Vocational Skills Development

Reaching the Poorest or Targeting VSD for Innovation.
Is There a Trade-off Between These Two Goals?

Research Paper for
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Executive Summary

This paper develops a quality and inclusive system for Vocational Skills Development (VSD). Therefore, it analyses current policies of the Swiss Agency for Development and Cooperation (SDC) and differentiates between aid for the poor and aid for innovation. Additionally, the Swiss tradition of vocational education will be pointed out, to highlight the importance and value of VSD in Switzerland. Amongst other things, the paper urges to spread the idea of the successful education system of Switzerland.

In a first step, this paper looks at several existing VSD projects from the SDC and other institutions, which display various effects, both successes and challenges. It evaluates the outcomes of these projects to understand which factors are most decisive for a successful VSD project. Hence, the paper eventuates an unavoidable trade-off between VSD for the poor and VSD for innovation. In a second step, a recommendation for a quality and inclusive VSD system will be developed. This happens through a thorough assessment for a designated region and a multi-step strategy to approach and conduct a successful VSD project.

The main target of the approach will initially include only the young people who already have enjoyed basic primary, secondary or vocational education and are committed to work and to bring change for the better to their region. In a second step, we start to include the poorest social group to execute merit-based and low-skilled work. Eventually, a market-led and demand-driven development and a change of the mindset of the people concerning vocational education is expected. This includes the social appreciation of VSD and the constant transfer of skills on all levels. These plans will be reflected in fictive examples to demonstrate how the approach on VSD could work in real life.

Eventually, this approach aims for long-living, self-sustaining and re-iterating processes within VSD projects designated for innovation as well as for the poor to improve the situation of young and unemployed, the entire community and coming generations.

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List of Abbreviations

BE	Basic Education
EU	European Union
IDA	International Development Association
ILO	International Labour Organization
MDG	Millennium Development Goal
NORRAG	Network for International Policies and Cooperation in Education and Training
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
SDC	Swiss Agency for Development and Cooperation
TVET	Technical and Vocational Education and Training
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
VSD	Vocational Skills Development

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1. Introduction to the Topic

1.1 Vocational Skills Development

The Swiss Agency for Development and Cooperation (SDC) has a long-standing tradition in the area of Vocational Skills Development (VSD). It supports the position that vocational education and training have the power to contribute decisively to poverty reduction. The aim of VSD is to enable people to acquire the skills they need to participate in economic life, recognize new opportunities and achieve access to appropriately paid work. The UNESCO-UNEVOC definition of VSD is "the acquisition of knowledge, practical competencies, knowhow and attitudes necessary to perform a certain trade or occupation in the labor market." (European Commission, TVET and Skills Development, 2012, p. 12)

Due to the fact that vocational training, together with basic education, counts as one of the central prerequisites for economic and social development, the SDC has devoted itself to assisting the poorest and most socially vulnerable segments of population in order to help them escape the exclusion from economic life merely because they lack the necessary qualifications. (SDC, Vocational Education and Training, 2015)

Fact is however, that the approach to and understanding of development aid has evolved substantially in the last years and the original VSD approach of the SDC is being questioned at its core. Do we, most effectively, reach the most of the poorest by targeting the poorest? Or is there a need to rethink the model and could aid more successfully be addressed for innovation? Does one target exclude the other? Is there a gap between these two? These and further questions will be the central focus of the research paper.

A lot of insights used in this paper came from the on-site visit to the SDC and the discussion with experts in the field. The inputs received and the content of the discussion are included in this research paper to complement the content.

1.2 Scope and Differentiation

Due to the limited length of this research paper and for the sake of profoundness of the research question, the focus of the paper will be exclusively on VSD, with the addition that this includes the training and education of individuals with no solid basic education (BE). Therefore, even though VSD and BE are closely connected and interrelated, development approaches and questions regarding BE will not be addressed.

Furthermore, the research paper will take over the term VSD, which, coined by the SDC, shares a broader understanding than the classical term TVET (Technical and Vocational Education and Training) used by the UN and pointed at acquiring qualifications in the formal economy, as VSD encompasses and shares the vision of a concept of life-long learning that can take place at all education levels.

