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Our starting point

75M

Youth (15-24) unable to find a job

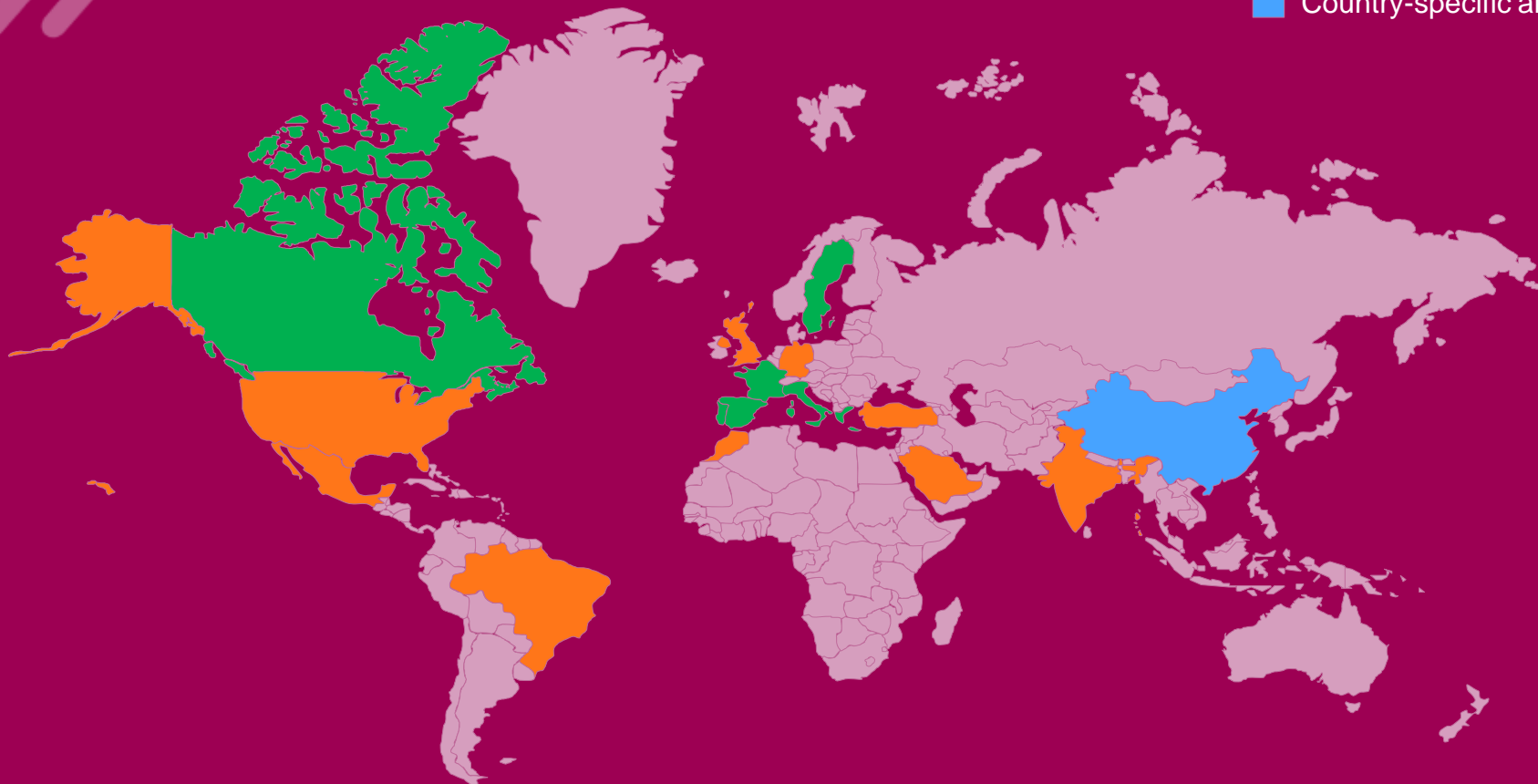
34%

**Employers reporting difficulty
finding talent**



Our ongoing global research

- 2012 Survey
- 2013 Survey
- Country-specific analysis



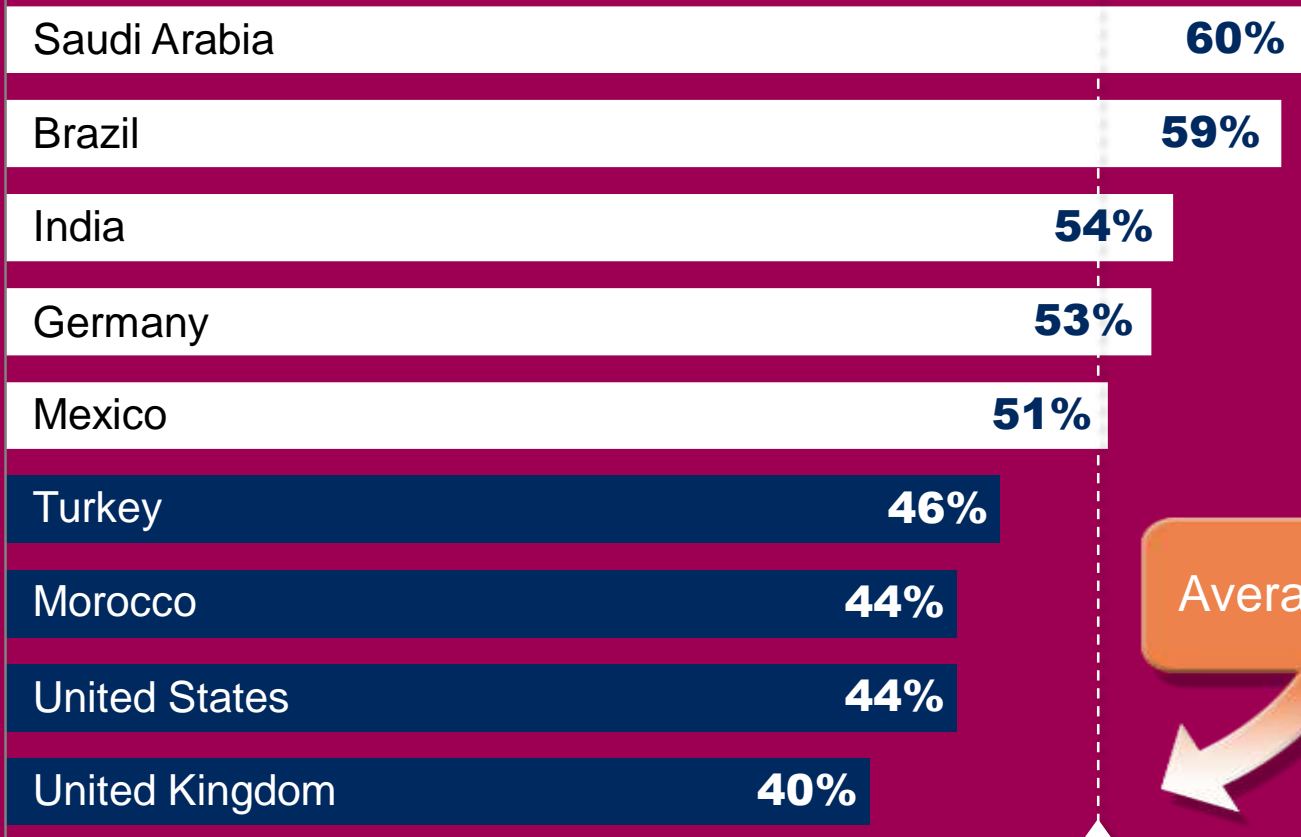
~8,000 youth
~5,000 employers
~1,500 post-secondary
education providers

