

The Business Case for Youth Recruitment



CHALLENGE FUND FIR YOUTH EMPLOYMENT

DOCUMENT REFERENCE

Research Report

DATE

17 April 2024

CONTACT INFORMATION

Genesis Analytics (Pty) Ltd South Africa

Office 3, 50 Sixth Road Hyde Park, Johannesburg

Genesis Analytics Ltd Kenya

4th Floor, West Park Suites, Ojijo Close, Parklands, Nairobi

Genesis Analytics Côte d'Ivoire

Royal Work Club, Immeuble Arc-En-Ciel, Avenue Chardy, Abidjan

Genesis Analytics Nigeria

3rd Floor, Maryland Mall, 350 Ikorodu Road, Maryland, Lagos

Genesis Analytics United Kingdom

WeWork Aviation House, 125 Kingsway, London WC2B 6NH, London

www.genesis-analytics.com

AUTHORS

Genesis Analytics

CONTACT PERSON

Mishkah Teladia

miskhat@genesis-analytics.com

Table of Contents

Abbreviations
Executive summary
1 Introduction
1.1 Background and context11
1.2 Approach to developing the research report12
2 Synthesis of evidence in the literature
2.1 Overview of the literature
2.2 Research findings
3 Findings from key informant interviews
3.1 What are the commercial motivators for companies to recruit youth?
3.2 What are the social motivators for companies to recruit youth?
3.3 How do CFYE IPs operationalise business drivers for hiring youth in their HR and recruitment strategies?
3.4 Unintended outcomes of recruiting youth41
4 Best practices emerging from case studies
5 Recommended HR and recruitment strategies
6 Reference list
Annex 1 Scoping exercise
Annex 2 Extent of the literature
Annex 3 Stakeholders interviewed71
Annex 4 KII guides73
Annex 5 Limitations of the study79

Abbreviations

Abbrev.	Meaning		
CFYE	Challenge Fund for Youth Employment		
CSR	Corporate Social Responsibility		
ESG	Environmental, Social, and Governance		
HR	Human resources		
IPs	Implementing Partners		
KIIs	Key Informant Interviews		
SGBs	Small and Growing Businesses		
SMEs	Small and Medium sized Enterprises		

Executive summary

In Africa, about 10-12 million young people enter the labour market each year with only 3 million formal jobs available.¹ While such large proportions of youth pose significant challenges across African economies, opportunities also arise for private sector companies to tap into this demographic dividend to prioritise the creation of dignified and sustainable job opportunities. At the same time, entrepreneurs show hesitance to hire young people as, compared to older age groups on the labour market, they often have less experience and less job-specific skills. This refrains them from hiring more youth, however, a clear business case for youth can be made at the same time. The goal of this research is to better understand the commercial motivators to hire youth, while at the same time addressing commercial barriers and shedding light on the social motivators and barriers to hire youth.

The overall findings explore the commercial and social motivators and inhibitors of hiring youth, and recommended human resources (HR) and youth recruitment strategies. These insights were gathered through a literature review and key informant interviews (KIIs) with Challenge Fund for Youth Employment (CFYE) Implementing Partners (IPs) and additional businesses. The section below outlines the study's key findings on the commercial and social motivators and inhibitors, and best practice HR and recruitment strategies when hiring youth.

Commercial motivators for hiring youth

Businesses cite various reasons for hiring youth, creating a nuanced mix of motivators that impact their recruitment choices. Decision-making varies based on contextual factors such as geography, sector, business type and size. The following core motivators were found to underscore the commercial reasons reported for hiring youth.

▲ Hiring youth can result in cost savings for a company and increase profits.

- The reviewed literature in particular highlights the cost-saving effect that hiring youth can have through lowering several input costs incurred by a business.
- Effective investment in the training and development of young employees can lead to cost savings through improved retention and productivity. This strategy can be particularly cost-effective

¹ <u>Preparing young Africans for jobs of the future | Africa Renewal</u>

in sectors like construction and agriculture, where training costs are minimal, offering long-term cost savings over expensive external recruitment of experienced professionals.

- In the shorter term, businesses can save on remuneration costs when hiring youth who earn less compared to more experienced hires.
- Youth are perceived to be more adaptable to company culture and values, which has the potential to lower costs across the recruitment value chain.
- ▲ Hiring youth plays a key role in ensuring the sustainability, longevity and growth of a business.

By investing in young individuals with potential, businesses can develop a strong talent pipeline for the future. This proactive approach to talent acquisition allows organisations to mitigate risks associated with unplanned retirements and address potential staff and skill shortages, ensuring a stable workforce in the medium- to long-term. By attracting and developing young talent, organisations can preserve critical institutional knowledge through knowledge transfer from experienced employees to the next generation. Youth are also experienced as easily influenced to fit organisational values, which can improve the ease with which workplaces are able to foster a cohesive work environment and a sense of shared organisational culture, supporting the longevity and sustainability of a business in the process.

▲ Hiring youth can improve a business's reputation and brand, leading to increased sales and profitability.

This stems from perceptions of a business's commitment to diversity and inclusion when they hire youth, and in particular marginalised youth. A strong brand image can result in improved sales and commercial success. Similarly, if businesses hire youth or marginalised youth, this increases perceptions that employers are engaging with their community, which can enhance the business's brand as an employer of choice, fostering employee retention and potentially reducing recruitment expenses. This not only benefits the business commercially but also creates positive social impact.

✗ Hiring youth can enhance a business's competitiveness by increasing innovation, technological acumen and adaptability.

Youth are consistently acknowledged as possessing these qualities that help businesses stay abreast of market trends and innovations, particularly in sectors like technology, hospitality and rapidly evolving retail markets. In industries demanding flexible schedules, such as hospitality and service sectors, youth's adaptability and openness to working varying shifts ensures companies can compete effectively in dynamic markets.

Findings from literature and KIIs present varied perspectives on youth loyalty within businesses and their likelihood of retention. While some sources indicate higher loyalty among youth, others highlight significant turnover, especially in industries like professional and financial services where youth view initial roles as stepping stones in their broader career. In a specific case, marginalised youth were found to display increased loyalty due to gratitude for access to a job opportunity and a reluctance to find alternatives.

Commercial inhibitors to recruiting youth

While the above commercial motivators drive employers to hire youth, decision-making for recruitment is complex and influenced by numerous factors. Alongside the reasons for why businesses feel motivated to hire youth are the reasons for why they may feel hesitant to do so, as well as the numerous obstacles, barriers and challenges that may prevent businesses from hiring youth.

These challenges include the perceived high training costs due to the lower initial productivity of inexperienced workers, leading to worries about recovering upfront training investments. This is a concern particularly in skills intensive sectors, for companies with dynamic business models and for smaller resource-constrained businesses. High youth turnover is a commonly reported barrier to hiring youth, with some youth viewing jobs as stepping stones in their broader career. The high level of informal, short-term contractual work in Africa likely contributes to these high turnover rates. Mismatched expectations between employers and youth also prevent engagement with the youth labour market, with youth often expecting rapid career progression and employers expecting foundational skills and an understanding of the professionalism required in the working world. Finally, in more skilled markets the low skill and proficiency levels of youth is a barrier to hiring youth.

Social motivators for recruiting youth

While social motivators to recruit youth were less commonly reported in the reviewed literature, many of the KII participants, often from social enterprises or businesses with strong social objectives, are inclined to hire youth and marginalised individuals even without clear commercial incentives. The primary social driver for hiring youth is to uplift them and their communities by providing job opportunities where these are scarce. Businesses also see empowering young women through providing them with economic opportunities as an effective way to support their families and communities,

as women are perceived to invest in the wellbeing of their families and communities more so than men.

Beyond these social factors, literature suggests that integrating corporate social responsibility (CSR) initiatives can encourage businesses to hire marginalised youth, with the commercial 'spillover' effect of improving the brand and reputation of a business as one that is socially responsible. Similarly, passing on knowledge to the next generation is seen as both socially beneficial in equipping young employees with necessary skills, whilst also having the commercial benefit of contributing to a talent pipeline and supporting a business's sustainability and longevity.

Social inhibitors to recruiting youth

Despite these social drivers that promote youth employment, negative views of young individuals can prevent companies from hiring youth. Perceptions of youth being inexperienced or lacking essential skills and societal biases and discrimination, particularly towards youth with disabilities and women of reproductive age, create barriers to hiring youth and marginalised groups. Interviewed businesses recognise biases against women of reproductive age, which act as barriers to hiring young women because of concerns regarding perceived unreliability and increased costs linked to their sex and age group.

Best practices for hiring youth – HR and youth recruitment strategies

Recruiting and retaining young employees requires tailored HR and recruitment strategies to be effective and sustainable. The reviewed literature, KIIs with businesses and case studies on CFYE IPs that have successfully recruited and retained young employees highlight the strategies and best practices that can be implemented to support this.

Youth recruitment

- ✓ Using a blend of traditional methods like word-of-mouth and online platforms such as LinkedIn, Indeed and WhatsApp is considered best practice in recruitment, helping businesses access a wider candidate pool and leveraging social media platforms where youth have a strong presence.
- ✓ Embracing transparency in recruitment has supported CFYE IPs to attract and retain young talent. Communicating their preference for young applicants directly and sharing salary range information in job postings has facilitated direct and inclusive engagement with prospective youth applicants and can support in attracting youth with financial aspirations aligned to the position.

- ✓ Engaging youth actively in recruitment processes was emphasised in the literature as a way to improve youth recruitment. This could involve participating in job fairs, collaborating with educational institutions to influence curriculum development and equip youth with relevant skills. Partnerships with labour training institutions and local recruitment organisations were noted by businesses to boost recruitment initiatives and broaden the candidate pool.
- ▲ Developing inclusive recruitment strategies and policies means that hiring youth from diverse backgrounds and with diverse abilities is intentionally prioritised. Relatedly, both the literature and KIIs highlighted focusing on job-related skills and attributes, such as attitude and willingness to learn, rather than just qualifications, to build a diverse and inclusive workforce.

HR strategies

- ▲ Developing a supportive work environment that offers growth opportunities, mentorship, and training to attract and retain young talent is important for creating a conducive workplace for youth development.
- ✓ Implementing non-discriminatory policies in the workplace will enable equal opportunities for marginalised youth such as youth with disabilities. This can be supported by partnering with disability service organisations, offering skills training initiatives tailored to the needs of marginalised youth, and creating pathways for employment and advancement for marginalised youth.
- ✓ Structured employee development is a key HR practice to bolster the growth, development and retention of young employees. Tailoring HR strategies to include growth plans, training allowances, and clear career progression paths can support enhanced productivity, loyalty and commitment within the organisation.
- ✓ Offering internships is an effective approach to provide young employees with practical experience, to meet immediate staffing needs, and to provide an opportunity to thoroughly evaluate candidates for full-time roles. This approach mitigates the risk of investing in training and hiring a full-time candidate who may not be a good fit, a concern highlighted in the literature, especially for resource-limited small businesses.
- ▲ Providing remote working options signals a willingness to adapt to the changing preferences of a young workforce by offering flexible

work arrangements. This has the potential to increase employee retention among the youth demographic.

1 Introduction

1.1 Background and context

Africa's growing population, which includes a substantial increase in the youth demographic by 2050 in particular, presents both opportunities and immediate challenges to the job market, due to the current high youth unemployment rates and poverty levels. As of 2023, more than 72 million African youth, mainly young women, are not in education, employment, or training.³ Gender gaps are driven by factors such as early marriages, limited access to resources, and gender roles that burden women with more unpaid work. Additionally, many young African workers are engaged in low-quality informal work. It is therefore crucial to prioritise creating dignified and fulfilling work opportunities for Africa's youth, including young women.

The Challenge Fund for Youth Employment (CFYE) is a 7-year and €134 million programme funded by the Netherlands Ministry of Foreign Affairs, that aims to create a prosperous future for 230,000 young women and men in the Middle East, North Africa, Sahel/West Africa and Horn of Africa regions. The Fund will be supporting initiatives in 12 focus countries that will offer youth, in particular young women, opportunities for work that is demand-driven and productive, offering a stable income and safe working conditions, thus contributing to their personal development and social protection.

By the end of 2022, CFYE was working with 70 active implementing partners (IPs), operating in 11 countries across Africa and the Middle East.² To date, the fund has released six calls for applications. The fund is interested in understanding the commercial and social motivators of hiring youth as part of its advocacy efforts in the youth employment ecosystem and working with IPs that are developing effective approaches to hiring youth.

Box 1: CFYE Overview

Addressing youth unemployment in Africa requires a nuanced understanding of the benefits and challenges associated with hiring youth. Previous studies

² Challenge Fund for Youth Unemployment, Annual Report 2022

³ ILO (2023) <u>https://ilostat.ilo.org/african-youth-face-pressing-challenges-in-the-transition-from-school-to-work/</u>

show that hiring youth can bring fresh perspectives, a willingness to learn new technologies, and flexibility in work hours and locations. However, challenges exist due to market weaknesses and mismatches in skills, limiting job prospects for African youth. Stakeholders must focus on creating meaningful opportunities that enable African youth to access satisfying and decent jobs in today's evolving job market.

1.2 Approach to developing the research report

The report's findings resulted from a blend of primary and secondary research. This included an evidence scoping exercise and key informant interviews (KIIs) with Challenge Fund for Youth Employment (CFYE) Implementing Partners (IPs) and other stakeholders in the youth employment field. The scoping exercise involved searching nine relevant databases and platforms (listed in <u>Annex 1</u>) to extract literature related to the research questions, summarising key findings motivators, inhibitors, gender perspectives and HR strategies. <u>Section 2</u> of the report outlines these insights. Additionally, eight KIIs were conducted with CFYE IPs and other stakeholders (listed in <u>Annex 3</u>), and were selected to capture regional diversity, sector variations and business models. Data from these interviews was analysed thematically to develop findings discussed in <u>Section 3</u>. The report also features case studies on the five CFYE IPs interviewed in <u>Section 4</u>, and how they successfully recruit and retain youth.

