

Investing in Young People

Friday January 24 2014

www.ft.com/reports | [@ftreports](https://twitter.com/ftreports)

The world risks losing the next generation

Violence and extremism are very real risks if millions of under-25s feel economically or politically excluded, writes *Sarah Murray*

As countries fight to recover from the global financial crisis, one group remains disproportionately affected by the persistent economic fragility: young people. With extremely high levels of youth unemployment in many countries, the question is how to bring more of these citizens into the workforce.

The figures paint a bleak picture. Of the world's 200m jobless people, 75m are under the age of 25, according to the World Bank. Young people are three times more likely to be unemployed than older people.

This does not bode well for youth or the countries in which they live, says Rajiv Shah, administrator of the United States Agency for International Development.

"It's robbing countries of economic

growth and robbing young people of career opportunities, which means their lives can go awry," he says.

In some parts of the world, demographic shifts will make the task of finding jobs for young people even more daunting. In sub-Saharan Africa, the labour force is growing by about 8m people a year, while in south Asia the figure is 1m a month, according to the Bank's 2013 World Development Report.

"For the next 15 years, we're going to see these demographic changes," says Mattias Lundberg, senior economist in the World Bank's social protection and labour team and its focal point on youth. "And clearly, not taking advantage of the skills, passion and energy that young people bring is enormously costly for global growth."

Joblessness can also have damaging

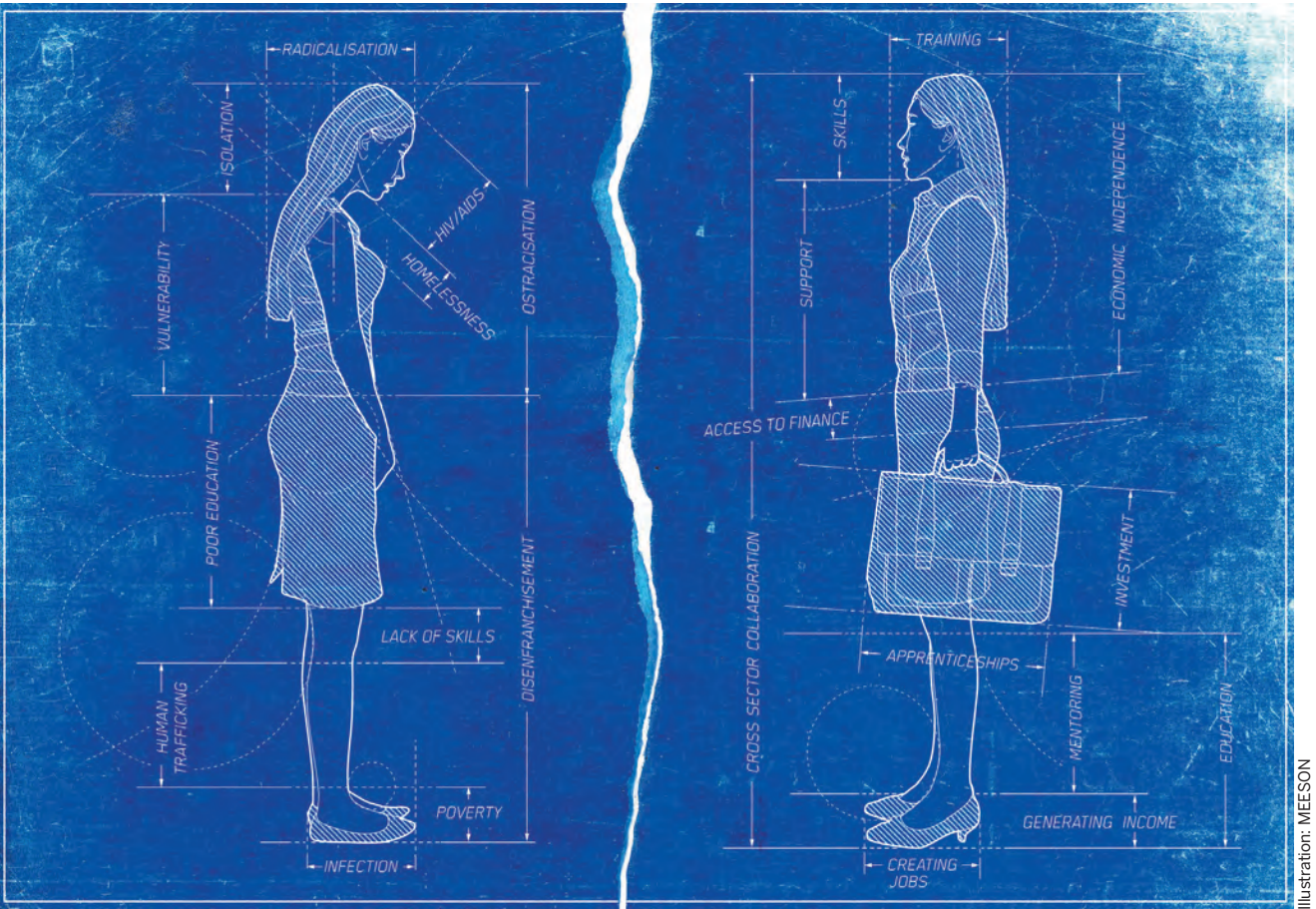


Illustration: WEESEON

psychological effects. In the UK, 40 per cent of respondents to this year's Prince's Trust Youth Index survey, which assesses young people's wellbeing, said they had suffered mental illness symptoms – including thoughts of suicide – as a result of unemployment.

Young people are vulnerable in other ways, too. Some are at risk of human trafficking, particularly those living in countries where law

'It's robbing countries of economic growth and the young of their futures, which then can go awry'

enforcement is weak or in poor communities lacking access to education.

Individuals aged between 15 and 24 account for 41 per cent of new HIV infections in people aged 15 or older. Gay adolescents face higher rates of bullying, homelessness and family rejection.

The worry is that when young people feel rejected, economically excluded or politically disenfranchised they may turn to violence or extremism – something that is not lost on policy makers.

"Perhaps the most important national security investment we can make is in youth in so many regions of the world," says Mr Shah.

But while governments, development institutions, companies and others are aware of the dangers, it is not always easy to establish which

investments do most to improve the health and prosperity of young citizens. Organisations must do more to share experience of what works, and listen more closely to the young people they are trying to help.

Part of the challenge lies in gaining a clear picture of the problems that need tackling.