100 case studies covering
25 countries



Only one in two youth believe their education improved their chances of finding a job

% of respondents agreeing



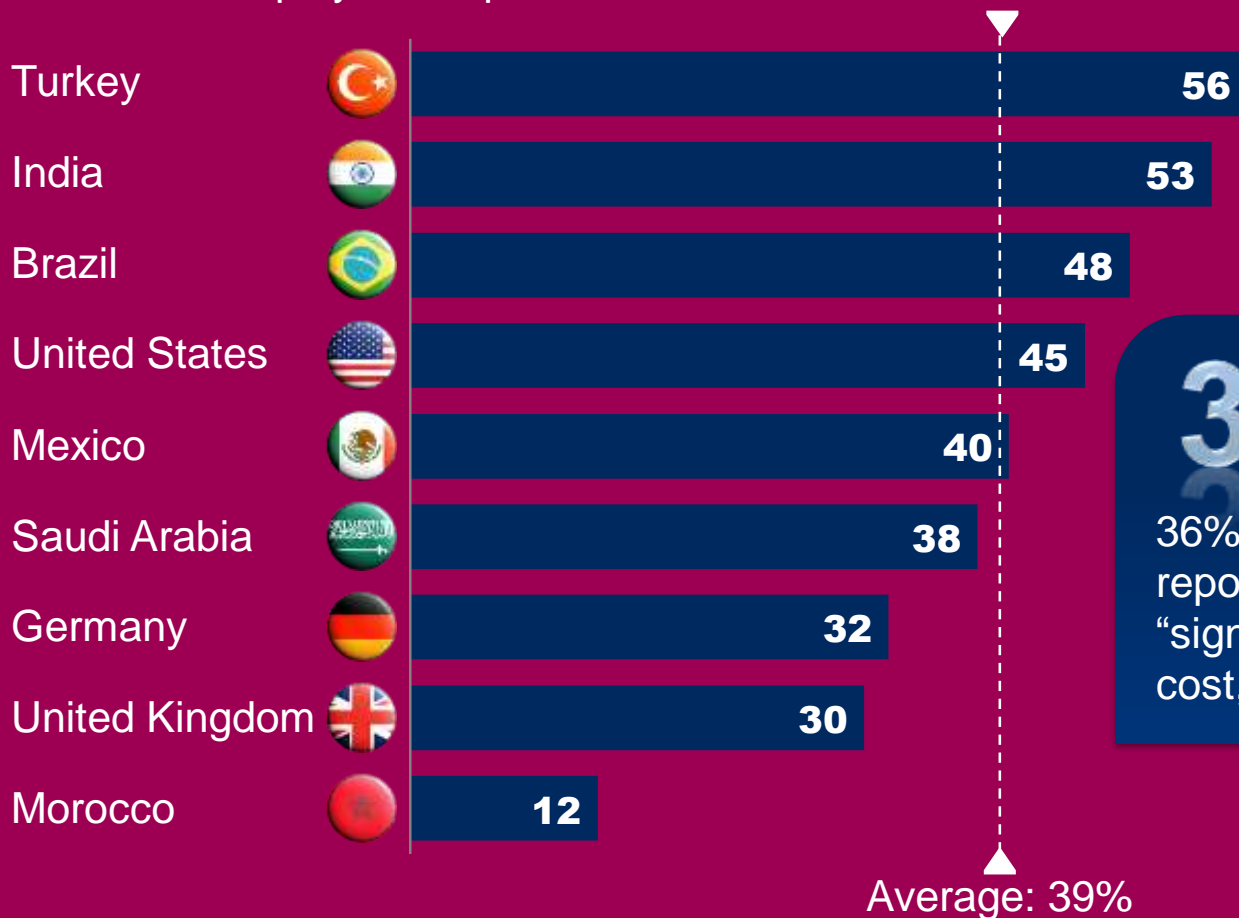
Average: **50%**



39% of employers say skills shortages are a leading driver of entry-level vacancies

