

## **EXECUTIVE SUMMARY**

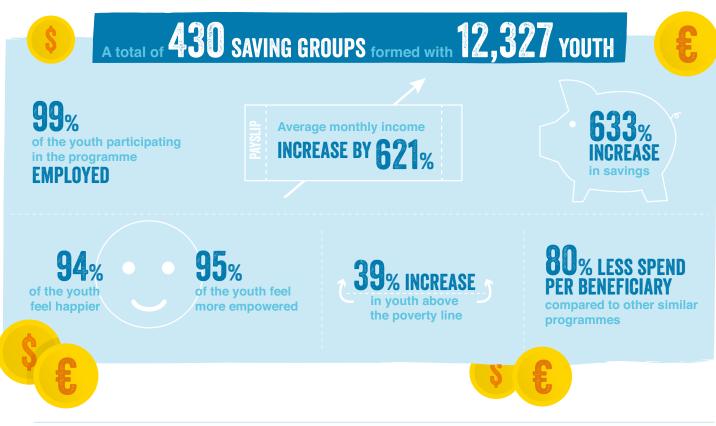
The A Working Future youth economic empowerment programme has proven that partnerships between the development sector and corporate sector can successfully address social issues while also generating commercial value. A Working Future is a perfect example of a contextually adapted model for change in a new era of collaboration, for all sectors to be inspired by.

With an increasing youth unemployment rate, particularly in developing countries, it has become increasingly evident that new measures are required to address the lack of opportunity and sustainable income that these youth face. Cross-sector partnerships have a central role to play in meeting this challenge and helping to achieve the Sustainable Development Goals. There is a growing awareness that cross-sector collaboration has the potential of effectively addressing social issues and creating value to satisfy the needs of both society and business.

New contextually adapted models are needed to scale and sustain initiatives to solve social issues. Surprisingly, few skills-building programmes are anchored in the local context, often based on donor strategies over market relevance and rarely incorporating the private sector. Therefore, innovative models for sustainable development are needed, where both strategies and resources are shared across sectors. It is unrealistic to think that the social

issue of youth unemployment can be solved without collaborating across sectors. New approaches for partnering are needed that adapt to the local context.

The A Working Future programme was born out of the desire to identify ways to support youth economic empowerment through innovative methods of collaboration with the private sector. The programme targeted a total of 12,000 youth, aged 15-25 years old, in the rural Tororo and Kamuli districts in Eastern Uganda. The A Working Future model had its foundation in savings groups to provide increased access to financial services, and used them as a platform to teach critical skills required for formal jobs and selfemployment. The youths were then linked to the private sector though three different employment pathways: job placements, micro-franchises, and producer groups. The private sector was engaged in all stages of the programme. The outcome of the programme has been fantastic.



#### THE FACTORS IN A WORKING FUTURE'S SUCCESS

Three separate key success factors have been identified from interviews with key stakeholders in the programme:

## Being able to adapt to the local context

The A Working Future programme started in an inception phase with a feasibility study, which enabled the programme to adapt to the local context and fully understand the needs of the market and beneficiaries. This was critical to ensuring that appropriate employment opportunities were developed, skills provided to the programme participants were appropriate, and the right private sector relationships were established. Adapting the programme to the actual market needs not only increased the rate of employment, but also the incomeearning potential of the participants. It has therefore been key in the overall success of the programme, and proven to be a necessary activity for the development of any youth empowerment programme.

# Leveraging the savings groups platform for outreach and scalability

The flexibility in approach which enabled leveraging the existing programme structures of the savings groups for outreach has been key to the success of A Working Future. The savings groups have proven a formidable platform for facilitating youth economic empowerment in the rural context, and a digital mobile banking component, as well as other potential digital solutions to drive businesses and facilitate private sector linkages, supports scaling. Given that savings groups are a frequently used form of organising youth in many regions, the A Working Future model holds a great potential for scale and outreach.

Taking private sector partnerships beyond philanthropy to create shared value

Collaborating with the private sector was a part of the core objectives of A Working Future from the start. As an organisation that focuses on ending child poverty and helping youth transition into adulthood, there is a direct correlation between the mission of Plan International and a focus on reducing unemployment. However, there are several components that Plan International Uganda would simply not be able to conduct by themselves; they needed the resources and expertise of partnering organisations from all sectors. An ecosystem was developed where multiple partners supported the outcomes of the programme with their specific expertise and capabilities, engaged in everything from programme design to training the youth, building a strong foundation for providing the youth with the support they needed to achieve economic empowerment. These partnerships were strategic and based on shared value for both society and business. The partners in the A Working Future programme all have a clear business case for participating and will keep working with the youth after the programme end. Therefore, the impact of the private sector partnerships in A Working Future is continuing to grow, creating more shared value as they mature.