While global indices assess everything from infant mortality and human rights to corruption, no systems track or compare across countries the particular difficulties facing young people.

To fill this gap, the International Youth Foundation (IYF) has spearheaded the launch of the Global Youth Wellbeing Index. The index will measure youth development in

Continued on Page 2

Children are easy targets for the global slave trade

Trafficking

It is estimated that 350,000 young victims a year are taken across borders, writes *Helen Warrell*



Rescued: a victim, right, is reunited with family in India Getty

Ilyas Ashar, a pensioner from northern England, was convicted late last year of trafficking a young Pakistani girl into the UK and imprisoning her in the cellar of his family home.

The 13-year jail sentence handed down to Ashar exactly matches the period that his deaf victim was incarcerated, bound to a life of sexual and domestic servitude and denied education or healthcare.

But this Pakistani orphan – just 10 when she entered Britain, and now in her early 20s – is one of only a few enslaved youngsters whose captors have been successfully prosecuted.

The US estimates that more than 350,000 children are trafficked across international borders every year, part of a wider people-smuggling industry that generates annual profits of more than \$32bn.

As organised criminals increasingly move away from dealing in drugs and arms and towards this trade in fellow humans, governments around the world are trying to find ways to apprehend the wrongdoers and prevent more young people being captured.

In the UK, the Home Office is pushing through a proposed bill to reverse low prosecution rates for what ministers have called "modern-day slavery".

The majority of child victims are from Vietnam, while many others come from Nigeria, Slovakia, Romania, Albania, China and Bangladesh.

The Home Office believes that as many as 10,000 people could be living in Britain as virtual slaves in the sex trade, agriculture and food-processing industries and working as domestic

staff. Under the draft legislation, which is expected to become law this year, trafficking offenders who already have convictions for sexual or violent offences will automatically receive life sentences.

And a new system of "trafficking prevention orders" will restrict the activity and movement of convicted people-smugglers.

Although campaigners have welcomed the bill as a means of drawing public attention to the issue, there are still criticisms that the proposed legislation does not go far enough.

Chloe Setter, head of advocacy, policy and campaigns at the children's protection charity Ecpat UK, is concerned that the legislation prioritises fighting the criminal element of trafficking at the expense of the "immediate protection needs" of young victims.

Ms Setter says: "While it is vital for the government to improve its conviction rates for trafficking and exploitation, without effective identification, protection and assistance for victims, convictions under the bill will remain worryingly low."

In the current system, even victims who have been rescued from their captors have scant support, and two-thirds go missing from care. Ecpat and other

children's groups suggest that ministers should consider Scotland's model of appointing special guardians who take legal responsibility for each victim and oversee their case as it goes through the courts.

This idea has strong support from the Labour party's shadow home affairs team, and ministers are considering whether to add it as an amendment to the bill. But despite the drive to

'Trafficking is seen as a high-profit and low-risk crime, where children are a commodity to be reused'

bring more prosecutions, campaigners also warn that trafficking is on the increase – and requires a concerted transnational policing effort.

According to the UN Office on Drugs and Crime, people trafficking is the fastest growing international crime, potentially because smuggling people is less risky than exporting arms or drugs. Ms Setter calls this global increase "deeply concerning".

"While there are improvements in identification that

may partly account for [the rise], criminals do view trafficking as a high-profit and low-risk crime where children are a commodity that can be 'reused' for financial gain," she says.

It is also thought that cheaper air travel has made it easier to move young people large distances at relatively low cost.

This is inspiring other campaigners to turn their attention beyond governments and law enforcers to the businesses that, often inadvertently, may be profiting from trafficking through their supply chain.

The team at international charity Stop the Traffik has set up 'Finance Against Trafficking', to warn key industries about their potential involvement.

An upcoming campaign will highlight the plight of 200,000 young girls trafficked each year to work in the cotton industry in Tamil Nadu, India.

The youngsters, typically aged 14 to 23 years, are usually recruited with false promises of a good job before being trapped in a factory for up to five years.

Ruth Dearnley, Stop the Traffik's chief executive, insists that business leaders must be alive to threats such as these.

"Our supply chains often now stretch across continents and across borders, so we need to make sure these products are not the result of the blood, sweat and tears of trafficked labour," she says.

A separate initiative, Business Travellers Against Trafficking, also encourages business travellers to look out for suspicious groups when flying and report anything they see to law enforcers.

Encouraged by these efforts, Ms Dearnley is positive about the future.

"It is young people who are most vulnerable to being exploited," she reasons. "But it's other young people who have the power to campaign – they have the courage and the persistence to make a real global movement for change."

HELP wanted?

Is your company having difficulty finding qualified workers in Latin America?

NEO can help.

New Employment Opportunities for Youth (NEO) is a pioneering alliance between businesses, governments, and civil society organizations to provide resources, knowledge, and know-how to implement effective and sustainable youth employment solutions.

Over the next 10 years, with the help of NEO's founding partners **Arcos Dorados, Caterpillar, Cemex, Microsoft, Walmart** and now **Hilton Worldwide** and **Laureate Education, Inc.**, the alliance is recruiting companies to help 1,000,000 youth in Brazil, Chile, Colombia, Dominican Republic, El Salvador, Mexico, Panama, Paraguay, Peru, and Uruguay become work-ready and qualified for entry-level jobs.

How can your business participate?

- **Support** training for disadvantaged youth in the NEO countries
- **Offer** internship and mentorship opportunities
- **Hire** NEO-trained young people

For more information, please contact NEO@fomin.org or NEO@iyfnet.org.

A MILLION YOUTH
neo
A MILLION OPPORTUNITIES

Implementing Partners:

IDB
Inter-American Development Bank

OWIN
Organization of Women in Industry and Commerce

International youth foundation

This message was made possible with the generous support of:

HILTON WORLDWIDE

LAUREATE EDUCATION INC.

Microsoft

Investing in Young People

South Carolina has much to gain from being more like Germany

Apprenticeships Manufacturers such as BMW and Schaeffler are exporting their tradition of vocational training to the US and beyond, writes *Rose Jacobs*

Any doubts Dustin Reid had about leaving his job and starting an apprenticeship at BMW's US operations in Greer, South Carolina were swept away by his first visit to the factory. "I just loved the smell. I knew this was the job for me."

