

Three Strategies for Closing the Education-to-Employment Gap

A look at how educators, employers, and others can help millions unemployed and under-employed global youth qualify for and find available jobs.

By [Mona Mourshed](#) Oct. 22, 2015

The final draft of the UN's Sustainable Development Goals—the targets for reducing poverty and stoking economic growth that member countries have agreed to achieve over the next 15 years—includes a new section directly related to jobs that could, if properly executed, substantially increase the number of global youth—and adults—with “relevant skills ... for employment, decent jobs, and entrepreneurship.”

Linking up job-seekers, particularly those just starting their professional lives, with steady, well-paid jobs is a major challenge for developing countries. More than 75 million young people **are unemployed worldwide**, and three times as many are underemployed—either working in jobs below their skill level or working fewer hours than they would like. Today, the average young worker is three times as likely as her parents to be out of work, denying her the opportunity to provide for herself and her family, and to start cultivating the skills and habits that can support a fulfilling career.

But there's an important wrinkle that workers, educators, employers, and policymakers need to appreciate: In many cases, there are jobs available for young workers, but they don't have the skills required to secure them. Indeed, two out of every five employers globally reports that they have an entry-level job opening but **can't find a qualified candidate to fill it**.

There are three things that employers and other stakeholders can do to close these gaps.

1. Identify job demand. This sounds obvious, but it's something we return to time and again in our research. Youth employment programs that focus on professions of high scarcity and/or high churn, and that confirm job vacancies exist before training people for them, are much more likely to yield successful outcomes for both employers and young people.

2. Provide repeat and intensive practice in profession-relevant skills. The starting point here is to understand the activities that most differentiate between high and low performers in a target profession. For example, while a pharmacy technician may have to perform 30 activities over the course of a day, only five of those activities truly distinguish high performers from their peers. The next step is to identify not only the underlying technical skills, but also the relevant behavioral and mindset skills that greatly increase the likelihood of becoming a high performer—and then develop a training program that delivers these skills in an intensive and integrated manner.

3. Demonstrate a clear return-on-investment for employers and young people. There is surprisingly scant data on this front today. Tracking how upfront investment in skill development translates into higher productivity or quality

outcomes, and longer retention for the employer is critical to generating steady job opportunities. And on the youth side, tracking how youth employment programs translate into improved personal and financial well-being is critical for their participation. Further, a rigorous evidence base will ultimately lead to youth employment programs that are self-financing.

These principles have emerged from years of our research, including a study of 150 youth-employment programs across 25 countries. We saw many great programs—including IL&FS Skills (India), the Automotive Manufacturing Technical Education Collaborative (United States), and China Vocational Training Holdings (China)—but few reach hundreds of thousands of young people, much less millions, every year. Now, through the McKinsey Social Initiative—an independent nonprofit founded by McKinsey & Company—we're developing an employment program to test these three strategies at scale in diverse markets around the world.

The program, called Generation, is in its first year of operation and is currently live in nine cities across five countries (India, Kenya, Mexico, Spain, and the United States). Generation confirms vacancies with employers in target middle-skill professions, and then runs six-to-12-week boot camps designed to deliver repeat and intensive practice to young workers so that they can operate at peak productivity/quality from day one on the job. The typical participant is aged 18-29, and is currently under- or unemployed. We've set a target to connect one million young people with careers in the next five years.

We recently evaluated the pilot batches of graduates from our program in Kenya, where 30 percent of the population is age 15-29 and more than 1 million of them are unemployed. This seven-week program was specifically geared to impart skills relevant to sales in the financial sector. While the results are preliminary and reflect a small sample size, they are encouraging. Fully 100 percent of our first 180 participants secured jobs prior to graduation. Nearly two-thirds received job offers from multiple employers.

And these new hires are proving valuable to their employers. The majority of Generation graduates hold only a secondary school certificate or other certificates less than university, and had a C grade or below in school. Yet they are outperforming their job peers and changing the perspective of employers about the skills for which they should recruit. Our bank employer partners, for example, say they typically only accept 10 percent of those they interview. Yet they were so impressed with the Generation graduates' skills in mock sales situations that they extended offers to more than 60 percent of them. While the industry typically experiences a 35 percent or greater attrition rate during the first one to three months on the job, Generation graduates have had a less than twelve percent drop by the end of their third month on the job.

Generation graduates in cities across the world have experienced similar results in industries as diverse as healthcare, technology, and sales.

We have a lot to learn, and we're eager to share and apply the lessons from Generation that can help achieve the Sustainable Development Goals for employment. The fact is that none of us will be able to achieve these bold goals without grounding our work in the three principles outlined above. But by strengthening collaboration between education providers and employers, cultivating behavioral and mindset skills alongside technical skills among job-seekers, and providing clear return-on-investment data, we can ensure that millions of job-seeking youth worldwide have an opportunity to find meaningful work and contribute to society.



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