## INTRODUCTION

The past few years have seen a paradigm shift in the relationship between civil society organisations and the private sector, with more organisations partnering across sectors to address social issues. To maximize impact, they need to adopt new approaches to partnering beyond philanthropy, and towards shared value. New contextually adapted models are needed to scale and sustain initiatives to solve social issues.

Central to the Sustainable Development Goals, and even held by many as the panacea to all social injustice, there is a growing awareness that cross sector collaboration truly has the potential of effectively addressing social issues, and creating value to satiate the needs of both society and business. With approximately 1.8 billion people between the ages of 10 and 24 in the world, and most of them living in developing countries, youth employment and economic empowerment is at the center of the poverty narrative.

## YOUTH UNEMPLOYMENT AND LACK OF OPPORTUNITY

Developing countries face the biggest challenge with youth unemployment, and as many as two-thirds of the youth population aged 15 to 24 are unemployed or in irregular employment.<sup>4</sup> Given the recent economic slowdown in emerging markets, the youth unemployment rate is increasing and is expected to continue doing so in 2017.<sup>5</sup> In countries with high levels of structural inequality, where social systems and safety nets are modest, the massive unemployment rate among youth – often referred to as the "lost generation" – is a potential source of social unrest and political instability.<sup>7</sup> In these markets, even when employed, young people often receive below-average wages.<sup>8</sup>

It has become increasingly evident that new measures are required to address the lack of opportunity and sustainable income that these youth face. In light of the frequent global calls from the international development sector for cross sector collaboration, how effective is engaging the private sector in initiatives to address the gaps in youth employment opportunities? What social and financial value is generated through cross sector collaboration? And given the urgency of youth unemployment, what are the best and most efficient ways to maximize the outreach and impact?

To answer these questions, this think piece takes a deep dive into the successful case of A Working

#### **CROSS SECTOR COLLABORATION DEFINED**

The term cross-sector collaboration captures a variety of inter-organisational relationships, such as social partnerships; <sup>10</sup> and can be defined as the of linking or sharing of information, resources, activities, and capabilities by organisations in two or more sectors to jointly achieve an outcome that could not be achieved by organisations in one sector separately. <sup>11</sup>

Social partnerships can be defined as partnerships with the purpose of addressing organisational needs (organisational value creation) with the added benefit of addressing a social need (social value creation).<sup>12</sup> There are four types of cross sector social partnerships:<sup>13</sup>

- Public-private partnerships (PPPs), i.e. partnerships between government and business
- Non-profit-government partnerships
- Non-profit-business partnerships and
- Tripartite partnerships, i.e. partnerships between all three sectors

Future, a Plan International driven 3.5 year programme aimed at providing viable employment to rural and marginalised youth in the Tororo and Kamuli districts in eastern Uganda, with a unique model for driving change. The discussion is based on the data and results of the A Working Future End Term Evaluation released in July 2016.<sup>14</sup>

#### THE LABOUR MARKET IN RURAL UGANDA

To understand the context in which A Working Future is set, it is important to know that Sub-Saharan Africa has both the world's fastest growing and youngest population. <sup>15</sup> In Uganda; three quarters of the population are under the age of 30<sup>16</sup> and 19.7 percent of youth aged 18 to 30 years old are unemployed. <sup>17</sup> The causes for youth unemployment in Uganda are believed to be multifaceted, but unemployment is primarily due to a general lack of skills coupled with high rates of labour

force growth of 4.7 percent per year — the number of formal sector jobs has simply not matched the number of new labour market entrances.<sup>18</sup>

Additionally, sub-Saharan Africa is the only region in the world where the rural population will grow in the future. In the next 35 years, sub-Saharan Africa will see an estimated increase in rural population of nearly 30 percent, or 150 million people. 19 With this in mind, about 87 percent of the labour force in Uganda lives in rural areas.<sup>20</sup> Although urban youth are more likely to be unemployed than rural youth, urban youth are more likely to be involved in the wage sector, and the informal sector is predominant in rural Uganda.<sup>21</sup> From a gender perspective, female youth are twice as likely to be unemployed compared to male youth and more likely to be in non-wage employment compared to the male youth.<sup>22</sup> In sub-Saharan Africa in general, urban youth tend to be more vocal about their ambitions and more visible in their job-seeking, whereas millions of young men and women in rural and semi-urban areas struggle to find better-paying jobs and opportunities to escape poverty for themselves and their families. As a consequence, the focus of youth employment is typically on urban youth, and youth in rural areas are largely neglected by policy makers,<sup>23</sup> leaving a large group of youth unattended to.