Lastly, the authors have decided to aim at creating an all-encompassing VSD concept that integrates VSD targeted at the poor with VSD for innovation and not to focus on a specific region or group. The idea behind this is that the proposed overarching concept can flexibly be adapted with respect to local circumstances and conditions.

1.3 Structure of the Paper

The research paper will be structured as follows. After a brief introduction to the classical VSD approach, guidelines and policies as followed by the SDC and a look at the reason why Switzerland is in a favorable position to set its development focus and strength on VSD, being a figurehead in the area of vocational education, some examples of VSD projects will be presented. This analysis of VSD in practice sheds light on the success factors but also on the underlying challenges faced in this field of development aid. Following from the recognized challenges, the existing trade-off between targeting the poor and vulnerable vs. focusing VSD on innovation will be assessed in detail. In addition, to understand the trade-off more fully, other donors and institutions will be introduced and their approach to the handling of the trade-off considered. Taking all the lessons learned together, a recommendation will be brought forward for an inclusive and quality VSD system. In support of the recommended approach, data and evidence in favor of the re-thought VSD policy will be added and all gathered insights will be summarized in a final conclusion.

2. SDC Policies on VSD

Before attempting to develop a new approach of how to handle VSD projects in the future, a first look will be at the current work of the SDC and how VSD is conducted today. In the field of VSD, the SDC follows two main principles. (SDC, SDC Guidelines, 2010, p. 12) First, it promotes widening of access to VSD. This means that the SDC is concerned about a better inclusion of disadvantaged persons. It is mainly about removing barriers by lowering costs and formal entry requirements. Second, the SDC is involved in improving the relevance of VSD. The quality of vocational education and training opportunities should be enhanced.

The SDC follows the following policy concerning VSD: "The SDC is committed to the development of vocational education and training opportunities that are accessible to all and enable lifelong learning. Its activities are aimed at the poorest and most socially vulnerable sections of the population, young people and women as well as rural populations. In this context, it endeavours to establish an efficient and flexible education system that addresses local requirements." (SDC, Vocational Education and Training, 2015)

The policy of the SDC poses a clear focus on helping the poorest and the most socially vulnerable. Furthermore, it is conspicuous that the SDC tackles the idea of VSD in developing countries. VSD is one of the most encouraging and promising ways out of poverty and to innovation. This may be caused by the long-lasting tradition of vocational education in Switzerland.

3. Success Model Switzerland

3.1 Swiss Role Model for Area of VSD

Switzerland has one of the world's most successful dual educational systems with a major focus on vocational skills. (Newly Swissed, 2014) This is why Switzerland rightfully sees itself in a leading position when it comes to Vocational Skills Development. There are reasons in many areas to prove the fact, that Switzerland does very well for itself and that the dual educational system may be a role model for the area of VSD. First of all, one must recognize that Switzerland puts the private sector in charge to keep on training the young people after 9th grade within a well-integrated and quality apprenticeship. This clearly points out the demand-driven education of apprentices. Furthermore, the apprentices get to know hands-on skills and on-the-job experience in their industry. It is worthwhile to integrate young people into the working world at this early stage of their lives to foster their vocational skill set as well as soft skills like work ethics, real life problem solving skills and socialization at work.

As the entry ratios of high school and university in Switzerland are both only at around 30% and as the youth unemployment rate is only about 5%, both numbers are at the lower end compared to the OECD countries, it can be determined that the vocational education has a highly reputable value for both apprentices and national economy in general. In Switzerland the mindset of the people acknowledges non-academic careers the same way as academic careers. As the private sector is responsible for the vocational education, there is a certain assurance that apprentices are always receiving state of the art education in their sector. Furthermore, Switzerland proves to be one of the most, if not the most competitive country of the world. With around 5%, Switzerland manages to keep the youth unemployment rate at one of the lowest levels worldwide.

Considering all the mentioned above, one may conclude that Switzerland has an overall highly successful way of providing vocational skills to its youth.

3.2 Success Model for the World?

While the dual educational system works very well in Switzerland, we can not expect to make it work in other regions of the world. This is due to many different factors in the areas of culture, economy, politics and society. In Switzerland, the dual educational system has a long history and is therefore well accepted and appreciated. Local workers receive quality

education and are able to constantly improve themselves. This logic and understanding is deeply rooted in the mind-set of Swiss people. However, it is a great effort to implement it elsewhere. It might be a challenge to adduce the Swiss model of the dual education system to the world and certainly will take a lot of time. Thus, it will be crucial to show all the benefits of VSD to the people before providing the education itself. VSD has to be locally established, understood and well-accepted before the idea can spread and gain ground.

