sifontes, Sherwin Williams Central America President

Promising Practices

As we convey above, work-based learning is an emerging practice in El Salvador, limited by an unclear legal framework and fragmentation across sectors. At the forefront are a number of large multi-national and Salvadoran companies taking the lead in developing structured internship models, as well as higher education institutions who see their role as partnership brokers between students and employers to improve students' work readiness and employability prospects. At the same time, these opportunities are constrained in their reach and only benefit a small number of Salvadoran youth. To reach scale, a key challenge will be how to replicate these models and initiatives at the level of SMEs, where the most need and opportunity lies to grow both talent and business. This study identified four models that are most promising for replication or adoption.

“Project-based learning,” a creative mechanism for exposing young people to work:

In 2012, Sherwin Williams teamed up with Joven360, a social enterprise, to design a new model for internships. Why? Because, the company felt the term *pasantias* was being overused to encompass everything from administrative to part-time work, ultimately losing the term's value. In response, Sherwin Williams and Joven360 designed a new methodology for El Salvador known as “project-based learning.” The idea is similar to the capstone course popular in some U.S. universities that structures work-based learning around a defined company challenge. In the Sherwin Williams model, students team up with a senior executive in the company who has identified a problem that his/her unit faces. The senior executive must allocate a budget and timeline to complete the project. Students then come together, usually around 10–12 hours a month for about six months to work on the assignment. In this concept, the experience is wholly linked to the needs of the company as opposed to being viewed as CSR. Students are paid because the company sees internships as an investment with a clear return. In fact, internships are the number one recruiting source for Sherwin Williams in Central America, with a 60 percent job placement rate. Sherwin Williams says companies in the light manufacturing sector are struggling

to bring in new talent and businesses believe they cannot afford to hire. Because the needle has not moved in the sector, Sherwin Williams is conducting outreach to demonstrate the value of this internship model to other businesses by inviting chief executive officers (CEOs) from peer employers to presentation days to observe firsthand the impact the students' projects have had on the company. CEOs who have attended the presentations were impressed and it was seen as a transformative experience. Of the 15 who attended, four are now on board to implement similar programs in their companies. Through associations like ASI, this model can be shared and replicated with SMEs, who are perhaps most in need of taking advantage of young people's talent and ideas. Sherwin Williams believes this business-to-business learning is critical for scale. In this way, employers create the demand for talent and transform the idea that internships are either a social responsibility or costly into approaching internships as a pathway to creating the new generation to grow their companies. Through an awareness-raising campaign, the company believes it is possible to change the mindset within three years.

Career Development Centers, a sustainable approach for universities to foster employer partnerships:

The USAID Higher Education for Economic Growth project has worked with five private universities, UNICAES, UFG, UDB, UCA and UNIVO⁹ to set up Career Development Centers. These new structures bring the employer perspective to university campuses and prioritize the importance of developing and growing private sector partnerships with the ultimate goal of exposing more students to the world of work before they graduate. The Centers have gained critical insight into the type of skills employers are looking for and can in turn advise students on opportunities to apply learning through internships. In fact, each Center has invested in the position of a Private Sector Partner Coordinator

who comes from industry and whose full-time job is to seek out alliances with companies to provide internship and access to job opportunities upon graduation. The internships must follow a certain standard, including linkage to the student's degree program, a learning component for students, and an evaluation at the end. Compensation is encouraged by the Centers, but is not mandatory. Employers welcome the role that the Centers play in screening, preparing, and advising students throughout their internship experience. In 2018, USAID showcased the Career Development Center model to universities throughout the country to promote replication of this best practice.

Integrating internships into academic degrees as a way to increase applied learning and labor market insertion for students:

At UNICAES, students do not take classes while they are undertaking their internship, so they can concentrate on the work experience. A high number (around 75 percent) are offered a job at the same company and continue to work there. Students see it as the most viable way to getting their first job. The vast majority (75 percent) are not paid, but the program is still popular because students see the value in the experience as the pathway to their first job. Because UNICAES is outside San Salvador (in two locations), it caters to students from lower middle and middle income backgrounds – and the internship is an important aspect of the education offering as it has greater chances of leading to a job. While there are no formal agreements between the school and employers, the school does assign an Advisor (with additional pay) to follow up on the student's learning and experience. Employers are more willing to engage because the process is simple and straightforward, with minimal paperwork.

As an example of more formal apprenticeship programs, technical universities like ITCA FEPADE have designed degrees based off the German professional training model. In this example, students do

two months in class and two months with a business for a period of two years. The degree program, including a minimum amount of compensation for the period of time they are at the company, is all paid by the employer. The employer expects to hire the student upon graduation.