#### THE POTENTIAL OF AGRICULTURE

Agriculture is the largest sector of employment in Uganda, and the most immediate means of catalysing economic growth, providing employment to about 70 percent of the youth workforce.<sup>24</sup> However, investment in agriculture is low and the sector has only seen average growth rates of about 2 percent for the past 25 years, offering high quantity but low-quality jobs.<sup>25</sup> The services sector is the second largest sector of employment with approximately 22 percent of the youth labour force, primarily in urban areas. Due to poor electricity supply and transport infrastructure, the industrial sector is weak and only employs about

7 percent of the youth labour force.<sup>26</sup> As a result, the private sector in rural Uganda is weak, mostly consisting of small family-run businesses.

Across the continent, there is a need for building skills that empower farmers; granting them access to technology and information, enabling them to make sustainable and cost-efficient choices,<sup>27</sup> as well as create linkages to international markets to propel the transition from subsistence to commercial farming. Given the weak private sector in rural Uganda and the potential that agriculture holds, youth unemployment needs to be addressed with sustainable solutions for entrepreneurship, building skills that enable the youth to run their own business.

Transforming the small scale agriculture of rural Africa into sustainable agri-enterprises seems like an apparent solution. Surprisingly, few skills-building programmes are anchored in the local context, often based on donor strategies over market relevance and rarely incorporating the private sector. Therefore, new and flexible models for sustainable development are needed, where both strategies and resources are shared across sectors. It is unrealistic to think that the social issue of youth unemployment can be solved without collaborating across sectors. New approaches for partnering are needed that adapt to the local context. Based on 38 interviews with partners in the A Working Future programme, three separate success factors have been identified as standing out, which will each be discussed in the following sections:

Being able to adapt to the local context

Leveraging the savings groups platform for outreach and scalability

Taking private sector partnerships beyond philanthropy to create shared value



## PLAN INTERNATIONAL'S RESPONSE IN UGANDA: A WORKING FUTURE

A Working Future was born out of the desire to identify ways to support youth economic empowerment through innovative methods of collaboration with the private sector. With funding and technical support from the Swedish International Development Cooperation Agency (Sida), Plan International Sweden and Accenture Development Partnerships (ADP), A Working Future sought to change the lives of youth by providing them access to financial services, teaching them critical skills, and linking them to employment opportunities. The programme targeted a total of 12,000 youth, aged 15-25 years old, in the rural Tororo and Kamuli districts in Eastern Uganda.

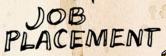
The A Working Future model has its foundation in savings groups - also known as Village Saving and Loans Associations (VSLAs) - to provide increased access to financial services, and use them as a platform to teach critical skills required for formal jobs and self-employment. The programme participants thereafter have the choice of three different employment pathways: job placements, micro-franchises and producer groups. In the case of Uganda, the majority (93 percent) of the youth selected the producer group pathway. The youths were then linked to the private sector in each of the pathways. Through these interventions, the ambition was that beneficiaries would not only obtain sustainable employment and living wages, but experience positive behavioural change, and contribute to societal change as well.

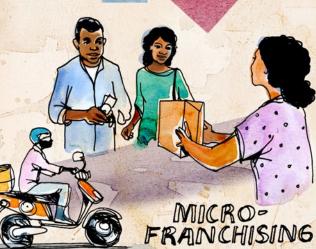
The private sector was engaged in all stages of the programme, from the design to the delivery of trainings. The uniqueness of A Working Future lies in the fact that savings groups, skills training, and employment through private sector linkages are combined. They had all previously been implemented by Plan International Uganda, however, the collective power of providing all three in one programme has been key to the success of A Working Future. The outcome of the programme has been nothing short of remarkable:

- A total of 430 savings groups formed with 12,327 youth in Tororo and Kamuli
- 99% of the youth participating in the programme employed
- Average monthly income increase by 621%
- 633% increase in savings
- 39% increase in youth above the poverty line
- 94% of the youth feel happier and 95% feel more empowered
- Approximately 80% less spend per beneficiary compared to other similar programmes

## COMPANIES











MARKET DEMAND MATCHING



SAVING GROUPS



PRODUCER GROUP



## KEY SUCCESS FACTOR 1: BEING ABLE TO ADAPT TO THE LOCAL CONTEXT

Far too many programmes for youth employment are not in sync with the local context. In order to meet ambitious development goals and achieve the impact needed, NGOs and the private sector must work in partnership to ensure that their programmes are market relevant and fully reflective of the needs of programme participants.

The A Working Future programme was initiated by Plan International Sweden and Accenture Sweden, as youth unemployment was a joint strategic area of focus for both organisations. The model was designed with a holistic agenda, combining various components to achieve decent work for its beneficiaries. From its inception, the ambition was to engage with the private sector, both nationally and internationally, to create business opportunities for young people.

Programme design rarely gives opportunity for conducting feasibility studies with in-depth market and beneficiary analysis, and the content of the programmes are more aligned to the strategies and competencies of the donors and NGOs, rather than with the targeted youth and their specific conditions. By understanding the needs of the private sector, the programme would provide the youth with appropriate skills and link them to formal employment.

#### ADAPTING TO THE RURAL CONTEXT

During the initial situation analysis, it became clear that the private sector in rural Uganda is weak, primarily consisting of small, family-owned enterprises with little or no opportunity to provide formal job placements. The assumption that there is a skills mismatch, i.e. that there are available jobs but the youth lack the required skills to be employable, had to be tested, thus a feasibility study was conducted.

It was established that there are important differences in how to approach the labour market in urban versus rural areas. Whereas building employable skills is usually the focus of workforce development programmes in urban settings, the lack of a private sector in rural Uganda set the focus on building entrepreneurial and agricultural skills. Furthermore, due to lack of infrastructure, there are few immediate opportunities for major private sector companies and multinational corporations to invest in business in rural Uganda.

The inception phase with the feasibility study that initiated the A Working Future programme – which enabled the programme to adapt to the local context and fully understand the needs of the market and beneficiaries – was critical to ensure that appropriate employment opportunities were developed, skills provided to the programme participants were suitable, and the right private sector relationships were established. Adapting the programme to the actual market needs not only increased the rate of employment, but also the income-earning potential of the participants. It has therefore been key in the overall success of the programme, and proven to be a necessary activity for the development of any youth empowerment programme.

#### MEETING THE AMBITIONS OF RURAL YOUTH

Although agriculture was the largest sector for employment in the programme, the beneficiaries tended to see farming as an occupation of last resort. The imagined futures for rural young people in development programming on one side, and the imagined futures by the youth themselves on the other, held a significant gap.

Additional evidence from Ghana shows that formal, salaried and professional employment is seen as the

most desirable amongst youth and their parents, as compared to informal, low-skill or manual jobs, 28 such as subsistence farming. This was quickly evident to be the case in the programme areas of A Working Future. During the course of the programme, it became increasingly clear that the producer group employment pathway of the programme (see "Plan International's Response in Uganda: A Working Future" fact box for reference - page 4) was the most significant employment pathway in rural Uganda, where there are few opportunities for formal jobs. However, when the programme was initially introduced to the youth, they showed hesitancy and resistance. The youth perceived farming as an occupation their parents held; it was not an attractive form of employment. It was found that in order make agriculture more attractive among the youth, it needs to move away from low maintenance productivity and into technical dynamism and opportunity. It quickly became clear to the youth that agriculture was a lucrative option, especially with the link to the agriprivate sector partner in the programme.

A digitalisation of the savings groups and the potential of other digital agri-business solutions has also increased the attractiveness of agriculture among the participating youth. As the youth began to see the potential of agriculture, both in terms of income and innovation, their desire to move away from agriculture disappeared. Discussion and understanding of the youth perspective on the agricultural sector, and working with them has been instrumental in creating employment and bridging the skills gap.



