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Best Practice on TEVET Graduate Empowerment Toolkit Scheme

This paper examines the Technical Education, Vocational and Entrepreneurship Training (TEVET) Graduate Empowerment Toolkit Scheme in Zambia, which was launched in 2007 by the Government of the Republic of Zambia in partnership with the Indian Government in an effort to curb youth unemployment.

Zambia has been affected by economic recession during which unemployment increased following the failure of companies and the privatization of government services. This economic crisis has compounded the already prevailing high unemployment resulting from the stagnation of the formal sector, as well as population growth which had outstripped the amenities offered by government. Almost 50% of Zambia's population are young people and 80% of them are not employed (Central Statistics Office, 2009). As they dropped out of school, there were no jobs to absorb these young people. Moreover, even graduates coming out of technical colleges were unable to find employment. This prevailing unemployment context had a negative impact on the country's prospects for wealth creation, not only at the present time but also in the foreseeable future.

It was in this regard that the government decided that young people attending Ministry of Science, Technology and Vocational Training (MSTVT) training institutions should first be equipped with entrepreneurship skills and secondly that they should benefit from support services enabling them to envisage productive ventures. It is in light of the above that the Technical Education, Vocational and Entrepreneurship Training (TEVET) Graduate Empowerment Toolkit Scheme was implemented in 2008 in technical and vocational education and training (TVET) colleges to curb unemployment by empowering and motivating TEVET graduates to start small businesses.

This best practice report on the TEVET Graduate Empowerment Toolkit Scheme is based on the review and interpretation of available literature on school enterprises and vocational training graduate toolkit schemes, coupled with information gathered through interviews conducted with college management, TEVET graduate scheme co-ordinators and TVET graduates. The general conclusions reached following an examination of the TEVET Graduate Toolkit Scheme are as follows:

- > There is a need to re-orient TVET curricula to ensure that entrepreneurship is integrated into training programmes. This must include knowledge and skills related to the formation of enterprises, business planning and running a successful business.
- There is a need for training institutions to have business incubators where students can try out business ideas before forming graduate companies. These incubators should have adequate equipment and resources related to entrepreneurship, business development and management.
- > Industrial practice sessions for TVET students should be emphasized and all students should participate in a business or industrial attachment during their studies. This helps students to gain industrial experience that will be useful when they set up their own companies.







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Introduction

Youth unemployment in Zambia

Zambia has passed through economic downturns resulting in high unemployment among young people. Even graduates trained in technical colleges have had difficulty finding employment.

This situation has been made worse by the unavailability of youth-friendly credit facilities, which could have been a potential source of capital for entrepreneurship development among young people. Difficulties accessing land have constrained young people's attempts to go into agriculture. The institutional response to the social and economic marginalization of youth in Zambia has had very limited impact. The existing strategies and approaches do not take sufficient account of the needs of young people, their capabilities and their potential (GRZ, 2006:218–219).

Zambia's innovative approach to improve entrepreneurship in TEVET

This prevailing unemployment context has had a negative impact on the country's prospects for wealth creation, not only at the present time but also in the foreseeable future. It is in this regard that the government decided that young people attending Ministry of Science, Technology and Vocational Training (MSTVT) training institutions should, first, be equipped with entrepreneurship skills and, second, benefit from support services that enable them to explore productive ventures. It is in light of the above that the Technical Education, Vocational and Entrepreneurship Training (TEVET) Graduate Empowerment Toolkit Scheme was implemented in 2008 in technical and vocational education and training (TVET) colleges with the goal of curbing unemployment through empowering and motivating TEVET graduates to start small businesses.

The TEVET Graduate Empowerment Toolkit Scheme

The TEVET Graduate Toolkit Scheme was officially launched in November 2007. MSTVT was already aware that there was a need for training TEVET graduates before the toolkits were distributed. However, there was a need to avoid repeating mistakes that had occurred when similar toolkits were distributed to graduates by the Ministry of Sport, Youth and Child Development (MSYCD). Some graduates of the Ministry of Youth institutions in the Western Province were visited in 2007, while college teaching staff in charge of entrepreneurship were also interviewed. It was found that some graduates had simply sold the toolkits that they had been given due to a lack entrepreneurial mindset. Based on the lessons learnt, before the MSTVT toolkits were distributed the Department of Vocational Education and Training conducted workshops at which TEVET graduates were taught various skills, such as business planning, financial mobilization, entrepreneurship and business management. This was done to ensure that graduates were prepared to start and run their enterprises once they were given the toolkits (MSTVT, 2008).

A total of K360,000,000 (US\$77,000) was allocated from the Central Treasury for monitoring the TEVET Graduate Scheme in 2009 (GRZ, 2009). This amount was used for monitoring trips to eleven training institutions. The money was released in monthly allocations (the total being divided by twelve). Each institution also provided a member of staff to be responsible for the Toolkit Scheme.