Lack of skills as common reason for entry-level vacancies

Percent of employers respondents

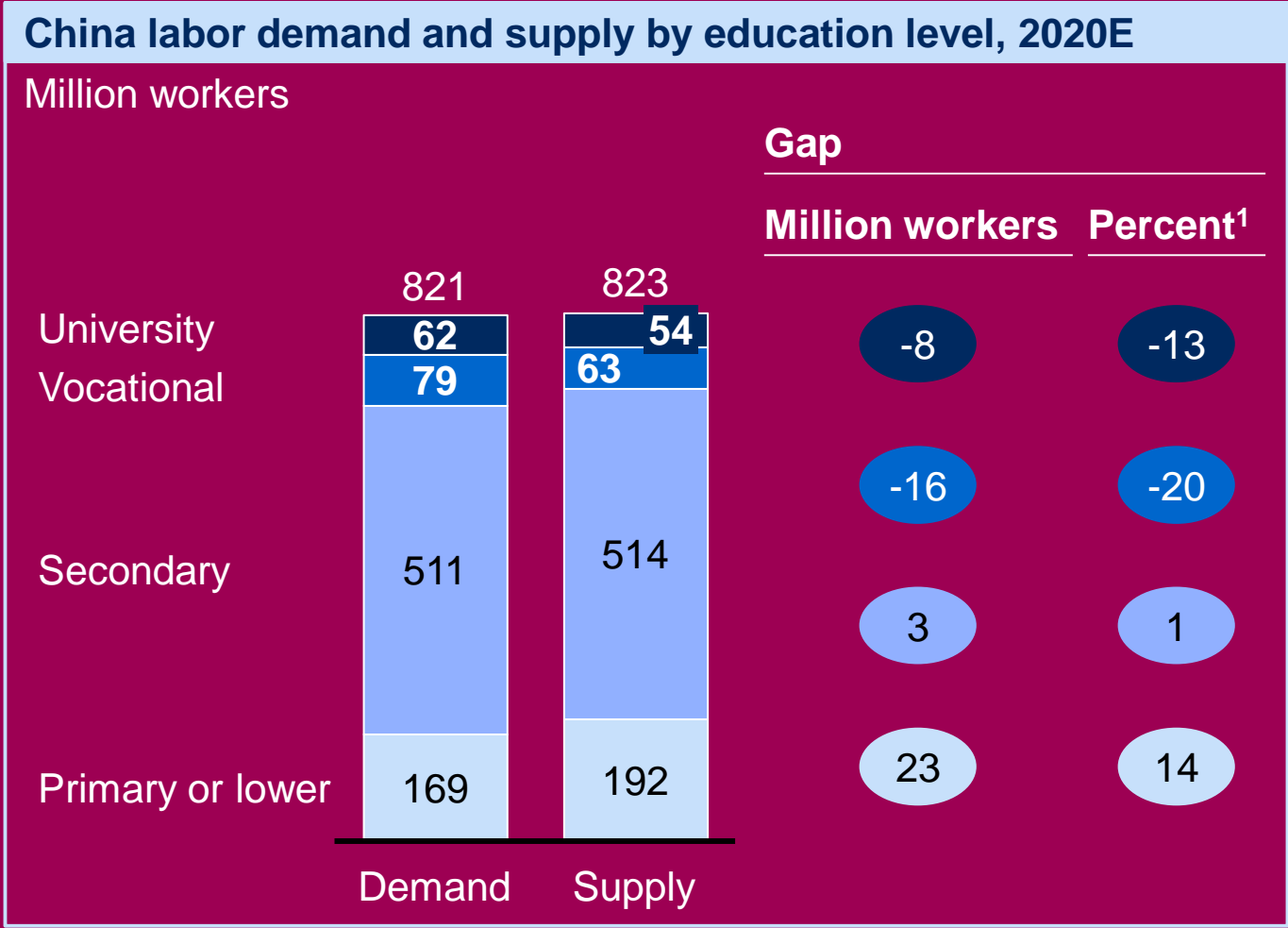


36%

36% of employers also reported a lack of skills caused “significant problems in terms of cost, quality, and time” or worse



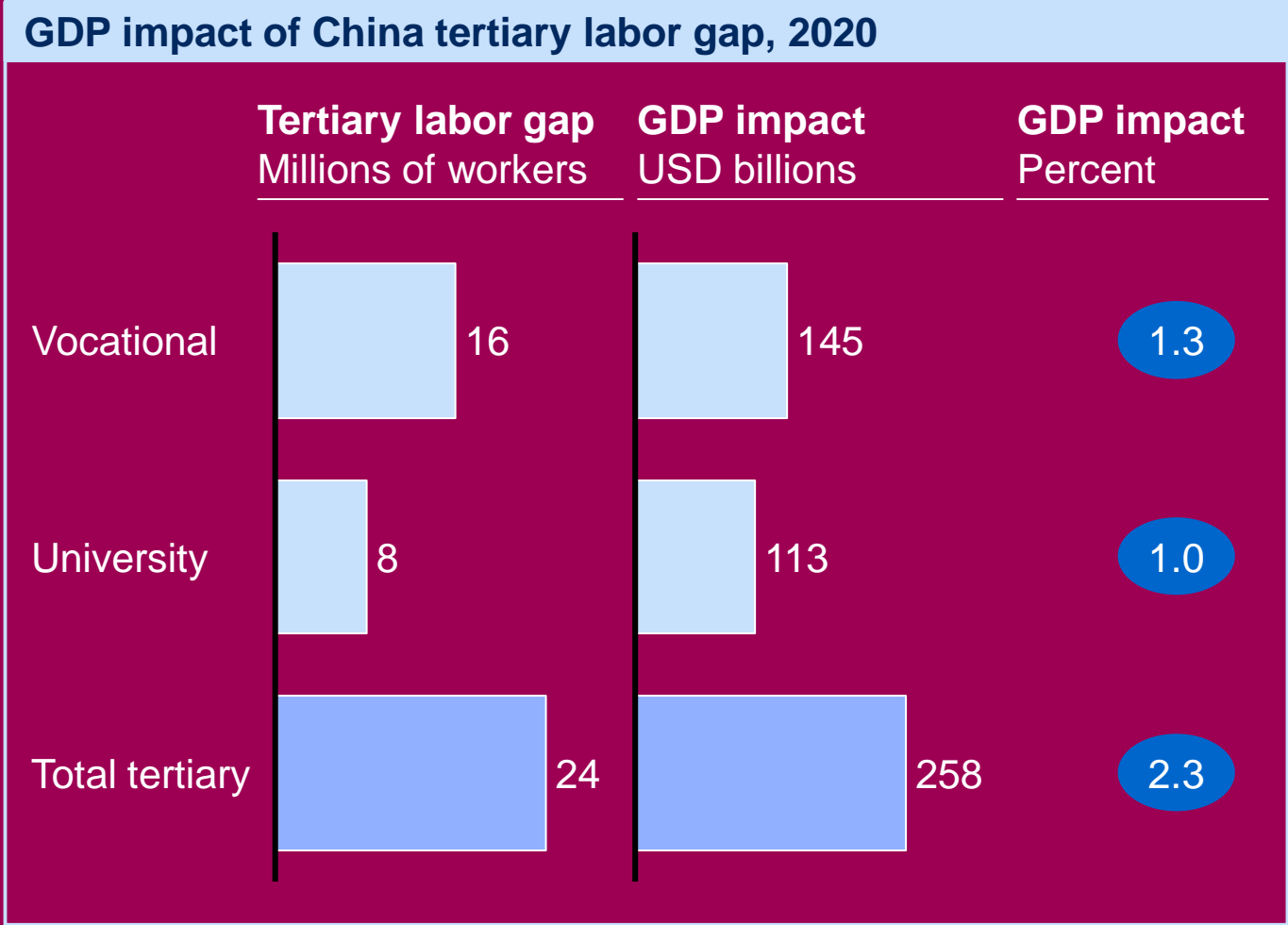
Demand for university and vocational labor in China is expected to exceed supply by ~24 million workers in 2020



