

Evaluation of Enterprise Training on Youth Employment within the Kumasi Metropolis of Ghana

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ABSTRACT

This study is a conceptual description of the effects of enterprise training on youth employment from disciplinary and methodological perspectives within the Kumasi Metropolis. The study delve into effects of enterprise training in addressing youth employment and measures to be put in place to ensure that youth especially graduates take up enterprise training or education to become employable or self-employed. The study also assess the link between enterprise training and youth employment, the support system for enterprise training, and the benefits of enterprise training on youth employment, The study adopted survey strategy using a mix of quantitative and qualitative methods, although the focus was more on quantitative. Primary data was also used for the study. The study revealed that enterprise training helped the youth to be employable or be self-employed. It was also evident from the study that those participants of enterprise training experienced considerable increase in performance at their work environment after having gone through enterprise training exercise.

1.0 Introduction

Training is essential to face up to the challenges of growth, competitiveness and employment. This implies that all relevant actors have to play their role: public authorities and the private sector, thus employer's organizations and trade unions. The involvement of the social partners acts as a guarantee of the maintenance and the quality of investment in vocational training. Given the instability of the present employment situation and the lack of qualified workers owing to the increasing pace of change, social partners should create responses which go beyond short term needs and improve the correlation between changes in the training field and global changes in the economic and social environment.

At the beginning of the twenty-first century, the world's young population numbers more than they ever have. There are over a billion young people between the ages of 15 and 24, which 85 per cent of them live in developing countries and mainly in urban environments. Many of these young people are in the process of making, or have already made, the transition from school to work. During the last two decades all around the world, these young peoples, as new workers, have faced a number of challenges associated with globalization and technological advances on labour markets (United Nations 2004). The continuous decrease in the manufacturing employment is made many of the young people facing three options: getting jobs in the informal economy with insecurity and poor wages and working conditions, or getting jobs in the low-tier service industries, or developing their vocational skills to benefit from new opportunities in the professional and advanced technical/knowledge sectors. Moreover in developing countries a large portion of young people are not even lucky enough to choose among any of these options, and consequently facing long-term unemployment, which makes them highly vulnerable.

Youth population is increasing explosively particularly in developing countries as a result of rapid urbanization. This increase is bringing large number of social and economic problems. For instance the impacts of job and training availability, and the physical, social and cultural quality of urban environment on young people are enormous, and affect their health, lifestyles, and well-being (Gleeson and Sipe 2006).

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Preparing youth for self-employment and enterprise development is therefore considered an important strategy in national education efforts and countries are increasingly introducing entrepreneurship education at different levels in the educational system to orient youth to other career options than wage employment (ILO conference, 2010).

In Ghana today, the increasing rate of unemployment, poverty, social vices and many other social problems become worrisome to government and consent citizens. The problem of unemployment is pathetic as the number of people coming out from various institutions is increasing day by day. Following these view point, that government and other private institutions instituted measures to see to it that most unemployed youth get enterprise training to equip them to be self-employed or employable. It is based on this premises that the study seek to evaluate enterprise training on youth employment within Kumasi metropolis of Ghana.

2.0 Related Literature Review

2.1 Defining Training

The study and practice of Human Resource Development (HRD) focuses mainly on issues relating to training and development, and career and organisation development (De Cieri & Holland, 2006; Swanson & Holton, 2001). This stream of literature has witnessed attempts at HRD conceptualisation and theory building (Mankin, 2001; McLean & McLean, 2001; Swanson, 2001). A definition of HRD that has received significant consensus is that it is “a process for developing and unleashing human expertise through organisation development and personnel training and development for the purpose of improving performance” (Swanson & Holton, 2001).

Despite this definition and given the central focus, training within the field of HRD, there are varying academic and practitioner definitions of training, development, education and learning (Garavan, 1997). Generally, within the human resource management (HRM) and HRD literatures, training is defined as a planned and systematic effort to modify knowledge, skills and attitudes through learning experiences, to achieve effective performance in an activity or a range of activities (Garavan et al., 2000). Garavan (1997) argues that one should “view the concepts of training, development and education as an integrated whole with the concept of learning as the glue which holds them together”. Training is broadly conceptualized, in the context of organisations operating for profit, as: all learning activities relevant to the operation of an enterprise and includes formal and informal training, development, and education provided by the organisation, internally or externally (Malik, 2009).