A selection of different toolkits in the depot

Emerging Best Practices From the Scheme

The implementation of the TEVET Graduate Toolkit Scheme followed a number of steps. These included: procurement of toolkits; induction meetings on the scheme; registration of companies; distribution of toolkits; business development mentoring; and monitoring of the scheme.

Inducting TEVET graduates into the Toolkit Scheme

TEVET Graduate Toolkit Scheme induction meetings were held in December 2007 and January 2008 in Lusaka Province. The purpose of the meetings was to equip graduates with knowledge and skills in entrepreneurship and the writing of business plans, how to mobilize financial resources, the registration of companies, tax obligations and to make them aware of the TEVET Graduate Scheme that would enable them to start and operate a business. The meetings were held to ensure that graduates were prepared psychologically and mentally to take up the challenge of starting a new enterprise. There was an average of twenty-six participants at each meeting (MSTVT, 2008).

Nurturing stakeholder partnerships

The issue of forming partnerships in enterprises was recommended as one way of ensuring that graduates combined their different skills in providing services to those that needed the services. "For example, carpentry, building and plumbing graduates were encouraged to form a company that would offer diverse services. This was recommended as some clients would require diverse services, e.g. a client who wanted a house constructed or renovated may require the services of a painter, plumber, carpenter and builder" (Nsemukila, 2007).

Building capacity in business development and operation

The issue of obtaining start-up capital for businesses was also addressed. Graduates were taught various ways of acquiring start-up capital for their enterprises. Some of the possible financiers for youth entrepreneurs included the Citizens Economic Empowerment Fund and the

Youth Inventors Fund. To assist graduates in accessing these funds, some training on writing business plans was provided. The next stage was to provide guidance on the process of forming and registering companies. Different types of companies were described together with the advantages and disadvantages of each. After the workshops, graduates were given some time to write their business plans and to form companies, after which they became eligible to apply for the toolkits. The National Technology Business Centre (NTBC) assessed all business plans received and when it was satisfied that graduates had bankable plans, toolkits were distributed to them. In cases where some of the graduates did not present good business plans, they were advised to re-write them using professional help. Some talks on entrepreneurship, business start-up, business failure and business success were also arranged. From 2005 to 2007, a total of 100 graduates were selected to receive toolkits under the TEVET Graduate Toolkit Scheme. Preference was given to graduates who formed themselves into co-operatives and those who were female. Others groups that were given preference were those with physical disabilities and those who have also shown innovative approaches during the course of their studies (NTBC, 2009).

Administrators in training institutions were also trained on how to manage the TEVET Graduate Toolkit Scheme. This included providing working space for graduates before they found their own premises, providing security for the toolkits and having a co-ordinator for the scheme in each institution. This sensitization of administrators was done so as to ensure that they accepted the idea of the scheme and supported it fully. Without the full support of administrators, the scheme was likely to fail (NTBC, 2009)

List of Abbreviations

KVTC Kitwe Vocational Training Centre

MSTVT Ministry of Science, Technology and Vocational Training, Zambia

MSYCD Ministry of Sport, Youth and Child Development

NORTEC Northern Technical College

NTBC National Technology Business Centre

TEVET Technical education, vocational and entrepreneurship training

TVET Technical and vocational education and training

TTI Trades Training Institute

Monitoring the scheme

Since January 2009, monitoring the TEVET Graduate Toolkit Scheme was carried out by the Department of Vocational Education and Training in the MSTVT. The purpose of the monitoring visits was to observe how the scheme was being implemented in the various beneficiary institutions. The specific objectives of the monitoring visits were to:

- 1. Verify the support services and action plans put in place by institutions for the graduate companies;
- Identify the challenges faced by institutions in the implementation of the scheme;
- 3. Identify the challenges faced by companies set up in the implementation of the scheme;
- **4.** Establish whether all the toolkits that were distributed to the institutions had reached the beneficiaries;
- 5. Establish whether the beneficiary graduates had set up companies and accessed the toolkits supplied by the training institutions, and
- 6. Establish whether the toolkits were being used for the intended purposes (MSTVT, 2009:3).

The monitoring and evaluation of the scheme was structured in the following manner:

- 1. MSTVT would co-ordinate the monitoring and evaluation of the scheme, mainly using reports from the training institutions. The training institutions would collect reports and also physically monitor the graduates on a regular basis so as to ensure that the tools were being used for the intended purposes.
- Graduates were expected to submit quarterly progress reports to their respective institutions on the performance of their enterprises. The reports will also include the performance of the tools and any challenges faced.
- MSTVT would conduct periodic inspections of the donated tools to ensure that they were being used for the intended purposes (MSTVT, 2007).

