Meet Your Future – The Effect of Mentoring Ugandan Vocational Students on Employment and Earnings

Researchers:

Livia Alfonsi

Mary Namubiru

Sara Spaziani

Sector(s): Labor Markets

Fieldwork: BRAC

Location: Central and Eastern Uganda

Sample: 1,111 students

Initiative(s): Post-Primary Education Initiative (PPE)

Target group: Students Youth Workers

Outcome of interest: Earnings and income Employment

Intervention type: Coaching and mentoring

AEA RCT registration number: AEARCTR-0004310

Partner organization(s): Institute of Labor Economics (IZA), International Development Research Center (IDRC), Growth and Labour Markets in Low Income Countries Programme (GLM|LIC), University of California, Berkeley Center for African Studies

Youth unemployment is a problem that many African governments are trying to address. In Uganda, researchers introduced a mentoring program to evaluate the impact of interactions between young, successful vocational training graduates and current vocational training students on their employment status and earnings. Students who received mentoring were more likely to be working three months after graduating, and had higher earnings a year after graduating.

Policy issue

Youth unemployment is a significant policy challenge worldwide, including in Africa which has one-fifth of the world's first-time job seekers and underemployment rates as high as 60 percent coexist.

Numerous governments have financed skill-training programs in an effort to combat youth unemployment. However, these programs have not always resulted in high job placements rates, possibly because youth are often overly optimistic about their prospects and because young people frequently lack sufficient information on how to identify job openings, apply for jobs, and prepare for interviews. Another potential method for addressing youth unemployment is to provide students with information about their anticipated job market outcomes, although such information interventions have not consistently demonstrated a positive impact and often led to discouragement effects.

Can tailored mentorship by experienced workers, with a focus on sharing information about realistic job prospects, improve youth's employment and wages?

Context of the evaluation

This intervention takes place in Central and Eastern Uganda, where youth underemployment, job turnover, and job separation are high.

Students about to graduate from five vocational training institutes (VTIs) participated in the intervention. The average age of these students was twenty, approximately forty percent of them identified as female, and roughly fifty percent of them had informal employment prior to participating in the intervention, which was reflective of the VTI student population as a whole. In Uganda, vocational training institutions are well-known, and business owners recruit VTI graduates. The majority of VTIs equip workers with skills and human capital through one- or two-year programs, but do not provide career counseling or matchmaking.

In Uganda, these vocational occupations are typically filled without formal application processes. Among those who had found jobs and were now mentoring students in the context of this intervention, only 2 percent found their job by applying to a posted vacancy. Instead, 61 percent learned of open positions from friends and family, while most of the others approached places of employment directly. These mentors were selected for their post-graduation success, and held jobs in the sectors in which they obtained training, including plumbing, catering, tailoring, hairdressing, construction, electrical engineering, carpentry, machining and fitting, teaching/early childhood development, agriculture, accounting and secretarial studies.

According to recent research[1], this work replicated a pattern of striking overconfidence regarding entry-level pay among job applicants: 94 percent of students overestimated the earnings they anticipated from their first job. However, the reality is starkly different: first-job earnings averaged only 14 percent of their initial expectations. These students also tended to have a relatively limited grasp of job-to-job transition probabilities, the value of experience, and the potential for salary growth. Importantly, students undervalued the significance of unpaid internships, failing to recognize them as valuable stepping stones toward better opportunities in the future.



Vocational students + sewing + Uganda

Photo credit: MrKawa, Shutterstock.com

Details of the intervention

Researchers conducted a randomized evaluation in Uganda to study two different variants of a mentoring program to improve students' job prospects and wages. The name of the program was Meet Your Future, in which graduates of VTIs received mentorship from more experienced workers, who are themselves recent VTI alumni. Mentors were required to participate in a minimum of three sessions with students, during which mentors were free to talk about the topics they thought would most help the student with their job hunt. These mentoring sessions were unrestricted and unstructured so as to reflect social interactions that might occur in the real world.

The 1,111 students included in this intervention were placed in one of three groups:

1. Intervention without cash group (320 students): The participants in this group received the full Meet Your Future program, including introductions to their mentor and then three one-on-one sessions with their mentor over the phone.
2. Intervention with cash group (325 students): The participants in this group received the same intervention as above, but with the addition of approximately $12 upon graduation. The cash transfer was unconditional and was sent to students after graduation. While not required, it was suggested that students use the cash to help them in their job search.
3. Comparison group (466 students): The remaining participants did not receive any services from Meet Your Future.