4. VSD in Practice – Successes and Challenges

4.1 SDC Success Stories

The SDC is active in the field of VSD in all developing regions and its projects are directed at preparing people, with a special focus on young adults, for life and the world of work. At the same time, the projects contribute to the competitiveness of the respective economies. The main target groups are young school-leavers, school 'drop-outs' and the unemployed. Two specific success stories, that where realized in two very different regions and built on different conditions will briefly be introduced:

I)   SDC Project *Professional Education in Bolivia: "We need more Electricians and fewer Lawyers."*

Bolivia is a country where 70% of the population works in the informal sector and here the SDC in collaboration with public and private partners enabled a wide array of professional technical formation support as well as good training and achieved a difference. Bolivians hold on to the belief that one ought to study and become a lawyer, and the prospect of becoming a technical professional is not well supported. With the work of the SDC however, 18'000 young adults and more than half of them women living in rural areas, were trained in practical workshops equipped with modern machinery. The costs per workshop range from 10'000 to 25'000 dollars. Several success stories can be presented. 44-year-old Silvia and 42-year-old Rosalia have become successful entrepreneurs. Silvia visited an alternate education course for bakers and now Bakery Silvia is the biggest in her city. Rosalia owns her own greenhouse and sells her flowers at the market as her main income. Since 2006 the Bolivian Government promotes professional education and sets more emphasis on the practical and productive aspects. The conclusion of the project is that if the replication of good practices is achieved across the country, every year 200'000 Bolivians would benefit from improved professional education and training programs. (SDC, Latin Brief, 2015)

II)   SDC Project *Success Factors of the Swiss Vocational Education and Training System in the Western Balkans*

A second example focuses on a very different region, the Western Balkans. Here, the SDC is actively implementing various vocational education and training

projects with the aim to meet the prominent need to increase youth employment during the transition from a centrally planned system to a modern market economy. The SDC has been able to apply the success factors of the Swiss VET system, which has aided as an effective approach to improving the performance of VET in the Western Balkans and was addressed particularly to the young and vulnerable groups. This lead to the development of new curricula, the training of trainers, short-term internships, stimulated businesses and even a change of mindset has been initiated. Nation-wide campaigns were undertaken, the media was involved to provide labor market information. The successes of the project are substantial and the SDC is actively promoting it further, but nevertheless, it had to be recognized that a sustainable implementation of the dual-model in the Western Balkans is not possible yet. (SDC, Factsheet Western Balkans, 2014)

4.2 Further Role Model Examples

The authors analyzed and compared a multitude of different project examples and designs. Next to the broad activities that the SDC has undertaken there is an endless list of projects in all possible areas of VSD from other institutions and countries worldwide. They have all celebrated their successes in their area of engagement – however the reach of most projects is strongly limited and very specifically targeted at one group, or area, or profession. Nevertheless, it is fascinating to see which different approaches, designs and ideas have been implemented and how diverse and different VSD in practice is. Unfortunately, no statistical overview has been found on, for example, which approach celebrates the most success, which profession has been fostered the strongest, or which region and target group has been focused on most.

All in all, it is insightful to take a closer look at the differences between the projects and also the, mostly hidden, challenges that arise through them. It makes little sense to list different projects in this paper, but a short glance at the detected challenges will help understand the essence of the trade-off that will be addressed later on.

4.3 Underlying Challenges: Reading Between the Lines

A main point of criticism highlights VSD as an expensive, inefficient and unresponsive system and development approach. (Holmes, Chakroun, & Marope, UNESCO, 2015, p. 12) This represents, to a certain extent, what can be concluded when studying the singular projects and when reading between the lines. Evidently, each project and training program enjoys legitimation and creates benefits if it enables a group of young unemployed adults to acquire a skill they can then apply to find work and earn an own income. This is a major success for the addressed group. But the success more or less terminates here. Can the girl that now has the ability to weave, or the boy that learned how to grow crop sell his or her work? Do they know how to pass on their acquired knowledge and skill, also beyond their shop or village? These are fundamental question that seem unaddressed in the presented success-stories. Furthermore, the skills taught are very specific, do the trained people know how to acquire subsequent necessary skills to advance in 'their career', and, very important, do they know what appropriated working conditions are, do they seek employment contracts, to they have the knowledge on how to open their own businesses? All these questions are central to the success of VSD. Because without this additional knowledge, VSD success is limited and short-sighted.