Granted, the reaction might have been more extreme given the smells associated with the work he had left behind – as a manager at a poultry plant – but, two years later, there is no looking back for Mr Reid. Aged 29, he is due to graduate in April with a degree from one of three local technical colleges associated with the BMW Scholars apprenticeship programmes.

And while he has been trained to start in either an equipment services position or a production associate job, his sights are aimed, one day, on a managerial role.

The Munich-based auto manufacturer is the fifth-biggest employer in this part of the state, and one of several German companies that have decided to train up the newest members of its workforce rather than rely on young recruits who may lack the necessary skills or experience.

Apprenticeships – a combination of on-the-job training and in-class learning, often at a local college or university – are a common track for German teenagers. They use them as entry points into careers in the manufacturing and service sectors – becoming anything from caterers to sales-people to mechanics. But in the US, participants often start later in life, after college, or even after starting a family and working in other sectors. It is mostly companies in heavy manufacturing that have exported the model – although that is changing, says Brad Neese, director of Apprenticeship Carolina, a division of an agency overseeing the state's 16 technical colleges.

"It's really advanced manufacturing that has led the charge. Where we've had a lot of development [since] is in healthcare or services sectors such as IT," he says.

That push has meant a rising proportion of women joining a growing number of programmes. Apprenticeship positions in South Carolina have leapt since 2007: where 90 companies offered them seven years ago, 629 do so today.

Some of those companies, clearly, are from parts of the world other than Germany, including the US. Yet, according to Mr Neese, the motivations are similar – employers are after top talent, even if the routes to obtaining it sometimes diverge.

"The Germans are more willing to be

patient with the process and understand that this isn't as much an expense as an investment," he says.

Bernhard Schwab of Schaeffler, the precision manufacturer with headquarters in Germany and operations in more than 50 countries, certainly does not blink at the cost. He runs vocational training that varies according to where the apprenticeship is located. It could be Brazil, India or China; or France, Switzerland or Romania. In Germany, for example, school costs are paid for by the government; in the US there may be tax breaks or other incentives – designed particularly to help smaller companies start programmes – but those will rarely cover tuition entirely. In China, where many young people involved leave their family villages to join the programmes, food and board are provided.

"The Chinese government has been massively supportive," Mr Schwab says.

Schaeffler helped bring the test that apprentices take in Germany to China, translating it and encouraging other companies to adopt it.

Other governments are interested, too. Mr Neese has visitors scheduled this spring from Australia and the UK. Saudi Aramco, the state-owned oil and natural gas company, is developing vocational training, including a two-year apprenticeship programme that had nearly 6,000 new enrolments (across the main company, joint and equity partners) in 2012.

Fiona Kendrick, Nestlé UK chief executive and a commissioner at the UK Commission for Employment and Skills, argues that a key step for Britain would be to simplify the process for giving small companies government funding for apprenticeships. "Many young people applying for jobs are not employable," she says. "They may have the academic qualifications but they haven't got the experience and skills."

Simon Cooper, senior sponsor of the apprenticeship programme at JPMorgan Chase, says that in Dorset, where 300 jobs open up at the bank's offices every year, the financial sector is not well understood or loved. "We needed to create a pipeline of talent," he said of the decision to start a group-wide apprenticeship programme. Participants spend four days a week at work, and one day in tailored courses run by an educational partner. They are paid from day one. "We focus less on the academic qualities," he says. "This is much more about attitude, teamwork, self-drive and commercial awareness."

Head start Manufacturing training begins at school



On track: BMW apprentices get a combination of on-the-job training and in-class learning

In 2009, Tognum, a German engineering company, decided to relocate its US manufacturing facilities from Michigan to South Carolina, in order to be closer to an east coast port.

Once it was settled on its new home, finding the first batch of workers was easy: 1,200 people applied, people who "knew about engines" – whether from work in service stations or other facilities, says Jörg Klisch, vice-president of North American operations.

It was the next batch of recruits that proved disappointing. "We realised we were starting with unskilled workers," he recalls.

So the company, now renamed Rolls-Royce Power Systems after a change of ownership, decided to create a German-style apprenticeship programme in South Carolina. It brought over a teacher from its factory in Friedrichshafen, who opened discussions with one of the local technical colleges.

The early investment was entirely manageable: \$10,000 to help the school enhance one of its workshops. The

programme would be different from others like it in the state – even those run by German companies – in that it would recruit only students still in secondary school.

"We try to prevent students from dropping out," says Mr Klisch. "We want them to know even in 9th grade [aged 14-15] that this is possible."

Teachers recommend 10th graders, who along with their parents are invited to a presentation about the programme. In 11th and 12th grades, those accepted after a maths test and interview add 600-1,000 hours of work a year (at a career centre and plant) to their usual high school curriculums.

They earn \$8.25-\$8.75 an hour, rising to \$12.96-\$14.02 an hour once – and if – they join the company as employees. There is no obligation on either side.

The first apprentices, who started in 2011, were wary, but by the second group, qualified applicants far outnumbered positions available, and parents were calling the company to ask if their child's school

could enrol in the programme.

Mr Klisch says that even though outsiders sometimes ask how 16- and 17-year-olds can be trusted with complicated, expensive machinery, older workers have embraced the effort to train the next generation.

Even at the group's Minnesota operations, where the workforce includes union members not present in South Carolina, rollout has so far been smooth.

Executives are also pleased, if a little surprised, by how much attention apprenticeships are getting from the White House and Department of Education.

"I always get questions from our CEO, who used to be with Bosch in the US," says Mr Klisch. "He says: '20 years ago, no one was concerned about manufacturing jobs.'"

"But people realise now that college is not the ultimate career path. And manufacturing in the US is starting to come back after the huge push to outsource. This initiative falls into the right environment."

RJ

Where failure is part of recipe for success

Entrepreneurship

Groups need to give youths better advice, says *Amie Tsang*

With Silicon Valley constantly generating tales of innovation and moneymaking, it is hardly surprising that many should hope to emulate that success – especially young people who find themselves in a tough economic climate after leaving schools and universities.

Governments, too, are hoping that young enterprise will go some way towards lowering youth unemployment and spurring their economies.

In December, George Osborne, the UK chancellor, announced an expansion of the government's Start Up Loans scheme.

However, many organisations offering funding and training have realised that their approach has to be reassessed in light of the skills gap.