**CASE STUDY** 

#### **MAKING AGRICULTURE APPEALING**

Ms. Sharifa Nanyonjo, a 26-year-old mother of three, joined the A Working Future programme, and after receiving training she decided to take the producer group employment pathway. However, Ms. Sharifa discovered that her other savings group members were hesitant to participate in farming activities, which they did not believe could be lucrative. Convinced of the potential, she decided to try it out on her own. Ms. Sharifa started producing green chili and hot pepper, which was linked to the supply chains of KK Fresh Produce Exporters Limited, a private sector partner in the programme. Since starting, she has earned 6.9 million UGX (\$1,989) and she is now employing fourteen people on her farm. Inspired by her success, twenty other village members have joined her to farm chilies. Being a true entrepreneur, her future plans include building a stored commercial building and opening up the biggest salon in Kamuli worth 5 million UGX (\$1,651). The success of Ms. Sharifa demonstrates the earning potential of agriculture in rural Uganda, which is far beyond the expectations of the youth, making agriculture an appealing pathway for them.

# KEY SUCCESS FACTOR 2: LEVERAGING THE SAVINGS GROUPS PLATFORM FOR OUTREACH AND SCALABILITY

As a part of a new flexible and innovative mindset, NGOs must be courageous and seek new opportunities within existing programmatic activities. Leveraging the savings groups platform as an entry point to skills-building initiatives, can effectively support the advancement of youth economic empowerment for both outreach and scalability.

Many international development organisations have implemented savings groups with the intent to address financial inclusion and decrease global poverty.<sup>29</sup> An important benefit of a youth saving groups programme is that it builds a platform for future delivery of education such as training in entrepreneurship, employability, life skills and financial literacy.<sup>30</sup> Research shows that savings group members tend to be slightly wealthier, and more financially and socially active than nonmembers, and there has been evidence of increased profits, business-related spending and the likelihood of women owning a business.<sup>31</sup> In other words, financial knowledge is directly correlated with self-beneficial financial behavior.<sup>32</sup>

Plan International has extensive experience of working with savings groups and has a total of 4,000 groups with over 100,000 members in Uganda as of 2016. For A Working Future, the model was adopted and served as the foundational platform of the programme. Unique to the A Working Future savings groups approach, has been the added innovative digital mobile banking component to the methodology, increasing efficiencies and introducing more financial services to the groups.

#### SKILLS BUILDING THROUGH SAVINGS GROUPS

In the A Working Future programme, savings groups proved to be an effective tool to get the youth organised, enhance their financial management skills and capacity, and inherently boost their self-confidence. The end term evaluation shows that there has been a 59% decrease in programme participants who say they have low self-

esteem, and a total of 99% now say they have normal to high self-esteem. Furthermore, the savings group platform also worked as an adequate springboard to introduce social change and equip participants with further skills critical to economic empowerment.<sup>33</sup> Consequently, not only were the youth pooling their resources for financial gain, they were sharing ideas and holding discussions that bolstered their personal development. As a district local government official that worked with the A Working Future project put it:

"The savings group model provided the bedrock for youth mobilisation, training, and partnership with private sector actors."

#### COST EFFICIENT YOUTH MOBILISATION

In this rural and remote context, leveraging the existing savings groups model within Plan International Uganda has been a key success factor for reaching youth. To mobilise over 12,000 youth would have been a daunting task for the programme management team, likely taking much more time and using considerably more resources. Furthermore, the savings groups platform drove cost efficiencies for implementing partners and the private sector actors as well. Several partners expressed that working with these already existing and functioning savings groups saved them time and money because it cut out the mobilising activities that they would otherwise be responsible for. Establishing credibility in the community, as well as structure and



order among the youth, requires effort and resources, and these partners were able to come in after these activities were already completed.

One of the key success factors of the A Working Future programme has been the flexibility in approach which enabled leveraging the existing programme structures of the savings groups for outreach. The groups have proven a formidable platform for facilitating youth economic empowerment in the rural context, and the digital mobile banking component, as well as other potential digital solutions to drive businesses and facilitate private sector linkages, supports scaling. Given that savings groups are a frequently used form of organising youth in many regions, the A Working Future model holds a great potential for scale and outreach.

"A key value that comes with organised youth groups, is that it's very easy for such groups to access additional support from other partners, the private sector, or government because these players, who are interested in supporting youth livelihoods, like to work with people that are organised, and already have structures."

Iliana Björling, Managing Director of Young Drive Academy

# KEY SUCCESS FACTOR 3: TAKING PRIVATE SECTOR PARTNERSHIPS BEYOND PHILANTHROPY TO CREATE SHARED VALUE

Although recent years have seen a surge in cross-sector collaborations to alleviate social issues, private sector engagement must move beyond the traditional donor/recipient relationship that is rooted in corporate social responsibility rather than business value, in order to achieve transformational social change.