2 Synthesis of evidence in the literature

2.1 Overview of the literature

The literature informing this report provides a global perspective on the commercial and social motivators to hire youth. It is primarily grey literature published within the last 10 years, sourced from development organisations, think tanks and youth-focused organisations that work in youth employment. It provides a broad understanding of the motivators and challenges of recruiting youth, while also providing sector-specific insights in industries such as manufacturing and retailing. The literature also examines the unique challenges and potential contributions of hiring youth from marginalised groups but demonstrates a limited exploration of gender considerations.

2.1.1 Composition of the literature

The research team identified and analysed 15 studies as part of the scoping study. Table 2 below presents an overview of the composition of the literature in terms of type, geography and year of publication.

Category	Composition	Key takeaway		
Type of literature	Grey literature Academic literature	The high proportion of grey literature in this sample and the field at large implies that the formal field of academic and published research on this topic is nascent.		
Geographic context	Europe 47%	Due to the nascent nature of the research field, the scoping exercise revealed a limited number of publications that focus on the commercial and social motivators of hiring youth in Africa.		
Year of publication	Published within the last 10 years years ago	The recency of the included literature supports our perception and experience of the nascency of this field.		

Table 2: Composition of the literature

<u>Annex 2</u> includes commentary on the extent to which the literature considers a gender lens, considers marginalised youth, and highlights sectoral differences between commercial and social motivators.

2.2 Research findings

2.2.1 What are the commercial motivators and inhibitors for companies to recruit youth?

Commercial motivators

The research reviewed shows that companies report several business reasons to hire youth, and together these form a complex set of motivators that affect companies' decision-making when recruiting youth. While these business reasons are varied, the following core commercial motivators underscore them (listed from most to least commonly mentioned in the literature):

- Hiring youth can result in cost savings for a company and increase profits.
- **x** Hiring youth can improve the reputation or brand of a company.
- x Hiring youth can support a business to improve or maintain its competitiveness.
- Hiring youth can support the sustainability, longevity and growth of a business.

The findings discussed below highlight the business reasons for hiring youth identified in the literature, and explicitly describe the logic that connects these business reasons to the core commercial motivators listed above.

Cost savings and increased profits

The reviewed literature highlights the cost savings that are possible through hiring youth. This works through lowering several input costs incurred by a business: costs associated with external recruitment (advertising, agency fees, candidate assessments etc.), remuneration, investments in the training and development of new employees, employee benefits packages and employment tax incentives/grants.

Hiring young people can help businesses to save on recruitment and selection costs associated with hiring experienced professionals.

This is possible if young talent is attracted and retained at a business through effective recruitment and HR strategies. Organisations can minimise expenses related to external hiring processes, such as advertising, agency fees, and candidate assessments. This can allow businesses to allocate resources more efficiently and focus on developing internal talent pipelines.





Page | 15

The lower remuneration cost of hiring young people compared to older, more experienced recruits is a key motivator for businesses to hire young people.

Young employees are usually offered lower salaries than employees with more work experience. If the young person's skillset can match that of a more seasoned worker, businesses can make higher margins per unit of labour. While this might not always be the case, companies still find it appealing to hire young people because they can build a skilled team with a lower budget for salary costs. By training and supporting young employees from the beginning, organisations can benefit from a long-term return on investment as these individuals grow, develop their skills, and contribute to the company's success.

Hiring young people can help companies recover training and development costs over time.

By providing apprenticeships, internships, and on-the-job training for young employees, organisations can prepare them with the skills needed to succeed. Research indicates that organisations can recover their training expenses within a relatively short period, showing that investing in young talent can be a cost-effective strategy for business growth.⁴

Hiring young workers can help organisations benefit from government support programmes and financial incentives aimed at promoting youth employment.

Governments often provide financial incentives or funds to encourage businesses to hire and train young people through wage subsidies, apprenticeship grants, tax deductions and other forms of financial support. These programmes offer financial incentives to employers, compensating for the lower initial productivity of new hires and covering training expenses. By reducing the expenses linked to hiring young workers, these initiatives aim to encourage more businesses to employ youth, saving costs on recruitment and training while promoting the integration of young talent into the workforce.

Viewing youth employment as a cost-effective strategy aligns with the longterm sustainability and growth objectives of businesses. By nurturing young talent, companies can build a capable team, encourage employee advancement within the organisation, and decrease the need to hire

⁴ CIPD. 2012. The Business Case for Employer Investment in Young People. Available at <u>https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/the-business-case-for-employer-investment-in-young-people_2012_tcm18-10294.pdf</u>

externally for crucial roles. This proactive talent management strategy can lead to short- to medium-term cost savings and foster a culture of continuous learning, innovation, and flexibility, which ultimately can support the longterm success and competitiveness of a business.

Finally, companies may be motivated to hire youth as they are often more open to temporary or informal work arrangements.

This flexibility can help businesses lower costs in various ways. Young workers are adaptable and willing to take on temporary roles, like internships or part-time positions, which can be advantageous for companies with changing workloads or short-term projects. Their ability to adjust schedules and work in different locations enables businesses to manage their workforce effectively and respond to changing needs, providing cost-effective solutions and expertise for specific short-term tasks or projects.

The usual concerns and cost-related risks that apply when hiring youth, such as the possibility that they may leave the organisation after the company has invested resources in training, matter less in these contexts. This makes it easier for young people to have access to employment opportunities. Yet, these jobs that are often temporary or informal may lead to more youth being employed in precarious positions that do not offer long-term job security.



Enhancing brand and reputation

Valuing the diverse viewpoints young employees bring into business operations can enhance a company's brand reputation.

Businesses that prioritise youth engagement can benefit from the increased inclusivity and innovation that can result. In turn, these businesses are often

seen as progressive, socially responsible, and appealing to diverse customer groups. Having a workforce that mirrors the broader community differentiates businesses in the marketplace, broadens their customer reach, and strengthens their position as industry leaders. This commercial motivation is also particularly applicable to marginalised youth, who contribute to the diversity of a firm and therefore enhance the business' social responsibility.

Businesses are motivated to hire young individuals to demonstrate that they are engaging with their community, improving their employer brand and making them more attractive to job seekers.

This helps companies stand out from competitors, contributing to their commercial success. Hiring young people, especially those from marginalised groups, can align with a company's corporate social responsibility (CSR) strategy through demonstrating a commitment to community support and youth empowerment. Building a positive image through these actions enhances a company's competitiveness in the market.

Maintaining competitiveness

Engaging with the youth workforce allows companies to leverage the digital expertise and skills of young employees and benefit from their strong skills in new media literacy and virtual collaboration, helping companies to stay competitive.

Young people, having grown up in the digital era, have a strong grasp of technology and can easily adapt to new digital tools. They are therefore able to integrate these tools into their work effectively and can navigate online communication channels such as social networking and collaborative software easily.⁵ This knowledge is highly valued by businesses as it keeps them competitive in a digital world and ensures that they remain aligned with current digital marketing trends and communication channels.

Hiring young people injects fresh ideas, energy and creativity into a company, which is vital for ongoing innovation and success.

⁵ ManpowerGroup. (2012). Youth Unemployment Challenge and Solutions: What Business Can Do Now Available at <u>https://old.adapt.it/adapt-indice-a-z/wp-</u> content/uploads/2014/06/manpower Youth Employment_Challenge_2012.pdf





Young people are seen as innovative thinkers who can adapt quickly, encouraging creativity and flexibility in organisations. Their unique viewpoints and unconventional approaches can inspire creativity, drive innovation, and challenge traditional ways of doing things. Embracing the diverse perspectives and adaptability of young workers, including those from marginalised backgrounds, can create a more inclusive and dynamic workplace. This diversity fosters creativity, enhances decision-making and improves problem solving. Encouraging innovation, diversity and flexibility helps companies stay up to date on new trends and maintain a competitive edge.

Companies are motivated to hire youth to establish a strong link to the broader youth customer base, especially in fast-changing or retail-driven markets.

Millennials, in particular, have distinct buying behaviours and influence each other's purchasing decisions. They often shop in groups, value peer opinions, and share feedback on products and services through social media. Young employees serve as a bridge to customers as they are current consumers and future purchasers. Their firsthand knowledge offers valuable insights into rapidly changing or fashion-driven markets like music, computer gaming, or clothing and footwear, where the market mainly consists of young customers. By hiring young people, companies gain direct access to their preferences and social networks, enabling them to tailor products and marketing to this important market segment. This can improve sales, foster growth and enhance a company's competitiveness. Improving the sustainability, longevity, and the growth of a business

Hiring young people brings new talent into a company and builds a robust talent pipeline for the future.

By nurturing young talent, businesses can develop a reliable and sustainable supply of skilled employees for the future. This proactive hiring strategy helps companies manage risks related to unexpected retirements and potential shortages of staff and skills, ensuring a stable workforce in the long run. Moreover, investing in youth enables companies to prepare for industry changes, technological progress, and changing market trends. By attracting and developing young talent, organisations can preserve critical institutional knowledge through passing on important knowledge from experienced employees to the next generation. This ensures continuity, maintaining competitiveness, and equips businesses to navigate changing landscapes with agility and foresight.

Studies show that SMEs are also motivated to leverage the potential of young talent to drive growth within their organisations.⁶ They recognise young workers as catalysts for expansion, believing that their skills and ideas can play a key role in the long-term success of SMEs.

Hiring young workers can enhance staff retention by boosting loyalty and reducing turnover, potentially saving recruitment costs in the process.

Investing in the growth and development of young employees can foster loyalty and commitment within the workforce. When young workers are afforded opportunities for advancement and receive training and recognition, they are more likely to stay engaged and committed to the company. Building a loyal workforce can contribute to better staff retention, reducing turnover and the need for frequent hiring.

While some companies successfully engage young workers for the long term, industries like professional and financial services may experience high turnover among young employees, particularly graduates, who may see greater career prospects in other employment opportunities. Despite this, businesses appreciate the growth and enthusiasm young workers bring and see their potential for long-term loyalty as a valuable investment. Some employers have observed that young individuals from disadvantaged backgrounds often show higher loyalty and stay longer in their roles. This

⁶ Youth Capital. 2022. Bridge the gap: Finding the 'right' young hire. Available at <u>Bridge the gap: Finding</u> <u>the 'right' young hire.</u>

might stem from factors like hesitancy to explore new job prospects, a preference for staying in familiar work environments, or a sense of gratitude towards organisations that provided them with opportunities.⁷

Studies show that SMEs in particular are motivated to hire young people to fill immediate job openings quickly when needed.

This hiring focus is usually in response to immediate needs rather than part of a long-term plan. As positions become available, SMEs hire young workers who have the required skills and qualifications. While many SMEs may not have a dedicated youth employment strategy, they often bring in young individuals for entry-level roles, especially in industries like Retail and Hospitality where turnover is high. This means there are frequent job opportunities for young people looking for work, particularly in these sectors.



Companies focus on hiring young individuals because they are more open in adopting the organisational values and work practices of the organisation.

Encouraging and supporting young people to uphold these values can create a cohesive work environment and improve the quality of work produced. A shared sense of company culture can promote employee engagement, improved teamwork, and a sense of belonging, which can ultimately boost productivity and performance. By supporting young talent, businesses can

⁷ Youth Futures Foundation, IFF Research, & Movement to Work. (2021). Large Employers and the Youth Labour Market. Available at <u>https://youthfuturesfoundation.org/wp-</u>content/uploads/2021/10/Large-Employers-and-the-Youth-Labour-Market-report.pdf

build a workforce that shares their values and contributes to long-term, sustainable success.

Commercial inhibitors

While businesses are commercially driven to hire youth, key challenges also hinder businesses from effectively recruiting youth. These obstacles can impede organisations' efforts to attract, retain, and engage young talent, impacting their ability to innovate and adapt in rapidly evolving markets. Understanding these inhibitors is crucial for businesses seeking to optimise their youth recruitment strategies and unlock the potential of this vital demographic.

When companies consider the potential long-term savings compared to the immediate costs of hiring and training young workers, the upfront expenses can discourage them from hiring youth.

A key challenge is the perceived imbalance between these upfront costs of employing youth and the benefits accrued in the form of their productivity. Companies anticipate the latter being lower when compared to the productivity of employees with more years in the workforce. Research shows that the perceived costs of hiring young workers can sometimes outweigh the productivity benefits, leading to the caution with which companies approach hiring youth. Additionally, the extra resources needed for supervision and training contribute to the perceived financial burden of hiring youth.

Young people are perceived to show less interest in job opportunities in specific sectors where the work is seen as undesirable.

Studies show that industries like manufacturing and hospitality struggle to attract and engage young talent, leading to a closer look at the reasons behind this lack of interest and the potential misalignment with industry demands. Employers believe that young people view these sectors as having low wages, limited opportunities for career growth, and lacking the 'glamour' that youth may want in a job.

There can be misunderstandings or misaligned expectations between employers and young workers that hinder companies from hiring youth.

A study found that young people may sometimes expect accelerated career progress with little understanding of the amount of time it takes to grow from

an entry-level position.⁸ Employers, on the other hand, expect a basic set of skills and a good grasp of the professional world, which young individuals with little to no experience may lack as they first enter the labour market. This shows the need for more guidance in work etiquette, enhancing skills in communication and supporting the understanding of reporting procedures in the younger workforce. This emphasises the importance of strengthening these fundamental skills.