In order for the development work in the area of VSD to enjoy broad success and create lasting impact and changes, the approach and projects have to ensure continuity and be self-supporting. In several project descriptions the fact was mentioned, that **if** the replication of the practices is achieved, then many will benefit. But the guaranteeing of this 'if' condition does not seem to be addressed in many the projects. (European Commission, 2016; Deutsche Gesellschaft für Internationale Zusammenarbeit; The World Bank, 2016; US Aid, 2015; American Council on Education, 2016; Gelb, Mengistae, Ramachandran, & Kedia Shah, 2009) Very often the project descriptions sound more like story-telling, pointing out the success of one or two training absolvents who managed to build their own well-functioning businesses, but there are no references included as to how the project success spread, on future developments, what the entire success-rate was of the project, if there is a long-term payoff, or the spreading of the training approach. (SDC, Asia Brief, 2009; SDC, Latin Brief, 2015) Should development aid in VSD not be about enabling the poor, the uneducated, the unemployed, to help themselves? One workshop costs 10'000 to 25'000$, VSD aid cannot

have the ambition to provide each person in need with a workshop experience. A more promising way of spreading and automating the aid and of enabling the supported poor to help themselves needs to be developed.

The core challenge that this paper attempts to address is how the experienced inefficiency und unresponsiveness of the VSD programs could be approached. Today, due to the guidelines and underlying provisions, the projects of the SDC are directed at the very poor. It is they who need the help most. But providing each of them with a training is not realistic and neither is expecting them to pass on their skills and promote economic development. For that they would need more skills and knowledge than can be acquired in one workshop. Therefore, the major question to be asked is: Through a new approach and a re-thought targeting building on more innovative skills directed at the more educated group in developing societies, could not a higher number of very poor be reached and VSD more effectively be implemented?

This overarching question leads directly to the trade-off that is to be addressed in this research paper. The trade-off of deciding who to target and who to direct the aid to will be addressed in depth in the following chapter.

5. The Trade-off: VSD for the Poor vs. VSD for Innovation

5.1 A Deeper Look

The insight received from the closer analysis of specific VSD projects and approaches has shown clearly that a trade-off undoubtedly exists between VSD for the poor and VSD for innovation. It is a simple mind-game: in a training course aimed at the poorest where basic skills are learned to be able to execute a low-skilled job, like learning to weave, there is little incentive for a group of society equipped with basic education and employment to participate, nor does the course provide any innovative element with further reaching skill acquirement beyond the on-the-job skill. Due to the SDC strategy aimed at aiding the poorest and most vulnerable groups, there is little to no room for innovative VSD approaches, as these groups of society demand the very basic support of learning to make an own living and integrating themselves into the economy through the learning of a needed skill. Any innovative element of teaching them management skills, or educative skills on how to pass on the learned skill would go too far on that level.

There is an undeniable goal conflict involved in this area of aid. With the focus set on the poorest, innovation automatically falls short. However, as development aid is supposed to be targeted at the poorest, a retargeting on innovation would need to indirectly help the poorest as well. If it could be achieved that VSD projects contain more innovative elements, e.g. enabling shop owners to expand their business and employ and train their workers, or teaching the locals to open training centers and taking over the task of designing needed skills and jobs, then the trade-off would partly be circumvented. While targeting the poor has little spill-over on innovation, targeting VSD for innovation could possibly have a large spill-over effect on the poorest – if implemented successfully.

