



## Strengthening the Capacity of Business Associations to Support Youth Employment: A Case Study of the Artisans Association of Ghana

Youth unemployment and joblessness together constitute a major socio-economic and political problem in Ghana. The Ghana Statistical Service 2015 report noted that 13.4 percent of youth are unemployed, while the Ghana Living Standards Survey Round 6 reported that approximately 30 percent of youth in Accra and 24 percent of youth in other urban areas are unemployed. Though estimates vary, unemployment is a challenge among all age groups and its impact is particularly severe among young people.

To address the challenge of youth unemployment, the **Youth Inclusive Entrepreneurial Development Initiative for Employment (YIEDIE)** was a five-year project implemented from 2015 to 2020 to create economic opportunities in the construction sector in five of Ghana's largest cities for economically-disadvantaged youth. Implemented by Global Communities in partnership with the Mastercard Foundation, YIEDIE provided youth with skills training in construction trades and entrepreneurship, business development services, mentoring and financial literacy, and encouraged and supported young women to seize opportunities in non-traditional occupations.

However, many of the opportunities available to youth in construction are informal, and young people need support to successfully take advantage of them. Therefore, YIEDIE partnered with the Artisans Association of Ghana (AAG) to provide market-based and sustainable services and support to youth artisans using the LabourNet model adopted from India with a particular focus on its job-matching system (see text box on next page).

This case study discusses the ways in which YIEDIE assisted AAG to better serve its members and increase its financial sustainability, and reflects on the successes and challenges of this approach to labor market intermediation in the informal sector.

## Institutional Capacity Building

The Artisans Association of Ghana (AAG) is a membership organization for artisans in the construction sector. Prior to YIEDIE, AAG had 300 members, all in Accra, and six volunteer staff who managed its operations and activities. Artisans also made up the executive members and acted as the secretariat. There were no committees within the board for coordination of the association's activities, and the secretariat had limited office space and logistical capabilities. AAG's main source of revenue was membership fees, which often were not paid in a timely manner. The association lacked strong executive management, and did not have appropriate financial management systems. Global Communities recognized that there was a need to build AAG's organizational capacity to ensure strong support for YIEDIE youth.

During YIEDIE's inception phase, the project commissioned an institutional assessment to help AAG develop a business model that would guide its operations, improve management, and increase revenue to the point of becoming self-sustaining. The business model focused on three processes: strategic management, core business and resource management. It also identified alliances to be built, and potential customers, including the public sector, private institutions and individuals. With the roll-out plan from this assessment as well as the assistance of Global Communities' Appreciative Review of Capacity© (ARC) diagnostic tool, AAG developed an action plan to guide its development and growth. YIEDIE also supported AAG staff to visit LabourNet to understand its operating model in order to determine how its model of support services and job matching for informal construction workers could be adapted to the Ghanaian context with its smaller economy and middle class.

With financial and capacity building support from YIEDIE, AAG acquired the office space, furniture and IT equipment needed to run the secretariat, and over the course of five years, its staff transitioned from six volunteers to 20 professional staff members who manage its operations. AAG now has an effective five-person board whose members have experience in corporate governance, management and construction sector advocacy, and can provide policy guidance and direction to AAG's management. After their grant support from YIEDIE ended in 2018, AAG successfully applied through a competitive process to become one of the project's entrepreneurship skills training providers, reaching 400 youth during the final two years of project implementation. This unanticipated event offers additional evidence of the association's strengthened capacities as a training provider and in proposal development.

**LabourNet is a social enterprise that enables sustainable livelihoods across India by improving the socioeconomic status of people associated with unorganized value chains such as construction. This is achieved through skilling interventions and facilitating wage/ self-employment and entrepreneurship. LabourNet provides an SMS-based job-matching service to its members, paid for by the companies and households looking to hire trusted workers, and provides members with identification, access to financial services, and opportunities to upgrade their skills. Global Communities supported LabourNet early in its development and has followed its successful growth since then.**



## Strengthening Membership and Outreach

Over the five years of YIEDIE support, AAG saw impressive membership growth. It exceeded its business plan targets and in March 2020, boasted nearly 9,800 registered members, 21 percent of whom were women. Of this total, 69 percent were young people who completed YIEDIE training. It also grew its geographic footprint by expanding operations from Accra to all five of the project cities.