Small businesses in particular face challenges in hiring young workers due to concerns about hiring the wrong person after investing resources in recruitment.

This issue can be worsened by information gaps and administrative hurdles, which create additional complexities. Labour regulations can limit how probation periods are handled and can make it difficult to terminate employment if a hire proves unsuccessful. This risk is thus particularly significant in countries with stringent or complex labour laws that lack transparency.

Employers often struggle to hire young individuals from marginalised groups where additional resources may be required to train the individuals and support any different needs they may have.

Employers cite a lack of resources to hire and train individuals from these groups, and this can be further compounded by financial risks and concerns about burdening existing staff If there is a mismatch in skills to maintain the role.

Lastly, employers' express doubts about young people staying with their companies for a long time.

They feel that young employees might leave before the company benefits from the training and development investments made in them. Employers often also see hires with more experience in the workforce as more loyal and providing a better return on investment. This highlights the multifaceted challenges and considerations that employers face when hiring and integrating youth into the workforce.

⁸ Youth Capital. 2022. Bridge the gap: Finding the 'right' young hire. Available at <u>Bridge the gap: Finding</u> the 'right' young hire.

2.2.2 What are the social motivators and inhibitors for companies to recruit youth?

Social motivators

Businesses are influenced by a limited set of social motivators that extend beyond purely commercial objectives when looking to hire youth. In some instances, however, there are commercial 'spillover' effects from social motivators to hire youth, particularly for companies that are driven by a profit-motive.

Indeed, a significant social motivator with commercial 'spillover' effects is the integration of CSR initiatives into a business.

Corporate social responsibility initiatives can serve as social motivators for companies to actively recruit disadvantaged or marginalised groups, including youth, into their workforce while fostering community engagement, reflecting a commitment to social impact beyond profit-making. However, by prioritising youth employment and community involvement, businesses not only fulfil their social obligations but also generate commercial 'spillover' effects, as these initiatives can lead to an enhanced brand reputation, showcasing the company as socially responsible and committed to the wellbeing of society.





In some instances, employers report being socially motivated to pass on knowledge to the next generation, with this being a common social motivation to hire youth in SMEs in particular.

This reflects a commitment and genuine desire of older, more experienced employees to pass on expertise and nurture young talent within the workforce. Simultaneously, there are commercial motivators at play here. By investing in youth and providing opportunities for skills development, businesses can enhance productivity, innovation, and succession planning all factors that support the sustainability and commercial success of a business.

Additional social motivations for hiring youth extend to promoting social cohesion and benefiting local communities.

While this can be a purely social motivation to hire youth, businesses also often seek to demonstrate their social responsibility and hence improve their reputation or community profile by hiring youth, recognising the wider societal impacts associated with increasing youth employment.

Thus, while social motivators often have a commercial 'spillover' effect, in some instances companies place a higher value on the transformative impact of diverse perspectives and innovation that can originate from marginalised youth, compared to purely financial or competitive advantages. A report by the Youth Futures Foundation notes that responses citing increased profitability, gaining a competitive advantage, and improving Environmental, Social, and Governance (ESG) metrics are less prevalent compared to the impact of diverse perspectives and innovation that youth contribute to a business.⁹

⁹ Youth Futures Foundation, Regenerate. (2023). Unlocking youth employment: Opportunities for employers and marginalised groups. Available at <u>https://youthfuturesfoundation.org/wp-content/uploads/2023/07/GJP-Youth-Pullout-Report_AW_No-Crops-1.pdf</u>

Social inhibitors

While social motivators encourage businesses to engage youth in the workforce, social inhibitors act as barriers or challenges that hinder their employment.

One prominent social inhibitor of hiring youth are the negative perceptions of young people held by some businesses and employers.

These perceptions are generalised and include viewing young individuals as inexperienced or lacking essential skills required for the job, leading to hesitance in hiring them.

Societal prejudices can further compound these challenges, particularly regarding the hiring of marginalised youth such as youth with disabilities.

Employers may be influenced by biases and engage in discriminatory hiring practices that impact their decisions in diversifying their workforce and providing opportunities to marginalised youth. These prejudices can limit the commitment of businesses to engage with youth employment initiatives and create barriers to entry for marginalised youth such as young people with disabilities.

2.2.3 What HR and youth recruitment strategies are used and recommended?

The success of any business or organisation depends on finding and nurturing the right talent. For this reason, hiring young people is of utmost importance when it comes to developing the workforce. However, recruiting and retaining young employees can be challenging, and requires tailored human resources (HR) and recruitment strategies. Considered approaches and policies are required for businesses and organisations to attract and retain young talent that can help them thrive in competitive markets.

The literature reviewed reveals that SMEs rely on word of mouth and professional networks for their recruitment needs due to limited HR capabilities.

However, this approach can lead to mismatches in skills and culture between candidates and organisations and a limited pool of candidates. Both SMMEs and large businesses were also found to use online platforms like LinkedIn, Indeed, and WhatsApp for recruitment, with these avenues broadening the pool of potential applicants and also ensuring that recruitment is located on social media platforms where youth have a strong presence. Recommended strategies for improving youth recruitment include more interactive approaches such as leveraging social media, participating in job fairs, and building relationships with local educational institutions like universities to influence curriculum development and ensure that young people are equipped with relevant skills. These strategies can enhance visibility and engagement with potential youth candidates. Additionally, partnerships with organisations specialising in youth employment and the use of intermediaries can broaden the recruitment reach and provide access to youth who may be potential future employment candidates.

The literature highlights several best practices for recruiting youth.

One key practice is developing inclusive recruitment strategies that consider diverse backgrounds and abilities, which is essential for building a diverse and inclusive workforce. Additionally, focusing on specific job-related skills and attributes, rather than solely on qualifications or experience, can improve the alignment between candidates and job requirements. Creating a supportive work environment that offers growth opportunities, mentorship, and training is crucial for attracting and retaining young talent. Simplifying existing legislation related to youth employment and creating a more conducive regulatory environment can streamline the recruitment process. Finally, utilising tax incentives and wage or training subsidies can incentivize businesses to invest in the training and hiring of youth, making it more financially viable for them to take on younger, less experienced employees.

For youth with disabilities, research has highlighted a best practice approach of developing a policy of inclusion and non-discrimination within the workplace.

This involves creating a work environment that is supportive and inclusive of individuals with disabilities, ensuring equal opportunities for employment and advancement. Additionally, partnering with organisations that specialise in disability services can also provide valuable expertise and support in recruiting, accommodating, and retaining employees with disabilities. Finally, supporting skills training initiatives specifically tailored to the needs of youth with disabilities can help bridge skills gaps where these exist and improve their employability.

3 Findings from key informant interviews

3.1 What are the commercial motivators for companies to recruit youth?

The KIIs conducted with businesses shed light on commercial motivators that drive businesses to hire young individuals. Across multiple interviews, key themes emerged highlighting the unique contributions that youth bring to the workforce. This section presents the findings developed from these themes on businesses' commercial drivers to hire youth. In exploring these motivators, businesses emphasised the energetic spirit, enthusiasm for growth and development, cost-effective investment and innovative perspectives of youth, as well as the contribution to mentorship and a positive

Alsalam Atelier is a textile manufacturing business in Sudan, creating affordable, reusable sanitary products for Sudanese women.

Marula Proteen is a circular agribusiness innovating in the waste value chain in Uganda, through recycling waste, reducing carbon emissions, and creating jobs in the process.

GoMyCode is a tech learning company in Tunisia offering career and skill training, workshops and hackerspaces to develop tech professionals in Africa and the Middle East.

Dasri Sterile is a waste management company in Tunisia, with projects for healthcare waste treatment, hazardous liquid waste, expired pharmaceuticals and green job training.

Balloon Ventures supports small businesses in Uganda with investments and tech-enabled business support, aiming to improve management practices and create jobs.

Jobberman is Nigeria's leading online job portal and recruitment platform, connecting job seekers with employers across industries and offering various services including job listings, CV creation and career advice.

Nani Employee Leasing specialises in providing home cleaning, laundry and labour outsourcing services to businesses in Kenya.

IHR Solutions based in Kenya offers a range of HR consulting services, including career development, HR audits, payroll services and skill-building trainings.

Box 2: CFYE IPs and additional businesses

work environment from youth workers. Through insights from these interviews, the report highlights how organisations leverage the potential of

young employees to drive productivity, foster innovation, and align with industry-specific needs, ultimately shaping a dynamic and adaptive workforce for the future.

The interviews were conducted with CFYE IPs and additional businesses across Kenya, Sudan, Nigeria, Uganda, and Tunisia. These businesses vary in size, business model and sector, collectively providing diverse perspectives and motivations that guide businesses in their recruitment of young talent across different regions of the continent.

Cost savings, retention and productivity

Similarly to the literature identified in the scoping exercise, businesses highlighted the relatively lower cost of hiring youth.

Young individuals, due to their limited job experience, are typically hired for lower-level positions and matched to lower salary ranges, requiring lower investment in benefits compared to older, more experienced workers with dependents. Driven by their desire to explore various career options, some youth also have shorter tenure in the workplace, which can result in minimal gratuity payments compared to more seasoned employees. This supports the mixed findings in the reviewed literature regarding youth retention.

In labour-intensive and low-skill sectors such as agriculture and construction, companies were found to prefer youth workers for their energy and capacity to perform physically demanding roles. In these lowskill sectors, companies can train young inexperienced youth who become highly productive in a relatively short period. This enables businesses in these sectors to decrease their labour costs per employee and increase productivity.

"While it is initially costly in terms of finances and time due to training and helping them acclimate to the culture, ultimately, employing the younger generation is more cost-effective and beneficial."

- Paraphrased from KII discussion with Marula Proteen

Both CFYE IPs and additional businesses consistently reported perceiving young women as being more trustworthy and reliable compared to young men.

This shared perception positions young women favourably in hiring, particularly for roles requiring reliability, such as those involving financial responsibilities. Hiring trustworthy employees can lead to increased loyalty and retention in businesses and decrease financial risks. It can enhance client relationships, team dynamics, and a business's reputation, fostering a more cohesive and productive work environment. Additionally, the lower turnover rates associated with hiring trustworthy individuals can reduce recruitment

and training costs, contributing to a more stable workforce and long-term business success.

Some businesses highlighted the long-term cost-savings that companies can realise by investing in training for young employees. These individuals often demonstrate an aptitude for acquiring new skills fast and can make substantial contributions to an organisation's growth, a trend observed in sectors such as manufacturing, technology, and agriculture. Trained young employees work more efficiently and productively, leading to cost savings and increased output.

Despite this perceived relatively lower cost of hiring youth, some businesses highlighted the high training costs associated with hiring young individuals. While young employees may possess potential and adaptability, they often require extensive training and mentorship to reach their full potential. Training programmes are often expensive, especially in industries where specialised skills and knowledge are required. The initial cost savings from hiring youth in lower-level positions may be outweighed by the long-term investment in upskilling and retaining young talent. This highlights the importance of considering the overall cost implications when hiring young workers, as well as the business sector and how intensive the training required to upskill youth would be.

Businesses noted that young people demonstrate flexibility and a willingness to take on informal or short-term jobs, aligning with the reviewed literature.

This is evident in various industries, particularly ' in hospitality, where youth are often more open to working flexible hours, including shorter shifts. The adaptability and that youth demonstrate is valued by employers for its contribution to improved workplace culture and productivity. Youth also often take on additional responsibilities, contributing to a culture of collaboration within organisations. This flexibility, while beneficial for adapting to "Youth often bring high level of enthusiasm to their work. They are often eager to take on additional responsibilities and can be more collaborative compared to older workers. This means that organisations can get more out of a young employee who is willing to take on extra roles or responsibilities without significantly increasing the cost."

> Paraphrased rom KII discussion with IHR Solutions

different work environments, risks leading to unintended outcomes such as overworking and underpaying youth, as businesses may take advantage of youth without providing fair compensation or suitable working conditions. There is also a risk that youth may leave a job quickly if it requires significant effort and transport costs, despite their adaptability to different work environments.

Some businesses report that young women typically perform better than their male counterparts, which may result in a lower unit labour cost for businesses. This can be attributed to the higher productivity, efficiency, and quality of work output associated with young women's performance. They may require less supervision, make fewer errors, and complete tasks quickly, all contributing to lower unit labour costs. Additionally, their higher performance can lead to higher levels of customer satisfaction and loyalty, further benefiting the business's bottom line.

Women were also perceived to have a culture of spreading the news about vacancies, which can significantly lower recruitment costs for businesses. While only one additional business made this observation, it remains a significant insight. Women often have extensive networks and are more likely to share information about job opportunities with friends, family, and colleagues. This word-of-mouth advertising can reach a wider pool of potential candidates than traditional recruitment methods, such as job postings or recruitment agencies, and can result in reaching suitably qualified applicants at a lower cost.

Employers often highlighted that they experience young individuals as being more adaptable to shaping and embracing company culture and values, a finding aligned with the literature.

This adaptability means that young employees can often integrate seamlessly into an organisation, quickly acclimate to organisational norms, and align with the ethos and core values of a company. This supports a business in fostering a shared purpose and organisational culture. Additionally, this flexibility in adapting to company culture and organisational norms may have positive implications for costs across the recruitment value chain, particularly in regard to the lower effort levels that may be required to onboard youth.

Competitiveness

In alignment with the literature review, businesses consistently identified the tech-savviness of young individuals as a commercial motivator to hire youth.

