

## Future Forward

### Innovations for Youth Employment in Africa

Why do all of us as social entrepreneurs do this work? Because I believe from the bottom of my heart that poverty is simply unnecessary, and that we could end it in our generation—and that's what we work towards every single day.

—Taddy Blecher<sup>1</sup>

#### WHY AFRICA?

Africa is in the midst of a social, political, and economic transformation that has brought economic growth, some newfound political stability, and increased foreign investment. A burgeoning movement of African-led entrepreneurs and institutions is emerging in a diverse array of sectors, including finance, transportation, telecommunications, and agriculture. A recent McKinsey Global Institute report looked at Africa's economic growth patterns and designated it the second-fastest growing region in the world over the past 12 years.<sup>2</sup> This is all taking place on the world's demographically youngest continent. Of the one billion people now living in Africa, 600 million are under the age of 25. By 2045, that number will double, representing an enormous demographic group who will be in charge of leading the continent. However, Africa also shoulders the highest burden of poverty, particularly in rural areas where the majority of the poor reside. Moreover, nearly 80 percent of the African population lacks access to formal banking services, and secondary and higher education enrolment are the lowest in the world. These are societal norms that also need to be transformed.

The present level of youth unemployment in Africa is alarming. It has reached crisis levels in certain regions, and African governments have been struggling to

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develop and adopt timely solutions within the existing system. Not surprisingly, entrepreneurship has surfaced as an important force on the continent, and its role in job creation and economic growth is being increasingly acknowledged. In light of this, more young people in Africa than in other regions are choosing entrepreneurship as a profession.<sup>3</sup>

Challenges to entrepreneurship can be particularly strong in Africa, where the norms for young entrepreneurs include having limited access to finance, unreliable electricity and Internet, and a host of bureaucratic obstacles that lay in their paths before starting a business.<sup>4</sup> Other norms, such as high operating costs and a lack of business support services, present additional challenges for young African entrepreneurs.

For all of these reasons, The MasterCard Foundation, which invests in youth learning and microfinance, has made sub-Saharan Africa a strategic geographic focus. It has committed to work with partners who are closely engaged with young people in Africa as they transition to the workforce, either as employees, entrepreneurs, or leaders. Africa is now part of a world that is evolving at an ever more rapid pace. To solve problems quickly and creatively, today's youth will require a new set of skills. To that end, over the past five years the Foundation has created partnerships with a range of organizations that promote financial inclusion and expand access to quality education for young people. By the end of 2012, the Foundation had committed \$830 million to 74 projects that serve close to five million people in 49 countries. By 2020, The MasterCard Foundation will expand its area of activity to impact 20 million people living in poverty.

### MAKING IT HAPPEN

At the end of 2011, the Foundation forged a partnership with Ashoka, the world's largest association of social entrepreneurs. This partnership is part of a larger effort to influence factors that will increase youth employment levels by connecting young people to the education and skills training they need to find jobs, either as employees or entrepreneurs.

Ashoka's aims are to identify and support entrepreneurs whose ideas have the most potential to have a significant impact in the areas where they work and eventually around the globe.<sup>5</sup> In sub-Saharan Africa, Ashoka has already identified more than three hundred new-generation entrepreneurs whose ideas both promote economic growth and advance society as a whole. These social entrepreneurs, recognized as Ashoka Fellows, were elected because of their strong ethical fiber and their innovative and scalable ideas. Together they have the drive and tenacity to disrupt current beliefs and systems.

Ashoka and its Fellows in Africa are currently reexamining their theory of change around "Youth Years," the critical ages for human development between zero and 12, and what they can do to influence how those years effect positive youth development. Ashoka postulates that "Youth Years" that are well nourished by an ecosystem consisting of physical, mental, and emotional stability, as well as

formal and informal learning opportunities, will lead to a world in which everyone is able to contribute, innovate, and feel empowered to make change in their lives. For the important years that follow, the continuum to supplementary education and entrepreneurial thinking as it relates to seeking and creating alternatives to traditional employment is the added scope that the Ashoka-MasterCard foundation partnership is developing.

Due to the speed at which the world is evolving, it is obvious that the future of social innovation will require everyone to change their mindset from transactional to transformative thinking, from business-as-usual to business-as-unusual. This shift has already begun, but it will require systematic support grounded in a theory of how frameworks influence change in sub-Saharan Africa. To respond to the Foundation's challenge to find scalable and sustainable solutions to youth unemployment in Africa, Ashoka is now incorporating and synchronizing its Youth Years and Framework Change thinking, the identification of building blocks that focus on leadership, individual work patterns, and collaboration between teams, into the selection of a new cohort of 25 highly motivated social entrepreneurs. These entrepreneurs all have system-changing ideas for increasing young people's access to livelihoods. The program, called Future Forward: Innovations for Youth Employment in Africa, will provide the practical guidance that will help youth "reframe" the way they grow up, think, work together, and envision the future.