In the rapid change caused by globalisation, affecting the economic, social, cultural, environmental and political aspects of life everywhere,34 there has been a shift in the power balance between market actors. Traditional lines between sectors have become less distinct.35 A diminished role for governments and a changing role of the for-profit sector is paralleled by the increased importance of the non-profit sector.<sup>36</sup> This shift in market actor roles sees corporates taking more responsibility for social impact as well as nonprofits becoming more market-like in their actions, structures and philosophies.37 Indeed, there is a growing consensus among development practitioners, policy makers and business leaders that public-private partnerships offer great potential for catalysing and scaling development initiatives - it has even become a fixture on the international development agenda.38 Business and sustainability are no longer seen as mutually exclusive, instead sustainable development is believed to be more likely to succeed if business is engaged in the work.39

Taking this into account, collaborating with the private sector was part of the core objectives of A Working Future from the start. As an organisation that focuses on ending child poverty and helping youth transition into adulthood, there is a direct correlation between the mission of Plan International and a focus on reducing unemployment. Plan International therefore decided to partner with the private sector to help address this

problem. Although Plan International has worked on youth economic empowerment for many years, it has traditionally been through providing skills to youth, but not incorporating linkages to the market. This disconnect to the market is a phenomenon seen in most NGOs.

### CREATING AN ECOSYSTEM OF CAPABILITIES THROUGH STRATEGIC PARTNERS

In the A Working Future programme, there were several components that Plan International Uganda would simply not be able to conduct by themselves; they needed the resources and expertise of partnering organisations – from all sectors. An ecosystem was developed where multiple partners supported the outcomes of the programme with their specific expertise and capabilities, building a strong foundation for providing youth with the support they needed to achieve economic empowerment.

Across is a breakdown of the key areas in which partners contributed with resources in A Working Future, including a detailed breakdown of contributions per sector.

As evident in Figure 1, a large part the programme contributions by the partners were in-kind donations rather than funding; they contributed training, programme support, technical solutions, financial services to savings groups, and business linkages

in the form of job placements, micro franchising, and integrating the producer groups into their supply chains. The private sector partners were active in all of these areas.

Historically however, the typical NGO and private sector relationship is philanthropic in nature, and this was particularly evident at the onset of the programme. The potential partners that Plan International met with expected to be asked to donate money to the programme. However, A Working Future wanted to take that relationship to another level. The programme sought to move away from the unilateral resource flow from businesses to the non-profits and instead share resources and work towards a joint mission and strategy, with the same values and mutual goals, to create value and transformational social change together.

#### **CREATING SHARED VALUE**

Although the drivers, goals and manifestations of crosssector collaboration are varied,<sup>40</sup> many partnerships start as philanthropic relations. However, Plan International wanted to create strategic partnerships based on shared value for both society and business.

In any society, there is interdependence between the private sector and the community at large. 41 The shared value concept typifies this notion and focuses on bringing business and society back together, by creating economic value in a way that simultaneously creates societal value. 42 The basic reason for collaborating is to generate value that cannot be generated by one organisation separately. 43 Of course, business and non-profits can create value on their own, but working together across the sectors creates more value than what would have been created separately. 44 What is the shared value of collaborating across sectors to create youth employment and build skills?



Figure 1: A Working Future strategic partners and areas of programme contribution

## DEVELOPING STRATEGIC PARTNERSHIPS FOR SHARED VALUE

In order to build partnerships that are based on joint strategic goals and value generation beyond philanthropy, Plan International used the following methodology:

#### **Understanding the market**

As a part of the inception phase discussed at length in Key Success Factor 1, the feasibility study formed the basis for understanding both the market and the youth. Specific market opportunities were identified and an engagement plan for corporate sector partners was put together, based on an in-depth understanding of the market. In addition, the trainings and capacity building of the youth in the programme were based on the identified market demands.

#### **Developing shared value business cases**

Value propositions including business cases clearly outlining the potential business value generation for each corporate actor, in addition to the social value, were put together and dialogues with potential partners were initiated.

#### **Designing strategic partnerships**

The expectations and objectives for each partner, as well as the key capabilities and resources that the partners could contribute within the programme were discussed. The partners from all sectors were involved in the project design from the start, and the joint vision, mission, scope and activities were agreed on with new partners as they joined.