⁹These universities are Universidad Católica de El Salvador (UNICAES), Universidad Francisco Gavidia (UFG), Universidad Don Bosco (UDB), Universidad Centroamericana José Simeón Cañas (UCA), and Universidad de Oriente (UNIVO).

Promoting access to work-based learning for marginalized youth outside the formal education system:

Programs like YouthBuild, supported through Catholic Relief Services (CRS), provide employability skills to the most marginalized youth, especially those out of school or with only a high school degree. Its four-month-long program offers a combination of vocational training, soft skills, and work skills to approximately 600 youth per cohort. A missing but important bridge CRS is trying to build is the provision of work experience as it found many marginalized youth were intimidated to take on their first job. CRS has recently launched a Business Advisory Group to facilitate linkages for young people to their “first job”

and work-based learning opportunities even prior to full-time employment. Because these young people do not have a university degree, CRS is looking at entry points for young people in the retail, tourism, and services sectors. Key will be negotiating with employers for a minimum compensation for the youth that will cover their basic needs of food and transportation. CRS is optimistic it will find private sector partners, and already has received positive reactions from several companies.



Summary

Internships as a sector remains fragmented and in the early stages of development in El Salvador. Structured work-based learning programs that provide mutual benefit to both students and employers are growing in prevalence in El Salvador. Education programs are recognizing the importance of providing students with practical experiences to complement their academics and as a pathway to their first job. Companies are also changing their mindset of viewing internships as solely part of their CSR and are now open to the idea of them being a mutually beneficial experience, and in particular as a way to recruit talent and improve their pipeline for entry-level positions. Companies are increasingly open to compensation for internships, but payment is still generally viewed as an economic reality for youth to participate in the program as opposed to valuing the productivity or contribution of the young person. With time, and more opportunities for young people to demonstrate their creativity, especially within SMEs, a new perspective is ripe for adoption. And SMEs perhaps more than large companies stand to benefit most from a paid intern who can bring in fresh ideas to address constraints to efficiency, productivity, and growth.



Conclusion

Inexorable demographic forces are rapidly changing the global workforce, just as surely as economic and technical forces are changing the nature of the work to be done. The rich world is getting older, and while some developing countries like China are aging, the reality is that most of the developing world will continue to get younger in age and bigger in size over the next 30 years. The challenge ahead will be the preparation of a changing population of young people around the globe to do new kinds of work. Discussions on youth and employment often neglect the fact that work is something that is “learned” and the capacity to engage in paid employment is a hallmark of adulthood. In this way, a paid internship can serve as a critical vehicle for the successful transition into work as well as adulthood.

While each country or region might have a unique context, it is important to find successful approaches that can be adopted, tested, and scaled. While each country will require its own unique solutions to the challenge of youth unemployment and underemployment, the case studies demonstrated that there are common themes and best practices across diverse contexts. Common themes include the following:

Employers must be considered, consulted, and valued to create success for youth and WBL programs. Assessing what employers need and designing programs to meet those needs is critical to secure employer participation.