With the support of the Foundation, Ashoka will give these social entrepreneurs the resources they need to develop their innovations. The entrepreneurs will then join a network of other Fellows, which will enable them to share their work, collaborate, and create opportunities to increase the impact of their ideas.

Fellows in the Future Forward partnership have the perfect opportunity to adopt a new paradigm that could enable them to have a significant impact. By identifying and launching new ideas and building a greater cohort of social entrepreneurs who are innovating in the youth employment space, the Ashoka-MasterCard Foundation partnership will begin to change how the youth years are perceived and nurtured in Africa. As this cohort grows stronger, these young entrepreneurs will have the potential not only to generate innovative employment opportunities but to demonstrate their ability to lead sub-Saharan Africa's efforts to eradicate poverty and joblessness, to reform the education system while expanding its accessibility to all, and to create new industries and sectors that are sustainable in both rural and urban areas. Indeed, with the successful implementation of these actions, the *frame* in which youth unemployment and lack of job opportunities now sits can shift and change forever.

Something extraordinary is happening in Africa. In the wake of enhanced political stability and reduced conflicts in many countries, it is clear that a vibrant spirit of entrepreneurship is kicking with vigor. However, all is not rosy on African soil. Jobs are not keeping pace with population growth rates and issues of unemployment acutely affect the growing youth bulge across the continent, which has implications for political stability across the continent, as recently witnessed by many of the northern Arab states.

The real solution for Africa is being driven every day by African people themselves—human creativity and hard work, the spirit of entrepreneurship and the creation of small businesses—leading to job creation, enhanced socioeconomic stability, and the consequent benefits of greater purchasing power, which buys quality education and health care. Furthermore, with the growing consumer classes, population growth rates—if harnessed correctly—will prove to be a major demographic dividend.

Harnessing this dividend requires the development of two key drivers simultaneously: the demand side and the supply side. The demand side requires nurturing the fire to build a thriving business sector that in turn is hungry for talent. Stimulating the supply side requires the stocking of a quality skills base that can provide this talent to meet the growing demand for goods and services.

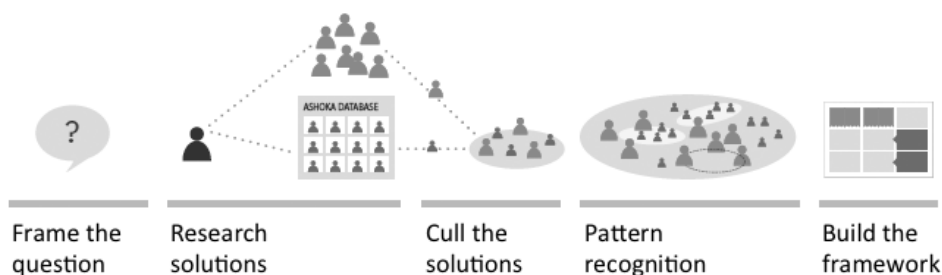
### LEAPING FORWARD

For the past 33 years, Ashoka has honed its skills in finding non-sector-specific entrepreneurs who cover significant new opportunities that have produced innovative industries and emerging microeconomic markets all around the world. These microeconomies support and influence the growth of thousands of new jobs while addressing the root causes and effects of poverty. In the past few years, an increasing number of Ashoka Fellows have found the keys to unlocking significant options and alternative livelihoods that create a demand for youth employment. Many of them involve young people themselves who are starting their own businesses centered around employing other youth. Ashoka constantly gathers information from its Fellows on specific issues involving youth and synthesizes it into patterns that might provide value to the field and helps define their work going forward. Within this process, Ashoka identified four categories for developing a variety of creative youth employment solutions:

- Create and leverage new technical solutions designed to maximize youth employment.
- Develop and launch scalable “starter microenterprises for young, starter microentrepreneurs.”
- Catalyze a new class of youth employment-friendly small business owners.
- Create new industries predicated on youth entrepreneurship.

Based on this foundation of accumulated knowledge, the partnership created an African Youth Employment Market Diagnostic (The Diagnostic), a strategic guide to help:

- **Gain an understanding of market dynamics in the youth employment field** through fieldwork and consultation with over 20 experts from all major regions of the continent;
- **Map existing solutions for youth employment challenges in Africa**, bringing attention to barriers to and principles of change; and
- **Inform the criteria for Africa Fellow selection** by distilling the principles that underlie innovative solutions and bringing attention to promising new areas to



**Figure 1.** The Diagnostic Process

identify entrepreneurs who offer transformational solutions.