#### Implementing strategic partnerships

With a flexible approach, the partners of A Working Future programme were engaged at different phases of the implementation based on the needs in the programme and where it also gave value to the partner. Usually, the partnerships had a steering group consisting of both Plan International and the partner management teams, as well as a project working group/implementation group reporting on a regular basis to the steering group. Instrumental to the success of the partnerships was the Corporate Advisory role at Plan International Uganda, supporting the processes and structures of corporate engagement with in-depth knowledge of the business sector.

For private sector organisations, the access to employable talent with the skills that are in-demand, and agricultural produce or other products to include in their supply chain are two tangible value drivers for participating. However, there are many intangible benefits from collaboration as well, such as organisational learning and innovation. As evident in the figure below, based on key stakeholder interviews with the partnering organisations of A Working Future, the value that has been created from the programme is both financial and social.

#### **INITIAL FOCUS ON LOCAL PARTNERS**

Plan International's unique position in the value proposition to potential partners was the access to a large labour market. From the onset the idea was to skill the youth to gain formal employment through partnership with multinational corporations.

However, as the feasibility study showed that the private sector engagement opportunities in rural areas of Uganda were few, the focus would be on inclusive supply chains rather than job placements. Despite their great potential for generating sustainable income, building and implementing inclusive business models in the form of supply chains for larger private sector companies takes many years and a great commitment from all partners. Instead, from the feasibility study, it was identified that Uganda was ripe with opportunity in agriculture and it was a matter of linking youth with market players to move from local, subsistence farming to commercial farming. Agri-enterprises had already existed in Uganda, but this time these farmers would not only be connected to a larger market; they would also be connected to a market with increasing demand. Through this finding, the team realised that the programme, in its initial stage, should focus on local companies and adapt the value proposition to that. Multinationals can come into play during the scale-up process, once the programme model has matured and been verified.

There were two corporate partners that provided employment opportunities for the youth in A Working Future. One partner linked the producer groups to the growing European market for chilies and hot peppers and the other supported the micro-franchise pathway. The interaction between the youth and the corporate partners

#### Social value

- Increase in employment options for youth
- Linkages to private sector for the youth
- Youths creating marketrelevant enterprises
- Financial inclusion in the market (increased incomes, savings and assets of the youth)
- Positive attitude to agriculture, vocational training and savings
- Thriving communities e.g. lower levels of violence and domestic abuse and higher level of children in education

## SHARED

#### Financial value

- Leveraging other partners' skills and areas of expertise increasing efficiencies
- Learning and product improvements
- Programmatic changes and innovation
- Capacity building
- Access to new market segments and supply chains (private sector)
- Increase in revenue (private sector)
- Improve buyer relations (private sector)

Figure 2: Value generation from A Working Future identified in the programme end term evaluation

provided critical skills for the youth. In the end term evaluation, 73 percent of the youth in the programme reported having improved their business relationship with the private sector, 68 percent said their business volume had increased, and 24 percent increased their number of customers. The youth also reported having gained customer relationship and marketing skills.<sup>45</sup>

The impact of the private sector partnerships in A Working Future is continuing to grow, even after the programme has ended, creating more shared value as they mature. For instance, because of the level of production provided by the beneficiaries, the private sector partner linking the producer groups to retailers plans to build infrastructure to support the growth of the farmers in the programme. This has an additional societal impact as it would create even more jobs. Therefore, this partnership is the epitome of the shared value that cross-sector partnerships can provide, where the private sector partner gains value while addressing societal issues, simultaneously.

#### **CASE STUDY**

## PRIVATE SECTOR PARTNER SHARED VALUE CREATION

For Barclays Bank, partnering with Plan International Uganda in A Working Future to link savings groups to bank accounts, is an important initiative as the partnership proves that non-traditional customers are bankable. This opens up a whole new market for the company. In Uganda alone, 70 percent (8 million) people are excluded from the banking system because of different challenges such as lack of credit history and collateral. However, savings groups address these issues because of their strong credit history, established culture of saving, and understanding of financial literacy through the savings group activities. Barclays is now developing new products to take to this market, which in turn is creating new revenue streams for the bank. All the while, this typically marginalised population is getting access to increased funding to spur economic development in their lives and communities.