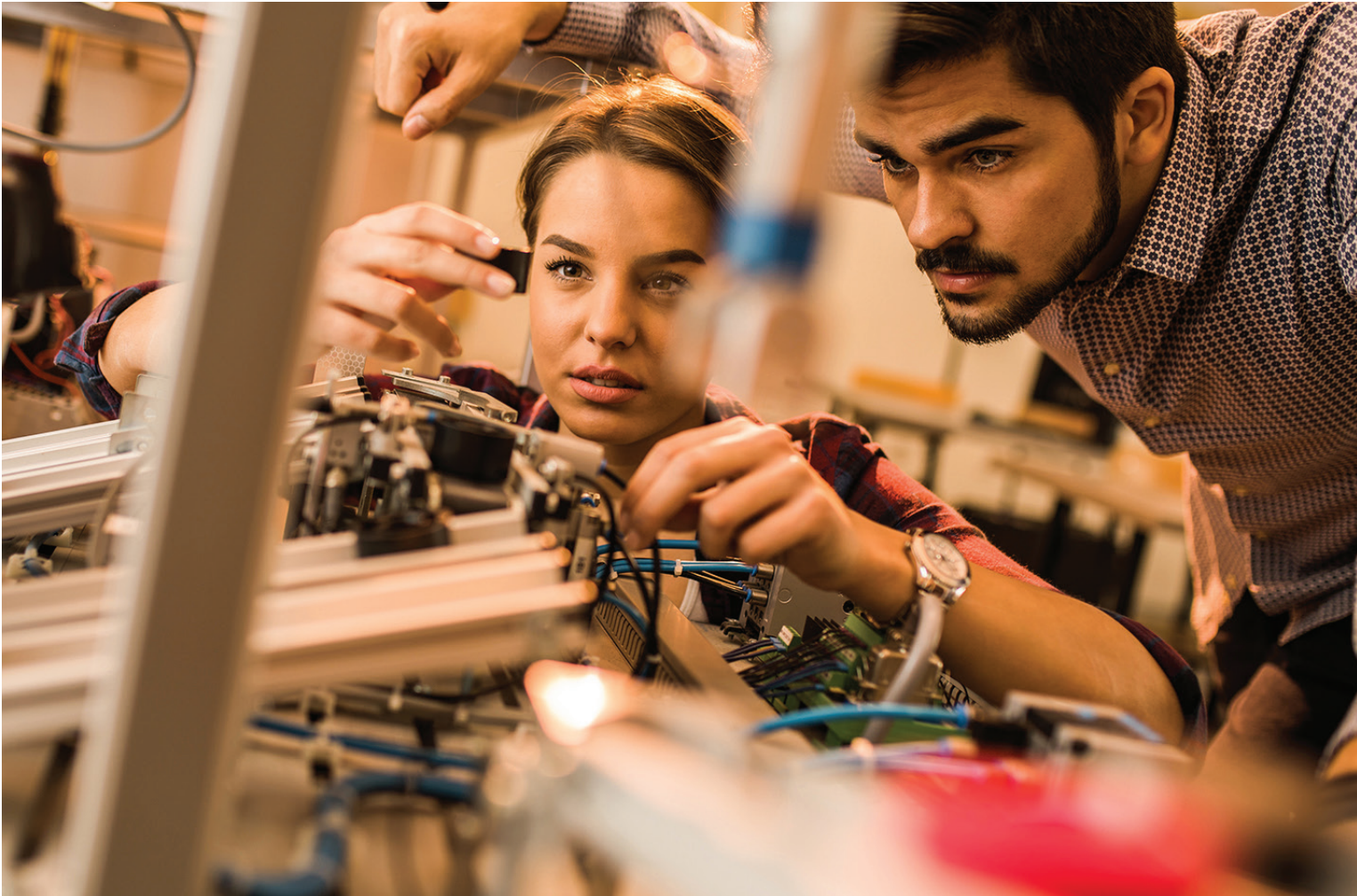
Well-designed WBL programs provide a solid framework that guides employers and youth toward intended outcomes. Without clear processes, expectations, and guidelines, employers may feel overburdened and therefore unwilling to continue participation in WBL programs.

Work-based learning opportunities provide opportunities for youth to develop the skills essential to the world of work; skills that youth are unable to learn in traditional education. Without evidence of these skills, youth are at a disadvantage in the labor market. **WBL opportunities therefore become a prerequisite to entry to the world of full-time work.**

Compensation for WBL opportunities can take a variety of forms — from an hourly wage to a transportation subsidy — but participants reported that in most cases, compensation was essential for their participation. This is especially true for socio-economically disadvantaged youth. **Where subsidies were insufficient to cover the costs of transportation and other WBL opportunity related costs, youth were more likely to drop out of the program.**

Intermediary organizations, including non-profits, government agencies, and career services offices of education institutions serve as the glue to hold successful WBL programs together. These intermediary organizations serve as brokers to appropriately place youth into programs that match their skills and experience levels.

Finally, especially for opportunity youth, the role of funders (philanthropic or government) is paramount to creating, building, and scaling WBL programs regardless of the country or context. Without these resources, compensation for youth participating in WBL opportunities would decrease or disappear altogether. **Solving the massive youth un- and underemployment challenge requires a commitment to create fair and equitable opportunities for all youth.**





Appendices

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Appendix A

United States Programs

BOSTON PRIVATE INDUSTRY COUNCIL

BOSTON, MA

<https://www.bostonpic.org/>

Program description			Labor market outcomes for participants		
The Boston Private Industry Council offers multiple programs for young people, including the Tech Apprentice program for high school students, which offers paid summer internships in the local IT industry through the Mayor's Summer Jobs Program.			A 10-year study found that 85 percent of students who completed the program between 2007-2015 enrolled in college after high school graduation and over half of the Tech Apprentice program graduates are employed in the top three industries in the Boston area: health care and social assistance; professional, scientific, and technical services; and finance and insurance.		
Launch date	Program length	Participant groups	Students served	Compensation	Benefits to employers
Summer 2005	6-8 weeks	Students in Boston public high schools	About 2,700 students per year	At least minimum wage; pay varies by field and length of placement	Creates a more diverse talent pipeline, helps smaller companies give back to community