As a result of The Diagnostic mapping process, Ashoka identified four barriers that, if changed, could allow for true systemic change. Taking these barriers into account, Ashoka distilled the trends, key drivers, and highlights from their 24 interviews with Africa experts, which provided insights and strategies that identified key principles that, if leveraged, could impact widescale changes in the area of youth unemployment.

These determinants of change take many forms, and Ashoka uses them as a guide while allowing innovators to push the boundaries forward. The framing and mapping of the barriers and design principles allow Ashoka to envision the innovation gaps in the areas that would most benefit from attention. The entire exercise, and the creation of The Diagnostic, became a useful tool for understanding the scope of the problems, the issues that perpetuate them, and the areas where innovation is needed. It became clear that Ashoka needed to find social entrepreneurs working on interventions that could:

- Grow an entrepreneurial “hub culture” to foster a change in mindset and support linking young people with role models
- Facilitate financial flows by acting as a risk guarantor for youth microentrepreneurs that would mediate many of the structural barriers that prevent young innovators from succeeding
- Support intermediary organizations that match job seekers with demand, work across traditional divisions in the private and public sectors, and create more collaboration among players
- Improve systems by bringing programs together to bundle services and coordinate impact

Identifying young innovators who utilize these interventions in their models will bring more economic opportunities and create environments in which young people are in control of building their economic futures. The Diagnostic helped focus Ashoka on some key characteristics that their Fellows’ programs should incorporate.

## Insights Gained through the Diagnostic

### *Principle 1: Place trust in young people*

Exhibit a fundamental faith in young people to control their own destinies.

### *Principle 2: Redefine “job”*

Offer flexible forms of income generation—apprenticeship, “small microbusinesses, e-commerce—and create systems or campaigns to create respectability, prestige, and growth from these opportunities.

### *Principle 3: Show the way*

Ensure that young people have role models they can relate to, emulate, and learn from; create systems in which role models can thrive and remain in their communities.

### *Principle 4: Scale intermediaries*

Prepare, match, and link job-seekers with opportunities.

### *Principle 5: Bundle solutions to create synergies and feedback loops*

Target multiple dimensions of need and offer holistic servicing.

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## WHERE REALITY HITS THE ROAD: THE ASHOKA FELLOWS AT WORK

Equipped with insights gained through The Diagnostic, a first cohort of six Africa-focused social entrepreneurs was selected to the Ashoka Fellowship—three from Southern Africa, one from West Africa, one from the Sahel, and one from East Africa.

### **Dorien Beurskens**

Dorien Beurskens of Mozambique founded her organization “Young Africa” on the belief that if you want to make the world a better place, work with young people. By nature they are dynamic, open minded, willing to change and look forward. The best way to use their potential is to train them to be fully integrated human beings. At the same time, “if you don’t use them you lose them.” She is convinced that empowering young people through skills training and income generation are key to development.

Dorien trains underprivileged youth in Southern Africa in marketable skills so they can pursue self-employment or access opportunities in the job market. She has established Young Africa centers in Zimbabwe and Mozambique that offer

vocational education and training programs at affordable prices, and serve as business and social hubs for the community.

The creation of a business and social hub center—the nucleus of Dorien's model—fosters a mutually beneficial relationship among the students, the entrepreneurs, and the Young Africa program. Available space in the center, capital equipment, and the Young Africa brand are rented out to local entrepreneurs who use them to sell products and provide services to the community. These entrepreneurs also are responsible for training students in their respective fields. These practical training programs give students the opportunity to learn on the job through apprenticeships, giving the entrepreneurs access to skilled labor and a pool of potential employees for the future. Young Africa licenses out various skills-training departments to local entrepreneurs, which allows it to cover its costs and boost the efforts of local entrepreneurs at the same time. The entrepreneurs also have access to business facilities in the Young Africa centers. These resources elevate the entrepreneurs' otherwise informal ventures into well-established businesses. The synergies between the roles played by the students, the entrepreneurs, and the Young Africa centers are essential to the success of this model.

### **Taddy Blecher**

Taddy Blecher cofounded South Africa's first free university, the CIDA City Campus, which offers students a top-quality four-year business administration degree that incorporates compulsory community service into its programs. In order to maintain a low-cost, sustainable model, Taddy created the CIDA Empowerment Fund, and to date has raised U.S. \$19 million, which he has invested in the advancement and expansion of the free tertiary education movement in South Africa. Today the program includes a consciousness-based education that supports its "learn and earn" methodology, whereby students must help run and maintain the university while completing their studies and teach young people in their home villages during their holidays. Once they have graduated and secured employment, they pay for the university costs of another student, who will follow in their footsteps. This cycle enables students to focus on their development as human beings in addition to their professional training.

