

DLL **Evidence Review**

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How (not) to enhance women's access to dignified work and earnings? – Evidence from skills training interventions

Volume 04

Issue 01

May 2024









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Abstract

This evidence review analyses the effectiveness of skills training programs in increasing women's access to dignified work and improving their earnings. The review synthesizes findings from diverse contexts to evaluate how different program designs, implementation strategies, and contextual factors affect outcomes. It highlights that while some programs show positive impacts, particularly when tailored to the local economic needs and cultural contexts, others demonstrate moderate or no significant effects, often due to mismatched training content or insufficient adaptation to participants' socio-cultural environments.

Main points

- The impacts of skills training programs on women's employment and earnings are
 mixed. Successful interventions often combine practical job skills with soft skills
 training and support services like transportation and childcare, which are critical
 for women's participation.
- The effectiveness of training programs is heavily influenced by local economic demands and socio-cultural norms.
- Effective programs often feature a combination of classroom and on-the-job training, which not only enhances skills but also provides practical experience.
- Programs that are comprehensive, addressing both the acquisition of skills and the barriers to employment (such as gender biases and childcare needs), show more sustained benefits.

1 Motivation and objective

Despite progress in gender equality efforts, women in many parts of the world continue to face barriers to accessing economic opportunities and realizing their full potential (Duflo, 2012). An important part of women's economic empowerment is access to dignified work and income earning opportunities. Numerous development organizations aim to support women's economic empowerment through skills training programs, which are commonly implemented to enhance economic participation of young people in general and/or women specifically.

Synthesizing existing research evidence can inform the planning and implementation of such programs and facilitate future evaluations enhancing programs' efficacy and impact. This evidence review is prepared for organizations that currently plan or implement skill training programs. It aims to provide a comprehensive overview of research on the impact of skills training programs for women.

2 Methodology

This literature review included review papers and meta-studies either sourced through Google Scholar or identified in the <u>3ie Evidence Portal</u>. I used these review papers to identify high-quality research that (1) uses rigorous experimental or quasi-experimental evaluation methodologies, (2) is well published in renown journals and (3) frequently cited in the literature.

3 Theory and early evidence

The rationale underlying investments in skills training programs lies in the recognition that individuals may lack the necessary skills to access and qualify for dignified employment opportunities, and that it is feasible to impart such skills in training programs (McKenzie, 2017). While much of the initial evidence originates from Europe and the United States, a meta-analysis conducted by Card et al. (2010) revealed that the overall impacts of these programs tend to be modest or ambiguous. However, it was also observed in the earlier research that women were more likely to derive benefits from such interventions. From a theoretical point of view, returns on investment in skills training could be higher if the initial skill levels of the targeted group are lower, and formal employment opportunities tend to require higher levels of education and training (Attanasio et al., 2011). Yet, it may also be harder for women to complete and fully benefit from such training programs if they face socio-cultural norms that constrain their labor force participation and assign responsibilities for household chores and childcare primarily to women. It is therefore an empirical question and may depend on program design and local circumstances to what extent women benefit from such training programs (Chakravarty et al., 2019).

A growing literature. Building on the evidence from developed countries, more recently, there has been a burgeoning literature from developing countries focusing on labor market related interventions among others considering both the effectiveness and the cost-effectiveness of skills training programs. McKenzie (2017) and Carranza and McKenzie (2024) review studies with a primary focus on low and middle-income countries. The authors focus on programs that vary substantially in the type of training provided and in the target group. They also vary in scale with some programs being implemented by national governments and others being implemented by local NGOs or development organizations.

Types of training programs. Most programs in this literature are either described as vocational training or job training programs. Many programs combine hard skills training with soft or life skills training and in some cases, participation is facilitated through providing cash for transportation or childcare (Attanasio et al., 2011). Further, programs designed specifically for adolescent girls combine the skills training with an information treatment for instance on reproduction and marriage and with the provision of a "safe space" where girls can interact with each other and their mentors (e.g., Bandiera at al., 2020).