2.2 Definition of Enterprise Training

The concept of enterprise training relates, generally, to small manufacturing activities including primary products processing, handicrafts, construction, and repair services. In Ghana, two major definitions maybe used to describe small scale industry; one based on capital requirements and the other based on employment size. The National Board for Small Scale Industry (NBSSI) defines small-scale industry as one whose capital requirements for plant and equipment do not exceed the cedi equivalent of 100,000 United State dollars. The Ghana Statistical Services (GSS) defines it as one which does not employ more than 29 persons. This second definition is the one commonly used, and has been adopted for this study. Firms employing 30 or more persons are normally included in the enforcement of employment and minimum wage legislations and are thus regarded as formal.

In a major research project on enterprise training in Australia, Hayton et al. (1996) considered enterprise training as “all forms of skill formation activity relevant to the operation of the enterprise. This includes formal and informal training, and on-site and off-site education and training” (Hayton et al., as cited in Ridoutt et al., 2002).

2.3 Types and Methods of Enterprise Training

Enterprise-based training schemes in vocational education and training (EBS-VET) are here understood as all enterprise-based training programmes (EBTs), that is training in enterprises only, and also all programmes that jointly (i. e. enterprises and/or schools and/or centres) deliver vocational education and training to trainees in pre-employment, apprenticeship, post-secondary and other specific programmes. Thus, these schemes have at least some kind of training in enterprises in them and are mostly carried out collaboratively between enterprises and schools of vocational education.

According to Awogbenle and Iwuamadi (2010), enterprise training is hinged around three critical areas of development:

Enterprise Education: involving the creation of programmes, seminars and trainings that provide the values and basics of starting and running a business. This also guides youth through the development of a bankable business plan.

Experiential Programmes: which provide youth with placement and experience in the day to day operation of a business. In other words, it involves the development of a youth-run business that young people participating in the programme work in and manage.

Enterprise Development: is a third and the most critical. This states the supports and services that incubate and help develop their own businesses. It goes beyond entrepreneurship education by helping youth to access small loans that are needed to begin business operation and by providing more individualized attention to the development of a viable business idea.

2.4 Meaning and Scope of Technical and Vocational Education and Training

Technical and Vocational Education and Training (TVET) is broadly defined as “Education which mainly lead participants to acquire the practical skills, know-how and understanding, and necessary for employment in a particular occupation, trade or group of occupations” (Atchoarena, and Delluc, 2001). Such practical skills or know-how can be provided in a wide range of settings by multiple providers both in the public and private sector. The role of TVET in furnishing skills required to improve productivity, raise income levels and improve access to employment opportunities has been widely recognized (Bennell, 1999). Developments in the last three decades have made the role of TVET more decisive; the globalization process, technological change, and increased competition due to trade liberalization necessitates requirements of higher skills and productivity among workers in both modern sector firms and Micro and Small Enterprises (MSEs). Skills development encompasses a broad range of core skills (entrepreneurial, communication, financial and leadership) so that individuals are equipped for productive activities and employment opportunities (wage employment, self-employment and income generation activities (Bennell, 1999).

There is no generalized definition of the term “youth” The definition of youth varies from country to country. Generally, the period between childhood and adulthood is called “Youth.” In Ghana the youth policy defines “youth” as “persons who are within the age bracket of fifteen (15) and thirty-five (35)”. Ghana’s definition has been informed by those used by the United Nations Organisation and the Commonwealth Secretariat.

The United Nations sample of interventions for youth, with an exhaustive collection of programs with impact evaluations, as well as programs with only basic and descriptive information. It is not confined to success stories, on the principle that there is a great deal to be learned from mistakes and failures. Aiming to provide substantial evidence-based policy choices, the inventory focuses greatly on employment problems of disadvantaged youth rather than simply on those who are unemployed. Documented programs seek to: (i) increase the demand for labour in general in relation to supply, as well as (ii) those that improve the employability profile of youth, so when the demand for labour increases, they can take advantage of the greater scope for improving the quality and quantity of their employment (Betcherman et al. 2007).