Young employees' greater aptitude for technology is a skill that is highly sought after in modern businesses as it assists them in adapting to evolving technologies and remaining competitive. Insights from businesses show that young employees often bring fresh perspectives and innovative approaches to organisations, making them well-suited for roles that demand technological literacy or remote work capabilities. Their proficiency in leveraging digital tools and adapting to technological advancements positions them as key contributors in driving organisational efficiency and competitiveness. "Young people are malleable, making them easier to integrate into and shape the organisational culture."

"Young people bring fresh ideas and innovative approaches to organisations. For example, in the shift to remote or hybrid work models, they suggest ways to access freedom and manage time effectively, boosting productivity. In technology, understanding project management tools and quickly learning new technologies is crucial, especially when working remotely. A flexible and tech-savvy team can greatly benefit organisations."

- Paraphrased from KII discussion with IHR Solutions

Brand reputation

Businesses are motivated to recruit youth for CSR purposes, aligning with the reviewed literature. Organisations are expected to

contribute positively to the communities in which they operate. One way to fulfil this expectation is by creating programmes such as internships, attachments, or shadowing opportunities for secondary school students. This can showcase a business's commitment to community development and enhance their reputation and brand image in the process, which can lead to increased customer loyalty and improved financial performance.

Furthermore, an additional business noted that in sectors such as hospitality, the recruitment of marginalised youth can significantly benefit organisations by enhancing the business's ability to connect with and cater to a diverse clientele. These efforts underscore the significance of fostering diversity and inclusion to both strengthen the reputation of a business and promote a more equitable employment environment.

3.1.1 Factors hindering the motivation to recruit youth

Businesses reported experiencing high turnover rates among young employees, compromising the motivation to hire them due to concerns about retention.

This challenge is particularly pronounced in sectors with high recruitment, onboarding, and training costs, such as tech and professional services. Smaller businesses, which have limited resources for re-recruitment, re-onboarding, and re-training, are also significantly impacted by high turnover. Young individuals often regard jobs as temporary stepping stones, resulting in substantial turnover rates and heightened costs linked to recruitment and training. Incurring potential investment losses after training young employees impedes the motivation to recruit youth.

The findings from the literature review highlighted youth loyalty to companies, supporting business growth and longevity. This divergence between the KIIs insights and the literature may stem from existing differences in labour markets between African countries and regions like Europe or global markets, where most of the reviewed literature stems from. The prevalence of informal, short-term, and contractual work in Africa might also contribute to the observed high turnover rates, impacting recruitment efforts and the long-term stability of businesses in the region.

"Organisations are expected to demonstrate commitment to communities by offering programs like internships for students. These initiatives benefit both the community and enhance the organisation's reputation."

- Paraphrased from KII discussion with IHR Solutions

Businesses face barriers in hiring youth due to low skill and proficiency levels.

Some companies have found it challenging to identify suitable candidates for specific roles, citing concerns about young employees' struggles with technical competencies and meeting targets. For some of the businesses interviewed, the cost of training to ensure that young employees meet job requirements can be a significant barrier for businesses to hire youth, particularly when the investment in training and development is greater than the potential cost savings from hiring individuals with lower starting salaries. While businesses offer training and support to address these challenges, a perception among employers that young individuals need more time to reach the needed proficiency for the job could prevent them from recruiting youth.

Expectant women or women of reproductive age often encounter discrimination in recruitment, stemming from perceptions of their reliability and potential costs to the employer.

Some businesses consider the costs of covering an employee's maternity leave (usually 60 days) and finding a replacement as a barrier to hiring young women. Additionally, stereotypical assumptions that young women might prioritise family over work responsibilities can negatively influence recruitment decisions and lead to additional biases against women of reproductive age. These unfair but prevalent societal expectations about a woman's familial role, and assumptions about their ability to balance work and family responsibilities can contribute to discriminatory practices in recruitment of young women. This can limit the professional opportunities available to expectant women or those of reproductive age, and negatively impact their career advancement and opportunities for employment.

3.2 What are the social motivators for companies to recruit youth?

The insights gleaned from KIIs with businesses shed light on the social motivators for companies to recruit youth. Most of these are linked to the ultimate social outcome of improving community welfare.

The drive to improve community welfare comes from both social and commercial incentives.

Founders, especially those with connections to the contexts in which they operate, are motivated to hire youth by personal ties and a commitment to positive change. Youth demonstrate higher awareness toward social issues, can help foster inclusivity, and cultivate unity within their communities. Commercially, there are also significant benefits a business can experience from supporting community welfare. When locals have more income due to improved economic prospects, they are more likely to spend money on goods and services provided by local businesses. This can lead to an increased customer base, higher sales, and improved financial performance for businesses operating within the community. Additionally, a thriving community tends to attract more residents and businesses, creating a cycle of growth and prosperity that benefits the community as a whole. Finally, a business's brand and reputation can be improved through increasing the perception that the business is involved in socially responsible practices.

The business model and objectives of companies will affect the extent to which an organisation is driven by social motivators to recruit youth.

"Our first motive is social; we want to create jobs that help women and boost their quality of life."

Social enterprises are more likely to prioritise social motivators over commercial motivators when recruiting, potentially making them more likely to recruit youth and marginalised youth even in the absence of commercial motivators. Many of the CFYE IPs that participated in KIIs were either fully social enterprises or had a strong leaning towards social objectives in addition to commercial objectives. These businesses often rely on donor and development funding rather than being solely profit-driven, making them more likely to recruit young people and marginalised youth for the social reasons discussed. This means that for interviewed businesses, the social drivers for recruiting youth are often more prevalent than what was uncovered in the evidence synthesis.

Businesses are socially motivated to improve youth welfare by hiring youth, which feeds into their overall desire to positively contribute to the welfare of communities.

By offering them work opportunities, businesses contribute to supporting youth in building a sustainable life. Plus, businesses are motivated to provide skilled graduates with practical experience, contributing to their career development in the process. CFYE IPs are particularly driven by a broader social motive to support youth comprehensively. Employers who were interviewed showcased a keen of how significant it is for youth to build work



Page | 34

experience, acknowledging its importance for those that take their first steps in the job market

Interviewed businesses emphasised the importance of helping youth with student loans, ensuring they can afford to start and support families and more. These efforts are rooted in the belief that by supporting youth in multiple areas of life, the broader community stands to benefit. This desire extends to supporting youth as they start families, enhancing their well-being, and equipping them with the necessary experience to advance in their careers. While not specifically stated by the businesses, these social commitments to improving the lives of youth have the potential to enhance their reputation, leading to positive effects on customer engagement and overall profit margins. By prioritising initiatives that contribute to the welfare of youth and their families, businesses can build a positive image within the community and strengthen relationships with customers, ultimately influencing business success and sustainability.

The desire to promote equity for youth, women, and other marginalised groups was uncovered as a motivator tied to the objectives of enhancing community welfare.

Businesses across the spectrum of social and non-social enterprises acknowledged the importance of fostering equity, with particular attention to marginalised groups with limited economic opportunities. Driven by a commitment to fostering inclusive and equitable economies, businesses are prone to adopt targeted strategies aimed at recruiting and empowering individuals from marginalised communities. One business emphasised the importance of uncovering talents among young individuals who may not have had opportunities otherwise.

Some employers hire young women to improve community welfare, as they believe it could bring positive impact to their families and communities.

This perception stems from the belief that women tend to give priority to spending money in ways that benefit the family rather than themselves. The distinct ways in which men and women are viewed by employers are also reflected in company's commercial motivators to hire youth, where women are often regarded as more trustworthy. This suggests that the gender perceptions and beliefs held by employers can influence hiring decisions in various ways.

The social motivators for recruiting young women are nuanced by individual characteristics.

"I realised that hiring women has a greater ripple effect than hiring men. When you give a job to a woman, she will likely sort out her children, she will send them to school etc. This is something I observed from working in the non-profit organisation space, and so when I started this company, I was intentional about alleviating the financial struggles of women."

- Paraphrased from KII discussion with Trizzer Kimani from Nani Employee Leasing
Businesses may be inclined to employ young mothers, driven by the perception that they are responsible and require employment to sustain their families. This shifts the emphasis from merely promoting gender diversity to recognising individual responsibilities. These insights underscore the significance of perceptions about gender norms in different regions and countries, which act as key drivers for employers to recruit young women.

Country and regional contexts generate differences in the social motivators for companies to hire marginalised youth, as gender norms and different expressions of on the basis of race, religion, and ethnicity, will determine what groups are on the margins of the labour force. This in turn shapes the social motivators and strategies needed to integrate marginalised youth into businesses effectively, as businesses often choose which marginalised youth groups to prioritise based on the businesses' social objectives. For instance, one of the interviewed businesses observed that in the context where it operates, it is common practice to discriminate based on tribalism and religious affiliation during the recruitment process and that preference is given to young individuals who belong to the same tribal group and/or religion. Their recognition of this issue has motivated them to take action in combating and reversing this discriminatory practice by being intentional about recruiting a balanced workforce.

Another business included its desire to work with orphaned youth as a marginalised group in their ESG strategy in order to maintain its reputation as a social impact firm. While this is a social motivator, it could also bring potential positive commercial benefits for their business. By enhancing diversity and promoting inclusivity by recruiting marginalised youth, a company can bolster its reputation as one that empowers communities. This enhanced reputation may, in turn, attract more customers, making the organisation more appealing and contributing to increased profits. The overlap between social and commercial motivations underscores how social enterprises and initiatives can also reap commercial benefits by hiring youth.

Motivating young people in the community emerged as a strong social reason to employ youth.

Businesses seem inclined to empower and uplift young individuals by presenting them with the diverse work pathways and potential that exists, despite the high youth unemployment that is typically prevalent in these communities. The founders of CFYE IPs have connected this desire to their own past experiences as young entrepreneurs and individuals navigating the labour market. By actively engaging and hiring youth CFYE supported IP founders aim to provide opportunities that they may not have had themselves or wish they had encountered earlier in their careers. One additional business approached recruiting youth as a means to motivate others in the community. Recognising the high levels of youth unemployment in the context where it operated, this business believed that having young people in employment could serve as a source of inspiration for other youth within the community. By showing examples of young people thriving in the workforce, this business aimed to inspire a culture of hard work, perseverance, and ambition, ultimately contributing to the collective motivation and welfare of its younger population.

"Employing young people encourages other young people. There are issues with joblessness, and if you employ some young people other young people see this and feel motivated to work harder."

- Paraphrased from KII discussion with Trizzer Kimani from Nani Employee Leasing

3.3 How do CFYE IPs operationalise business drivers for hiring youth in their HR and recruitment strategies?

3.3.1 HR and recruitment strategies used

Most CFYE IPs use a combination of digital channels, including social media, alongside traditional methods such as referrals, word of mouth, on-theground campaigns, and headhunting to recruit youth.

This illustrates their efforts to leverage platforms where youth are actively engaged, emphasising social media usage, while also aiming to reach lowerincome youth and other marginalised groups who may face challenges in accessing the internet.

Certain CFYE IPs adopt more transparent recruitment strategies by explicitly stating their intent to recruit youth.

These organisations openly encourage young individuals to apply for positions through their job advertisements, showcasing a direct and straightforward approach to attracting and engaging with youth applicants. Notably, some businesses emphasise inclusive recruitment policies that actively welcome qualified marginalised youth without any disability-based discrimination.

Some CFYE IPs collaborate with local organisations, particularly those involved in labour training, to broaden the scope of their recruitment efforts.

This practice is recognised in the literature as an effective strategy for accessing a wider pool of potential candidates. In addition to partnering with local education and employment institutions, some CFYE IPs also leverage research to gain insights into the most effective methods for recruiting youth. While this is a strategy that may require more initial investment compared to

other recruitment strategies, it can help organisations better tailor their recruitment strategy to their target demographics.

CFYE IPs have noted that the HR and recruitment strategies used to recruit youth extend into the application assessment stage.

To avoid making biassed decisions against youth applicants, they try to prioritise other characteristics that signal the potential quality of an applicant. This can involve focusing on attitude and willingness to learn rather than experience for certain roles. This approach ensures a fairer and more inclusive recruitment process for all applicants, and particularly for youth starting out in their careers who may not have previous work experience.

"When a job offer is published, we aim to achieve our 60% female target. Jobs are often posted with a gender target."

- Paraphrased from KII discussion with Dasri Sterile

One CFYE IP shared its commitment to retaining youth by implementing targeted HR strategies.

They proactively engage with new employees' growth plans, understanding their aspirations for education and career progression from the outset. This helps to align expectations between employers and youth employees. Annual allowances for training and studies are also provided, alongside transparent growth trajectories within the organisation, ranging from entry-level positions to managerial roles, senior management, and departmental leadership. This is a strategy that appeals to ambitious young employees who seek to gain more from training in the early stages of their careers. This structured approach offers young employees a defined pathway for advancement and personal development within the company. Moreover, the organisation emphasises creating a supportive work environment by establishing a welfare committee that coordinates activities tailored to appeal to the youth demographic. By understanding and supporting the aspirations of its young employees this company aims to cultivate a work environment where youth are more likely to exhibit loyalty and commitment to the company.

3.3.2 Consideration of gender in HR and recruitment strategies

CFYE IPs appear to have strong internal strategies and targets for recruiting young women.

Several IPs reported that they use internal gender targets to ensure that they recruit a gender-diverse workforce. Some IPs include their preference for female youth employees as part of a job description. However, one CFYE IP explained "We do not deliberately put it out that women are encouraged because we are an all-inclusive organisation, but we give priority to women whenever the opportunity arises."