### **Karim Sy**

With only 28 percent of Africans having stable, wage-paying jobs, Karim Sy of Senegal, the founder of Jokkolabs, saw "a bomb coming for the future." Like Dorien, Karim feels that he needs to empower the young generation to develop entrepreneurial skills so they can create their own jobs, but to do so differently than in the past. And that difference lies in the value of collaboration rather than competition. He sees Africa as a land of opportunity. He is creating collaborative spaces where entrepreneurs come together to share their best ideas for new ventures with each other and with a larger, virtual, open source community, breaking the assumption that success is most ensured when good ideas are cultivated in

secret. These spaces nurture entrepreneurship, creativity, communication, exchange, sharing, and community. Karim believes that they will be key to changing Africa's outlook on its own future. Jokkolabs's philosophy is based on an old African proverb: "If you want to go quickly, go alone; but if you want to go far, go with others!"

### **Verengai Mabika**

Verengai Mabika of Zimbabwe influences young people to think and act differently when it comes to climate change. His Development Reality Institute (DRI) is premised on the notion that Africa is resource rich but capacity poor, and his aim is to generate and groom innovators who will transform Africa by exploiting the same African resources that are being exploited today but in a far more sustainable way. DRI's mission is to mitigate and build society's adaptive capacity to the effects of climate change but in a unique way that has youth at the center of the solution, while preparing them for one of the more promising careers paths of the future. Through a virtual school model, DRI offers online courses that present the earth's climate system and explores the science and politics of climate change. At the younger level, capacity is built offline with school children who are organized around "cool clubs" to learn about climate change and put in practice their ideas to mitigate its effects. In only 3 years, 800 students from 28 countries have attended the courses and alumni have created successful youth-led businesses. Verengai's goal is to address the current limited available technical expertise in climate change by encouraging young people to develop the skills needed to respond effectively to climate change and become future leaders in the field.

## A VIRTUOUS CYCLE IS CREATED

### **Frederick Ouko**

Technology holds the promise of employment opportunities for people around the world, but especially for Africans with disabilities, who currently have limited employment opportunities and often live in substandard conditions. Prejudice against people with disabilities denies many of them the tools they need to escape poverty. Estimates are that over 90 percent of children with disabilities in the developing world do not go to school, and 80 percent of the world's disabled live in poverty. In a country like Kenya, where education is so valued, only an extraordinary few disabled people ever get to play catch-up with their able-bodied peers. Frederick Ouko knows all too well about the stigma and the hardships of living with a disability, as he grew up in Kenya having one. Frederick is the founder of ANDY, the Action Network for the Disabled, which works to achieve equality, inclusion, and the empowerment of youth with disabilities. ANDY helps disabled youth meet their basic needs by providing assistive devices, and through a unique internship program in which Fredrick matches the skills and passions of these disabled youth with the needs of a select group of companies. He now envisions that,



with the help of technology, more people will be working from the comfort of their homes, which will help create job opportunities for people who are physically limited.

ANDY selects companies based on their willingness not only to take an intern with a disability, but to also transform their internal systems, processes, policies, and culture into one more inclusive. As these companies make the important transition to inclusiveness, ANDY plays the role of transition partner, providing the tools, resources, and guidance they need.

This institutional makeover exercise takes place before, during, and after the internship. Every company involved in this three-way relationship has been transformed into an inclusive operation, and 60 percent have permanently hired their ANDY interns. For those young people with entrepreneurial aspirations, an internship in their field of interest is the first step before they venture out to start their own enterprise. When these new entrepreneurs reach the start-up phase, ANDY gives them access to capital and other resources, thus creating a sustainable virtuous cycle. His organization is the first and only to focus specifically on the employment challenges faced by young people with disabilities on a national scale, and he is leveraging this unique position to make this a focus for the mainstream disability movement. By integrating a citizenship program that focuses on teaching policy-level change around inclusiveness into his approach, Fredrick is seizing the moment to prepare young people with disabilities for an active role in reshaping the leadership structure of Kenya.