This study took place from May 2019 to February 2022, with the intervention being rolled out in 2021.

The researchers used various surveys (surveys of the students, intervention-related surveys, post-Meet Your Future surveys, and alumni surveys) to collect the data for the evaluation. The researchers also designed a survey to evaluate the amount of time that students spent on job-specific tasks relevant to what they studied in VTIs upon entering the workforce. One of the more novel measurements was an observational survey: During the first mentoring calls, the mentor and student were joined by an enumerator, who tracked how enthusiastic the participants were, what they discussed, and how fast or slow the conversation went. To determine the exact content of the mentoring sessions, researchers made audio recordings of mentor-mentee interactions. These recordings were key to their innovative analysis, which used BART and VADER to examine content and sentiments, respectively, in interview transcripts.

The researchers measured the impact of the program on students three months and twelve months after they graduated.

Results and policy lessons

Meet Your Future had substantial positive labor market effects on the students who received mentoring: Their participation in the labor market was higher, they were more likely to make use of the skills they gained at the VTI, and their wages were higher one year later.

Participation in mentorship: During the program, 91 percent of the participants spoke with the designated mentor at least once. After twelve months, mentors and mentees had interacted 7.8 times and expanded their use of texting. Two-thirds of the mentor and student pairs talked more than the program's requirement of three interactions. Based on enumerator observations and self-reported student surveys, students appeared highly satisfied with the mentoring they received.

Willingness to accept positions: Mentored students lowered their reservation wage (i.e., the minimum payment they self-reported to be willing to accept from an employer) by 32 percent. Additionally, they were 27 percent less likely to reject a position while seeking employment. Relatedly, their initial unemployment periods between graduation and finding their first jobs were 30 percent briefer than unmentored students and more likely to be in the sector related to their vocational program. Three months

after accepting work as an apprentice, mentored students were more likely to be hired into fulltime roles.

Labor market participation: Three months after mentored students completed their VTI training, researchers found that their labor market participation was 27 percent higher than students who did not receive mentoring (including both paid employment and unpaid apprenticeships or traineeships in that category). Mentored students were 33 percent more likely to use the skills they learned at the VTI, either directly at their job, informally with friends or family, or through self-employment. In addition, students who received mentoring had more stable relationships with employers, with their first employment lasting 23 percent longer than those of students who did not receive mentoring. However, a year after the intervention, mentored students were no more likely to be employed than unmentored students.

Earnings: While there was no difference in earnings three months after graduation among mentored and unmentored students, mentored students earned 18 percent more than unmentored students twelve months after graduation. Researchers hypothesized that this may have been because mentored students were more willing to take up career-growth opportunities with lower starting salaries like apprenticeships, as discussed above, leading them to improve their earnings outcomes in the long term but not the short term.

Effectiveness of extra cash: Students who received mentoring and cash did not have higher workforce participation or earnings than those who received mentoring but not cash.

Cost-effectiveness: The Meet Your Future program's per student cost was modest at approximately US$15 excluding administrative costs. Compared to a VTI program's overall fees per student of US$650 to US$800, depending on the VTI, this is a relatively low marginal cost. This low cost, alongside its effectiveness, suggests that the mentoring program in this context could be a strong supplement to VTIs.

Meet Your Future led to increased employment and earnings among participants in the medium-run, which researchers attribute to both information about the labor market and the encouragement that mentors provided. Researchers argue that mentored students became more realistic about their labor market prospects and more willing to accept unpaid offers, which ultimately led to improved employment outcomes and lower dropout from the labor market. These findings highlight the potential for improving labor market outcomes through the correction of initially distorted beliefs as well as the importance of striking a delicate balance between delivering bad news and instilling hope for better future outcomes. This equilibrium is essential for preventing discouragement, labor force withdrawal, and, in particular, the waste of valuable human capital among skilled workers.

---

1. [1] Bandiera et al (2022), Banerjee and Sequeira (2022), Jones and Santos (2022), and Chakravorty et al. (2021)