¹ Gaps are percent of demand for shortages, and percent of supply for surpluses
NOTE: Numbers may not sum due to rounding



If China does not close its high-skilled labor gap, China could face an opportunity cost of ~\$250B, or 2.3% of GDP in 2020

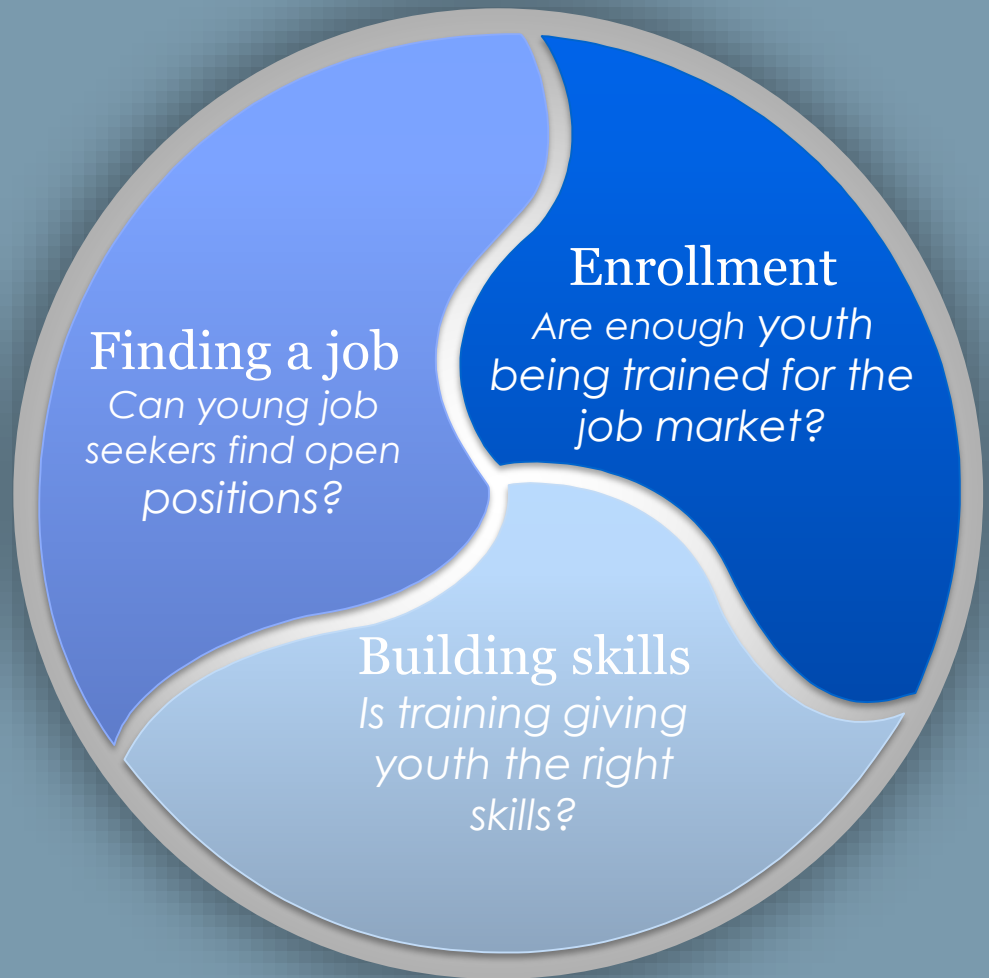


1 | The education to employment journey is fraught with obstacles



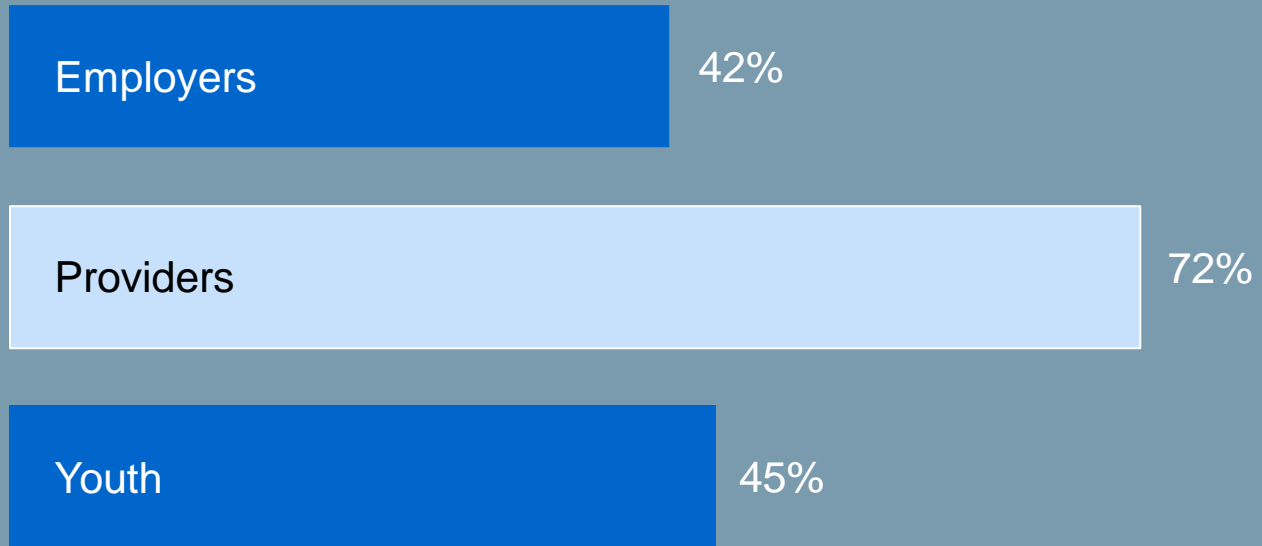


We have framed youth's journey from education to employment in three "intersections"