Target groups. Most programs target young people who are considered at risk of future unemployment, and fewer studies focus on those who are already unemployed. For instance, in the review by McKenzie (2017), 11 studies focused on young people at risk of unemployment and one study targeted unemployed individuals (Hirshleifer et al., 2016). Studies vary in terms of focusing on women or men or both, but most studies that evaluate a program for men and women examine whether training programs have gender-specific impacts allowing us to assess whether and how training programs can contribute to women's access to employment and earnings.

Overall impacts. Given the variety of interventions focused on skilling and girls' or women's economic empowerment, the impact overall varies substantially depending on many factors including bundling with other interventions, defining the target group and the context the program is operating in. As reviewed by McKenzie (2017), the impacts of job and vocational training programs have been mixed with most studies reporting very moderate impacts. Impacts of vocational and technical training programs depend strongly on "which skills they teach", whether those skills are demanded in the local economy and how well the programs are implemented (Honorati, 2015). In the review by McKenzie (2017), out of nine high-quality studies, only three reported a positive impact on employment and averaging across all studies, only 2.3 out of 100 individuals were able to secure employment due to their participation in the skilling program. This very minor impact is observed despite most training programs being very expensive costing between 500 and 1700 USD per trained person (McKenzie, 2017).

As the overall evidence is very mixed and often characterized by insignificant or very small effects of relatively resource-intensive programs, in the following I describe first studies in which programs were shown to have positive impacts but also summarize studies that documented that programs had no or very muted effects often not lasting beyond the short-term.

4 Evaluations with positive impacts

Combining classroom and on-the-job training. Attanasio et al. (2011) evaluates a program in Colombia that beyond its main components - classroom training and on-the-job-training also considers difficulties that participants might face while completing the training and provides cash for transportation and childcare. The authors document that due to the training program women become more productive and access better jobs, their earnings increase by 20% and their probability to have paid employment by 7 percentage points. Similarly, in Kenya three-months technical training in the classroom was combined with three-months internships in private sector companies targeting vulnerable youth. The program had positive impacts on women's earnings and the benefits of the program exceeded the costs. It also increased the share of women opening a bank account and accumulating savings (Honorati, 2015).

Vocational vs. firm-provided training. Alfonsi et al. (2020) aim to address the question whether youth unemployment in developing countries needs to be tackled on the side of the jobseekers supplying labor

or on the side of the employers demanding labor. The authors therefore compare in Uganda the impacts of firm-provided training with vocational training and find that the benefits from firm-provided training materialize more quickly than the benefits from vocational training. However, the benefits from firm-provided training fade away and the benefits from vocational training are last longer seemingly linked to providing job-seekers certified skills that can be used in multiple settings.

Multifaceted adolescent programs. As programs targeting adolescents start much earlier, there is typically less to learn from them about impacts on women economic empowerment. An important exception is Bandiera et al. (2020) in which a vocational training program was combined with information on sex, reproduction, and marriage to support adolescent girls and had positive impacts up to four years after the intervention with treated girls being more likely to be self-employed and less likely to get married/pregnant early. However, it is important to note that both the quality of implementation and the specific context may play an important role here as the same program did not have any notable effects on adolescent girls in Tanzania and only showed other types of positive effects once microcredit was added to the program (Buehren et al., 2017).

Socio-cultural norms and gender roles. In contrast to most studies finding small or no effects, a study on vocational training in Nepal targeting primarily young women found large impacts on employment and earnings (Chakravarty et al., 2019). The program provided market-oriented technical skills training across a variety of trades lasting for four weeks to three months as well as placement services which connect trainees with employers. In addition, to technical skills, women receive 40 hours of life skills training. Interestingly, these relatively large impacts were primarily driven by less educated women who due to the vocational training started their own business inside (and not outside) their homes. This allowed the women to balance income earning opportunities with their domestic responsibilities according to local socio-cultural norms.

Similarly, Cho et al. (2019) show that a training program had stronger impacts for men than for women as women are making decisions in a much more constrained environment. Their completion of a training program can be strongly affected by family obligations. In that regard, women may face higher opportunity costs and are more at risk of not completing the training.

Expectations and job market realities. In the context of an evaluation of a training and internship program in the Dominican Republic, Acevedo et al. (2020) document that the program raised all participants' expectations but only women experienced improved labor market outcomes up to twelve months after the program, while men experienced negative short-term labor market outcomes. Apparently, men's risen expectations were not met and caused frustration instead. No effects were visible 3.5 years after the program.