Cities	Male	Female	Total
Ashaiman	1,026	551	1,577
Tema	1,250	300	1,550
Accra	2,161	489	2,650
Kumasi	1,181	261	1,442
Takoradi	2,084	488	2,572

Some of the reasons for AAG's initial low membership included a lack of awareness about their existence, doubts of legitimacy among some artisans, the suspicion of additional tax burdens for members, and the belief that there was no benefit in joining an association due to previous experiences with similar associations. To address these issues, AAG increased media publicity through radio discussion programs, increased inclusion of members in decision-making processes, and introduced new member benefits such as support in obtaining certification, skills upgrading trainings and job placement services. They began limiting their benefits and services to fee-paying members. YIEDIE trainings and events also provided opportunities to raise awareness of the association and conduct outreach among youth and the artisans with whom they apprenticed. Today, members recognize the benefits they derive from AAG and recommend joining the association to others. In focus group discussions conducted by YIEDIE staff at project close-out, youth were aware of AAG's services including mentoring and training, job matching and internships, facilitating the acquisition of licenses and certification and creating networking platforms. AAG now has a website and a database of its members that has contributed to better engagement with them.

To continue to attract new members, AAG has established a mentorship program designed to connect with young people while they are still in training with technical and vocational education and training (TVET) institutions. The program has three components:

1. Industry mentorship: engaging TVET institutions and linking them to construction companies for internships or industrial attachments for trainees.
2. "Go For TVETs": supporting the creation of clubs in TVET institutions to promote careers in the vocational trades.
3. Outreach in junior high schools: sensitizing students and parents on careers in the vocational trades.

In its mentoring and coaching programs, AAG now makes a deliberate effort to train women and build their interest in venturing into male-dominated trades, and collaborates with other local and international organizations across private and government sectors to undertake projects geared toward youth. For instance, AAG collaborated with the World University Service of Canada's Uniterra project to promote the participation of women and youth in the home construction sector.

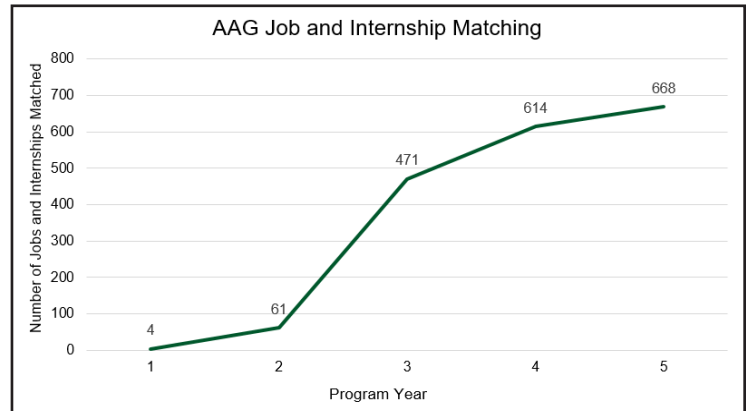
## Budget Growth and Financial Management

At the beginning of the partnership, AAG had an annual budget of about GHS 10,000 (\$2,040). YIEDIE ceased its financial support to AAG in year 3, and the association currently has an annual budget of about GHS 400,000 (\$81,600). AAG's funding sources include dues from members, grants from government and donor funds (the Business Sector Advocacy Fund and Skills Development Fund (SDF) are most recent), and fees and commission on services rendered. The grants have been to provide capacity building for 30 welders and for advocacy activities in the construction sector.

Over the years, AAG has improved its financial management and oversight. Professional auditors periodically audit the association's accounts to ensure accountability and compliance with donor requirements.