## **SOME FINAL REFLECTIONS**

Cross-sector collaboration is a promising potential solution for the growing issue of youth unemployment. Yet it is still in its infancy in actually demonstrating dividends in relation to youth economic empowerment. This paper has sought to demonstrate that NGOs and donors must become more flexible and innovative in their programmatic approaches and strategies and the private sector must move beyond philanthropy when faced with the issue of youth unemployment. The need for a common understanding of the shared value potential of cross-sector partnerships is apparent.

This paper attempts to highlight some key success factors which can be distilled from the distinctive and successful A Working Future programme in Uganda.

First, the model is flexible enough that it can be used in other rural regions in Africa, and potentially even globally. Situated in the rural Ugandan context, the producer group pathway focusing on agriculture proved to be the most appropriate for the majority of the programme participants. However, the A Working Future model consists of three different pathways and is thus flexible and has the possibility to be used in different contexts. Depending on the local market, job placements or micro-franchising might prove to be more efficient, or producer groups in other industries such as manufacturing might be more appropriate.

Second, the fact that A Working Future invested in an inception phase to thoroughly understand the local context - both the market situation and the needs and desires of the youth - was instrumental to the successful outcome of the programme. This would not have been possible without a flexible funding model and an innovative mindset from the donors. Given how critical the contextual analysis was in delivering the various components of the programme, it is highly desirable that such an approach is adopted should the model be replicated in other contexts.

A third key success factor of the A Working Future programme highlighted through this paper is the leveraging of existing savings group platforms in the programme areas. This component allowed the programme to reach large numbers of youth participants at a relatively high speed and low cost.

The final success factor was the manner in which the private sector was engaged in the model, through partnerships based on shared value principles. This allowed the private sector companies to engage in cross-sector collaboration taking their participation beyond mere philanthropic activity. The programme has demonstrated how private sector partners have been able to create business value while simultaneously addressing societal issues. Private sector companies are therefore seen to be fully committed to continuing working together with the youth beyond the life span of the three year programme. The social impact of the cross-sector partnerships should continue to grow as the shared value model of the programme matures, with positive effects that stretch well beyond the programme participants.

If these key success factors are incorporated into programme design, the model has strong potential for scale in other geographic locations. A Working Future has demonstrated that collaborative partnerships between the development sector and the corporate sector to address social issues while generating commercial value can be both possible and successful. A Working Future exemplifies a new era of collaboration whereby a contextually adapted model to bring about change for unemployed youth yields positive outcomes for all involved.

## **METHODOLOGY**

This think piece was written jointly by Accenture Skills to Succeed Academic Research Programme and Plan International Uganda. It is based on the data from A Working Future End Term Evaluation (July 2016), using the following data collection methods: Desk Research, Individual Youth Survey of a total of 815 individuals, Community Based Trainer (CBT) Surveys with a total of 36 CBTs surveyed, four Focus Group Discussions with three savings groups and one group of micro-enterprises, 38 Key Informant Interviews with project stakeholders (including Plan International Uganda coordination unit staff, district local government, lower-local government, vocational institutions, Accenture, Community Vision, Young Drive Academy, Restless Development, Airtel, Grameen, Barefoot Power, KK Fresh Produce Exporters Limited, and Barclays Bank), participant observations and a total of five case studies of participating youth. The authors would like to thank everyone who has taken the time to share their stories and perspectives.

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## **CONTACT THE AUTHORS**

#### **Jennie Perzon**

Programme Manager, Accenture Skills to Succeed Academic Research Programme

PhD Student, MISUM, Stockholm School of Economics

iennie.perzon@accenture.com

#### **Ingrid Alexanderson**

NGO Partnership Manager and Research Assistant, Accenture Skills to Succeed Academic Research Programme

ingrid.alexanderson@accenture.com

#### **Shifteh Malithano**

Regional Advisor, Youth Economic Empowerment and Corporate Engagement Plan International

shifteh.malithano@plan-international.org

#### **Nahomie Louis**

Accenture Management Consulting Manager and Accenture Development Partnership consultant at A Working Future

☑ nahomie.louis@accenture.com

Cover photo: 23-year-old Resty joined A Working Future in 2014. She now runs a small shop, enabling her to pay the school fees for her children. Credit: Simon Klose/Plan International Productions.



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#### **Plan International**

International Headquarters Dukes Court, Duke Street, Woking, Surrey GU21 5BH, United Kingdom t +44 (0) 1483 755155 f +44 (0) 1483 7565<u>05</u> e info@plan-international.org

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