- Paraphrased from KII discussion with Marula Proteen

that while they internally prioritise the recruitment of female youth workers, they refrain from explicitly stating this in job postings to avoid explicitly preferencing young women at the expense of young men. This recruitment strategy may inadvertently lead to fewer female youth applicants as the preference for female youth hires is not made explicit.

3.3.3 Optimisation of positive youth recruitment strategies

How additional businesses/stakeholders operationalise business drivers for hiring youth can offer insights and lessons that CFYE IPs can adopt to optimise their youth recruitment strategies. KIIs conducted with additional businesses revealed strategies that may make the recruitment of young workers more cost-effective, better targeted and that may make employers more attractive to the youth demographic.

The use of graduate trainee programmes to attract fresh talent and integrate youth perspectives and ideas into organisations is a recommended strategy that could be adopted by CFYE IPs.

However, this strategy may only be suitable for businesses that want to hire youth for skilled positions or youth with university degrees. CFYE IPs that are interested in implementing graduate trainee programs could partner with local education institutions or participate in job fairs to hire youth. This would provide the businesses with direct access to the youth demographic and may make the hiring of youth more efficient. Such an initiative would also signal the business's commitment to supporting youth and addressing youth unemployment among graduates which is high in most African countries. As mentioned in <u>Section 3.2</u>, this signalling could contribute to positive commercial spillovers that could benefit the business as well.

Bulk SMS campaigns and employee referrals were also mentioned as practical ways to reach out to potential candidates efficiently and tap into existing networks.

Bulk SMS campaigns can enable employers to connect with the youth demographic on platforms they commonly frequent, especially considering the likelihood of youth using their mobile phones regularly.

Including salary range information in job descriptions is a recommended strategy to make the hiring process more efficient.

Firstly, this can help make positions more attractive to young applicants seeking roles that align with their financial goals and aspirations. Secondly, it could make the recruitment process more efficient by filtering out candidates with higher expectations. Additionally, this self-selection conserves resources

that would have otherwise been spent evaluating applications from candidates whose salary preferences do not match the offering. This may be particularly relevant for small businesses that may not have dedicated HR personnel and/or resources.

Internship opportunities emerged as a successful recruitment strategy among these businesses when recruiting youth, as they allow companies to provide hands-on experience to young talent and potentially transition them into permanent roles within the organisation. Moreover, short-term internships allow companies to meet short-term work demands, whilst upskilling potential full-time candidates. The internship can also be used to assess whether the interns are promising full-time candidates worth the hiring, onboarding and training costs that come with full-time hires

Adopting gender neutral language for job adverts so that women applicants are not discouraged from the onset.

Companies can signal their commitment to providing equal opportunities to candidates of all genders by using gender-neutral terms and removing gendered language that traditionally references male candidates. This can encourage more women to apply without feeling discouraged at the onset. Gender-neutral language ensures that job postings do not unintentionally exclude or alienate potential candidates based on their gender and fosters a sense of inclusivity and fairness in the recruitment process.

In alignment with the evolving preferences and flexibility of young individuals, some companies have adopted remote working options, offering flexible arrangements to meet the changing needs of their workforce. This operational strategy may also increase the likelihood that youth remain with the organisation in the longer term.

Allowing employees the freedom to pursue non-work-related entrepreneurial activities also emerged as a potential strategy to retain youth employees. Many young people are entrepreneurial-minded and have side projects or businesses they are passionate about. By allowing employees to have their side hustles as long as they are not related to the business, companies can attract and retain young employees who value autonomy, personal growth, and a supportive work culture that acknowledges and respects their aspirations. This approach can enhance recruitment efforts by appealing to the preferences and motivations of the youth demographic.

Findings from the KIIs with these additional businesses suggest that embracing graduate trainee programs, utilising various communication channels effectively, offering internship opportunities, adapting to remote work preferences and accommodating the out of work interests of employees can collectively strengthen CFYE IPs' ability to attract and retain young talent in a competitive job market.

3.4 Unintended outcomes of recruiting youth

In conducting this study, several unintended outcomes of recruiting youth were observed, which can often be traced back to the commercial motivators to hire young people. This study considers the commercial and social motivators of hiring youth from a business perspective, but it is also important to consider the unintended outcomes it has on youth themselves. For example, many businesses are driven to hire youth by lower remuneration and employee benefits costs they would incur. At the same time, youth are perceived as more flexible and willing to get involved in various tasks and aspects of a business. This can have the unintended negative result of youth being overworked and underpaid, particularly in instances where employment contracts are not formalised, and not having a clearly defined role. Young employees hired by for-profit businesses thus run the risk of being exploited in this way.

In addition, unintended outcomes can also arise for youth hired by social enterprises. This study found that social enterprises are often socially driven to hire marginalised youth to provide them with a job opportunity and support their welfare and that of their communities. In turn, in the study's literature review, marginalised youth were found to be particularly loyal to their employers, due to their lower confidence in navigating the job market or their willingness to show loyalty to employers that have offered them economic opportunities. However, this loyalty could be exploited by employers who may offer substandard wages or unhealthy work conditions, leveraging the youth's reluctance to seek other opportunities and fostering an unhealthy power dynamic within the workplace.

These unintended outcomes for youth are particularly important to consider within youth labour markets on the African continent. African labour markets face distinct challenges due to their substantial youth population resulting in a high number of young job seekers. However, the job market in Africa is constrained by a scarcity of formal job opportunities, with most of them falling in the informal sector category. The imbalanced ratio of youth labour supply to available job openings heightens the likelihood of negative repercussions for youth in African labour markets. It can exacerbate vulnerabilities and potentially expose young workers to exploitative practices, precarious working conditions, and unequal power dynamics within the workplace as briefly discussed above.

This unique youth labour market landscape in Africa underscores the need to remain keenly aware of potential unintended consequences of commercial and social motivators to hire youth, and for responsible and ethical practices in youth employment initiatives. This report aims to navigate these complexities, offering strategic insights to harness the benefits of hiring youth while highlighting examples of businesses that are implementing best practice approaches to HR and recruitment that both leverage these commercial motivators whilst safeguarding the interests and wellbeing of African youth.

4 Best practices emerging from case studies

Balloon Ventures

Balloon Ventures is a social enterprise that aims to revolutionise small business growth through a unique model that combines intensive management support and flexible long-term loans to small businesses. By integrating capacity building with loans, Balloon Ventures develops customised plans for each business in the hope that this will mitigate the risk of business failure and loan default. Targeting businesses with 5 to 25 employees, Balloon Ventures employs an innovative capacity-building approach by seeking to achieve behaviour change among the managers of portfolio businesses, encouraging them to embrace best practices like formalising employee contracts. The company recoups its costs through interest on loans, making its services sustainable.

Balloon Ventures' goal is to establish the world's first financial institution dedicated to Good Jobs. This initiative is crucial because, in countries like Kenya and Uganda, over 80% of women and youth are engaged in the informal sector, where employment is often insecure, low-wage, and unsafe, perpetuating poverty traps.

Balloon Ventures' solution involves supporting local entrepreneurs to grow SMEs, as research indicates that SMEs create the majority of decent work in larger economies. With the support of CFYE, Balloon Ventures aims to scale its work across Eastern Uganda and open source its approach to catalyse a new market supporting Small and Growing Businesses (SGBs). In collaboration with CFYE, Balloon Ventures aims to create 351 new jobs and improve or sustain 632 existing jobs, with 95% of these jobs designated for youth, and at least 50% for women. Balloon Ventures has made a commitment to ensure that all the jobs will be contracted, safe, pay a living wage, and offer training and development opportunities.

Box 3: Balloon Ventures' interest in youth employment

Around 85% of the employees of the SGBs that Balloon Ventures invests in are youth, while 61% of Balloon Ventures' workforce is made up of youth. Balloon Ventures has observed that the motivators for hiring youth in these SGBs differ across several variables such as sector, nature of the business and level of formality.

Balloon Ventures has observed that businesses in its portfolio that are in the informal sector are driven to hire youth because they are more readily available to perform the work required. This finding has been reiterated in the literature reviewed in <u>Section 2</u>, which suggests that companies may be motivated to recruit young workers as they often have a higher willingness to accept temporary and informal work arrangements. Balloon Ventures has observed that these jobs in the informal sector tend to be low-skilled and hence lower paying. Youth recruitment in these cases can yield potential positive commercial spillover effects for businesses as it lowers the recruitment costs and reservation wages of youth. and prevents them from facing additional costs that come with hiring full-time workers.

Balloon Ventures further shared that in some formal sectors such as healthcare, companies prefer to hire older, more experienced workers and are less inclined to recruit youth. In these formal sectors, experience is more heavily valued in roles that require specific skills or senior management roles. Given that youth have less experience, companies in these sectors are less likely to hire them.



Balloon Ventures uses a diverse range of strategies to attract and retain its youthful workforce. They leverage digital and social media platforms like LinkedIn and WhatsApp to connect with a broad spectrum of potential candidates. With the aim of hiring more women, the company also integrates gender considerations in its recruitment strategy, alongside language proficiency and industry experience, contributing to cultivating a diverse workforce capable of effectively serving the needs of its investee businesses. Their desire for a diverse workforce also involves hiring youth, and this in turn supports the company in maintaining a positive brand and achieving the competitive edge that comes with having a diverse workforce.

In assessing resumes within their recruitment networks, the company strategically evaluates candidates to identify individuals best suited for specific roles at any given moment. This method enables them to assess a broad pool of applicants and select those who closely match their immediate requirements and objectives.

As retention strategies, the organisation is deeply invested in understanding the development and career goals of new hires and provides ongoing support by facilitating training opportunities and offering development stipends to aid employees in their career progress. Moreover, Balloon Ventures fosters a nurturing workplace atmosphere through the establishment of a welfare committee, ensuring a supportive environment for all staff members. This committee aims to encourage strengthening bonds between employees and ensure the wellbeing of its employees., regularly hosting activities and prioritising those that appeal to the youth. This HR strategy aims to retain young employees by making the most of their energy, enthusiasm, and eagerness to participate in various facets of the company.

Marula Proteen

Marula Proteen is an innovative waste management company that aims to address issues such as pollution, health hazards from untreated waste, low agricultural productivity, and high youth unemployment in Uganda's cities. The company achieves this by feeding organic waste to Black Soldier Fly larvae, which are subsequently transformed into valuable animal feed and organic fertiliser. This circular process significantly reduces costs and greenhouse gas emissions associated with waste management in Kampala. Additionally, it establishes a local value chain, offering substantial employment opportunities for Uganda's youth.

Marula Proteen addresses three significant challenges in Uganda: inefficient waste management, food production difficulties, and high youth unemployment. Despite 80% of jobs being in agriculture, the youth unemployment rate stands at 64%, highlighting the urgent need for new employment opportunities for young people. Barriers such as limited access to land, financial resources, and a preference for 'quick money' often deter youth from entering the agricultural sector.

In partnership with CFYE, Marula Proteen aims to engage 2,000 youth farmers (60% female), providing them with the means to produce 32 metric tons of insect-based livestock feed, thereby ensuring a sustainable income. Through direct employment of 105 youth, Marula Proteen facilitates their involvement in various stages of the supply chain, including egg breeding (15 youths, 50% female), extension work (50 youths, 100% female), and larvae processing (40 youths, 50% female). This initiative not only introduces a novel animal feed supply chain in the country but also significantly contributes to solving pressing national issues.

Marula Proteen currently employs approximately 65 staff members, with 85% being youth and 70% being females.

Box 4: Marula Proteen's interest in youth employment

Marula Proteen's recruitment of youth is driven by a combination of commercial and social factors. From a commercial standpoint, the sector in which Marula Proteen operates is well-suited for young workers due to the labour-intensive nature of the job, requiring individuals with the capacity for a physically demanding job. Moreover, Marula Proteen has emphasised that the innovative and unconventional aspects of their work, such as working with Black Soldier Fly larvae, require employees who are open to trying new approaches. It is thus well suited to youth who often exhibit a higher level of adaptability and openness to innovation. These insights align with the evidence synthesis findings discussed in <u>Section 2</u>, which suggest that certain sectors and positions are more conducive to youth employment based on traits that are valued in the sector such as capacity for physical labour, energy, flexibility, and adaptability.

From a social perspective, the founders of Marula Proteen initiated the business as young individuals and are deeply committed to providing employment opportunities for youth as a result. The owners' experiences motivate them to hire youth to provide them with the same opportunities that they once had. They are further motivated by their social objective to address and contribute to decreasing the significant levels of youth unemployment in Uganda.





Marula Proteen implements strong internal strategies to attract youth and young women, exercising discretion in targeting specific groups in their recruitment campaigns. Marula Proteen found that youth employees are better suited to some jobs, and they use job advertisements to communicate their desire to recruit more youth. By explicitly stating that youth applicants are encouraged to apply for certain positions, their job advertisements are more attractive to young job seekers. This approach can spark interest, generate excitement, and encourage youth to consider the job opportunity more seriously. Their recruitment strategy includes a mix of headhunting, social media engagement, and referrals through word of mouth.

During the interview process, the company emphasises qualities such as attitude and a willingness to learn rather than solely focusing on experience, especially when considering young applicants. They do this to avoid discriminating against youth applicants for their lack of experience. This strategy allows them to assess applications more holistically in a way that is well aligned with the qualities that they want their employees to have. Youth are recognised as a demographic that is willing to learn, a value that aligns with what Marula Proteen seeks for their business and mission. That is why the company has intentionally integrated the identification of these traits into its recruitment strategy.

Furthermore, Marula Proteen maintains an internal practice of prioritising the recruitment of women in its workforce. While the company openly encourages youth to apply for job opportunities, they are hesitant to make their desire for young women applicants explicit because they are conscious of not being seen as discriminatory.