The most popular interventions are skills training, particularly vocational training and apprenticeships systems, and multi-service or comprehensive programs, combining job and life skills training, work experience, subsidies, and other support services; which account for 38 and 33 percent, respectively, of all interventions covered by the inventory. Other prevalent categories are interventions to make the labour market work better for young people, such as wage subsidies, public works, information, and job placement, and entrepreneurship schemes (Betcherman et al. 2007).

2.5 Link between Enterprise Training and Youth Employment

Empirical evidence from many training programmes suggests skills-training has a somewhat lower incidence of positive employment impact than other Active Labour Market Programmes (ALMPs) (World Bank, 2007) or that the effect is mixed (Kluve, 2006). However, evidence collected by the World Bank’s Youth Employment Inventory indicates better effects from training in transitional and developing economies than in advanced economies. It is estimated that training in transitional and developing economies improves employment prospects by between 6 to 57 per cent, with female and lower-educated individuals experiencing the highest gains (World Bank, 2007).

In 1999, the ILO in its "World Employment Report: Employability in the Global Economy- How Training Matters" (ILO, 1999) estimated that, out of a world labour force of 3 billion people, 25 to 30 per cent were underemployed and about 140 million workers were fully unemployed. The ILO further estimated that 60 million young people between the ages of 15 and 25 were in search of work but could not find it then. The employment situation since then has not changed much; of special social concern still is the severity of youth unemployment worldwide. Youth unemployment still seems to be directly related to the overall unemployment rate which depends on the prevailing economy of the country. Statistics show that the youth unemployment rate in most countries (as well in industrialized, in transition and developing countries) is two or three times higher than the general unemployment, with some notable exceptions in Europe such as in Austria, Germany, Iceland, Luxembourg, and Switzerland and most recently in Denmark, Ireland and the Netherlands(ILO, 1999).

In all of the countries having low youth unemployment rates, vocational education and training (VET) is based on vocational schools having close enterprise relations. Some programmes in countries successfully combating youth unemployment are based on enterprise-based apprenticeship training provided by private companies, combined with school based learning and sometime also by technical training provided in schools. Apprenticeship is the most common form of work-linked training. However, it is not always an apprenticeship alone that makes a smoother transition from school to work life (ILO, 1999).

2.6 Support Systems for Enterprise Training

2.6.1 Institutional Support System

Policy reforms of the last decade have resulted in the private sector being increasingly seen as the principal agent of industrial development. The development of smaller firms has been made a priority in Ghana Government's industrial development policy considering the sub sector's potential to generate employment and create wealth. The small enterprise sector is also a key to regional development and is consistent with Government's efforts to decentralize economic activity and promote rural development. It is against this background that the government has initiated policies to support small firms, (Atuguba, 2006).

A number of measures have been put in place to promote small-scale enterprises development in Ghana (NBSSI, 1997). These include financial support, through programmes such as Funds for Small and Medium Enterprise Development (FUSMED); institutional support such as establishing enterprise associations and co-operatives and the establishment of NBSSIs as the apex institution responsible for small and medium enterprise development; standardization and quality control of products and supporting efforts to boost non-traditional exports; promoting the development of indigenous technologies to improve the quality of local product and supporting the adaptation of existing technologies to meet local needs (NBSSI, 1997) .

2.6.2 Policy Initiatives for Small Scale Enterprises Promotion

A number of initiatives - business advice, training, technology transfer and financial support have been introduced in Ghana to support the development of the small-scale enterprise sector. The supporting organizations include government institutions, industry federations, bilateral and multi-lateral lending organizations, Non-Governmental Organizations (NGOs) and private sector bodies,(Atuguba, 2006).

The National Board for Small Scale Industries manages a network of Business Advisory Centres (BACs), which are located in all the regions of Ghana. Range of services including training, credit finance, technology transfer and capacity building are provided to small-scale enterprises by the BACs. Training related services cover such areas as entrepreneurship and technical support. Follow-up assistance to enterprises is also provided in order to ensure that skills and knowledge acquired at the training workshops are applied in the day-to-day running of their businesses. The problem with the BACs is that they do not make these services available on one-stop basis and there seems to be little targeting of firms with assistance going to all enterprises in all sectors whether or not they have growth potential,(Atuguba, 2006).