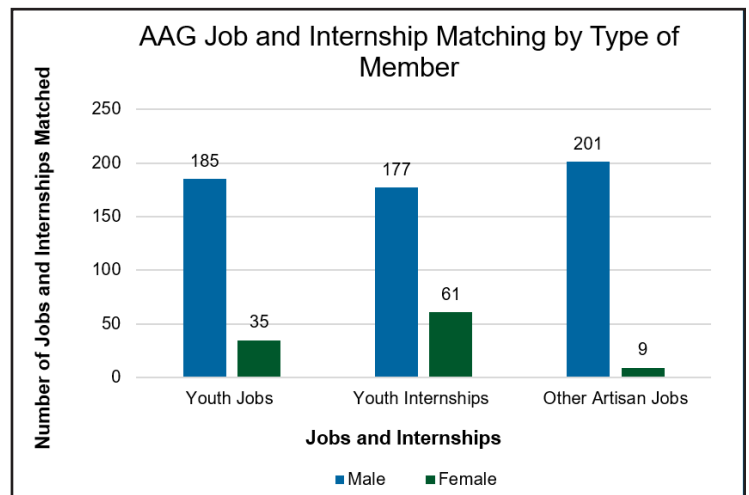
## Job Matching Services

AAG established a job-matching service that enables businesses, developers and homeowners to advertise work opportunities to its members. Initially, AAG set up a website and call center for employers or individuals interested in hiring artisans, but has since introduced additional ways for them to request the services, including email, text messaging and USSD short codes through a collaboration with Text Ghana Ltd. Through an interface on AAG's website, artisans register in the system by entering their qualifications, and can then browse job vacancies and network with employers. When employers make a request, designated AAG staff members communicate employer requests to artisans with the requisite skills via text messages that provide job descriptions, the location and requirements, or at events and meetings.



The job-matching system's SMS capabilities were introduced in quarter 4 of year 2 (March 2017).

AAG charges employers a 10 percent fee on the payment for all temporary, permanent or contract jobs matched through the system. Some employers use the job-matching service to advertise internships that provide opportunities for youth to receive training and hands-on experience. To enhance the process, feedback is solicited from the users, employers and members of AAG via a form and verbally. AAG continues to upgrade the system, and recently engaged a service provider to develop a new app with the capacity to cater to the increasing number of members. AAG reaches potential clients of the service by advertising and canvassing for internship or employment opportunities for members.



Artisans in Ghana typically find new opportunities through word of mouth among their clients or referrals from fellow artisans. This personal networking approach acts as a reference system, providing some assurance of quality and reliability. Thus, creating a system in which an institution was the verifying agency and artisans were matched to jobs on the basis of skills and location was new to both employers and artisans.

It is therefore unsurprising that the uptake of the system by clients and employers was quite limited and required significant outreach by AAG. Additionally, this outreach decreased when AAG stopped receiving grant funding in Year 4. Only 668 AAG members were successfully matched to opportunities throughout the life of the project, with both youth and other artisans benefitting. Approximately 240 of those were youth matched to internship opportunities with various companies. For instance, four women with skills in heavy machine operation found a two-month paid internship at Everpure Company in Tema.

As the program closed, YIEDIE conducted interviews with employers who have used the system and focus group discussions with young artisans who are AAG members to learn more about their experiences with the job matching system. Employers such as Security Warehouse and Molders Ghana use the platform to contract artisans on an ongoing basis because of its ease of use, while others had mixed reviews about the service due to occasional technological issues with the website and USSD messaging. Some employers noted that they have had challenges with artisans fulfilling their terms of engagement. Youth artisans indicated that job matching was an important benefit of AAG membership. They particularly appreciated the USSD short code system and found it simple to use. Some artisans who find work opportunities independently use their affiliation with AAG to have a testimonial or letter of recommendation sent to their prospective employers.

## Partnerships

While a strong association can be a key player in the support network for young artisans in the sector, its linkages to other organizations are an equally important part of a strong entrepreneurial ecosystem. Through linkages to other private sector and government bodies, AAG, and therefore its members, have a stronger platform for advocacy and the channels for speaking to policy-making bodies. Through partnerships with other private sector associations and individual firms, AAG can tap into more work opportunities for its members. Its services to members are more robust and it will increase its internally-generated revenue through its recognition as an official training and certification provider, and it will develop a membership pipeline and improve its reputation through linkages with training and professional institutions.