5.2 Challenge the Trade-off Creates

The challenge that the trade-off creates is the following, summarized and simplified: There are only limited funds and resources available for VSD projects and the aim is to invest them most effectively in order to help as many of the poorest as possible. Targeting the poorest and innovation in one is hardly achievable due to the profound difference in needs between the two. A decision needs to be made in advance on who the project is aimed at helping. This decision is not an easy one to make and needs to be given considerable attention

beforehand. Statistical analyses would help to determine where the funds are most effectively invested and who benefits the most from VSD projects. Who is the target and why is this the best approach? However, there is little to no literature that covers this topic and much less any data to be found on which targeting approach yields which result. Therefore, to answer the question *Is there a way to target VDS for innovation and in that way aid the poorest most effectively?*, parts of the answer will rest on assumptions and rational thinking.

5.3 Specific Difficulties

5.3.1 The Gap

There are several further difficulties that arise independently of the trade-off and targeting challenge but at the same time influence the effect of the trade-off. One of them is the always existing gap between what professions and skills the VSD system and the training opportunities of the respective country educate – and what is actually needed and asked given the economic circumstances.

There is a major challenge in foreseeing how the economy will develop and what skills are demanded in the future, and in the following how to design the project content in order to avoid a gap between worker skills and economic demands. VSD systems would continuously need to be adaptable to where the growth is. This leads to the question, which targeting group is able to respond more rapidly to changes in economic circumstances. The answer would, most likely, be the innovative group. They tend to understand how the economy works and can expand their business sectors towards where the growth lies, and in the following educate and teach their staff. The very poor, irrespective of whether they are low-skilled workers or experts in a certain field, are less likely to be able to adapt their skills by themselves according to market-needs. This means the workshop content continuously needs to be assessed and adapted to changes.

5.3.2 SDC Principles

As elaborated above, the SDC principles request the orientation towards the needs of the poorest and most vulnerable groups of society. (SDC, SDC Focus, 2015) This clear direction in a way limits the possibilities to address VSD for innovation, which might, in the longer run, create considerable effects for the poorest. On the contrary, in order for projects to be

approved and supported by the SDC, the visible outcome of the project clearly needs to be beneficial for the poor. The support can be direct or indirect, but the effect has to be to clear and recognizable in the short-run. Therefore, the targeting of VSD for innovation would need to show that it benefits the poorest in the end.

5.3.3   Image of Vocational Education

A further challenge that also has an influence on the trade-off is the firmly established belief in many developing states that it is the highest goal to study and become a doctor or a lawyer, and following a technical skill education is of lower value and not as desirable. This leads to an excess of academics, and financial difficulties for the supporting parents. The brief on Bolivia states the case: 'We need more electricians and fewer lawyers.' (SDC, Latin Brief, 2015, p.1) This belief needs to be addressed and a re-thinking attempted.

Vocational education needs to be made more attractive and seen as desirable for young people as a career path to follow. The status and image of educational training need to experience a boost; through career chances in the sector, the execution of skill competitions, advanced training opportunities or flexible shifts between professions, to name some examples. The question now is, in which target group is a re-thinking easier to accommodate? Again, VSD for innovation seems to make the case. If the educated young adults managing and expanding the local businesses and providing specific expertise knowledge could act as representatives and as role models for pulling the low-skilled population on-board, there could be extensive spill-over effects and a clear sign would be made, that this career path has promising outcomes as well.

5.4 Trade-off: A Problem?

The conclusion is that the trade-off cannot be argued away. It is a given fact that we have limited resources and a decision has to be made on who to direct the resources to. A decision with different effects and outcomes. Is this decision and trade-off a hindrance? If the focus is solely set on the poorest, but greater changes could be achieved and more reached with a re-targeting, then in a way yes. The approach of the authors attempts to mitigate this hindrance with the re-targeted approach.

However, even though the trade-off is a challenge, it is not a problem, if the decision is addressed beforehand and clearly defined. If this does not happen, the result is a messy and discrepant approach. Lacking coordination means sources will get lost and inefficiencies limit the progress.

It is a given fact that many developing economies lack experts in technical and mechanical professions – and this is why the authors see this trade-off as a new chance for the SDC's activities in the field of VSD. Targeting for innovation could be an entirely new approach to this development aid area. Switzerland is known to top the major international rankings for innovation, plus it provides extensive knowledge in promoting the dual system. This combination can be used to establish a new attempt to VSD. VSD for innovation in a remodeled approach to aid the poorest more effectively and sustainably. It is a utopian thought and there is little literature to support this reasoning on the trade-off and its effects, but it is worth devoting a thought to it. (Rutschi, 2016, p. 20)

In order to grasp the effect of the trade-off decision more fully, in the following Chapter 6, other donating institutions and countries will be analyzed regarding their approach to the targeting question.