The above structure of monitoring clarifies the different roles played by MSTVT, the training institutions and the graduates in the scheme and how the training institutions and graduates would provide reports and be monitored. This is important as monitoring will become explicit and look for specific outcomes over agreed periods.

Eleven institutions were involved in the scheme and they have all established support by providing working spaces for the graduate enterprises, while institutional co-ordinators have been designated for the scheme. The co-ordinators provided a mentoring role to the graduates in running a business (NTBC, 2009).

Generating start-up capital creatively

During an interview in February 2009, Mr Mulimbika, the Principal of Northern Technical College (NORTEC), stated the following: "Some students used allowances that were paid to them during the sensitization workshops as startup capital for the venture at NORTEC in Ndola" (F. Mulimibika, personal communication, February 2009). This demonstrated creativity on the part of the graduates in raising start-up capital. These students were thus able to start an automotive company without the need for other short-term finance. Students of NORTEC formed a graduate automotive company in Lusaka with money raised by selling chickens that they had raised.

TABLE 1: Institutional companies established as an

outcome of the scheme			
Name of training institution	Name of institutional company	Nature of business	
Zambia Institute for Business and Industrial Studies	ZIBSIP Investments	Business consultancy	
Lusaka Business & Technical College	Wepmap Enterprise	Automotive mechanics	
Gemstone Processing and Lapidary Training Centre	Standard Gemstones	Gemstone processing	
Kabwe Trades Training Institute	Kabwe Trades Business Services Limited	Secretarial, finance, records keeping, plant & machinery consultancy	
Nkumbi International College	Jilem Construction & Mechanical Company	Construction & mechanical repairs	
Chipata Trades Training Institute	Chipata Trades Production Unit		
Mongu Trades Training Institute	Mongu Construction	Construction	
Solwezi Trades Training Institute	Soltec	Construction and mechanical services	
Mansa Trades Training Institute	Matrateco	Construction, driving school, fitting, automotive r.pairs, accounting consultancy, farming & real estates	
Northern Technical College	NTC Technical Services	Mechanical. electrical, ICT & automotive services	
Lusaka Vocational Training Centre	LVTC Investments Limited	Construction, automotive mechanics, metal fabrication and supply of general workers	
Ukwimi Trades Training Institute	Fast Construction Limited	Construction	

Source: NTBC, 2009

Establishing college enterprises

The NTBC has developed a manual to guide the implementation of the TEVET Graduate Toolkit Scheme (MSTVT, 2009:4). The implementation manual prescribes the formation of institutional companies that would operate for one year before migrating to business incubation companies (MSTVT, 2009:3-4). School enterprises are entities that include the notion of combining market production with systematic vocational learning. An important aspect of school enterprises is the factor of motivation for effective learning through combining learning with production, in which training underlines the importance of visibility for future returns. In addition, through the synthesis of education and production, technical and vocational education institutions are expected to exploit new financing options to cover training cost (Singh, 1998).

College companies had been established in the institutes of Kabwe. Kasama and Mansa and lecturers for particular trades were assigned to graduates. At Lukashya Trades Training Institute (TTI) the trades in the college's company were as follows: carpentry and joinery, autobody repair, bricklaying and plastering, and plumbing and sheet metal. In Zambia, Kitwe Vocational Training Centre (KVTC) has for a number of years operated a school enterprise. KVTC produces furniture which it sells on order in Kitwe and throughout Zambia. The school enterprise is part of the centre's production unit where students and workers produce the furniture. Recently, KVTC won a tender from the Ministry of Education to produce 2,000 desks for use in schools. Lukashya TII has plans to construct affordable houses which would be sold to members of staff and residents. Services for the construction of these houses will be sub-contracted from graduate companies (A. Mtonga, personal communication, February 2009).

Kabwe TTI has formed two college companies. These companies also provide examples of good practice under the TEVET Graduate Scheme. The management of Kabwe TTI has set up these companies so that graduates can obtain experience on how to run a business before starting their own companies. The graduates