Preparation of new graduates for the workforce

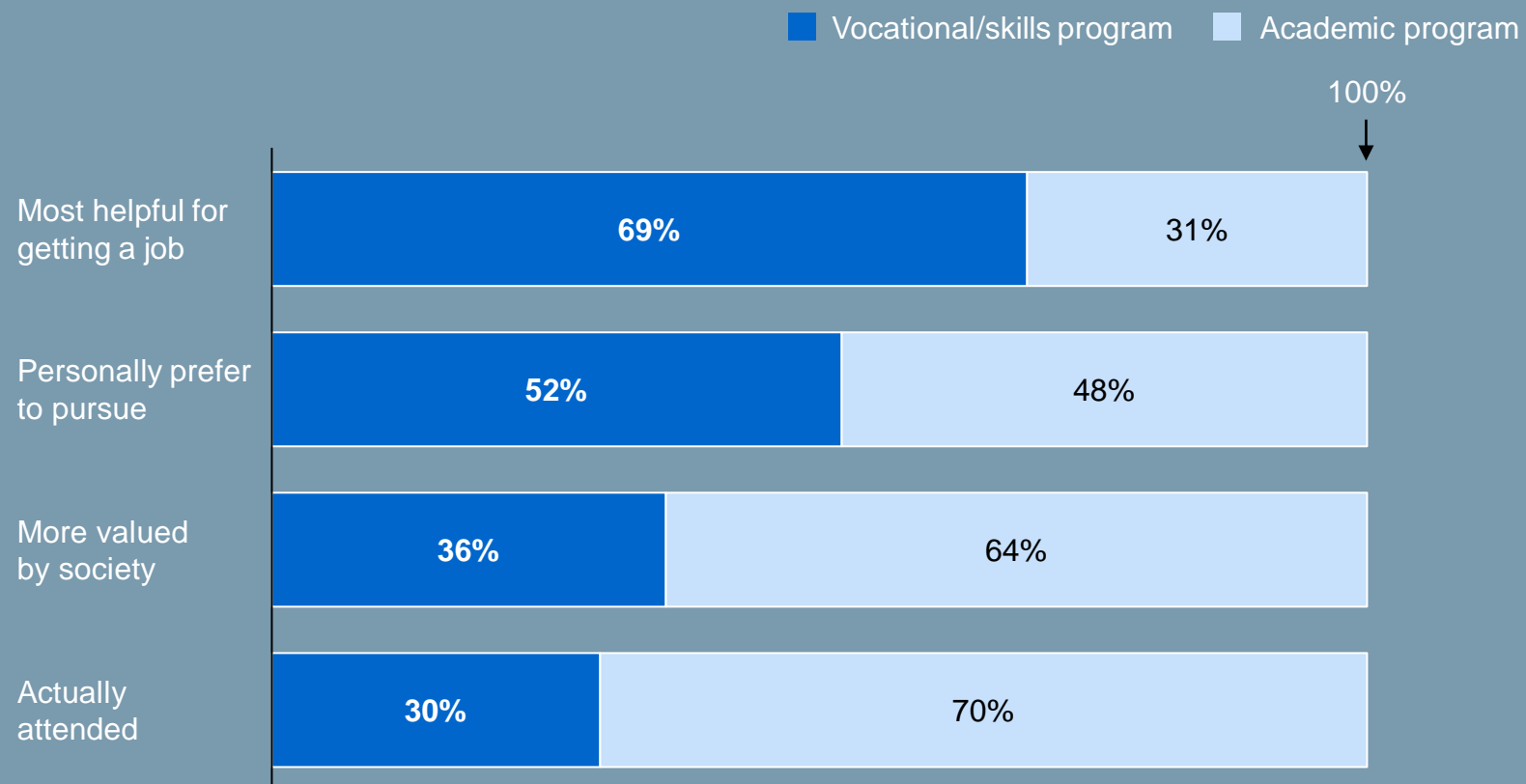


% who agree youth are adequately prepared



The perception challenge of vocational education

Value of program types