CAREERLAUNCH INTERNSHIPS AND CAREERRESIDENCY YOUTH APPRENTICESHIPS

DENVER, FORT COLLINS, AND GRAND JUNCTION, CO

<http://www.dpscareerconnect.org/>

Program description			Labor market outcomes for participants		
<p>Career Connect in Denver Public Schools offers the CareerLaunch internship program and is piloting a statewide youth apprenticeship program called CareerResidency with local companies in IT, financial services, advanced manufacturing, healthcare, and business operations.</p>			<p>The programs are new, but a survey of employer intern supervisors last year found that 86 percent found their high school interns able to make a positive contribution by their second week. Career Connect reported that interning resulted in a 14 percent increase in postsecondary plans among students, and 94 percent of students said the internship helped them develop new skills and learn more about the industry.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
<p>2015 for internships; 2018 for apprenticeships</p>	<p>Internship: 100-120 hours Apprenticeship: 3 years</p>	<p>High school juniors and seniors</p>	<p>About 380 internships annually; apprenticeship program currently has 100 students</p>	<p>Interns receive a \$1,100 stipend (minimum wage). Apprentices: \$30,000 over 3 years</p>	<p>Talent pipeline development</p>

DAVINCI SCHOOLS

LOS ANGELES, CA

<https://www.davincischools.org/>

Program description			Labor market outcomes for participants		
<p>DaVinci Schools has a four-part internship program, beginning with an employer boot camp where students can meet with employer representatives, participate in career events, and complete work-based activities. Students next complete an unpaid consultancy in which companies “hire” students to work on projects and meet with them regularly, followed by paid or unpaid company internships of 20 hours per week for 8-10 weeks. In the final phase, students are coached on how to leverage their internship experience to get their next internship or job.</p>			<p>Students are sometimes hired by their internship placement sites, but most often students leverage their experience for another internship or job.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
<p>2008</p>	<p>Minimum 1 year</p>	<p>DaVinci School students (non-traditional students finishing high school credentials)</p>	<p>About 50 internships annually</p>	<p>Minimum wage plus \$2 per hour towards books; only 60% of their employer partners pay interns</p>	<p>Workforce development and talent pipeline development</p>

GENESYS WORKS

CHICAGO, IL; HOUSTON, TX; MINNEAPOLIS/ST. PAUL, MN; NEW YORK, NY; SAN FRANCISCO BAY AREA, CA; AND WASHINGTON, DC
<https://www.genesysworks.org/>

Program description			Labor market outcomes for participants		
<p>Genesys Works offers internship opportunities in accounting, IT, engineering, and project management for students during their senior year of high school. The program begins with an 8-week summer class on employability skills and general technical skills and 10-15 hours of technical skills training related to their internship placement. Interns work at their placement about 20 hours per week.</p>			<p>An estimate of the program's social return on investment by the Center for Benefit-Cost Studies of Education at Columbia University found that the program's primary benefit to be participants' higher rates of college enrollment and completion relative to comparable nonparticipants, resulting in higher incomes, lower social burdens, and economic growth.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
2002	9-12 months	Economically disadvantaged high school students	About 4,000 students per year	\$12 per hour (\$15 per hour in the Bay Area)	Development of diverse talent pipeline

JOBS FOR AMERICA'S GRADUATES

NATIONAL ORGANIZATION WITH STATE AFFILIATE PROGRAMS IN 35 STATES
<http://www.jag.org/>

Program description			Labor market outcomes for participants		
<p>Jobs for America's Graduates (JAG) offers programs taught by a JAG specialist to disadvantaged and at-risk high school students in employability skills and competencies necessary for successful employment. The specialist works closely with each participant and connects them with local employer partners.</p>			<p>JAG helps students locate and begin part-time employment, apprenticeships, and internships, but it is not a requirement of the program. JAG's national goal is to have 80 percent of program graduates employed, in postsecondary education, or serving in the military within one year of program exit.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
1980	One year, but dependent on program type. JAG offers programs for middle school students, high school seniors, and out-of-school youth, among others.	Disadvantaged and high-risk youth (ages 16-24) who are out of school and work	Over 1.2 million students in the last 38 years	Determined locally, but no direct compensation to program participants	Provides connection to a pipeline of diverse talent and fulfills corporate social responsibility commitments