6. Dealing with the Trade-off

6.1 How Other Donors Handle Trade-off

6.1.1 European Union (EU)

In the final report of the European Commission on 'TVET and Skills Development in EU Development Cooperation' from 2012, no specific focus on the poor and vulnerable can be found. The European Commission lays attention on the young unemployed and connects TVET strongly with basic education. The report states that in developing and middle-income countries, the EU Official Development Assistance (ODA) supports quality education predominantly for youths to receive the knowledge and skills to become active members of rapidly evolving societies. Particular attention is devoted to promoting employability, decent work, social inclusion and social protection through a wide range of projects and programs across all geographical areas. The overall purpose is to contribute to the development and implementation of national policies, consistent with the EU commitment at international level, with the internationally agreed MDGs (Millennium Development Goals) on the principles of aid effectiveness and with the vision of TVET for EU member states. (European Commission, TVET and Skills Development, 2013, p. 8)

The report recognizes that in developing countries the informal economy is a firmly established phenomenon and that in these countries, TVET systems are small in size, often out of touch with market needs and rarely focused on providing training that is targeted at formal as well as informal workers. It therefore sees a chance for developed countries to support developing countries in building their capacities. Nevertheless, TVET remains a minor part of development aid, receiving only 2% of total education funding worldwide, according to OECD data. (European Commission, TVET and Skills Development, 2013, pp. 16-17, 20)

In conclusion it can be said that the EU approach to VSD, or TVET, is a rather undefined and unspecific one, not clearly cut off from education, not clearly targeted to a specific group. But the tendency is rather towards innovation, supporting the governments in building up national programs, and implementing TVET systems to produce new and different technical and managerial skills, to reskill workers, and to manage the transition between declining and growth sectors and occupations. (European Commission, TVET and Skills Development, 2013, p. 17)

6.1.2 International Labour Organization (ILO)

The ILO represents the view that countries at all development levels ought to apply adequate skills training to increase the ability to innovate and adopt new technologies. The overall aim should be inclusive growth and not growth that leaves large segments of society behind. Only a workforce that has been appropriately trained and has the possibility to continue with training and learning has the ability to impact economic and job growth. (International Labour Organization, Skills, knowledge and employability, 2016)

This alignment shows the clear integration of the poor and vulnerable group of society, due to the reference to inclusive growth. However, the focus is mainly on innovation and enabling economic growth through purposeful training opportunities. Also the project variety of the ILO shows that innovation and the targeting of more developed societal groups are more at the center. The focus is rather directed towards the economy, addressing issues like prosperity and productivity. (International Labour Organization, Skills, knowledge and employability, 2016)

In a project example combatting child labor in Jordan 160 young adults received apprenticeship trainings, were equipped with training manuals for theoretical and practical sessions, which shows that they had to be able to read. They learned how to deal with customers and employees and were placed in local businesses, accompanied by a mentor, and successfully integrated into the business. While the program's primary aim was to help vulnerable youth, it was also directed at upgrading apprenticeships in ways that make them more beneficial for the employers and enterprises. This shows a clear approach to innovation. (International Labour Organization, Apprenticeship programme offers escape from child labour in Jordan, 2016)

Also the ILO Bangladesh Newsletter shows clearly that the concentration is set rather on developed and innovative approaches than low-skilled trainings for the poor. Disability inclusion in the workplace, labor inspector training, collaborations with the government on ‚Occupational Safety and Health Skills' or ILO support of the Bangladesh Government to develop and implement policies aimed at increasing the access for women to skills training are some specific examples to be named. (International Labour Organization, Bangladesh Newsletter, 2016)

6.1.3 Network for International Policies and Cooperation in Education and Training (NORRAG)

This network has created a 'Working group for International Cooperation in Skills Development' and has published several reports since 1996 with the sole focus on TVET in cooperation with the SDC and the ILO. The reports elaborate on a certain topic, as well as summarize trends in development cooperation in different countries and therefore deliver a significant overview over the diverse activities undertaken and general direction of the respective countries.