3.0 Methodology

The study adopted both quantitative and qualitative methodology in carrying out this research. An in-depth interview and self-administered questionnaires were used as measuring instrument. The researchers administered the questionnaires to trainees which comprised both open-ended and closed-ended questions to solicit information relevant to the study from the trainees.

For the purpose of this study, the population under consideration included all trainees over the past four years within Kumasi metropolis of Ghana.

The population for the study consisted of trainees of National Vocational Training Institute (NVTI) within the Kumasi metropolis of Ghana. These trainees were basically caterers, auto mechanics, welders, designers among others.

The study revealed that the NVTI trains at least one hundred and fifty trainees in various disciplines every year. A sample size of one hundred and eighty (180) was selected from the total population of six hundred (600) within the metropolis. This sample size was selected using the convenience sampling approach. Out of the 180 respondents selected, 168 of them responded to the questionnaire representing about 93% response rate.

Primary data was collected through field survey using structured questionnaire. The questionnaire used was closed ended questions with five point likert scale, ranging from 5= Strongly Agree, 4=Agree, 3= Not Sure, 2=Disagree and 1= Strongly Disagree. Both self-administered and interviewer-administered questionnaires were used for the study.

The data collected was analyzed using descriptive statistics with simple averages and percentages using the Statistical Packaging for Social Sciences (SPSS) and Microsoft Excel.

4.0 Results and Discussions

Table 4.1 Skills of Trainees before Training

Skills before Training	Frequency	Percent
Dressmaking	6	3.6
Catering	15	8.9
None	147	87.5
Total	168	100.0

Source: Field Survey, 2013

Table 4.1 reveals skills the respondents had before they enrolled in the training. 3.6% of the respondents indicated that they had dressmaking skills, 8.9% indicated that they had catering skills, and 87.5% of the respondent indicated that they had no skills before enrolment into the training. This clearly shows most youth who enrolled in to enterprise training had no skill before training.

Table 4.2 Skills Acquired after Training

Skills Acquired	Frequency	Percent
Catering	30	17.9
Auto mechanic	42	25.0
Others	96	57.1
Total	168	100.0

Source: Field Survey, 2013

Table 4.2 shows the distribution of skills acquired by trainees. 17.9% (n=30) indicated that they have acquired skills in Catering, 25.0% (n=42) indicated that they have acquired skills in Auto mechanic, and 57.1% (n=96) indicated that they have acquired other kinds of skills like Motor Vehicle electrical, General Printing, Welding and Fabrication, Maintenance Fittings etc. This finding affirms the definition of TVET by Atchoarena and Delluc (2001) that, Technical and Vocational Education and Training is broadly defined as "Education which is mainly to lead participants to acquire the practical skills, knowhow and understanding, and necessary for employment in a particular occupation, trade or group of occupations".

Table 4.3 Training Duration

How long was the training		
	Frequency	Percent
25 months and above	168	100.0

Source: Field Survey, 2013

Table 4.3 shows respondents view of how long the training was. All the respondents indicated that the training was for 25 months and above. Based on the time duration for training, it therefore meant that trainees would have had enough exposure to the necessary skills needed for the job market.

Figure 4.1 Motivations for Enterprise Training



Source: Field Survey, 2013

Figure 4.1 shows the responses of the trainees on what motivated them to enroll in the training. 57.1% indicated that it will enable them to get employment, 37.5% indicated that it will enable them to be self-established and 5.4% indicated that they want to acquire technical and vocational skills. Such practical skills or know-how can be provided in a wide range of settings by multiple providers both in the public and private sector. This finding is in consonance with Bennell (1999), that the role of TVET in furnishing skills required to improve productivity, raise income levels and improve access to employment opportunities has been widely recognized.

Table 4.4 Trainees Views on Performance before Training

Performance before training	Frequency	Percent
Very good	3	1.8
Below average	165	98.2
Total	168	100.0

Source: Field Survey, 2013

Table 4.4 shows the rating of trainees before they received training. 98.2% (n=165) indicated performance before training was below average, 1.8% (n=3) indicated that performance before training was very good. This finding shows that most of the youth who go in for training have performance below average.