One of the key partnerships that AAG has developed is with the Association of Ghana Industries (AGI)—Construction Sector, an umbrella body for construction firms. It is the most active and vibrant construction industry association, championing sector initiatives. In particular, it advocates for the creation of a Construction Industry Development Authority, initiates policy reforms and enhances the capacity and competitiveness of contractors and service providers in Ghana. YIEDIE facilitated a mentoring relationship between AGI and AAG to ensure additional capacity building support once the project grant had ended. AAG is also a member of the Ghana Chamber of Construction Industry.

AAG has increased its collaboration with other institutions such as the Ghana Institute of Engineers to train members in areas such as cost estimating and workplace safety. AAG also works with the Council for Technical and Vocational Education and Training, National Vocational Training Institute and the Energy Commission for certification and licensing of members. Furthermore, AAG partners with the district assemblies in its catchment areas and with the National Youth Authority to promote skills and youth development. AAG has signed memoranda of understanding with 14 companies to refer artisans; the companies include Asteriun Construction, TOA House Ghana Ltd, Murphy Construction, Sylva Spare Plus Ltd. and Lakeside Estates Company Ltd. Other construction companies have verbally agreed to hire AAG members when they have vacancies.



## Lessons Learned and Recommendations

While the growth and professionalization of AAG through YIEDIE support has been profound, the extent to which it is sustainable is yet to be seen; AAG faced some struggles in maintaining the complete array of operations and services it had begun in project years four and five after YIEDIE grant support had ended. AAG's explosive geographic and membership growth was driven by the project's expanding footprint and participant numbers, and therefore may have been more rapid than prudent. Some specific lessons learned on YIEDIE's approach and AAG's job matching service are offered below:

- **Financial Support:** Three years of constant financial support by the project was insufficient and may have led to an operational structure that is challenging to sustain without it. *Recommendation:* Ensure that funding for partners requiring significant capacity building extends throughout the life of the project, but decrease the amount provided in later years to incentivize increasing sustainability and revenue generation on the part of the association.
- **Association Relationships:** Mentorship by a larger and more experienced professional association seems a promising and market-based way to increase organizational capacity. It may be most useful once a certain level of investment and capacity building have already taken place with the mentee so that they are ready for the lessons of the more established group. The idea emerged during implementation and so the formal relationship between AAG and AGI Construction Sector wasn't established until project end, leaving little time to observe its effectiveness or outcomes. *Recommendation:* Plan for and develop association-to-association relationships early on in the project cycle to allow more time for coaching and collaboration.

- Ongoing Networks for Youth Entrepreneurs:** In the design phase, YIEDIE envisioned AAG as a means to provide trainees with long-term support, particularly in job placement, but also as a platform for YIEDIE participants to continue to network with one another. This didn't take into account that only some of the participants in the entrepreneurship training were artisans therefore leaving a large portion ineligible to join AAG. It also assumed that the majority of youth who were eligible would choose to join AAG which turned out not to be the case. As AAG didn't fulfil the networking and support function initially envisioned for the majority of youth, participants requested support in creating a YIEDIE alumni association in the final year of the project. YIEDIE did assist them in holding elections for officers and in formal registration despite concerns about the sustainability of it. *Recommendation:* Begin early to learn from past participants what they need in terms of support once they no longer receive program services. Ensure that the association is part of these conversations and engaged in discussions as to how they might meet these needs, perhaps through developing a youth wing or entrepreneur support lab.
- Tools and Technology for Job Matching:** AAG launched the job-matching platform via webpage and call center, and it took some time to develop other methods to access it such as USSD short codes. Employers interviewed expressed preferences for all the available communication channels; some prefer the faster turnaround of the call center, others use email to have a trail of correspondence for future reference, and still others find the USSD short code convenient. Their main concern was that the technology on which the platform was built can be unreliable. Occasionally, the website and call-in center become inactive, or a weak internet connection delays correspondence and disrupts text messaging services. Young people, however, expressed a preference for USSD codes, looking for opportunities advertised on the AAG website less frequently due to the high cost of internet data for smartphones or the inconvenience of visiting an internet café. Although AAG informs artisans of opportunities by sending out text messages to those in specific trades or with specific skills, youth also find it helpful to call AAG to inquire about possible opportunities and for quick answers to their questions. Based on user feedback, AAG did engage a service provider to improve the platform and make it more user-friendly. *Recommendation:* Design multiple artisan- and employer-friendly (recognizing the two might be different) means for accessing a job-matching platform. Ensure it deploys user-friendly and cost-effective technology that can be used off-line. The use of applications that are not internet-based may be helpful in keeping the system running all the time.
- Employability Assurance:** Quality assurance is an essential component of a successful job matching system. This may include screening and preparation of artisans before placement, sufficient feedback mechanisms for employers, and/or guarantees from the association. For example, some employers felt that artisans engaged through AAG had a poor attitude toward work and a lack of understanding of employment norms. For instance, Lakeside Estate Ltd employed four youth, but three resigned abruptly without giving notice prior to leaving. Some artisans had difficulty securing available jobs due to their lack of CV writing and interviewing skills. Based on these experiences, AAG realized the need to organize member trainings on its code of conduct and customer relations skills to ensure demonstrated professional behavior on placements and on job readiness skills for artisans who did not participate in YIEDIE (as participants received training in conducting a job search). We also learned that many companies were reluctant to engage young artisans for permanent employment, because they consider them to lack the desired skills and work experience. They prefer to engage experienced artisans who may in turn engage youth on their teams. This suggests the need for a guarantee system in which companies