JUMA VENTURES

ATLANTA, GA; HOUSTON, TX; NEW ORLEANS, LA; OAKLAND, SAN FRANCISCO, CA; AND SEATTLE, WA

<http://www.juma.org/>

Program description			Labor market outcomes for participants		
<p>Juma Ventures' Pathways (high school students) and YouthConnect (disconnected youth) programs work in Juma's social enterprises. Pathways participants receive education planning support and a matched college savings account. YouthConnect participants receive career and social services and assistance with transitioning to a full-time retail or food/hospitality position.</p>			<p>Juma reports that Pathways participants have a 99 percent high school graduation rate in comparison to a national average of 76 percent for low-income youth in America, and 92 percent of participants enroll in postsecondary education versus 66 percent of high school graduates nationally. Outcomes data for YouthConnect are not available, but the program seeks to connect participants with better placements with higher wages within 6-9 months.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
1993; expansion and new locations starting in 2006	Pathways: 1+ years YouthConnect: 6 months and 90 days of post-placement services	Pathways: low-income high school sophomores YouthConnect: low-income youth (ages 18-24) who are out of school and work	About 1,100 annually	Minimum wage, plus matched college savings account (match averages \$1,000 year)	Provides a pipeline of diverse talent for employer partners

NPOWER

BALTIMORE, MD; ALAMEDA, SAN JOSE, CA; JERSEY CITY, NJ; BROOKLYN, NEW YORK, NY; ST. LOUIS, MO; DALLAS, TX; AND TORONTO, CANADA

<https://www.npower.org/>

Program description			Labor market outcomes for participants		
<p>NPower offers a 15-week training course followed by a minimum 7-week paid internship. Students receive support from site staff during their internship placement, and graduates can return for further training or job placement assistance. They also offer a longer, registered apprenticeship program in California, New Jersey, and Texas.</p>			<p>Eighty percent of graduates are employed or in further schooling within one year.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
2002	22 weeks	Underemployed youth ages 18-25 with a high school diploma or GED, Veterans age 21+		Local area minimum wage +15% (youth) or +20% (veterans) based on local market	Creating a more diverse talent pipeline for partner corporations. Industry is now open to more types of nontraditional talent.

PHILADELPHIA YOUTH NETWORK

PHILADELPHIA, PA

<https://www.pyninc.org/>

Program description			Labor market outcomes for participants		
<p>The Philadelphia Youth Network is a part of “Work Ready Philadelphia,” a city-wide initiative to address the skills gap by training youth for future employment. The Network facilitates the recruitment of local companies and 55 nonprofit organizations to provide internships and service learning opportunities for Philadelphia youth.</p>			<p>Among the project’s outcomes, the Network reports a 25 percent increase in Philadelphia high school graduation rates, and that 75 percent of participants report improved self-perceptions and participants’ self-assessment of their preparedness for success in school and work.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
1999	8 weeks	Middle school through college entrance; also, out of school youth	7,000 to 8,000 per summer	Varies, but request employers to pay \$8 per hour (\$.75 above minimum wage)	Fulfilling workforce needs and meeting desire to give back to their community

SKILLS FOR AMERICA’S FUTURE

BEGAN IN CHICAGO, IL; CURRENTLY EXPANDING NATIONALLY

<https://www.aspeninstitute.org/programs/economic-opportunities-program/skills-for-americas-future/>

Program description			Labor market outcomes for participants		
<p>The organization works with high school students and employment and education opportunities for disconnected youth. The organization’s Pivot to Success program works with employers to identify their hiring needs and find youth to fill the positions. The organization conducts work-readiness assessments and works with other organizations to serve youth who are not ready for work. Participants who qualify for the job placement program are placed and provided a mentor for their first year of employment.</p>			<p>A 2017 study found that Skills placements earned an average of \$6,120 more per year than comparable individuals not placed by Skills. Skills placements were also more likely than comparable individuals to be retained in employment after one and two years (New Growth 2017).</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
2012	One year	High school, disconnected youth, and unemployed/ underemployed adults	About 5,200 as of July 2018	At least minimum wage; pay varies by placement. Employers cover training costs.	Meet critical workforce needs

URBAN ALLIANCE

HEADQUARTERED IN WASHINGTON, DC

PROGRAMS IN BALTIMORE, MD; CHICAGO, IL; ARLINGTON, VA; AND WASHINGTON, DC

<https://theurbanalliance.org/>

Program description			Labor market outcomes for participants		
<p>Urban Alliance offers paid internship opportunities for at-risk high schoolers in corporate fields such as hospitality, finance, and social services. These placements include weekly professional skills training sessions and one-on-one mentoring and support that extends beyond the program.</p>			<p>Among students participating in the Urban Alliance High School Internship program, young men and mid-GPA students are more likely to attend college, and retain professional soft skills learned during their experience.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
1996	10 months	High school seniors at partner schools who have at least a 2.0 GPA	About 4,000 total students since 1996	\$.25-.50 more per hour than local minimum wage, with the possibility of two raises	