Dasri Sterile

Dasri Sterile aims to be a leader in managing hazardous waste through providing several waste solutions in Tunisia. The business includes a waste treatment centre for infectious risk healthcare activities, a hazardous liquid waste treatment centre, a centre for processing expired pharmaceuticals, and a training centre for green jobs. It aims to address gender inequalities in Tunisia's labour market by offering stable jobs to young women with higher education diplomas. The project also tackles environmental challenges related to waste management, such as the treatment of medical waste and liquid waste from laboratories. It aims to create opportunities for young people in rural areas and promote green entrepreneurship.

Dasri Sterile's recruitment of youth for the 'Ecological Complex Tunisie Vert Emeraude' project is driven by the need to address the prevalent unemployment issues among young women with higher education diplomas in Tunisia, particularly those in rural regions.

By offering stable job opportunities, Dasri Sterile aims to empower these young women to kickstart their careers locally. The rural setting of the project provides a platform to leverage local talent and contribute to community development.

To support women in balancing work responsibilities with childcare, Dasri Sterile plans to establish a daycare centre, promoting women's participation in the workforce. Through providing training in green trades and creating job opportunities, the company not only focuses on job creation but also enhances the skills of the local workforce.

With support from CYFE due to high risks and lack of established commercial cases or additional funding, Dasri Sterile can advance its youth recruitment and employment initiatives successfully. The company's recent growth from 35 to 75 employees since November 2022, with significant youth (64%) and women (55%), underscores its dedication to gender equality. Notably, 90% of management positions are occupied by women, showcasing Dasri Sterile's strong commitment to empowering women within the organisation.

Box 5: Balloon Ventures' interest in youth employment

Dasri's approach to hiring young people highlights the interconnectedness of commercial and social motivators. This organisation's approach reflects a dual objective: to create lasting jobs for local youth and to leverage the innovation and IT capabilities of this demographic. This approach is thus underpinned by the social objective of creating sustainable employment opportunities for young individuals in the region, particularly in rural areas where local youth

are afforded little alternative formal employment opportunities, while also driven by a commercial motivation to improve the company's innovation and maintain its competitive edge through leveraging the IT capabilities and innovation of youth.

Specifically, the company sees hiring youth as a keyway in which it can stay in touch with evolving developments in IT and innovation, youth's connections and skills in this sector. Dasri Sterile also values the openmindedness, adaptability and willingness to learn of youth. Youth are perceived as fast learners and prone to evolve quickly in their careers and lack the resistance to new ideas and learnings that older, more experienced hires may have. Dasri Sterile sees these qualities as being crucial for driving their own organisational learning, improvements in innovation and competitiveness.

From a business perspective, Dasri Sterile finds it cost-effective to hire young people for various reasons. Firstly, youth usually get hired for lower-level positions and thus are matched to lower salaries compared to experienced employees. Secondly, Dasri Sterile has observed that young people are eager to learn and improve on-the-job with the right support. They are seen as motivated to progress in their careers and to have fewer obligations outside of work, possibly making career progression their priority in that phase of their life. As they are experienced as hard workers, it is likely that Dasri Sterile benefits from these investments thanks to the increased levels of productivity bought by its young employees. Lastly, Dasri Sterile recognises existing government subsidies available in Tunisia for companies hiring young workers as a strong incentive to engage with the youth job market, reducing the costs of training and recruiting youth.



Dasri Sterile sees supporting local youth as an important "impact narrative" that should be considered by businesses, highlighting the overlap between the commercial benefits coming from an improved reputation, as well as the company's desire to support local employment in a region where it is difficult

for young people to enter the job market. Additionally, the company's approach to hiring young women is influenced by the founder's personal motivation to create opportunities for women in a region where they face limited job prospects outside of unstable agricultural jobs. The company also perceives young women as being more detail-oriented and faster at completing tasks compared to young men. This can lead to streamlined operations, reduced errors, and overall increased efficiency, contributing to cost savings and improved customer satisfaction.

The company is also motivated to hire marginalised youth, such as orphaned children, adding it to the list of targets of their ESG strategy. By prioritising these individuals for employment, the company is also socially motivated to support them in accessing stable and decent jobs, which are often lacking in their communities. This effort reflects the company's commitment to social impact and its recognition of the importance of inclusivity in driving economic and social development, while also aligning with its commercial objectives of meeting ESG targets and enhancing its brand and reputation as a social impact firm in the process.

Dasri Sterile's comprehensive and diversified HR and recruitment strategies for hiring youth shows a nuanced approach. Firstly, the business engaged with the community through a survey to understand the expectations and motivations of young people, ensuring that their recruitment strategies align with the needs of the local population.

Secondly, recruiting and training using partnerships is a strategic approach used by Dasri Sterile to access a larger pool of talent while reducing recruitment costs. By engaging with the local ecosystem through partnerships with training centres and regional employment offices, the company is able to tap into a diverse range of young candidates. Thirdly, Dasri Sterile actively encourages their regional employment offices to hire *local* youth by demonstrating the benefits of this as opposed to hiring youth from other regions. This streamlines the recruitment process and enhances Dasri Sterile's reputation as an employer of choice, further attracting top talent in the industry. Finally, Dasri Sterile also makes use of social media to access a large pool of youth for recruitment and uses it for more general communications strategies, given that youth are tech-savvy and have strong social networks on social media.

Through the implementation of a buddy system, Dasri Sterile fosters a supportive environment for new employees, contributing to the retention of new youth employees. This approach can lead to increased job satisfaction and productivity among young workers, ultimately benefiting the company's bottom line. Dasri Sterile's gender-inclusive practices, such as setting gender targets in job offers underscore their dedication to fostering diversity and inclusion in the workforce and align with commercial objectives. By actively promoting gender diversity, Dasri Sterile can enhance its reputation as a socially responsible employer, appealing to a wider talent pool and potentially increasing its competitiveness in the market. Additionally, a diverse workforce has been shown to lead to greater innovation and problem-solving, which can ultimately drive business growth and profitability.

These strategies, aligned with insights from literature, emphasise the importance of tailored approaches, ecosystem engagement, and gender diversity considerations in attracting and retaining young talent throughout the recruitment value chain.

GoMyCode

GoMyCode is an educational initiative focused on bridging the gap between the skills possessed by young graduates in Tunisia and the requirements of the job market. The organisation identifies the critical skills mismatches that hinder the employment prospects of youth and offers targeted training to align graduate capabilities with employer needs. GoMyCode facilitates connections between trainees and the private sector, offering internships to students, and integrating gender inclusion into its strategy. By organising workshops, field visits, and networking events, and by teaching digital, entrepreneurial, and soft skills, GoMyCode prepares young graduates for both wage and self-employment.

GoMyCode is committed to addressing youth unemployment by providing young graduates in Tunisia with the skills and opportunities needed to succeed in the labour market. Recognising the challenges faced by youth, including skills mismatch and lack of access to job opportunities, it focuses on equipping them with high-demand technical, entrepreneurial, and soft skills through its training programmes.

GoMyCode's interest in youth employment is multifaceted. Firstly, it aims to bridge the gap between the skills possessed by young graduates and those required by employers, thereby increasing their employability. By offering high-quality, demanddriven training, GoMyCode ensures that its students are well-prepared for the workforce, whether they seek wage employment or choose to become entrepreneurs.

Secondly, GoMyCode actively engages with the private sector to create internship and job opportunities for its graduates. Through partnerships with companies, GoMyCode provides students with hands-on experience, enhancing their resumes and increasing their chances of securing meaningful employment.

The organisation's workforce is predominantly young, with 80% of its employees being youth between the ages of 22 and 35. Additionally, 48% of the organisation's youth employees are female, highlighting GoMyCode's commitment to gender inclusion in the workforce. This focus on gender inclusion ensures that its programmes benefit young women, who often face additional barriers to employment. By integrating gender perspectives into its training content and partnering with organisations committed to hiring female trainees, GoMyCode contributes to gender equality in the workforce.

Box 6: GoMyCodes' interest in youth employment

GoMyCode is motivated to hire young people because of their fresh perspectives and mindset, which encourage innovative and creative problemsolving within the organisation. This approach aligns with GoMyCode's commercial drive to invest in youth, recognising their potential for productivity and innovative thinking that can challenge traditional business rules. The innovative approach that youth bring to the company is particularly important for GoMyCode's success, given that the organisation makes use of innovative teaching and skills training methods. This motivation to hire youth is further reinforced by the inspiring story of the company's CEO, who built GoMyCode at a young age.

GoMyCode values young employees' good knowledge of growing technology and digital trends, which can increase GoMyCode's competitiveness in the market. This appeal of young people is particularly relevant given that GoMyCode operates in a tech-focused industry and leverages tech-enabled solutions. Additionally, the company is committed to building young talent to create a loyal workforce that will be committed to the company in the long term. This approach supports GoMyCode in promoting stability in employment and the company's long-term sustainable growth.

GoMyCode is socially motivated to hire youth as this provides new graduates with opportunities to gain experience and helps them transition into the workforce. The organisation values the ease with which young people integrate into their teams, highlighting the adaptability and openness of youth to company culture. GoMyCode hiring practices do not explicitly focus on meeting gender targets; rather, they focus on the skills and competence of a candidate. This approach extends to marginalised youth, as their hiring is also based on skills and competence, without specific prioritisation or discrimination.



GoMyCode leverages LinkedIn and BambooHR for recruitment purposes, demonstrating innovative methods in identifying and engaging with potential candidates in digital spaces where youth are active. These efforts highlight their commitment to staying abreast of industry trends and utilising technology to streamline recruitment processes, ultimately contributing to their success in hiring and nurturing young talent. They also provide competitive job offers that align with market standards to attract top talent. Additionally, they have implemented continuous upskilling programs for their employees, ensuring they have the necessary skills to excel in their roles and contribute to their organisation's success.

The organisation's HR and recruitment strategies are also designed with the unique needs and preferences of young individuals in mind. Firstly, their recruitment process prioritises mindsets, transparency, and feedback, which align with young professionals' desire for clear communication and growth opportunities. Secondly, they emphasise GoMyCode's collaborative and inclusive work culture, recognising the importance of a supportive environment for creativity and innovation, which are traits often valued by young workers. Finally, they actively engage with their employees through regular surveys, feedback channels, and team-building activities to sustain high levels of engagement and create a positive work environment that resonates with the preferences of young professionals.

GoMyCode implements various initiatives and programmes to recruit and retain young employees. They offer flexible work arrangements, including remote work options and flexible hours, to cater to the preferences of young employees seeking work-life balance. This acknowledges the importance of flexibility in the modern work environment, particularly for young professionals who value a balance between their personal and professional lives. Additionally, the organisation provides continuous learning and development opportunities, such as workshops and skill-building sessions, to support the career advancement of youth. These programmes enhance the skills and knowledge of young employees and demonstrate the organisation's commitment to their professional growth and development, with the potential to support higher retention rates in the longer term.

Despite these efforts, GoMyCode still faces challenges in finding the right candidates for specific roles. To address this, the organisation focuses on expanding its talent pool by conducting interviews regularly, even when they do not have immediate hiring needs. Furthermore, GoMyCode provides support and training to help young employees in achieving technical competence and meeting set targets.

Alsalam

Alsalam Atelier is a pioneering social enterprise aimed at addressing a critical issue facing Sudanese women: access to safe and affordable menstrual products. With the introduction of Amna washable pads, the project seeks to alleviate the burden many women face due to the high cost and limited availability of disposable sanitary pads. By providing reusable and safe sanitary products, Alsalam Atelier promotes menstrual health and hygiene and empowers women to pursue education and work opportunities without disruption.

Alsalam Atelier is deeply committed to youth employment in Sudan, recognising the significant challenges faced by young people, especially young women, in accessing decent work opportunities. The organisation views youth employment as a crucial avenue for addressing both economic and social issues in the country, particularly amidst Sudan's ongoing conflict. The organisation recognises the impact of conflict on Sudanese youth, particularly young women, who face significant challenges in accessing education and employment opportunities. By focusing on creating jobs for young people, Alsalam Atelier is contributing to alleviating the economic implications of the conflict and providing a sense of hope and stability for Sudanese youth affected by the crisis. By focusing on the production of reusable sanitary products, such as the Amna washable pads, Alsalam Atelier aims to provide women with access to safe menstrual products and create jobs for 459 youth in the first three years of operation.

Alsalam Atelier is committed to offering competitive salaries and attractive production incentives to its employees, ensuring that young workers are motivated to increase production and contribute to the organisation's success. Alsalam Atelier is thus addressing the pressing issue of youth unemployment through provision of these economic opportunities whilst also fostering a sense of purpose and dignity among Sudanese youth in the midst of the ongoing conflict. Through its partnership with the United Nations Population Fund (UNFPA) and other organisations, Alsalam Atelier is also able to provide training and skills development opportunities for young people, helping them to develop the tools they need to succeed in the face of adversity.

Box 7: Alsalam Ateliers' interest in youth employment

Alsalam Atelier's commitment to youth employment is further underscored by its inclusive approach to gender representation in its workforce. With 80% of its employees being women, the organisation provides equal opportunities for both genders to participate in its operations. Alsalam Atelier's dedication to creating meaningful job opportunities for Sudanese youth is also evident in its efforts to empower young women through employment. By prioritising gender equality and youth empowerment, Alsalam Atelier is both contributing to alleviating the challenges of youth unemployment and promoting social inclusion and economic development in Sudan.