Table 4.5 Trainees Views on Performance after Training

Performance after training	Frequency	Percent
Excellent	51	30.4
Very good	99	58.9
Good	15	8.9
Below Average	3	1.8
Total	168	100.0

Source: Field Survey, 2013

Table 4.5 shows the alternate views on the performance of trainees after training. 30.4% (n=51) indicated that performance after training is now Excellent, 58.9% (n=99) indicated that performance after training is very good, 8.9% (n=15) were of the view that performance after training is good and only 1.8% (n=3) said it was below average. This finding shows that all other things being equal, performance after training is higher than performance before training.

Table 4.6 Enterprise Training and Youth Employment

Opinions on Enterprise Training and Youth Employment	Strongly Agree	Agree	Not sure	Disagree	Strongly Disagree
1. Enterprise training equip the youth with employable skills	69.9%	28.6%	1.8%	-	-
2. Enterprise training prepared trainees to be self-employed	62.5%	35.7%	1.8%	-	-
3. Job search has not been difficulty after training	1.8%	28.6%	44.6%	21.4%	3.6%
4. Employers were ready to engage our service	-	19.6%	37.5%	39.3%	3.6%
5. We enjoy support from government in trying to set-up	-	-	21.4%	30.4%	48.2%

Source: Field Survey, 2013

Table 4.6 shows the varying opinions of trainees on enterprise training and youth employment. 69.9% strongly agreed that enterprise training equips the youth with employable skills, 28.6% agreed and 1.8% are not sure.

On whether enterprise training equip the youth with employable skills, 62.5% strongly agreed that enterprise training prepared trainees to be self-employed. 35.7% agreed to the statement and 1.8% are not sure.

On the question that job search has not been difficult after training, 44.6% indicated 'not sure'. 28.6% agreed that job search has not been difficult after training, 1.8% strongly agreed to this statement. However 25% disagreed that job search has not been difficult after training. The results shows most youth got jobs after undergoing enterprise training.

Whether employers were ready to engage their services after training, 42.9% of the trainees disagreed that employers were ready to engage their services, 37.5% are not sure with their response to the statement and only 19.6% agreed to the statement.

On government support for enterprise establishment, 48.2% strongly disagreed to the statement that they enjoy support from government in trying to set up their businesses, 30.4% also disagreed that the government supports them in trying to set up their businesses. This indicates that majority of the trainees (respondents) posited that the government does not support them in setting up their businesses. This implies that they need to go for other alternative sources of funding for setting-up their businesses. This

finding generally revealed that, enterprise training equips the youth with employable skills and make them prepared to be self-employed.

5.0 Conclusions

Enterprise Training activities is an asset to the development and growth of SMEs in every country. The services they provide are tailored to meet the needs and aspirations of the local industry and emphases are towards the development of skills by providing training to the youth to be self-reliant and also contribute to the development of the country.

The study on the evaluation of Enterprise Training on the Youth of Kumasi metropolis revealed that the effects of enterprise training helped the youth developed enterprise skills to be employable and set-up their own enterprises. It was also found out that respondent's experienced considerable increase in performance at their work environment after having gone through enterprise training. However, the study clearly revealed that there were a lot challenges on the part of trainees in trying to secure funds in setting up their own businesses.

6.0 Recommendations

One important thing that is lacking in the enterprise training activities is inadequate training centres. It is therefore recommended that the government should team up with industries to establish a sort of collaboration to offer places in industry for internship for trainees for development of skills. In addition, the government should partner with the owners of small and medium enterprises (SMEs) in the country to offer places in their work place for practical training of trainees.

The findings also revealed the lack of support in equipment and logistics by government to the training institutes. It is hereby recommended that government should endeavor to collaborate with donor agencies to come to the aid of these training institutes to provide needed logistics and equipment for proper training of trainees.

Interactions with trainees during the data collection exercise also indicated that most trainees wished to establish on their own but there is a problem of accessing finance to set-up. It is therefore recommended that government should set-up schemes for enterprise trainees to secure funds to set-up small and medium enterprises to expand the economy and also to create more jobs.

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