YEARUP

HEADQUARTERED IN BOSTON, MA

PROGRAMS IN 30 LOCATIONS NATIONWIDE

<https://www.yearup.org/>

Program description			Labor market outcomes for participants		
<p>YearUp offers a paid, 6-month intensive technical and professionalism training program followed by a 6-month facilitated internship with a YearUp employer partner. Graduates receive job placement support for up to one year after graduation.</p>			<p>Sixty percent of program graduates secure a full-time job directly related to their YearUp training after graduation; about 40 percent of students are hired by their internship employer. An independent evaluation found significant gains in earnings for participants versus a comparison group.</p>		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
2000	1 year	Low-income youth ages 18-24 with a high school diploma or GED	About 4,000 in 2018	Stipend varies by region; aim to pay market-rate wages for entry-level, middle school jobs	A talent pipeline of trained staff

YOUTHBUILD

HEADQUARTERED IN BOSTON, MA

260 PROGRAMS NATIONWIDE

<https://www.youthbuild.org/>

Program description			Labor market outcomes for participants		
YouthBuild provides at-risk youth an opportunity to reengage in targeted education and training to find high-skill, high-demand careers.			A rigorous federally funded impact study of YouthBuild is currently underway.		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
1978		Out of work and out of school youth ages 16-24	Over 148,000 since 1978	Students are placed in paid work positions.	

YOUTHFORCE

SEATTLE, WA

<http://www.positiveplace.org/>

Program description			Labor market outcomes for participants		
YouthForce is the teen development program of the Boys and Girls Clubs of King County, Washington. YouthForce provides students with paid internships and workshops and training on job development skills such as portfolio building, job exploration, and soft skills. They offer three different programs: The Teamwork Internship, which facilitates teams of teens working at CenturyLink Field during Seattle Sounders and Seahawks games; the Career Internships Program where students are placed in corporate internships with local employers; and YouthForce University, which is a job training skills program.			Staff report that participants are often hired by their internship site employers.		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
	6 weeks to 6 months (depending on placement)	Primarily high school students ages 16-18	About 80 annually	At or above minimum wage (varies by placement)	Employers participate to give back to their community by providing useful jobs for local youth.

YOUTHFORCE NOLA

NEW ORLEANS, LA

<https://youthforcenola.org/>

Program description			Labor market outcomes for participants		
YouthForce NOLA provides funding, partnerships, and technical assistance to open enrollment public high schools in New Orleans for students for internship programs.			New program; no outcome data currently available.		
Launch date	Program length	Participant groups	Students served	Compensation	Employer benefits
2015	60 hours of skills training and 90 hours of paid internship placement	High school seniors from 21 high schools	80 per year	Students can receive awards of up to \$1,200, 3-6 times throughout their training and placement, or about \$8 per hour.	Varies by field. Construction and healthcare view as a workforce pipeline strategy. Technology companies see participation as way to give back to community.

South Africa Programs

NATIONAL JOBS FUND PROGRAM EXAMPLES

Name	Program description	Outcomes
HARAMBEE	<p>Harambee was established as a public benefit organization in 2011 to address entry-level labor challenges and youth unemployment. Led by Yellowwoods (an investment company) and several investee businesses and the South African government, it was built on the understanding that if young people get and keep their first job they are more likely to remain employed for the rest of their lives.</p> <p>Harambee helps first-time job seekers and employers by empowering job seekers through personal development, skills enhancement and, most importantly, formal job placement. Candidates that are not selected for “bridging” will still benefit from their association with Harambee (placement is demand-led and is thus determined by the labor market - a high number of candidates are given initial training and are then screened for suitability — not all will move onto the bridging program). Harambee also gives employers access to previously inaccessible pools of talent — first-time employees with the skills and behavior needed to meet the demands of entry-level roles.</p>	<p>Permanent placements with project partners: 10,000</p> <p>Training completed: 9,335</p>

