



## Presentation for University of Geneva, Executive Education in CSR, Thursday Lunch Series

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### The Global Apprenticeships Network (GAN): A global and innovative multi-stakeholders platform

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#### The need for a global business network

Worldwide, the situation is tenuous with:

- 75 million young people unemployed
- 621 NEETs (youth not employed, in education, nor in training)
- 200 million people unemployed

Against this background, the International Labour Organization (ILO) embarked on a [feasibility study](#)<sup>1</sup> in early 2013 to gather information from businesses about their apprenticeship programs and to seek their views on how an international business network on apprenticeships could add value for them. Therefore, in collaboration with the International Organisation of Employers (IOE) and members of the World Economic Forum's (WEF) Global Agenda Council on Youth Unemployment, the feasibility study collected information from multi-stakeholders on country and company apprenticeship practices; and, explored the interest and eventual commitment of companies to join forces to promote apprenticeships through a GAN. Throughout the process, the study stressed the importance of coordinating, collaborating and cooperating to build on the many excellent initiatives already underway in the apprenticeships and work-based training arena. This served as the basis for setting up the GAN.

One of the main findings of the feasibility study was that the term “apprenticeship” has different meanings, value and perception in different countries. Historically in all countries, apprenticeship programmes were related to guilds and certain trades and carried great value and importance as it guaranteed a profession and job. Today however, apprenticeship programmes do not have the same well-regarded status, and for numerous reasons the acquisition of an academic degree has taken more prominence.

In most countries – even in Germany - youth want to pursue an academic degree knowing very well that subsequent job opportunities may be few and limited. In every country visited, there is a **concern** about the **social status of apprentices**. Many felt that the correlation between manual worker, blue-collar worker and perceived lower level of education attracted fewer youth to apprenticeships, certain professions and vocational training. Therefore, it was recognized that it was important to **promote and advocate for apprenticeships** and that globally, apprenticeships should be associated with “**learning and earning**”.

#### Why work-based trainings?

In countries with high proportions of young apprentices relative to the employed population – such as Switzerland, Austria and Germany– youth unemployment is much lower. Work-readiness programmes include training for apprentices, learners, trainees, interns, and artisans. They are key to create jobs for youth and skills for business, because it:

- ensures that **training matches the needs** within a company or industry
- **keeps up-to-date with changes** in technology, work practices, and market dynamics
- **links classroom and workplace training** so that young people acquire relevant skills
- equips young people with **critical core skills**, such as problem solving, teamwork, and communication
- offers young people a **small income** while preparing for the job market

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<sup>1</sup> Feasibility Study for a Global Business Network on Apprenticeship. Geneva, ILO, 2013 (<http://www.gan-global.org/#!report/y23qy>)



- helps them clear the hurdle of having no **job experience**, a barrier that prevents many university graduates from securing their first job

### Why apprenticeships?

- According to a 2014 ILO study, 25-45% of employees in Europe are either over or underqualified for their jobs, pointing to a substantial mismatch between supply and demand in the labour market
- Millions of young people are looking for a job, but their skills don't match the demand of employers. This situation is leading to a high level of frustration in youth, setting a dangerous precedent for **young people who are the most vulnerable victims of the global recession**. Movements around the world expressing their frustration, point to the direct link between youth unemployment and restlessness. As a result of these trends, the fear of a "lost generation" continues to mount at global and national levels.
- In countries with high proportion of young apprenticeships (Austria, Germany, Switzerland), there are much lower youth unemployment rates. These countries are often cited as models for example the recent MoU between Switzerland and the US who aims to learn from the Swiss model of skills training, especially apprenticeships.

As apprenticeships are an ongoing topic between **B20** (coalition of independent business associations from G20 countries) and **L20** (global labour movement) bodies, in June 2013, the two parties concluded that **successful apprenticeships** "must inter alia, correspond to the needs of business and have their own contractual arrangements in line with law and practice"....and "apprenticeship systems must be workplace-centred and a significant part of the training given should be conducted in companies to ensure a work-based character". Apprenticeships improve prospects for youth employment when leadership is driven by employers because it ensures that training meets needs and that skills are kept up-to-date with changes in technology, work practices and market dynamics.