can take on employees on a trial basis with AAG committing to find a replacement if their skills or deliverables are not adequate. *Recommendation:* Develop a system for background checks and screening to improve the association’s ability to guarantee the quality of its members to employers, and improve the credibility of the association itself and of members’ training credentials. Equally important is a robust monitoring system for those who have been matched to opportunities with many options for employer feedback. With these measures, the association will be able to manage the risk of guaranteeing that it is providing an artisan with the appropriate professional and technical skills.

- **Geographic Considerations:** Some youth found themselves unable to sustain jobs, particularly unpaid internships, due to their distance from where they live and the subsequent cost of transportation and therefore quit. Such situations negatively affect the relationship between AAG and employers, and highlight the need for geographic targeting when making placements. With AAG’s membership growth in Accra, it is also no longer possible for all the members to assemble for a meeting at one place. *Recommendation:* Zone areas of operation by geographical location within large cities like Accra. This will assist with member convening as well as making job and internship placements that are convenient and sustainable.
- **Marketing:** Canvassing employers for job opportunities required a lot of time, energy and resources. While this might be required, potentially in face-to-face ways, until the platform is more well-known and trusted, these costs will need to be reduced in order to make the platform sustainable. *Recommendation:* Increase the use of digital marketing in raising awareness of the platform as well as leveraging industry events.

AAG’s continued membership, services and reputational growth in the final two years of the project when it was no longer receiving grant funding indicates some level of sustainability in its capacity enhancements. However, the lessons learned indicate that the investment in capacity building for an organization such as AAG to become a self-sustaining labor market intermediary—in amount as well as length—would need to be significant, and such a goal may not be completely achievable in the short project lifecycle. Nonetheless, we believe that the recommendations above provide some concrete ways for projects taking a similar approach to approach that goal even more closely than YIEDIE did.



## Youth Forward

*The Youth Forward initiative links young people to quality employment or entrepreneurship opportunities in the agricultural and construction sectors in Ghana and Uganda. This five-year partnership led by Mastercard Foundation, Overseas Development Institute, Global Communities, Solidaridad, NCBA CLUSA, and GOAL will reach more than 200,000 economically disadvantaged youth aged 15–24. The initiative uses an approach that combines market-relevant skills training, mentorship, internships, and access to financial services to help young people better their lives, transition to sustainable livelihoods, and contribute to social and economic change.*

*The Youth Forward Learning Partnership works across the initiative to develop an evidence-informed understanding of the needs of young people in Ghana and Uganda and how the program can best meet those needs.*



## Global Communities Partners for Good

*Global Communities is an international non-profit organization that works closely with communities worldwide to bring about sustainable changes that improve the lives and livelihoods of the vulnerable. Development is not something we do for people; it is something we do with them. We believe that the people who understand their needs best are the people of the community itself.*

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