Strong short-term impacts but unknown long-term impacts. A common problem in the literature is that impacts on employment and earnings are only measured in the short-term. Adoho et al. (2014) evaluated a livelihood and life skills training implemented by the Liberian Ministry of Gender and Development which aimed to facilitate adolescent girls' transition to productive work. The study documents strong impacts on employment and earnings which increased by 47 percent and 80 percent respectively six months after the training. The costs of the intervention correspond to the increase in earnings of three years; however, the study does not measure the long-term impacts.

Example of a cost-effective intervention. While most evaluated training interventions are rather expensive, Maitra and Mani (2017) provide evidence on a relatively cost-effective program. The authors evaluated a tailoring and stitching program for low-income women in India which significantly improved women's access to employment and earnings at a relatively low cost of only 39 USD per woman trained. 8.1 out of 100 women secured employment due to the skills training demonstrating a much better cost-effectiveness than most programs in this field.

5 Evaluations with moderate or no impacts

Beyond these studies that show overall positive impacts on women's employment and earnings, there are also many examples of programs that either caused only very moderate or no impacts with respect to women's employment and earnings. For instance, in India, a soft skills training in garment factories implemented for 12 months with 2 hours per week improved women's soft skills but had only very small impacts on their earnings (Adharvyu et al., 2018). Further, an extensive training program combining life-skills, vocational training, and internships in the private sector to youth from low-income backgrounds in Argentina had only short-term impacts on women's labor market outcomes up to 18 months after the intervention which disappeared afterwards (Alzua et al. 2016). Turkey's vocational training program for the unemployed was also shown to have positive but insignificant impacts much lower than expected by the program officials and applicants (Hirshleifer et al., 2016).

6 Unintended consequences

A government-sponsored apprenticeship program in Ghana encouraged young people to engage in self-employment instead of wage work. However, earnings in self-employment did not compensate for the loss in earnings from wage employment. The authors show substantial variation in the impacts depending on the quality of the trainers. Apprentices who were matched with the most experienced trainers had an increase in their earnings overall implying that their earnings in self-employment more than compensated for the lost earnings in wage employment (Hardy et al., 2019). Building on this result, the authors show in a follow-up paper that providing financial incentives to trainers improves the quality of the apprenticeship training highlighting again the importance of a variety of program design decisions and the quality of implementation.

7 What can we learn from these studies?

The summary of existing evidence with positive, moderate, insignificant, and unintended effects shows that a variety of factors are at play which influence the impacts of the programs. It is therefore crucial to consider the following factors and related questions when designing skilling programs:

- i. Target group: What skills do individuals in the target group have and which ones are they lacking? How does the program impact participants' expectations and how will this affect the take-up of employment opportunities?
- **ii. Program components:** Is the objective to implement a skills training program only or will this be combined with other components such as information treatments or cash? Are trainers qualified and motivated?
- **iii. Labor market:** What types of skills are currently demanded in the labor market? Do the training programs equip individuals with demanded skills?

iv. Socio-cultural norms: What are the socio-cultural norms that women face and how would it affect their program participation?

8 Challenges and questions for future research

Most program impacts have been evaluated 12-18 months after the intervention implying that substantial uncertainty remains about longer term impacts. Further, a methodological challenge is to track individuals in treatment and control groups for a longer time potentially biasing the results as especially those who cannot be tracked are more likely to have worse economic outcomes than those who participated repeatedly in surveys. Relatedly, especially programs that target girls do not track them sufficiently long to understand whether training programs during adolescence have had a positive impact on their future in terms of economic empowerment proxied by employment and earnings.

Finally, an important challenge is that there is a tendency to implement programs that address multiple capacity constraints at the same time as such programs seem to be more effective, but it remains challenging to disentangle and to identify which components of the program are driving which impact.

Lastly, future evaluations need to improve our understanding of the variation in the program impacts among participants to shed light on the question why some individuals benefit tremendously while others do not benefit at all. This will be crucial to develop how training programs could potentially target participants who are most likely to benefit from the program.

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