

Technical and Vocational Vouchers Program (TVVP) in Kenya

Summary:

The Technical and Vocational Vouchers Program (TVVP) was launched in 2008 in Western Kenya (Busia District) to study the effect of vouchers on vocational training programmes' effect and the short-term impact on job seekers' employment choices, jobs and incomes. The Technical and Vocational Vouchers Program collaborated with Youth Polytechnics under the purview of the Kenyan Ministry of Youth, Technical Training Institutes under the Kenyan Ministry of Education, and private vocational training institutions.

Objectives:

- To assess the varying impacts of restricted vouchers that limit vocational education options to public institutions and unrestricted vouchers that allow students to attend either public or private institutions (Joan Hamory Hicks, 2011).

Key Stakeholders:

- Kenyan Ministry of Youth,
- Technical Training Institutes under the Kenyan Ministry of Education
- Private vocational training institutions
- Kenyan youth

Implementation strategy:

A total of 2,163 youth (18-30 years) who were previously part of the Kenyan Life Panel Survey participated in the project. They all applied for training vouchers, but only 50% were randomly awarded vouchers. A random half was awarded a voucher that could only be utilised in public vocational institutions among voucher winners. In contrast, the other half was awarded a voucher that could be used either in both private and public schools. The value of the voucher was approximately US\$460 (35000 KES)-which was sufficient to fully or almost fully cover tuition costs for both government and private vocational programs. All major government-owned training institutions and a large number of private training institutions available in the area, including NGO-run and faith-based institutions and private commercial training providers were registered under the programme.

Furthermore, half of the participants in the treatment and control groups were provided with information on the actual returns of vocational training. The intervention also highlighted the increased economic returns in male-dominated trades. It encouraged females to pursue more traditionally male-dominated trades through 'nudge' methods like using a video of female auto-mechanics.

Resource Utilisation:

The program is funded by the World Bank Group (Government agency), Spanish Impact Evaluation Fund (SIEF) (Government agency), World Bank Group (International aid agency), International Growth Center (International aid agency), National Institutes Of Health (NIH) (Government agency), and International Initiative For Impact Evaluation (3ie) (Non-profit organisation).

Impact/ Outcomes:

The key findings from the randomised evaluation indicated that vouchers that cover program costs do encourage young adults to enrol and that those who can use the voucher for a private training program are more likely to sign up and stay in school (Hicks, 2011):

- 74 per cent of participants who received vouchers enrolled in some type of vocational training, compared with less than 4 per cent of those in the control group
- Participants who received an unrestricted voucher - one that could be used for either a public or private training program - were more likely to enrol and less likely to drop out of a programme than those who received the restricted (public institution-only) voucher
- 79 per cent of people who received the unrestricted voucher attended a vocational training program, compared with 69 per cent of those who received a voucher good only for government-run institutions
- Reduced the level of occupational segregation in the labour market by increasing the uptake of the traditional male trades by women

The programme also noted a positive impact on the supply side. The training institutes which received voucher recipients also increased the course offering and therefore increased the likelihood that youth will find a training provider that matches their interests and aptitude.

Challenges/ Lessons Learnt:

- By nudging women to acquire training in lucrative male-dominated trades, the information intervention may boost the earnings potential for women in vocational training (Joan Hamory Hicks, 2011)

Replicability & Sustainability:

- The scheme serves as a model to demonstrate the potential to reduce the level of occupational segregation in the labour market by improved gender balance in training

Fact Sheet:

Thematic area	Skill Development
First-year of the program	2008
Responsible institutions	The Kenyan Ministry of Youth, Technical Training Institutes under the Kenyan Ministry of Education, and Private vocational training institutions
Target audience	Students under Skill Development Exercises
Coverage	Busia District (Kenya)