### The business case for youth employment as a CSR issue

Youth unemployment is a priority issue for almost all governments worldwide. As a CSR issue for business, the issue is urgent:

- For the **planet**: youth unemployment is a ticking time bomb leading to social unrest and terrorism in the worst case (ex : 57% of youth unemployment in South Africa)
- For **profit**: without a job, no money and no purchasing power
- For the **people**: talent & HR strategy

### The GAN - A public private partnership: What do we do and who are we?

The GAN was set-up in late 2013 as an initiative coordinated by the IOE and the Organisation of Economic Co-operation and Development's (OECD) Business and Industry Advisory Committee (BIAC), with the support of the International Labour Organization (ILO) and OECD. The GAN is the only tangible outcome of the recent G20 (Group of Twenty) and B20 meetings.

Set-up as a Swiss, non-profit association, the GAN is **neutral**, bringing together private and public actors (companies, employers' federations, associations, youth groups, NGOs, international organisations, sector skills groups) with the overarching goal of encouraging and linking business initiatives on **skills and employment opportunities for youth** - notably **through apprenticeships**. The GAN is a coalition where its members and partners come together to:

- **Commit** to action
- **Advocate** for work-readiness programs
- **Share** best practices
- **Facilitate** multi-stakeholder dialogue and partnership

The GAN is driven by business leaders (the Adecco Group, Ericsson, Hilton Worldwide, Huawei Technologies, IBM, Telefónica, Samsung Electronics, UBS, Astra International, Gi Group, Nestlé, Randstad, the MasterCard Foundation), who use this global platform to **promote apprenticeship** and internship programmes **worldwide**. They reach out in their respective countries and industries **to mitigate**



the youth unemployment and skills mismatch crises. At the same time they strengthen their companies' competitive strategies by investing in their workforce.



### GAN achievements on the ground

Despite the GAN's small size and young age, it has already made a significant impact. Four **GAN National Networks** (GNNs) were launched in 2015 in Turkey, Indonesia, Spain and Argentina. In the pipeline for implementing GNNs are Mexico, Colombia, Tanzania, Malawi and Nigeria.

The GAN strategy for achieving maximum impact is through the GNNs where multi-stakeholder dialogue (government, local companies, donors) and local activities (GAN Apprenticeships Days, GAN Impact Day, toolkits, workshops, company commitments, advocacy campaigns, etc.) are facilitated at the national level. Each GNN concentrates on its own work plan depending on its national context and needs:

- In **Turkey**, the focus is on changing **legislation** to incentivize the intake of apprentices for employers and **advocacy campaigns** through CSR/GAN Awards with its members
- In **Indonesia**, the focus is on facilitating knowledge/"how-to" and tapping into **supply-chains** to increase company commitments, as Indonesia will need to create 15 million opportunities in the coming years to fill the demand
- In **Spain**, the focus is on **advocacy**, **SMEs** and targeting **sector groups**, taking into account the fact that much of future job growth will be created by SMEs in a vast array of sectors
- In **Argentina**, the focus is on **legislation**, and providing **workshops and training** to employers on quality apprenticeship programs
- Collectively, over **100 GAN member companies** have committed to the above work plans

### GAN evolution in strategy

**Key Performance Indicators (KPIs)** were identified to measure GAN impact in 2014. These KPIs include company commitments, development of toolkits and advocacy campaigns. The GAN strategy for the future is to assess **GNN performance based on the KPIs**, given the demand and need to establish activities at a local level. Given the fast pace and wide geographical scope in which GNNs are being implemented, GNNs will be overseen by the following six regional hubs, which are supported by ILO regional offices in: Asia, Middle-East, Anglophone Africa, Francophone Africa, Europe and Latin America.

### Future skills for future jobs

Ms Gopaul concluded her presentation on the skills needed for young people to succeed:

- Flexibility
- Life-long learning
- Soft skills needed to adapt to other cultures i.e. communication
- Language skills, particularly in Europe

### Agenda

Geneva, 7 March 2016

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