The organisation's motivation for hiring young people, especially young women, is rooted in both commercial and social considerations. From a commercial perspective, the factory initially considered more machinery integration for efficiency. However, recognising the energy and enthusiasm young workers bring to production and how this may contribute to the company's commercial success, it ultimately prioritised human intervention and youth's economic inclusion by increasing the number of jobs the company is able to provide. Additionally, the organisation values the fresh and diverse perspectives and creativity that young employees, particularly young women, bring onboard, and sees how this can enhance innovation and problem-solving within the organisation.

Socially, Alsalam is driven to create job opportunities for youth facing financial difficulties or social stigmatisation, such as women without university-level education, single mothers, and those from minority groups. This commitment is reflected in Alsalam's efforts to provide employment opportunities and improve the quality of life for women from these vulnerable backgrounds.

To attract and recruit young workers, Alsalam Atelier employs a mix of strategies, including social media campaigns, particularly on Facebook, professional networking sites like LinkedIn and on-the-ground campaigns with posters in nearby shops. The recruitment process includes interviews and a probation period to ensure that they hire the right candidates. Additionally, recommendations play a role in their recruitment process, highlighting the value they place on personal networks and referrals in finding the right talent. These efforts aim to reach out to potential candidates, especially young women, from diverse backgrounds. Once recruited, the factory offers training programmes with the support of CFYE to equip young women with the necessary skills for employment. The investment in the training and development of these women and the training support from CFYE has fostered a sense of loyalty among young women to the business and equips them to work effectively in Alasalam's factory. To further enhance

retention, the organisation conducts a variety of team-building activities, creating a supportive and engaging work environment that encourages long-term commitment and professional growth among its employees.



In addressing the unique needs and preferences of young individuals in the workforce, Alsalam Atelier's HR and recruitment strategies prioritise employee recognition. This means that the factory recognises the significance of valuing and appreciating the efforts of its young workforce by acknowledging the best line of production. By implementing practices that celebrate employees' contributions, Alsalam Atelier creates a positive work culture that resonates with young workers, enhancing their motivation and job satisfaction. This approach not only helps retain talented individuals but also fosters a sense of belonging and loyalty among employees, contributing to a more productive and cohesive work environment.

5 Recommended HR and recruitment strategies

Businesses should seek to implement effective HR and recruitment strategies that intentionally prioritise inclusion and transparency and leverage the innovation and adaptability of young individuals. This can support businesses to secure a competitive edge, foster growth, and position themselves as progressive entities in ever-evolving business landscapes. The table below presents recommended HR and recruitment strategies for implementation, that leverage existing motivators to hire youth, or overcome inhibitors of hiring them. Finally, several recommendations are included on how organisations like CFYE can support the recruitment and retention of young people in high-quality jobs.

Strategy	Related motivator / inhibitor	
Recruitment		
Utilise diversified recruitment channels, including traditional methods like word-of-mouth and	Youth have a strong presence and networks on social media platforms.	
professional networks alongside online platforms such as LinkedIn, Indeed, and WhatsApp.	Young women were found to commonly spread job opportunities through their network via word of mouth	
	Provides access to a broader talent pool, which can be helpful in sectors that experience limited interest from youth	
Be transparent in the recruitment process about looking to hire youth and include salary range information in job advertisements.	This direct and inclusive approach to engaging with potential youth applicants will increase the likelihood of their engagement	
	Transparency on salary range will attract youth with financial aspirations	

	aligned to the position
Increase interactive engagement with youth in the recruitment process by participating in jobs fairs and partnering with educational and labour training institutions.	 Interactive engagement will leverage the energy and enthusiasm that youth bring to the workplace Provides access to a broader talent pool, which can be helpful in sectors that experience limited interest from
	youth
Develop recruitment strategies and policies that are intentionally inclusive (e.g. focusing on job-related skills and attributes in addition to qualifications) to ensure youth with diverse abilities are considered for job openings. This is particularly relevant for low skill sectors	A diverse workforce has the potential to both improve the businesses brand and reputation as socially responsible, and enhance innovation in the business through the presence of varied perspectives and new ideas that diverse youth bring to the workplace
	Broadens the considered talent pool, which can be helpful in sectors that experience limited interest from youth
HR	
Develop a supportive work environment that offers growth opportunities, mentorship, and training to attract and retain young talent.	A supportive work environment increases the likelihood that youth will be retained, and alongside mentorship and growth opportunities, youth are more likely to progress within the organisation, contributing to its sustainability and commercial success
Implement non-discriminatory policies in the workplace through, for example, partnering with disability service organisations, offering skills training initiatives tailored to the needs of marginalised youth, and creating pathways for employment	A diverse workforce has the potential to both improve the businesses brand and reputation as socially responsible, and enhance innovation in the business through the presence of varied perspectives and new ideas that

and advancement to enable equal opportunities for marginalised youth.	 diverse youth bring to the workplace Marginalised youth have been found to be particularly loyal to businesses; the likelihood that a business retains these youth employees will increase with a supportive work environment
Introducing structured employee development pathways to support the growth, development and retention of youth employees targeted HR strategies focused on employee growth plans, providing training allowances and transparent career progression paths	Investing in the training, professional growth and development of young employees, and ensuring that opportunities for progression are structured can increase youth retention, enabling a business to save on the relatively more expensive recruitment costs for external hires
Provide internship opportunities to offer hands-on experience to young talent while meeting short-term work demands and assessing their potential as full-time hires.	Avoids the possibility of investing in the recruitment and training of a full- time candidate who ends up being ill suited for the role, a risk mentioned in the literature as a potential inhibitor of hiring youth.
Provide remote working options where the sector and nature of work allows for this.	 Aligns with the flexibility of youth by demonstrating a willingness to adapt to the changing preferences of a young workforce. This flexible approach also has the potential to increase employee retention among the youth demographic
Organise team building events and activities within the company	 Draws on young people's enthusiasm and energy, and desire to get involved in multiple areas of a company Drawing on this enthusiasm of youth can bring an energised and refreshing

	atmosphere to a company and mitigate potential for overworking and burnout		
Recommended forms of support from youth employment organisations and development partners			
Providing funding to businesses aiming to engage in youth employment came through clearly as an important form of support. Accessing financial support from organisations like CFYE proves particularly invaluable for businesses whose operations may not be profitable in initial stages. Funders play a pivotal role in enhancing business structures, emphasising the importance of transparent relationships with clearly defined expectations to foster meaningful, sustainable growth.	 Funding support can help businesses to Cover upfront costs associated with hiring youth, including onboarding, training and skills development; Enhance retention strategies through enabling businesses to invest in comprehensive and effective HR and recruitment strategies such as mentorship and opportunities for career development; and Improve business structures to create sustainable frameworks that enable the effective integration of youth into the workforce, aligning with the strategic benefits of nurturing young 		
Governments are viewed as critical actors in supporting youth	 talent within organisations. Greater investment in education and training can support in equipping 		
employment. Specific support that businesses highlighted as being crucial from the public sector include increasing investment in education and training programmes and providing subsidies in the form of grants or tax incentives to companies that hire youth.	 young people with the skills demanded by the current rapidly evolving job market Government subsidies and tax incentives, as recognised in the literature, work to decrease short-term costs associated with recruiting, onboarding and training youth 		

6 Reference list

Baert, S., Cockx, B., Gheyle, N., & Vandamme, C. (2013). Do Employers Discriminate Less If Vacancies Are Difficult to Fill? Evidence from a Field Experiment. IZA DP No. 7145. Retrieved from https://docs.iza.org/dp7145.pdf

Benett, S. & Hall, K. (2014). Employing Opportunity Youth: Recognizing and Reinforcing the Business Case. Corporation for a Skilled Workforce. Retrieved from: <u>https://skilledwork.org/wp-</u> <u>content/uploads/2015/10/CSW-Opp-Youth-Paper-2014.pdf</u>

Centre for Development and Enterprise. (2012). Routes into Formal Employment: Public and Private Assistance to Young Job Seekers. Retrieved from <u>https://www.cde.org.za/wp-content/uploads/2018/07/Routes-intoformal-employment-Public-and-private-assistance-to-young-job-seekers-CDE-In-Depth.pdf</u>

CIPD. 2012. The Business Case for Employer Investment in Young People. Available at <u>https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/the-business-case-for-employer-investment-in-young-people_2012_tcm18-10294.pdf</u>

Egebark, J. & Kaunitz, N. (2014). Do Payroll Tax Cuts Raise Youth Employment? IFN Working Paper, No. 1001, Research Institute of Industrial Economics (IFN), Stockholm. Retrieved from <u>https://www.econstor.eu/bitstream/10419/95625/1/776125826.pdf</u>

Glick, P., Huang, C., & Mejia, N. (2015). The Private Sector and Youth Skills and Employment Programs in Low- and Middle-Income Countries. RAND Corporation, Skills for Youth Employment. Retrieved from <u>https://openknowledge.worldbank.org/server/api/core/bitstreams/08747ff</u> <u>2-c7a1-5772-bec8-32a00dd54255/content</u>

Hasluck, C. (2012). Why businesses should recruit young people. UK Commission for Employment and Skills. Retrieved from <u>https://dera.ioe.ac.uk/id/eprint/13758/1/why-businesses-should-recruit-young-people.pdf</u>

International Labour Organisation. (2014). Inclusion of Youth with Disabilities: The Business Case. Geneva. <u>https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---</u> <u>ifp_skills/documents/publication/wcms_316817.pdf</u> ManpowerGroup. (2012). Youth Unemployment Challenge and Solutions: What Business Can Do Now. Retrieved from <u>https://old.adapt.it/adapt-indice-a-z/wp-</u>

<u>content/uploads/2014/06/manpower_Youth_Employment_Challenge_2012</u> .pdf

Nancarrow A, Muir D, Rosolin B, Orlando C, Newton B, Rowland J, Ott E (CEI). 2023 The impact of wage subsidies on youth employment. The impact of wage subsidies on the employment of disadvantaged and/or marginalised young people. Available at: <u>https://www.employment-studies.co.uk/resource/impact-wage-subsidies-employment-disadvantaged-</u>

andor-marginalised-young-people

Rudinger, K. (2012). The Business Case for Employer Investment in Young People. CIPD. Retrieved from <u>https://www.cipd.org/globalassets/media/knowledge/knowledgehub/reports/the-business-case-for-employer-investment-in-young-</u> people_2012_tcm18-10294.pdf

Simonsen, M., Fabian, E., & Luecking, R.G. (2015). Employer preferences in hiring youth with disabilities. *The Journal of Rehabilitation*, vol. 81, no. 1. Retrieved from

https://go.gale.com/ps/i.do?id=GALE%7CA409548737&sid=googleScholar &v=2.1&it=r&linkaccess=abs&issn=00224154&p=HRCA&sw=w&userGroup Name=anon%7E988fa3b2&aty=open-web-entry

Woldemichael, A., Amusa, H., & Fadiran, D. (2023). Mom-and-Pop Jobs: Wage Subsidies and Youth Unemployment in South Africa. Social Science Research Network. Retrieved from https://ssrn.com/abstract=4350146 or http://dx.doi.org/10.2139/ssrn.4350146

Youth Capital. (2022). Bridge the Gap: Finding the 'right' young hire. Retrieved from <u>https://youthcapital.co.za/wp-</u> <u>content/uploads/2022/11/YC-SMME-REPORT-final-digital-revised.pdf</u>

Youth Futures Foundation, Regenerate. (2023). Unlocking youth employment: Opportunities for employers and marginalised groups. Retrieved from <u>https://youthfuturesfoundation.org/wp-</u> <u>content/uploads/2023/07/GJP-Youth-Pullout-Report_AW_No-Crops-1.pdf</u>

Youth Futures Foundation, IFF Research, & Movement to Work. (2021). Large Employers and the Youth Labour Market. Retrieved from https://youthfuturesfoundation.org/wp-content/uploads/2021/10/Large-Employers-and-the-Youth-Labour-Market-report.pdf

Youth Futures Foundation & IFF Research. (2021). SMEs and the Youth Labour Market. Retrieved from <u>https://youthfuturesfoundation.org/wp-</u> <u>content/uploads/2021/10/SMEs-and-the-Youth-Labour-Market-Report.pdf</u>

Annex 1 Scoping exercise

Table 1A: Databases and search platforms

Source	Rationale
International Labour Organisation (ILO)	The ILO is an established and respected authority on global labour issues. Additionally, the ILO hosts a number of data sets and publications pertaining to youth employment statistics in Africa.
<u>African Development</u> <u>Bank (AfDB)</u>	The AfDB is a leading authority on youth employment issues in Africa. As part of its Jobs for Youth in Africa program, the AfDB has conducted extensive research on youth employment in Africa.
<u>Solutions for Youth</u> <u>Employment (S4YE)</u>	S4YE is a multi-stakeholder coalition that aims to provide leadership and resources for catalytic action to increase the number of young people engaged in productive work. S4YE has developed a vast resource of knowledge products relating to the 44 high-potential youth employment projects it has implemented.
<u>Google Scholar</u>	Google Scholar is a web search engine that indexes the full text or metadata of scholarly literature across an array of publishing formats and disciplines. This vast index will be instrumental in exploring new research and themes that emerge over the course of this project.

<u>Google</u>	This vast index will be instrumental in exploring new research and themes that emerge over the course of this project.
<u>JSTOR</u>	JSTOR is a digital library of academic journals, books, and primary sources. This platform will be useful in identifying established and emerging academic literature relating to youth employment.
<u>Scopus</u>	Scopus is an abstract and citation database of peer-reviewed literature including scientific journals, books, and conference proceedings. This platform will be useful in identifying established and emerging academic literature relating to youth employment.
<u>Research Papers in</u> <u>Economics (RePEc)</u>	RePEC is a central index of economics research, including working papers, articles and software code. This platform will be useful in identifying established and emerging academic literature relating to youth employment.
<u>Social Science Research</u> <u>Network (SSRN)</u>	SSRN is devoted to the rapid worldwide dissemination of social science research and includes a repository for preprints devoted to the rapid dissemination of scholarly research in the social sciences. This platform will be useful in identifying emerging academic literature relating to youth employment.