Richard Branson, the Virgin Group founder, listed some of the elements that young people need to succeed: "Secondary education should place greater emphasis on critical thinking, problem-solving and emotional intelligence – key traits of successful entrepreneurs and indeed successful people."

But skills such as these are difficult to measure and hard to teach. Some organisations have found ways to ensure young people going through their entrepreneurial programmes get experience to help develop these qualities.

Rather than allowing young people to pitch for funding early on, a scheme run by Prince Charles's charity for young people gives participants a mentor and a small grant first to test out their plan, for example by setting up stall for a day in a market.

"Businesses that we saw weren't necessarily being successful and it was our responsibility to help a young person understand exactly what running a young business means," says Martina Milburn, chief executive of the Prince's Trust.

"A lot of the young people we work with don't understand that."

Ashoka, the social enterprise network, also tries to enrol people at an

early stage, as it means they get more opportunities to test themselves and fail.

Marina Mansilla Hermann, campaigns director for Ashoka's global Youth Venture project, compares the approach with five-a-side football, where younger players can develop on a smaller pitch.

This ultimately makes people more prepared when they bid for funding or try to launch their project. It also breaks down the sense of social stigma that might be attached to failure in places such as Japan.

"As part of our process, we embrace failure," she explains. "Of course, it's not [the] ultimate goal, but if it happens we have to learn from it."

Rob Wilson, a co-director at Youth Venture UK, adds that "the challenge is that the education system says it's bad to fail".

European graduates are "graduating through an education system that hasn't challenged them in any way shape or form about the world", he says.

"I would much rather employ someone who has tried to set up a venture and failed... They'll have

'I would much rather employ someone who has tried to set up a venture and failed'

tried to recruit, sold things, manufactured, done logistics, dealt with everything."

And this is advice many organisations that want to help budding young entrepreneurs would do well to follow themselves, according to a study conducted by the Overseas Development Institute.

Claudia Pompa, a researcher at the ODI, points out that data on the success of entrepreneurial schemes is often incomplete and not comparable, so many organisations do not know what works and what does not.

"The [development] industry itself could do so much more in terms of sharing best practice... [It] is not very good at acknowledging failure," she says.

"There are fundamental things you have to take into account when you ask an 18-year-old to walk into a bank to ask for a loan and offer collateral."

Innovators give voice to charity, climate and creativity

Nelson Rayner
New Zealand

Born in Australia and educated in New Zealand, Nelson Rayner, 28, was named the winner of Google's 2013 Young Innovators Award for his fundraising application Donate Your Desktop.

When users download the app, they allow advertising space on their computer to be rented out, with 75 per cent of the revenue generated going to a charity of their choice.

Amnesty, Oxfam New Zealand and the NZ Breast Cancer Foundation are some of the charities involved already.

"Originally, it was a campaign-based idea; that's the

nature of the product," Mr Rayner says.

"Trying to market without a budget was a challenge, and everything had to be done from the bootstraps."

He is currently working on Little Lot, a mobile reincarnation of Donate Your Desktop that aims to channel more of the estimated \$100bn spent on digital advertising into charitable causes.

"A lot of it is about having passion, not just a business head," Mr Rayner says. "My advice [for young entrepreneurs] would be to make sure you choose the right people from the start."

"Don't give away too much equity or spend too much cash. You've still got an obligation to your investors, even if you are young."



Esperanza Garcia
Philippines

As co-founder of the International Youth Council, an organisation formed at the UN to develop future world leaders, Esperanza Garcia, 26, is a passionate ambassador both for the environment and for the potential that young people have to tackle climate change.

A single mother since the age of 18, Ms Garcia was an official Filipino delegate at the UN's 2009 Copenhagen climate change conference, and has served as a consultant to the Philippine Senate's climate change committee – where she lobbied for

renewable energy laws.

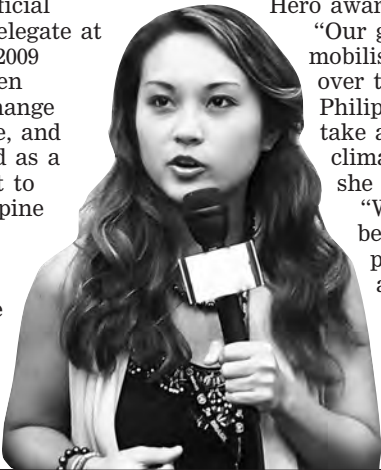
"Engaging with the youth of today, I have seen a generation with an increasingly strong sense of social and environmental awareness, one that is taking action," says the president of the Philippine Youth Climate Movement (PhilyCM).

"Youth are not the leaders of tomorrow. We are the leaders of today."

She recognises the exceptional work of other young environmentalists through PhilyCM's Climate Hero award.

"Our goal is to mobilise youth all over the Philippines to take action on climate change," she says.

"We need to believe and prove that we are the great generation that will overcome this challenge."



Boniface Mwangi
Kenya

Photojournalist Boniface Mwangi was propelled to fame in 2007 when he captured images of the violence following Kenya's elections that year.

He became a visual artist, with an eye to using photography to spur social change.

In 2009, he founded Picha Mtaani, a street exhibition showcasing photographs of the post-election bloodshed across the country.

Picha Mtaani has spawned another social enterprise, Pawa254, a Nairobi-based community for young, creatively minded individuals.

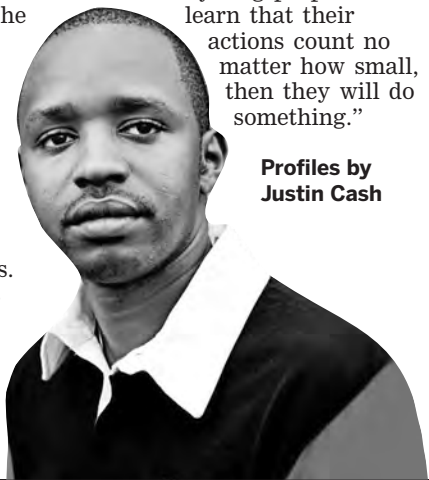
Mr Mwangi says that youth movements are almost non-existent in Africa, apart

from extremist, religious or women's groups.

"We are trying to build a movement in Kenya, but it will take time for it to have significant impact. A young person is more likely to end up in jail, a single mother, a substance addict or shot dead by police than get a job here."

The 30-year-old says young people need to be given reasons to believe in themselves and in their ability to shape the future of the nation.