2

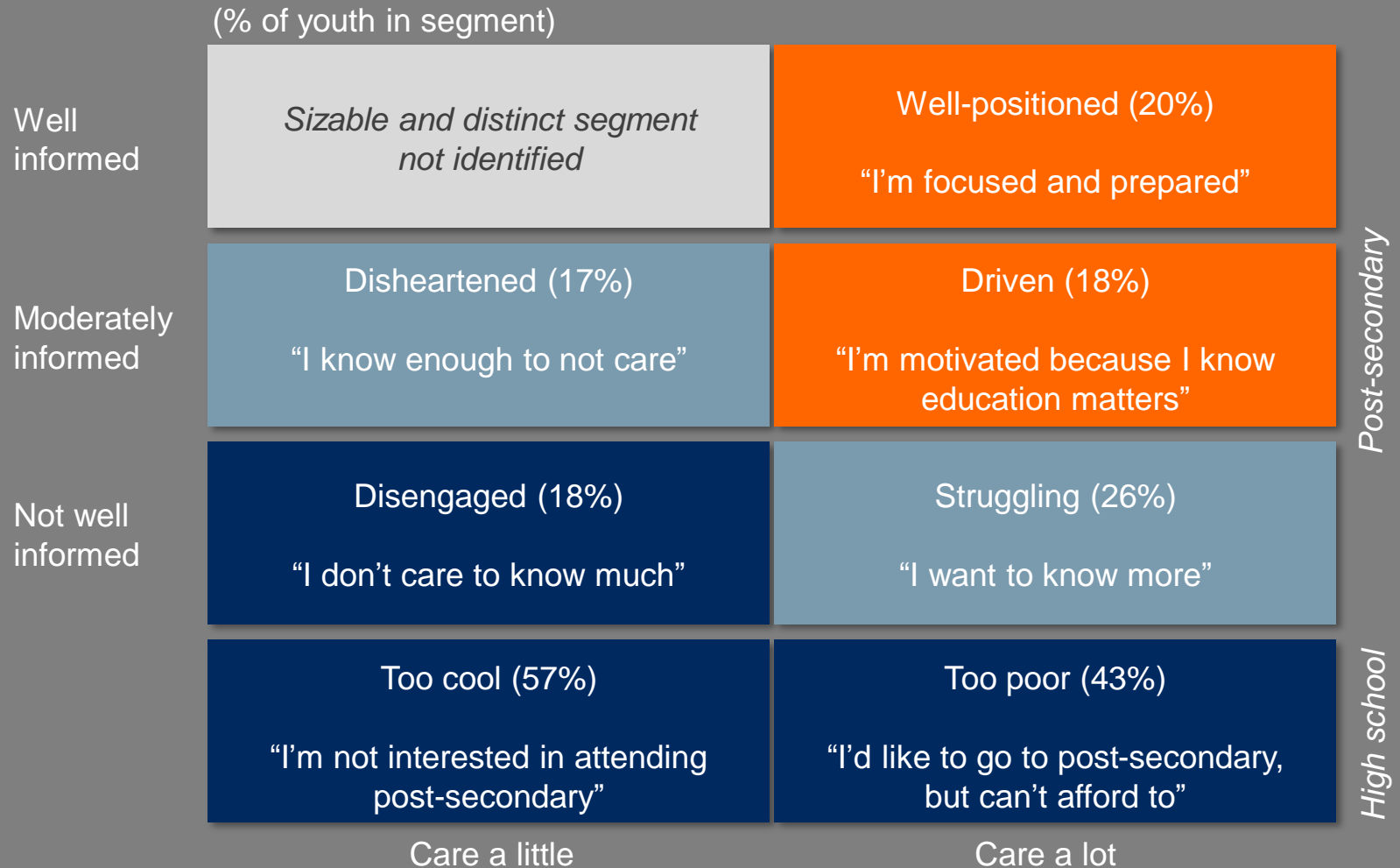
Taking a segmented approach to tackling unemployment





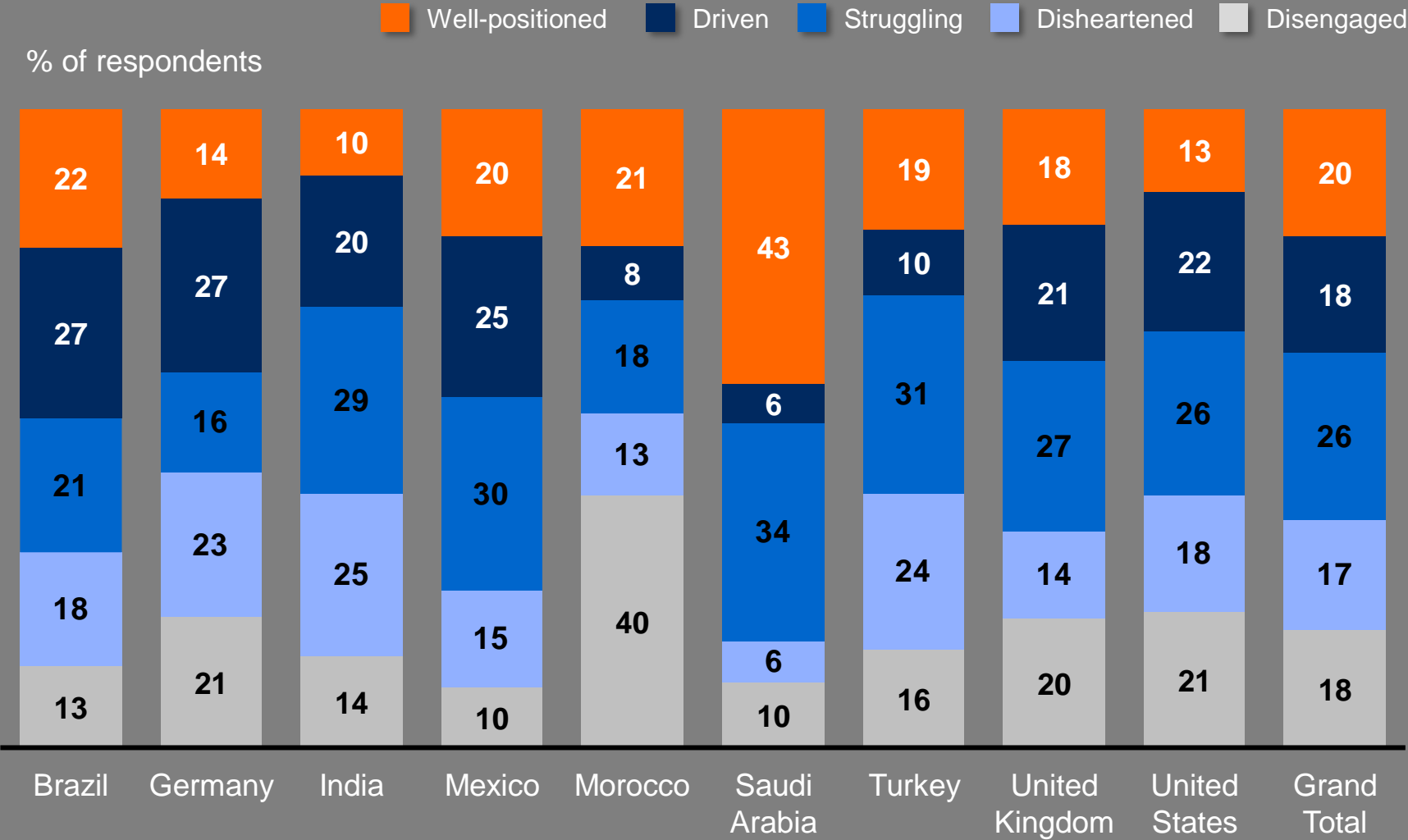
2 out of 7 youth segments have positive outcomes