### **Jude Obodo**

The belief that young people should be directed into careers where they can add value and that such self-actualization is a prerequisite for national growth are not things heard very often in Africa, but Jude Obodo feels that if young people can develop their innate competencies they will be more able to contribute to the development of their country. Jude aims to empower youth by encouraging Nigeria's schools and the government to adopt his model of career guidance to replace the ineffective and moribund counseling young people now receive. Jude uses "First Preferred Innovators," a test that he developed to help him determine appropriate careers for young people. The test matches young people's values and passions with career choices that work toward fulfilling those desires. His motto is, "When one unveils who and what one is, a job is created. As their spirit connects to what they do, they will influence others." Jude is putting his values-driven ideals into action because he fully believes that, when your business is an extension of your values, your work is more fulfilling and your chances of success increase exponentially.

When asked about their reasons for getting involved with young people and working to change education systems, and vocational training and to enhance career choices, each of the six Fellows expressed their strong faith that Africa is and can keep changing. Because more people soon will call Africa home than any other

continent, it is important for Africans to feel empowered, and to make sure that change does happen in a way that promotes full economic citizenship. Economic steadiness in turn should positively influence political, and hopefully environmental, stability on the continent. Most importantly, the Fellows' faith is focused on young people.

Many of the Fellows' innovative organizations don't fit cleanly into one of the five design principles described earlier, instead they overlap into several categories. But while each tackles a different facet of the youth employment picture, in the end they are all working to shape the same landscape. Some may need to bring about a change in government and industry policies; some may redefine the concept of jobs and employment and develop new job opportunities; some may bring new partners, new investors, and new intermediaries into the sector; and some may connect people to their innate abilities and career desires. All contribute to changing the perceptions of young people in terms of what they can accomplish and how they can be empowered to do so. As a result, systemic change begins to occur, thereby enlarging the market for youth employment and increasing the number of self-reliant participants in the economy. The Ashoka-MasterCard Foundation partnership also supports collaborative aspects of the work, enabling Fellows to exchange knowledge and contribute to each other's programs and the sector by bringing new components into individual program designs. At the same time, they help to cultivate a larger appreciation of the mind shift that needs to take place if each project is to realize its potential.

#### FROM EMPLOYMENT CREATION TO FRAMEWORK CHANGE

If these six Fellows are an indication of the new wave of social entrepreneurs who are focused on employment issues among young people, the outlook for African youth looks bright indeed. Ashoka hypothesizes that the rest of the 25 Fellows who are selected over the next two years will fill out the design principles of the current cohort, and their work may even reveal additional principles.

As the partnership between Ashoka and The MasterCard Foundation is still in the early stages, the lasting impact of this initiative has yet to be determined. However, some key factors are already emerging:

**Youth participation is critical.** Young people need to be part of program design, implementation, and evaluation. They want to, and should, have a voice in the interventions that affect them.

**Skills training needs to respond to the demands of the market.** Through market assessments and appropriate career preparation, youth can develop the life and technical skills that employers need. Through experiential learning, including internships and apprenticeships, as well as mentorship, young people will be prepared to access viable employment opportunities.

**Financial literacy, savings, and access to financial services are critical.** There is a great need for responsible, youth-friendly financial services and products, including access to capital for entrepreneurs. Financial literacy and savings habits

should be instilled in young people at an early age. The impact of learning financial skills is greatest when woven with other elements of skills-training programs.

**Technology is an enabler and provider of jobs.** Technology has an important role to play for youth as a facilitator of education, small business growth, digital job creation, and financial access.

**Attention to formal and nonformal learning at an early age gives us an upstream approach to youth employment.** Teaching youth empathy, leadership, team-building, and change-making at an early age could be a key to stimulating youth employment of the future.

Ashoka and The MasterCard Foundation expect each of the selected entrepreneurs to create new jobs for young people, both directly and as a result of their replicable approaches being adopted by others. However, there is a larger force at work within each of the Fellows' innovations. Each of their endeavors is seeking to change the cultural norms that dictate how young people in Africa grow up, and what it will take to change the patterns that will positively disrupt the current experience of Africa's youth from the ground up. When the employment unemployment ecosystem in which youth currently find themselves a part of begins to provide accessible, quality education that leads to sustainable employment for a large percentage of the continent's youth, then the nature, content, and future of Africa will indeed have undergone the systemic social change that the partnership envisions.

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1. Taddy Blecher, Ashoka South African Fellow, founder and CEO of the Community and Individual Development Association (CIDA) and CEO of the Maharishi Institute, South Africa.
  2. McKinsey Global Institute, *Africa at Work: Job Creation and Inclusive Growth*, August 2012.
  3. Global Entrepreneurship Monitor, *2012 Global Report*, 2013, p. 17.
  4. McKinsey, *Africa at Work*.
  5. See <https://www.ashoka.org/support/criteria>.
  6. Taddy Blecher, "For Africa, Entrepreneurship Is the Way." *This Is Africa*, January 15, 2013.