"If young people can learn that their actions count no matter how small, then they will do something."



Profiles by Justin Cash

Networks Budding entrepreneurs find support and contacts in shared forums

"When you announce you're going to start up your own business, people are either worried for you or they have over-expectations," says Rachel Hanretty, who set up Mademoiselle Macaron, a business making macaroon biscuits.

Faced with such differing attitudes, young Scottish entrepreneurs have turned to enterprise networks.

Ms Hanretty has found reassurance in meeting others at networking events run by the Prince's Trust charity.

Mhairi MacLeod, founder of Lux, a marketing agency dedicated to building food and drink brands, has also found that entrepreneurship does not necessarily mean working alone.

She found support in a shared workspace for young businesses: "You're all in the same boat. I can go over and ask my neighbours what they would do. More often than not they have been in that situation."

In South Korea meanwhile, networks are opening streams of funding to budding entrepreneurs.

The Banks Foundation for Young Entrepreneurs, a non-profit group funded by banks, set up a hub for entrepreneurs in Gangnam, the Silicon Valley of Seoul. The hub, called D.Camp, gives members access to a network of contacts, workspace and mentorship.

Hahn Ryu, manager

of business planning at the Banks Foundation, says the opportunities D.Camp has given young entrepreneurs have been crucial to funding new companies.

He cites Korbit, a Bitcoin exchange, as one of the start-ups that attracted funding through contacts made at the hub.

"Lots of people come here – investors casually drop by to see if there are any companies they would like to invest in," he says. "They have a casual conversation over coffee and this leads to investment."

While the South Korean hub is funded by banks, back in Scotland, Vicky MacDonald credits the government for the existence of young enterprise networks.

When she set up Edinburgh Markets, which helps street traders, she was pleasantly surprised by the support for social enterprises. It made her feel "there was a revolution happening in Scotland".

Ahead of this year's independence referendum, Angela Constance, minister for youth employment, says the young enterprise networks and her portfolio, which does not exist at UK level, are evidence that "Scotland has what it takes" to survive alone.

AT

The world risks losing the next generation

Continued from Page 1

areas such as health, education, economic opportunity, political engagement and security, covering 30 countries in its first year.

William Reese, IYF president and chief executive, says the index is intended as a tool for decision makers, rather than an exercise in naming and shaming.

"We hope this will spark serious dialogue at regional

and sectoral levels," he says. "It's about helping analyse the status of youth and the investments that could be made."

Some believe these investments should focus on preparing young people to become entrepreneurs, particularly as social media, crowdfunding, peer-to-peer lending websites and technologies such as 3D printing break down barriers to entry. "You don't have to

live in a certain place and have access to large manufacturing equipment to be innovative and disruptive – and that's very exciting," says Linda Rottenberg, co-founder and chief executive of Endeavor, a non-governmental organisation that supports entrepreneurship.

For others, emerging evidence that women tend to do better in youth employment programmes has prompted a focus on equip-

ping girls to start businesses or enter the workforce. The World Bank's Adolescent Girls Initiative, for example, offers business, vocational and technical skills training to young women in countries such as

75m
Number of jobless under-25s out of global total of 200m

Afghanistan, Jordan and Rwanda.

Meanwhile, governments and companies are looking at how apprenticeship systems – the most successful of which is found in Germany – might provide on-the-job training and create more employment opportunities for young people.

Greater collaboration between governments, companies, educators and others is seen as essential. Yet

given the sheer scale of youth unemployment, there is a growing recognition of the urgent need to intensify efforts to help young people become productive members of the workforce.

"We're not going to reach the scale needed to get all these young people into work if we keep doing pilot projects," says Mr Lundberg. "We need to be bolder and braver and take more risks."

Investing in Young People

Without the right skills, qualifications prove academic

Education Fewer graduates will flip burgers if business does more to help guide students towards available jobs, writes *Andrew Bounds*

Tony Blair, the UK prime minister from 1997-2007, made his priority “education, education, education”. Now, the mantra of political leaders should be “guidance, guidance, guidance”, according to Stefano Scarpetta, director for employment, labour and social affairs at the OECD organisation of rich countries.

Too many people graduate from school or university with a qualification that does not get them a job, he says. That partly explains the high level of youth unemployment.

There is a mismatch between qualifications and skills. “Guidance, guidance, guidance is the key to help young people choose their field of study and be informed about what opportunities there are in the labour market,” he says. Business must work more closely with schools to make clear what they are looking for and what jobs will be available, he says.

Germany, Austria and Switzerland,

where technical schools are working directly with companies, are the best examples, Mr Scarpetta says. That model is being widely copied.

According to a global study by McKinsey, the consultants, almost 40 per cent of employers say lack of skills is the main reason they cannot find the right people to fill entry-level jobs while 72 per cent of educators believe new graduates are ready to join the workforce.

A survey by the UK Commission for Employment and Skills found that over a third of teenagers are interested in just 10 occupations – including glamorous roles in acting, professional sports and jobs such as teaching, law, medicine and psychology. Conversely, teens have largely shunned jobs in administration and care work, even though the latter each represents about 8 per cent of future jobs.

After five years of recession that has weakened recruitment, some

businesses accept that they need to refresh an ageing workforce. Nestlé, the food business, plans to hire 20,000 young people across Europe in the next three years. The food and drink industry in the UK overall is keen to expand recruitment. Although it has annual sales of £76bn and employs 400,000 people, nearly a third of its workforce will retire by 2020. This will require the sector to hire 170,000 recruits – 45,000 of them managers or other professionals – in just six years.

Nestlé UK has opened an academy that will take in 295 under-26s annually, and will recruit at least another 205 young workers each year. It will also offer meaningful, paid work experience for 100 people annually.