Unemployment Rate: ■ 10-19% ■ 20-39% ■ 40%+



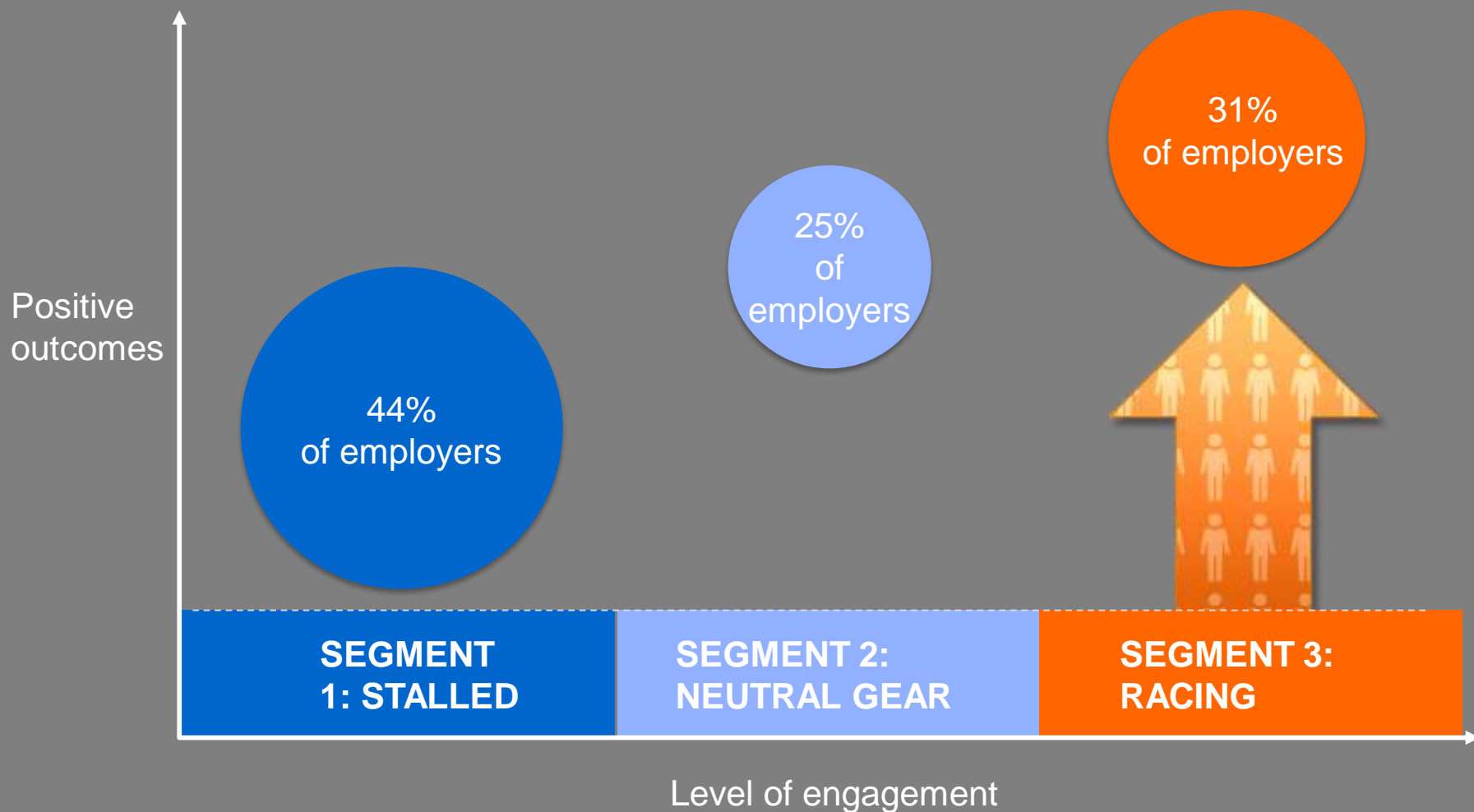


Countries have different mixes of post-secondary youth segments





Only one out of the three employer segments is engaging heavily – and seeing results



3

Creating a successful education to employment system





Three success factors

- 1 Employers and education providers actively stepping into each others worlds**
- 2 Innovation in delivery of education and training**
- 3 Designing a system that works**



Successful programs are all defined by education providers and employers actively stepping into one another's worlds

Employers “pre-hiring” before enrollment or **providers with off-take agreements**