Annex 2 Extent of the literature

The scoping exercise considered the extent to which the current body of literature considers a gender lens, considers marginalised youth and considers sectoral differences in commercial and social motivators, as well as successful HR and recruitment strategies for employing youth. Table 2A below summarises the key takeaways in relation to these areas within the literature.

 Table 2A: Consideration of a gender lens, marginalised youth, and sectoral differences in the literature

Area of the literature	Key takeaways		
Consideration of a gender lens in the literature	 Literature on commercial and social motivators for hiring youth lacks a detailed consideration of gender dynamics, with studies focusing on broader diversity and inclusion benefits but overlooking gender-specific labour market benefits or challenges of hiring young women. Gender disparities in the labour market are not explicitly addressed in the literature reviewed, and emphasis remains on hiring youth as a whole rather than addressing gender nuances. 		
Consideration of marginalised youth	 Several studies in the reviewed literature account for both the employment-related challenges and the commercial and social motivators associated with hiring marginalised youth. However, while the literature reports commercial and social motivators of hiring marginalised youth, it does not always fully explore the logic underlying these motivators and how various traits of marginalised youth translate into commercial benefits in particular for a business. The literature includes consideration of marginalised groups including youth with disabilities, youth from immigrant backgrounds, or youth from disadvantaged 		

	socio-economic backgrounds generally.
	Studies highlight the unique challenges faced by marginalised youth in accessing employment opportunities, including discrimination, a lack of relevant skills, limited networks, and inadequate support structures. Alongside these challenges, the literature discusses initiatives and programmes that aim to address the needs of marginalised youth, including training programs, apprenticeships, and work-based learning opportunities.
	✓ The following commercial motivators of hiring marginalised youth that are highlighted in the literature: Companies that demonstrate confidence in hiring individuals with disabilities realise positive recognition as a company with responsible business practices, improving their reputation.
Consideration of sectoral differences	Studies highlight sector-specific challenges and/or perceived benefits of hiring young people. For example, some employers are willing to engage with young people but have difficulty finding interested candidates for certain roles within sectors such as manufacturing, hospitality and lower-paid care work. ¹⁰
	✗ The literature emphasises that commercial motivators for hiring youth vary by sector based on specific workforce demands. For instance, the relatively cheaper cost of hiring youth compared to older workers drives youth employment in the hospitality industry, while sectors like telecommunications prioritise the skill level of youth, including digital literacy. Additionally, the public sector may prioritise social factors like community engagement and youth

¹⁰ Youth Futures Foundation, IFF Research, & Movement to Work. (2021). Large Employers and the Youth Labour Market. Available at <u>https://youthfuturesfoundation.org/wp-content/uploads/2021/10/Large-Employers-and-the-Youth-Labour-Market-report.pdf</u>

support.
✓ While these sector-specific considerations affect hiring motivators, common benefits to hiring youth are also recognised across many different sectors. These common benefits, which are further described in <u>Section 2.2</u> , include enhancing workforce diversity and the lower remuneration cost of hiring youth compared to more experienced workers.
▲ In addition to sectors, business model and type also play a role in the motivation to hire youth. For example, a Youth Futures Foundation report on SMEs and youth labour markets notes that non-market services SMEs are motivated to engage in work placements for youth to offer experience or support the local community.

Annex 3 Stakeholders interviewed

IP	Location	Sector	Business model	Size	Share of female employee s
Marula Proteen Uganda Limited	East Africa (Uganda)	Agribusiness	Niche	Medium	36%
GoMyCode	East, West and North Africa (Nigeria, Kenya, Egypt and Tunisia)	Digital technology (Upskilling platform)	High-growth ventures	Medium	51%
Dasri Sterile	North Africa (Tunisia)	Green economy (water treatment)	Dynamic enterprises	Small	29%
Alsalam Atelier	Northeastern Africa (Sudan)	Manufacturi ng (textile)	Niche	Large	90%
Balloon Ventures	East Africa (Kenya)	Services	Intermediari es	Small	50%

Table 3A: CFYE IPs interviewed

Page | 71

Business name	Location	Sector
Jobberman	West Africa (Nigeria)	Recruitment
IHR Solutions; Women in HR	East Africa (Kenya)	Human Resources
Nani Employee Leasing	East Africa (Kenya)	Services

Table 2B: Additional businesses interviewed

Annex 4 KII guides

KII Guide: CFYE IPs

Good day and thank you for taking the time to speak to us. My name is ______, I work for Genesis Analytics. Genesis Analytics has been contracted by CFYE to conduct research on the commercial motivators for companies to recruit youth, with a specific focus on CFYE's implementing partners (IPs).

As part of the process, the Genesis team is seeking to gather insights and diverse perspectives from a number of stakeholders. You were identified as a key participant for this interview because we think that your views and perspectives will add value to this incredible project.

Participation is entirely voluntary, and you are not obliged to answer any questions you do not feel comfortable answering. Refusing to participate will not result in any repercussions in your participation in the Fund, and you have the right to withdraw from the interview at any time. Please also note that the discussion will be completely anonymous, and nothing will be attributable to each participant. We will be taking notes during the conversation to assist us with data analysis.

Do you have any questions for us, or are you happy for us to proceed? Would you be happy for me to record this discussion?

□ Yes, consent provided

□ No, consent not provided

- 1. Please briefly introduce yourself, your organisation and your role.
- 2. What is the rough share of young workers in your company? What is the rough share of female workers in your company?
- 3. Does your organisation prioritise hiring young people?
 - a. If yes, what is your organisation's approach to hiring young people?
- 4. What motivates your organisation to hire young people?

[Probe: what are the commercial and social motivators? Is there a distinction between motivators i.e. commercial vs social motivators?]

a. What are the business reasons for hiring young people?

- b. Do you have any social motivations for hiring young people? If yes, what are these motivators?
- c. Do your motivations for recruiting youth differ from your motivations for hiring people in general?
- 5. Is there a specific profile of young people that your organisation aims to recruit?
 - a. If yes, please describe this profile and the motivations behind it.
- 6. Does your organisation prioritise hiring young women?
 - a. If yes, what is your organisation's approach to hiring young women?
 - b. What are the commercial motivators your organisation has to hire young women?
 - c. What are the social motivators your organisation has to recruit young women?
 - d. Do your motivations for recruiting young women differ from your motivations for hiring women in general?
- 7. Does your organisation recruit marginalised youth or youth from marginalised communities? Marginalised youth refer to young people who may be more likely to be underserved in their communities due to inherent qualities and identities such as race, ethnicity, skin colour, ability status, gender identity, age, sexual identity, immigration status, poverty, or primary language
 - a. If yes, what motivates your organisation to hire marginalised youth?
 - b. What are the commercial motivators your organisation has to hire marginalised youth?
 - c. What are the social motivators your organisation has to hire marginalised youth?
 - d. Do your motivations for marginalised youth differ from your motivations for hiring people in general?
- 8. Does your organisation have any reservations or worries about hiring young people?
 - a. If yes, please explain these reservations or worries

- 9. Has your organisation experienced any barriers to hiring young people and/or young women?
 - a. If yes, please explain these barriers, and whether your organisation has strategies or support in place to overcome them?
- 10. In your experience, to what extent do the commercial motivators for hiring youth have positive/negative outcomes for the hired youth themselves?
 - a. How does gender influence these outcomes?
- 11. In your experience, to what extent do the social motivators for hiring youth have positive/negative outcomes for the hired youth themselves?
 - a. How does gender influence these outcomes?
- 12. What specific HR and recruitment mechanisms or strategies does your organisation use as business drivers for hiring youth?
 - a. Do these strategies consider gender?
 - b. If yes, please describe how gender is considered in these strategies
- 13. What role could governments, organisations like CFYE and other stakeholders play in facilitating employment for youth and women?
- 14. Is there anything else that you would like to add that we haven't covered?

KII Guide: Additional businesses

Good day and thank you for taking the time to speak to us. My name is ______, I work for Genesis Analytics. Genesis Analytics has been contracted by the Challenge Fund for Youth (CFYE) to conduct research on the commercial motivators for companies to recruit youth. The Challenge Fund for Youth Employment (CFYE) is a 7-year and €134 million programme funded by the Netherlands Ministry of Foreign Affairs, that aims to create a prosperous future for 230,000 young women and men in the Middle East, North Africa, Sahel & West Africa and the Horn of Africa regions. The Fund will be supporting initiatives in 12 focus countries that will offer youth, in particular young women, opportunities for work that is demand-driven and productive, offering a stable income and safe working conditions, thus contributing to their personal development and social protection.

Page | 75

As part of the process, the Genesis team is seeking to gather insights and diverse perspectives from a number of stakeholders. You all were identified as key participants for this interview because we think that your views and perspectives will add value to this incredible project.

Participation is entirely voluntary and you are not obliged to answer any questions you do not feel comfortable answering. You have the right to withdraw at any time. Please also note that the discussion will be completely anonymous and nothing will be attributable to each participant. We will be taking notes during the conversation to assist us with data analysis.

Do you have any questions for us, or are you happy for us to proceed?

 \Box Yes, consent provided

 \Box No, consent not provided

- 1. Please briefly introduce yourself, your organisation and your role.
- 2. What is the rough share of young workers in your company? What is the rough share of female workers in your company?
- 3. Does your organisation prioritise hiring young people?
 - a. If yes, what is your organisation's approach to hiring young people?
- 4. What motivates your organisation to hire young people?

[Probe: what are the commercial and social motivators? Is there a distinction between motivators i.e. commercial vs social motivators?]

- a. What are the business reasons for hiring young people?
- b. Do you have any social motivations for hiring young people? If yes, what are these motivators?
- c. Do your motivations for recruiting youth differ from your motivations for hiring people in general?
- 5. Is there a specific profile of young people that your organisation aims to recruit?
 - a. If yes, please describe this profile and the motivations behind it.
- 6. Does your organisation prioritise hiring young women?
 - a. If yes, what is your organisation's approach to hiring young people?

- b. What are the commercial motivators your organisation has to hire young women?
- c. What are the social motivators your organisation has to recruit young women?
- d. Do your motivations for recruiting young women differ from your motivations for hiring women in general?
- 7. Does your organisation recruit marginalised youth or youth from marginalised communities? Marginalised youth refer to young people who may be more likely to be underserved in their communities due to inherent qualities and identities such as race, ethnicity, skin colour, ability status, gender identity, age, sexual identity, immigration status, poverty, or primary language.
 - a. If yes, what motivates your organisation to hire marginalised youth?
 - b. What are the commercial motivators your organisation has to hire marginalised youth?
 - c. What are the social motivators your organisation has to hire marginalised youth?
 - d. Do your motivations for marginalised youth differ from your motivations for hiring people in general?
- 8. Does your organisation have any reservations about hiring young people?
 - a. If yes, please explain these reservations
- 9. Has your organisation experienced any barriers to hiring young people and/or young women?
 - a. If yes, please explain these barriers, and whether your organisation has strategies or support in place to overcome them?
- 10. In your experience, to what extent do the commercial motivators for hiring youth have positive/negative outcomes for the hired youth themselves?
 - a. How does gender influence these outcomes?
- 11. In your experience, to what extent do the social motivators for hiring youth have positive/negative outcomes for the hired youth themselves?

- a. How does gender influence these outcomes?
- 12. What specific HR and recruitment mechanisms or strategies does your organisation use as business drivers for hiring youth?
 - a. Do these strategies consider gender?
 - b. If yes, please describe how gender is considered in these strategies
- 13. What role could governments, organisations like CFYE and other stakeholders play in facilitating employment for youth and women?
- 14. Is there anything else that you would like to add that we haven't covered?

Annex 5 Limitations of the study

The limitations of the study and the mitigation strategies that the research team implemented are presented in Table 4A below.

Table 5A: Study limitations

Component of the research	Limitation	Mitigation strategy
Scoping exercise	It is possible that the literature review is not exhaustive. In other words, some published and grey literature may not have been captured in the search process.	The research team used multiple search term permutations across the nine search platforms in an attempt to mitigate this limitation.
	The search was unstructured. There were no set search terms used and this limited the reproducibility of the search.	Using an unstructured approach to searching platforms allowed for flexibility to use multiple permutations of search terms and phrases in an attempt to identify as many papers as possible.
	The scoping exercise was limited to studies available in English, and thus studies that may be available in additional languages have not been considered.	Due to the nascency of this field of research, it is unlikely that there are key studies in additional languages on the topic.
	No quality assessment was conducted on the studies	Due to the nascency of this field of research, it is prudent to

	identified and included for synthesis. As a result, the findings synthesised in this report come from studies of varied quality and thus varied validity and reliability.	include studies of varied quality to establish an initial sense of any repeated findings and themes in the field.
	There is a lack of consideration for the gender lens in the literature reviewed regarding commercial and social motivators for hiring youth.	The KIIs and case studies conducted to complement the scoping exercise applied an intentional gender lens to gather insights on the commercial and social motivators of hiring young women.
Qualitative research (KIIs)	A limited number of KIIs were conducted with CFYE IPs, and thus the findings from this qualitative research are not necessarily generalisable to all CFYE IPs.	The selection of CFYE IPs was designed to ensure adequate spread across business model, region, sector and business size. Therefore, while the selection of cases may not be representative, it does capture the diverse experiences of businesses.