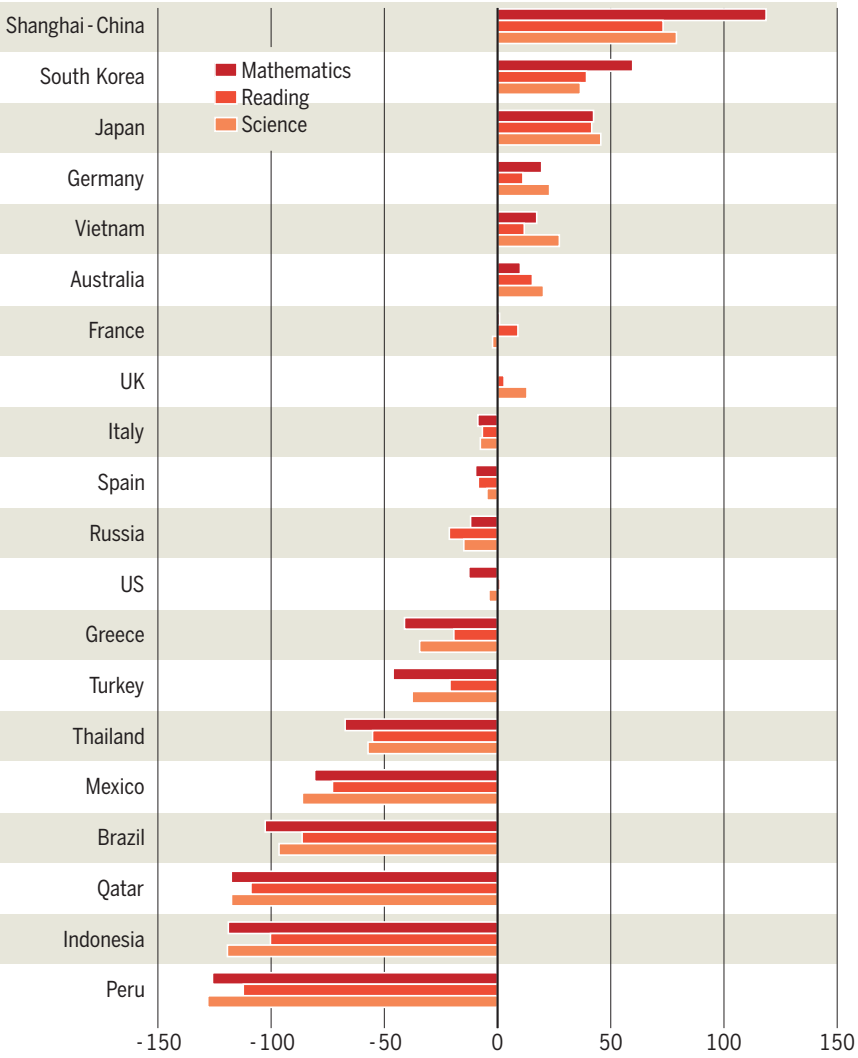
Fiona Kendrick, chairman and chief executive of Nestlé UK and Ireland and a government adviser on skills, says: “I believe very firmly that employers have to step up. We cannot just point fingers at government and education.” She says companies will

also have to plough more resources into continuing development of workers to keep up with rapid changes in technology. “We are starting to see companies invest in people and make sure we are supporting upskilling.”

In 2010, Walmart, the world’s biggest retailer, opened a Social School of Retail in Brazil, which focuses on providing 17 to 29-year-olds with the training they need to work in retail. In partnership with local government, some 1,500 young people were trained in 2012.

After its annual Programme for International Student Assessment education test, the OECD criticised member countries for allowing too

Mean score in the Programme for International Student Assessment (PISA) Select countries, 2012, difference with the OECD average



Source: OECD

Life science college has replaced school uniforms with lab coats

Case study Business backing

Companies tackle skills shortage by investing for future, says *Andrew Bounds*

If it were not for the youthful faces, you would think you were in a biotechnology company.

White-coated technicians move around the lab, comparing notes and recording data on tablet computers as they run tests on a novel protein.

This is a school in Toxteth, Liverpool, one of the most deprived parts of Britain, and the technicians are pupils.

The teenagers have been learning to grow green fluorescent protein (GFP), a molecule with artificially created DNA, in a test set by Eden Bioscience, a local business.

It is the sort of project normally tackled at university, and Dave Hornby, a university professor on secondment, is running it.

Prof Hornby says he is “staggered” by pupils’ skill, tackling work reserved normally for PhD students.

The life sciences University Technical College for children aged between 14 and 18 is one of dozens of business-backed institutions being set up in the UK to tackle the chronic shortage of vocational skills.

They are funded by central government but

local employers help equip them and enhance the curriculum.

The college’s three labs, worth £5m, are the equal of many owned by private companies, while a teaching area for nurses includes a bed space copied from the National Health Service, the state health provider, and a sophisticated dummy patient. There is also a mock pensioner’s home for those interested in becoming care assistants, a booming industry as the country ages.

Neil Murray, chief

executive of RedX Pharma, a Liverpool-based biotech company that provided the lab coats, says he wanted to reverse the “skills erosion” in schools, where the health and safety culture means most experiments are conducted by teachers not pupils.

“Kids get turned off science, because the one thing that attracted them is the hands-on process, creating a bang and flash.”

His company and others need skilled lab staff as much as PhDs, he says. “In life science we don’t have

an equivalent of the German and Austrian system, where qualified lab technicians are valued members of staff and [it is] a real career in its own right.

“Here, we have not valued people who are ‘green fingered’ and can do practical things in the way we have valued academic qualifications,” he says.

Pupils also study for conventional GCSE and A-level secondary school qualifications, with the school day lengthened to accommodate extra work and 100-minute classes rather than the usual hour.

Some spend month-long placements with employers while business people give regular “masterclasses”.

Unilever, the consumer goods group, and Novartis, the pharmaceutical group, are among those involved.

Some pupils travel up to an hour to attend and others switched from fee-paying private schools when the college opened in September.

Maria, 17, says she enjoys doing “real research” while Elizabeth, also 17, says she has already decided to become a radiographer. “I’d never heard of that job before coming here.”

Phil Lloyd, the college’s principal, says the key lies in teaching small groups in ways that help them learn best. That could be by listening, but also by doing, seeing, or even moving as they work.

“It is what UK plc has needed for 30 years, but no one has been brave enough to do,” he says.



Practical: hands-on approach captures pupils’ interest Mocha

Contributors »

Sarah Murray
Regular FT contributor

Helen Warrell
Public policy correspondent

Rose Jacobs
Regular FT contributor

Andrew Bounds
Northern correspondent and enterprise editor

Amie Tsang
World desk researcher

Andrew Jack
Deputy analysis editor

Shannon Bond
US reporter

Justin Cash
Freelance journalist

Leyla Boulton
Commissioning editor, Head of production, FT Reports

Steven Bird and Patricia McPhilemy
Designers

Andy Mears
Picture editor

For details of advertising opportunities, please contact Andrea Frias-Andrade on +44 (0)20 7873 4281 or andrea.frias-andrade@ft.com or your usual Financial Times representative

All FT Reports are available on FT.com at ft.com/reports

Follow us on Twitter @ftreports

QUALIFIED AND —READY TO WORK—

The International Youth Foundation (IYF) helps young people, like Thandi, take control of their own futures.