Co-developing curricula to ensure industry relevance



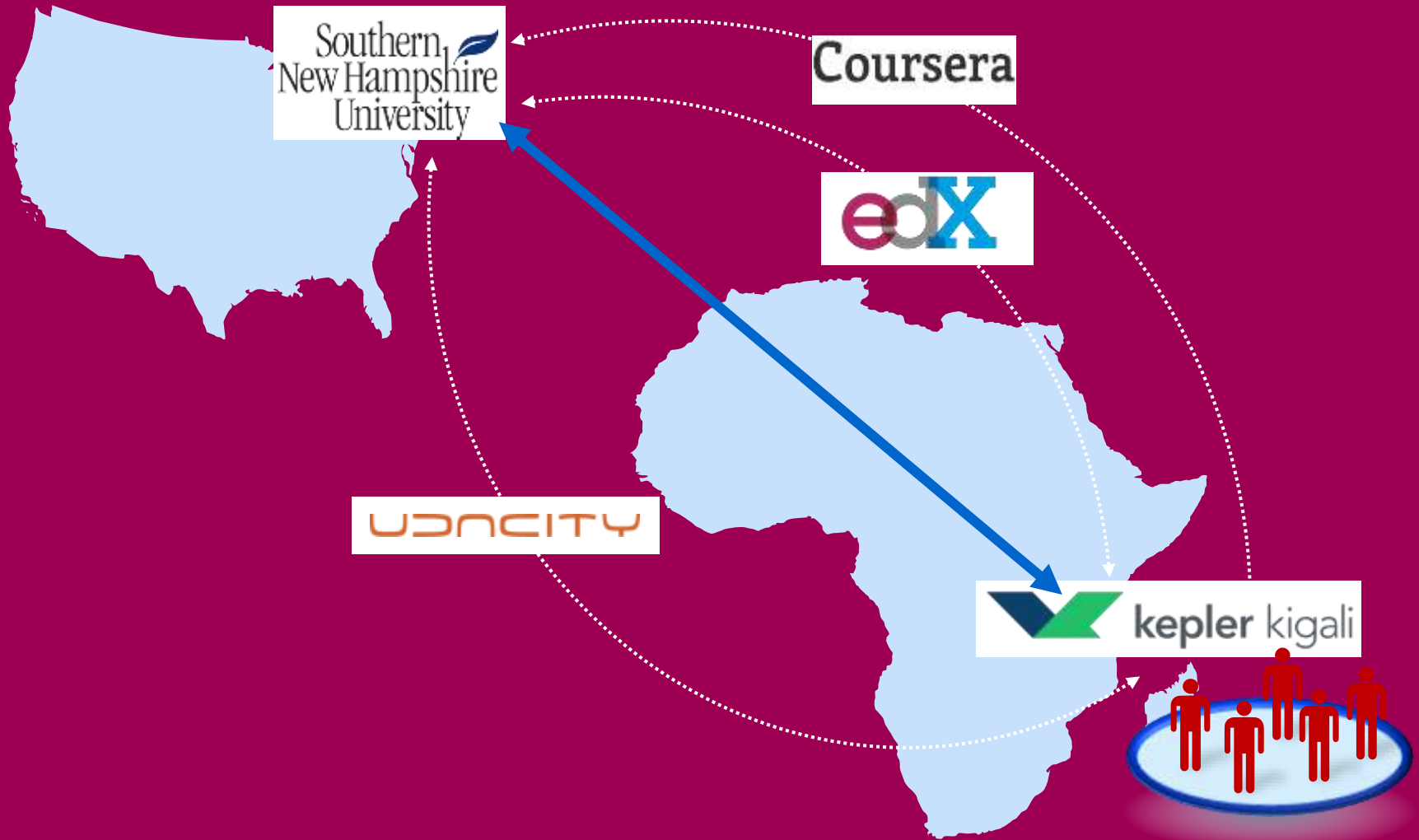
Providers bring the workplace to the classroom through apprenticeships and simulations



Regular feedback from industry on graduates

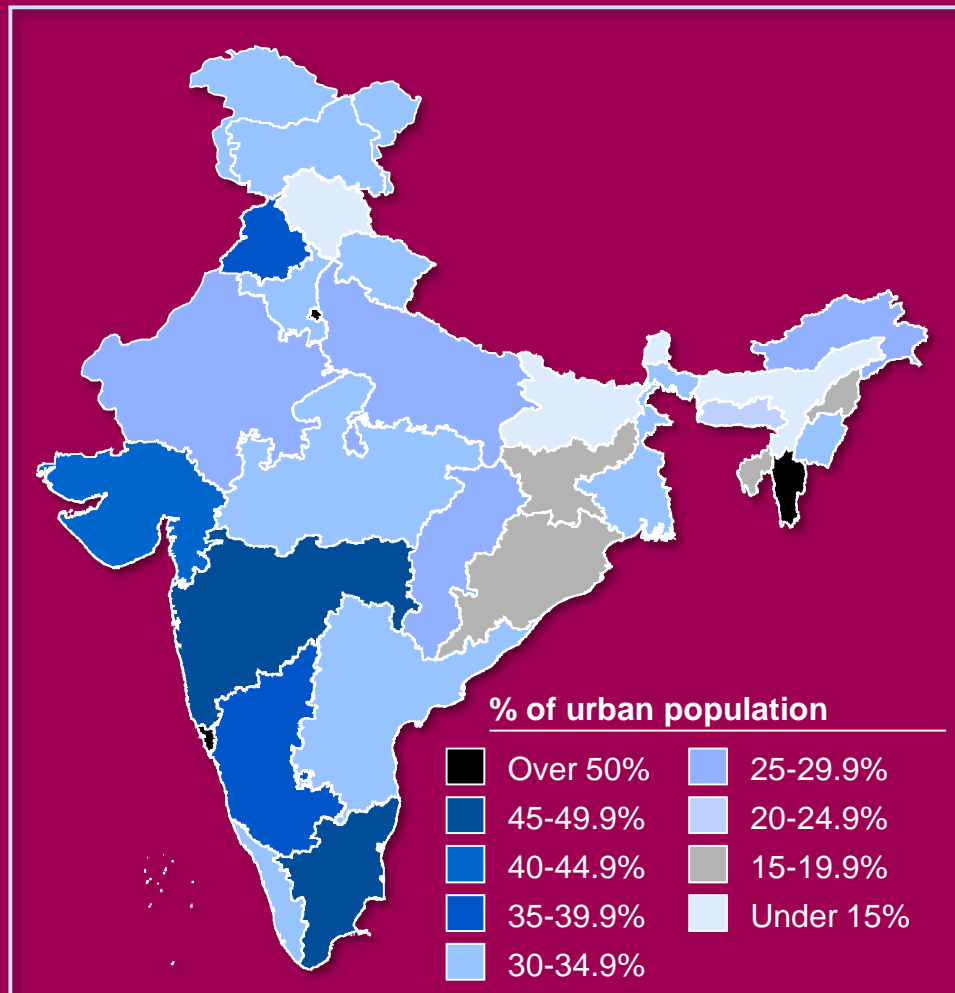


MOOCs as one piece of a broader puzzle





Delivering education to India's vast rural population



Tech-enabled remote teaching centers



Digital test preparation with pre-loaded tablets





Making education-to-employment success systemic requires new incentives and structures

#1

Better data collection and dissemination

to educate stakeholders, build transparency and manage performance

#2

More sector-wide collaborations

to build industry consensus and share costs of improving education

#3

Creation of an education to employment “system integrator”

that coordinates, catalyzes and monitors activity



“System integrators” vary in scope and mandate, but are typically played by government

Private sector

National Skill Development Corporation, India



Oil and Gas Industry

Prominp, Brazil



Unemployed segment

Federal Labor Agency, Germany



Country

Australian Workforce and Productivity Agency, Australia