TABLE 2: Graduate companies established as an outcome of the scheme Graduates' institution Name of Nature of business company Kitwe Vocational Training Centre SODKS Auto mechanical repairs Kitwe Vocational Training Centre Name pending Tailoring and design confirmation from PACRO Kitwe Vocational Training Centre Name pending Metal fabrication confirmation from PACRO Lusaka Rusiness & Tapewa Enterprises Plumbing Technical College Lusaka Business & Technical College Name pending Automotive mechanical services confirmation from PACRO Swift Auto Repairs Solwezi Trades Training Institute Automotive mechanical services J C K Enterprises Mongu Trades Training Institute Automotive electrician Mongu Trades Training Institute Construction Bemima Construction Enterprise Brilliance Automotive mechanical services Lusaka Vocational Training Centre Auto Check Northern Technical College Auto Quality Check Automotive mechanical services Plumbing Kabwe Trades Training Institute Name pending confirmation from PACRO Automotive mechanical Kabwe Trades Training Institute Name pending confirmation services from PACRO Lukashya Trades Training Institute Temwa Auto Automotive mechanical Service and Repair Kudikita Mwinilunga Trades Training Institute Construction Construction Company Mwinilunga Trades Training Institute Muswulwila Automotive mechanical Eyala services Enterprise Mwinilunga Trades Training Institute Kjikasa Automotive mechanical Automotive services Mwinilunga Trades Training Institute Burmarco Construction Construction

Carema

Source: NTBC, 2009

Mwinilunga Trades Training Institute

were given working spaces to carry out their operations and loans amounting to K250,000 (approx. \$50) as start-up capital (A. Sayila, personal communication, December 2009).

The effectiveness of the TEVET Graduate Toolkit Scheme can be assessed by the number of institutional and graduate companies established. A total of twelve institutional companies and nineteen graduate companies (Tables 1 and 2) have been established as a result of the implementation of the

scheme. The Graduate Toolkit Scheme has generated considerable interest in entrepreneurship among TEVET graduates and training institutions.

Carpentry

Lessons Learned From the TEVET Graduate Toolkit Scheme

In the implementation of the TEVET Graduate Toolkit Scheme a number of lessons have been learned. These include: (a) the need for stakeholder involvement in the scheme; (b) being clear about the roles of various players; (c) the managing of change; and (d) the importance of monitoring the process and evaluating the outcomes.

Stakeholder involvement

The TEVET Graduate Toolkit Scheme has many stakeholders. These include financiers, the government, training institutions, business support service providers and graduates. Through the induction meetings, MSTVT was able to introduce graduates to business support providers and financiers.

Clarity of roles

NTBC was selected to manage the scheme. Training institutions were expected to provide mentorship for their graduates who were setting up companies on the college premises before the graduates formed their own companies independently. One of the challenges faced by training institutions was that NTBC distributed the toolkits directly to the graduates without the involvement of the training institutions. This situation makes it difficult for a training institution to monitor how the tools were being used, as they (the training institutions) were not aware of what tools had been given to what graduates and where they were operating from (MSTVT, 2009).

Managing change

There are some lessons to be drawn from the process of managing change by training institutions and the graduates themselves. Some institutions found it challenging to make the necessary adjustments to monitor graduates under the scheme. In an interview with the coodinator at Lukashya TTI in 2009, it was found that some graduates were more inclined to look for formal employment and would readily drop out of the scheme if formal employment was found (MSTVT, 2009).

Monitoring and evaluation

The monitoring visits conducted by MSTVT helped to establish the challenges faced and successes being experienced in the TEVET Graduate Toolkit Scheme. This is important because the challenges identified can help to implement corrective actions to address the issues and problems. On the other hand, success stories such as those experienced at Kabwe TTI provide evidence-based information for other institutions about how the scheme can be made to work (MSTVT, 2009).

Issues and concerns

Mongu Trades Training Institute (one of the beneficiary institutions of the scheme) highlighted the following challenges faced in the implementation of the scheme:

- 1. The contracts prepared by NTBC excluded the training institution in the implementation of the TEVET Graduate Toolkit Scheme.
- **2.** There was a lack of physical premises for the formed companies to operate from.
- The two groups of graduates in tailoring and electricals were not organized to start the implementation of the scheme.
- 4. All three graduates who had formed the automotive mechanics company mentioned above had now left the company in preference for employment without surrendering the toolkits or paying for them.
- 5. It was not clear when and how the graduates would start paying for the toolkits which they had obtained in the form of a loan (MSTVT, 2009).



Examples of the content of various toolkits

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Conclusions

Below are the general conclusions reached following the evaluation of the TEVET Graduate Toolkit Scheme:

- > There is a need to re-orient TVET curricula to ensure that entrepreneurship is integrated into the training programmes. This must include knowledge and skills related to the formation of enterprises, business planning and how to run a successful business.
- > There is a need for training institutions to have business incubators where students can try out their business ideas before forming graduate companies. These incubators should have adequate equipment, resources related to entrepreneurship, business development and management.
- Industrial work experience for TVET students should be emphasized and all students should participate in a business or industrial attachment during their studies. This helps students to gain industrial experience which will be useful when they form their own companies.
- An agreed-upon mechanism should be established to deal with recovering toolkits and loans from the graduates, without which the programme will not be financially sustainable.



Carpenters, Zambia