IYF and its partners are breaking down the barriers that prevent more than half of the world’s 1.2 billion young people from joining the workforce or starting their own businesses.

international youth foundation

JOIN US.

To learn more, visit us at: www.iyfnet.org | iyfnet | @IYFtweets

Investing in Young People

Schemes equip for online future

Technology Next generation needs the skills to thrive in a connected world, writes *Amie Tsang*

From adolescents using Whats-App and Snapchat to babies swiping magazines as if they are iPads, young people have grown up with digital gadgets and are changing the world as they become early adopters or use technology in new ways.

With each innovation, schemes aimed at equipping young people with technological skills have been set up to make sure that as many as possible can take advantage of the opportunities.

Access

A greater percentage of children are accessing the internet using only their smartphones and internet access overall is becoming more mobile. This has led to schemes such as “Bring Your Own Technology”, where students bring their own tablets or mobile phones into school as an educational aid. However, this has led to concerns about a “digital divide”, where children with less access to technology fall behind those with their own devices.

Google paid for 15,000 pocket-sized Raspberry Pi computers to be given away in the UK – part of its efforts to make sure children grow up knowing the inside of a computer, and not just the surface of an operating system.

The children are allowed to take them home. “It’s like having a musical instrument” says Theo Bertram, Google’s UK policy manager. “You need to keep it at home and play with it in your bedroom.”

Education

Code Club, an initiative that gets volunteers from companies to teach coding in schools as an extracurricular activity, started in the UK and has since grown to 100 clubs across 35 countries. About 40 per cent of the participants, aged 9-11, are girls.

Clare Sutcliffe, the founder, believes that because there is less of a gender divide at that age, recruiting girls has not been a problem.

While coding will be part of the UK’s national curriculum from autumn 2014, Ms Sutcliffe believes much remains to be done to prepare British primary schoolchildren for the digital world that awaits them when they finish school. She thinks there is



Prepared: young people are adopting new technology at an ever earlier age

still a great need for Code Club volunteers and training for teachers: “The jobs of the future haven’t been created yet,” she says.

In parts of Nigeria, where mass coding might seem unfeasible, the Youth for Technology Foundation is working to make sure young people and women outside the developed world are not left behind. It too believes that students need transferable and applicable technological skills, rather than

just the ability to find their way around one particular device or piece of software.

As mobile penetration has increased and the cost of mobile technology has decreased, YTF has implemented programmes where education videos are distributed via MMS (multimedia messaging service). Knowledge is tested through a quiz, where people reply with their answer via text message.

Njideka Harry, YTF’s founder, says:

“We don’t want to empower a generation of word processors. We want to provide ... life skills to [help produce] the world’s next innovators. We develop programmes geared towards that.”

Security

The danger, once other barriers are overcome, is that young people will find their security compromised.

“I do think there’s a big gap in media literacy,” says Amanda Lenhart at Pew Research. “Let’s say you look up health information online. What tools do you employ to make sure it’s useful? Who paid for the website? Understanding that is something few people are well versed in.”

Projects are appearing to help young people understand how to navigate the digital world safely. Roberto Ruz started up an organisation to promote safe use of the internet after being harassed online while working as a radio broadcaster in Mexico.

Eres Lo Que Publicas (“You are what you publish”) came to fruition after he researched ways to promote online security and starting publicising problems, such as cyber bullying and grooming, by distributing literature. The Mexican government hired his organisation to raise awareness of crime prevention on social networking sites using its crime budget.

Mr Ruz is writing a book for state schools on digital literacy and plans to push the campaign into Colombia, Ecuador and the US. “Facebook may disappear, but never the activity,” he cautions. “So we have to teach kids and young people how to use a ‘seat-belt’ online to avoid them crashing.”

The pace of development in digital technology may make it a strange new world, but, according to Mr Bertram, there are still lessons to be learnt from history.

“I think back to when I was a kid in the UK and the BBC Micro project, which put computers into the hands of every child in the UK. People got to take them home; it introduced coding to a generation,” he says. “Twenty years after that project, we saw the boom of the software industry in the UK.”

Mr Bertram thinks that even the “glimmer” of a project like that would make all the difference now.

Delicate balance of risk and reward

Health

Incentives are being used to encourage adolescents to make responsible choices, reports *Andrew Jack*

The age-old demand by teenagers for cash “bribes” from their parents for good behaviour is gaining unexpected credibility. From Brazil and Mexico to Tanzania and Malawi, governments are exploring payments to adolescents to reward healthy practices.

“Conditional cash transfers” typically offer money in exchange for proof that young people remain in education, go for periodic health checks, or can demonstrate through negative test results that they have not contracted a sexual infection.

It is no coincidence that much of this innovation has taken place in developing countries, where surging youth “bulges” in the population and high prevalence of ill health are driving efforts to find new solutions.

They come at a time of intensifying debate over ways to boost health promotion and disease prevention in a particularly vulnerable age group.

Studies suggest that adolescents face a risk of injury or death that is two to three times greater than in childhood, the result of increased risk-taking as they become more autonomous and exposed to peer pressure.

Greater freedom and rising income levels can bring fresh dangers. With short-term benefits often masking longer-term consequences, they face threats from sexually transmitted diseases, smoking, drinking and obesity.

Not all the trends are negative, however. Rising global income levels alongside improved medical interventions are extending life expectancy.

The development of vaccines, and programmes to increase their adoption, are expanding benefits from childhood years into adolescence.

That includes the recent introduction of injections to prevent sexually transmitted HPV, the main cause of cervical cancer. Meningitis and flu immunisation programmes are also spreading into teenage groups. As for other age groups, greater awareness and prevention programmes have helped reduce the number of new infections of HIV over the past few years.

“Nudging” – small incentives to encourage positive behaviour through such changes as smaller glasses to reduce alcohol intake, or greater availability of fresh fruit – has received much attention.

Social media offer new opportunities to reach adolescents directly. Programmes such as YoungAfricaLive, for instance, use mobile and online technology mixed with entertainment to disseminate health education.