NATIONAL JOBS FUND PROGRAM EXAMPLES

Name	Program description	Outcomes
<p>AKWANDZE PROJECT</p>	<p>Small-scale sugar growers in South Africa have declined by about 33 percent, resulting in a decline in production as well. The drop in small-scale sugar growers' productivity is in part due to a lack of farming experience, poor business skills, and limited access to appropriate financing. This has resulted in reduced levels of irrigation infrastructure investment and maintenance, causing further irrigation inefficiencies.</p> <p>As a sugarcane development finance organization, Akwandze was supported by the Jobs Fund and seeks to connect entrepreneurial youth in local agriculture and farmers with larger agro-supply chains as a means of creating jobs, negotiate the best terms, and manage funds for sugarcane growers. Akwandze has partnered with the Lima Rural Development Foundation, the Mpumalanga Cane Growers Association, and TSB Sugar to increase the sugarcane production of 1,281 small- to medium-scale black sugarcane farmers in the Nkomazi area from 450,000 to 850,000 tons per year. Akwandze extended favorable loans to these farmers, allowing them to access production inputs such as plant material, fertilizer, and herbicides. Akwandze also provides farmers with training, on-site technical support, and capacity building. The combination of irrigation infrastructure, technical training and support, and access to finance will result in improved sugarcane production methods, and increased production yields and saleable sugarcane to off take partners, improving revenue generation and sustainable job creation.</p>	<p>New permanent jobs: 1,511</p> <p>Training completed: 4,583</p>

SETA FUNDED PROGRAM EXAMPLES

Name	Program description	Outcomes
FIBRE PRODUCTION AND MANUFACTURING SECTOR EDUCATION TRAINING	<p>FP&M SETA-fund learnerships, apprenticeships, and skills programs in 13 subsectors namely, clothing, footwear, forestry, furniture, general goods, leather, packaging, printing, print media, publishing, pulp and paper, textiles, and wood products.</p>	<p>SETA-funded learnerships, apprenticeships, skills programs and bursaries are an important vehicle in the supply of E&T in the FP&M sector. The FP&M SETA conducted a tracer study in 2014 on learners accessing their learnerships and apprenticeships. Learners in the FP&M sector who enrolled for learnerships are mostly black and under the age of 25. The gender ratio is 60:40 female to male. Over 80 percent of these learners are studying towards national certificates in the clothing, textiles, furniture, and forestry sub-sectors.</p>
BANKING SKILLS ACADEMY	<p>This learnership program provides unemployed matriculants and graduates in South Africa an opportunity to gain employment experience in the financial services industry. The Banking Skills Academy is a 12-month program giving these youth exposure to various entry level roles within Standard Bank branches and offices throughout South Africa.</p> <p>There are entry criteria and successful candidates sign a 12-month fixed-term employment contract as well as a learnership contract. They receive a learner allowance (as opposed to a salary) for the duration of their program. When they successfully complete it, candidates obtain a recognized National Certificate in Banking (NQF level 4).</p>	<p>According to sector reporting, 70-80 percent of individuals who go through the Bank SETA skills program are employed at the end of their learnership.</p>

Lebanon Programs

NONPROFIT INSTITUTIONS

Name	Program description
AMIDEAST	AMIDEAST's Lebanon office recently launched an internship program for university students and graduates from underprivileged backgrounds. The organization also offers a program called "Skills for Success" for recent university graduates on personal and professional skills and an entrepreneurship institute that helps young entrepreneurs create their own businesses.
INJAZ LEBANON	INJAZ Lebanon's Steps to Success program provides training to help students at the Lebanese American University successfully enter the professional job market. This two-year program combines 27 hours of on-campus training with internship and work placements at national and international companies in Lebanon.

UNIVERSITIES

Name	Program description
LEBANESE AMERICAN UNIVERSITY (LAU)	LAU's Career Guidance Office maintains a database of internship opportunities provided by recruiters from Lebanese and international companies. LAU students participate in three types of internships: (1) internships directly linked to coursework; (2) non-course linked internship experiences in their second or third years; and (3) clinical internships for students studying health sciences or medicine.
LAU SCHOOL OF BUSINESS	The LAU School of Business has a dedicated Career and Placement Officer to help find internships, which are required for students in some of the school's programs. The officer also assists students in securing elective internships.

El Salvador Programs

COMPANIES

Name	Description of internship/work-based learning programs
<p>UNICOMER (multinational retail company, with HQ in El Salvador)</p>	<p>Recruits around 60 interns a year through various structured programs, including its appliance repair and maintenance service, <i>ServiTotal</i>. Company promotes internships as a young person's first work experience. Typically, the internships are 6 months in duration, full-time with compensation equivalent to minimum wage (\$300/month). It recruits interns through universities and technical schools.</p>
<p>TIGO (telecommunications company)</p>	<p>TIGO's internship programs provide Salvadoran youth with the experience they need to get a first job. Young people are brought into its divisions in finances, IT, and operations (back office support). Internships are compensated equivalent to the minimum wage and are viewed as an opportunity to recruit talent. TIGO hired 131 out of its 400 interns. TIGO has participated in <i>Joven con Valor</i> since 2012.</p>
<p>SHERWIN WILLIAMS (light manufacturing)</p>	<p>Company has four types of internship programs, including <i>Joven con Valor</i>. The internship program is supported by senior leadership. The company views internships as a win-win, where the company benefits from new ideas and creativity while being able to provide structured learning for students in a business setting. Spearheaded "project-based learning" opportunities for students. Compensation is equivalent to minimum wage and at times higher.</p>
<p>MICROSOFT (IT)</p>	<p>Supports IT training programs for youth. Microsoft's employer base is small in El Salvador, but it has hundreds of suppliers whom it works through to provide internship and job opportunities to young people.</p>
<p>SIMAN (retail, with 3,000 employees)</p>	<p>Full-time paid internships of approximately 30 a year in its corporate offices. Between 6 months and up to one year. Approximately 80 percent secure a job with SIMAN following internship.</p>
<p>ADOC (footwear, with 2,300 employees)</p>	<p>Company provides work-based learning opportunities for high school students as well as university students.</p>