Yet there are concerns that in some groups, much health education has reached the limits of its impact. In the UK, for instance, the number of cases of chlamydia – a proxy for unprotected sex – is rising, with 238,000 cases identified in 2012 of which 70 per cent were aged under 25.

Some groups, including men who have sex with men, are practising particularly high-risk behaviour – something attributed in part to the declining fear of a “death sentence” from HIV with the advent of antiretroviral therapy, as well as the “disinhibition” effect of drugs and alcohol which increases tolerance for risk.

Greater freedom and rising income levels can bring fresh dangers

Innovation by the tobacco industry – with the advent of electronic cigarettes that may stimulate fresh interest in smoking of all sorts – and the food industry – with “low fat” products that are high in sugar – has presented potential new threats.

Risking Your Health, a review by the World Bank, highlighted the value of taxation and legislation including age restrictions on the purchase of alcohol and tobacco, alongside controls on labelling and advertising and bans on smoking in public places.

Not all such measures have succeeded. “Fat taxes” to tackle obesity – the non-communicable pandemic of the 21st century – have so far failed to win widespread support.

Frank discussion in schools, and the provision of advice that is swift, confidential and free, have an important role. As today’s youth become tomorrow’s adult policy makers, they will have plenty on the agenda to improve health further for future generations.

Lack of tolerance over sexual orientation leaves lasting scars

Diversity

LGBT youth face greater bullying and violence, finds *Shannon Bond*

When Dan Savage put up a YouTube video in 2010 in reaction to the suicide of Billy Lucas, a teenager in Indiana who was taunted about his sexuality, the American columnist was not planning to start a movement.

“The impulse you have is to think: ‘God, if I could only talk to that kid for five minutes’,” Mr Savage says. “But I would never get permission from the parents of the queer kid who most needs to hear from [gay] adults, the one who has no access to other gay people.”

“But then I thought, I live in the YouTube era... I don’t need anyone’s permission.” That saw the birth of It Gets Better, a campaign that has seen figures from Barack Obama to Lady Gaga upload videos telling lesbian, gay, bisexual and transgender youth their lives will improve.

The project, now a global advocacy network, is among the most visible manifestations of the changing world in which young LGBT people are coming of age.

Gay rights advocates had much to celebrate in 2013, with a landmark US Supreme Court decision upholding same-sex marriage, expansion of marriage rights in the UK, Brazil, Uruguay, France and New Zealand, and a new transgender rights law in the Netherlands.

But there were also significant setbacks. India’s Supreme Court reinstated a colonial-era law banning gay sex. Uganda criminalised homosexuality, while Nigeria outlawed gay marriage and increased penalties for those supporting LGBT rights.

In Russia, a ban on giving minors information about “non-traditional sexual relationships” jeopardises gay rights advocates and



Progress: It Gets Better’s Dan Savage (left) at his marriage to Terry Miller in 2012

Reuters

prompted some world leaders to say they will not attend the Sochi Olympics in February.

Simply being gay remains illegal in scores of countries, and even in places where acceptance is growing, progress is often two steps forward, one step back. Gay adolescents are among the most deeply affected by these challenges. They often feel isolated and ostracised and face higher rates of violence, homelessness, bullying and family rejection, with long-term implications for their social and economic wellbeing.

“The stakes are higher for queer kids,” Mr Savage says. “When a kid is bullied for his race or faith or class, they have parents of the same race, faith, class that they can go home and open up to and expect their advocacy and support. Queer kids don’t have that.”

In the US, where polls show public approval of gay marriage increasing faster than any other issue, LGBT youth make up 40 per cent of young homeless people, according to a 2012 study.

“Family rejection on the basis of sexual orientation and gender identity was the most frequently cited factor contributing to LGBT homelessness,” says a report from UCLA’s Williams Institute. More than half of homeless LGBT youth said they experienced abuse at home. Once on the street, they were more likely to be

sexually victimised or attempt suicide. Gay youths also face hostility at school. Nearly 40 per cent of US LGBT students reported physical harassment, and rates exceeded 60 per cent in Mexico, Chile and Peru, according to the World Bank. In India and Bangladesh, half of gay men said they had been harassed by fellow students or teachers.

Bullying has serious health effects, raising risks of depression, anxiety and suicide. Bullied kids are more likely to drop out of school, which can have a

‘Family rejection was the most frequently cited cause of LGBT homelessness’

life-long effect on earnings.

The issue has been raised by US educators, and gay-straight alliances, student organisations that promote tolerance, have helped raise awareness, says Emily Bazelon, author of *Sticks and Stones*, a study of bullying.

In some parts of the world, pressure has included legal penalties. Last year, a group of lesbian and bisexual women in Senegal – including a 16-year-old – were put on trial, although later acquitted, according to Human Rights Watch.

Such harsh environments constrain advocacy. Monica Tabengwa of Human Rights Watch says some health and services groups in Kenya “choose not to work with youth to protect themselves from being accused of recruiting children into homosexuality”.

“They fear that they could easily get sued or lose their licences.”

In Russia, the recent law banning “gay propaganda”, as well as a proposed bill that would remove children from gay parents, are being raised as the UN’s children’s rights committee reviews the country’s treatment of children.

Amid the difficulties facing gay youth, many turn to the internet for support, community and information. A survey of gay American teens found they spent more time online than their straight peers, had more online friends and were highly likely to have used the internet to connect with other LGBT people.

“The internet is a tool – it’s a hammer. You can use it to build things or break things,” says Mr Savage.

Apart from being a source of bullying, the web is a “subversive” way to end the isolation felt by many gay teens. Ending such isolation was Mr Savage’s goal when he posted the first It Gets Better video.

“There’s an upraised finger at the heart of it: I’m going to talk to your kid whether you like it or not.”

HARRY WINSTON™

Brilliant Futures™

璀璨未来



The Harry Winston Hope Foundation proudly continues its support of the International Youth Foundation (IYF) and the China Youth Development Foundation in giving young people opportunities to realize a brighter future.

Today teens in Beijing and eight other cities across China are receiving critical life skills training through IYF’s Passport to Success® curriculum. By learning how to work in teams, set goals, and develop effective work habits, students are obtaining the keys to long-term success at school, on the job, and in life.

For more information, go to
www.iyfnet.org and www.harrywinston.com

HARRY WINSTON
HOPE FOUNDATION™