UNIVERSITIES

Name	Description of internship/work-based learning programs
UNICAES (private)	Students can opt to do an internship, social project or thesis to graduate. 90 percent choose internships. The internships are full time for 6 months during the last semester of their final year. Majority (75 percent) are not paid.
ESEN (business school)	Internships are a mandatory part of graduation. Students must complete two internships, each lasting one month. Eighty percent are paid, and students have an 88 percent job placement rate (about 40 percent are with the companies where they did an internship).
UCA (private)	UCA's internships are voluntary for students, but if they choose to undertake one, the university requires that compensation is provided. For UCA, internships are valuable for not only the student and the business but the university as well, as the feedback it receives from companies regarding labor market skills is important to improve its curriculum and education delivery relevance.
ITCA-FEPADE	Technical school that provides technical level degrees, which include mandatory work-based learning. Degrees, including work learning, are fully paid by the employer.

OTHER

Name	Description of internship/work-based learning programs
JOVEN CON VALOR, IMPLEMENTED BY JOVEN360 (social enterprise)	<i>Joven360</i> started in 2011 with a USAID grant as a national internships program. Transitioned into a self-sustaining enterprise, providing companies with recruitment support for hiring young people. Their internship model has evolved into providing "project-based experiences." The new model provides more youth with opportunities (over 1,300 to date) and also addresses specific challenges/needs of the company. Students receive character development and employability training. What used to be a 10-month, once-a-month, arrangement is now 5 months, once a week. Payment of about \$300/student is provided to the social enterprise to provide character and employability skills training. Students may also get a small stipend.
CAREER DEVELOPMENT CENTERS AT UNIVERSITIES, AS PART OF USAID HIGHER EDUCATION FOR ECONOMIC GROWTH PROJECT	<p>CDCs provide young people with career counseling and links to internships and job opportunities. Five CDCs have been recently established at the following private universities: UNICAES, UCA, UFG, UNIVO and UDB.</p> <p>An illustrative example: UFG's CDC has a staff person whose full-time job is to engage with the private sector to look for jobs and internships. Their guidelines for internships are that they need to be 2-6 months and up to 6 hours a day so that they can combine with studies. Some of UFG's current internships are paid half of the minimum wage, to cover food and transport. The staff encourage stipends so that students who face hardships are still able to gain work exposure that is so critical for them to find their first job.</p>

OTHER

Name	Description of internship/work-based learning programs
<p>JOVENES CON TODOS, IMPLEMENTED BY INJUVE, THE GOVERNMENT'S YOUTH INITIATIVE</p>	<p>Internships are part of the government's employment program for young people. One of its programs is a public call for internships with businesses and public institutions. INJUVE pays slightly less than the minimum wage (\$250) on behalf of the business. The internship is a maximum of 6 months, and part time (20 hours a week). The program reaches about 400-600 students a year. In addition, it places around 1,000 interns a year in its 11 <i>Jovenes Con Todo's</i> offices in the country. Those internships are around 7 months, 4 hours a day, and paid \$325/month, and are usually youth who have graduated from high school.</p>
<p>EMPRESA CENTRO, SUPPORTED BY INSAFORP (quasi government institution with a private board)</p>	<p>Apprenticeship program that follows the German model of dual professional development for technical jobs. Some 11,800 students have graduated, with 85 percent employment rate. Internship is full-time from between 6 months up to 22 months. Paid half of the salary/benefits of the position, which is regulated by labor law.</p>
<p>NEO, FUNDED BY INTER-AMERICAN DEVELOPMENT BANK (IDB)</p>	<p>Youth employment training and job placement program in Latin America, including El Salvador. The program provides technical training, employability skills, and job placement. There is an explicit internship component to improve employability skills and labor market insertion rates.</p>



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