The orientation of NORRAG is clearly turned towards innovation, pushing the economy and equipping the working class with a valuable role. Their opinion is that in the short term policy attention needs to be given to the successful micro and small enterprises that can play an important role in providing employment, goods and services to the poorest segments of society. They underline that there is mounting evidence that the poor are not to be found in the majority of pathways to skills development and that market-led and demand-driven courses will exclude the poor at the start. They support the fact that even though one might follow the vision of pro-poor growth, the logical is that the upper reaches of the informal sector have a valuable role to play in fostering skills for poverty reduction. Even if the poor are excluded in the first place, there will be an automatic expansion of vocational training centers into rural and urban slum areas that will gradually include the poor. NORRAG even emphasized that there is a danger in reducing the image of the TVET sector to survival activities and the need for direct poverty alleviation and that the current donor emphasis on poverty inhibits the successful role of this area of aid. The success factor and benefits claimed for TVET highly depend on the quality of the skills acquired and a dynamic environment in which they can be applied. Cleary, for NORRAG, the economy counts. (King & Palmer, Technical and Vocational Skills Development, 2007; Working Group for International Cooperation in Skills Development, Linking Work, Skills and Knowledge, 2001, pp. 9-10)

What strikes the authors as particularly interesting is the fact that all of the reports of NORRAG are in collaboration with the SDC, even though they advocate in a way the opposite orientation and focus points. It may exactly be the complement that drives successful co-operation.

6.1.4   Joint Cooperation

Even though VSD is still an area lacking broad attention in international development aid and often listed in connection to BE and not as a separate topic, its importance is more and more realized and therefore shifted into the center to develop its relevance. This June, the 2nd International Congress on Vocational and Professional Education and Training will take place in Winterthur, and one workshop topic will be on the partnership between the five European countries running successful apprenticeship systems, Denmark, Germany, Austria, Luxembourg and Switzerland. These countries are experiencing an increasing interest in models for apprenticeship and the joint project aims at developing an online toolbox to support decision and policy makers in designing their policies towards apprenticeship and work-based learning in vocational education and training. (International Congress on Vocational and Professional Education and Training, 2016)

There is a multitude of other joint examples and solely the SDC maintains a broad array of partnerships with other donor countries, the governments of the receiving countries, international institutions and also on the cantonal level in Switzerland.

Further donor organizations like the UNESCO, the OECD, or the IDA; they have all devoted themselves to the topic of TVET. But none in such a depth and profoundness as the SDC's attention to VSD, much less with a specific focus on the underlying trade-off the area faces. This will be mentioned in detail in the following chapter.

6.2 What Catches the Eye

Several details have managed to catch the authors' attention during the research of how other donors handle the trade-off. These can be summarized in three main findings:

I)   When reading about a countries' or institutions' approach to vocational training and their specific projects, it was mostly clearly recognizable what orientation the donor followed, if its focus lay on pushing the economy and targeting innovation, or on supporting the poor. The focus correlated strongly with the countries development level and attitude to development aid, e.g. Japan in the area of TVET builds solely on higher skills, innovation and the field of technology, as well as the countries' and institutions' moral values it represents, e.g. the EU and the OECD focus on the higher

and more sophisticated skill development of their member states more than on the TVET activities in developing countries.

II)   Not once throughout the research did the authors stumble across a guideline or policy document comparable to the one of the SDC directed specifically at VSD/TVET aid approach in developing countries for any other donor. Either the guideline or final report focuses on the own state/region and therefore high-level VSD policies, or VSD/TVET was merely a subordinated topic integrated in the BE policy, an example being the Global Center for Development. For most donors, one can only assume the orientation and focus point in the area of TVET through reading through the guidelines, policies and specific projects and in that way carve out the general approach.

III) The trade-off specifically was not mentioned once anywhere, except in the documents of NORRAG. Scanning through the different policies one could find references to the very poor and vulnerable at times, but no clear-cut distinction between targeting for innovation vs. targeting for the poorest. This lack of reference to the trade-off can be interpreted in two ways: international aid is always a trade-off, in every area, and therefore not worth mentioning each time, or, the trade-off is not felt to be a major issue of concern, at least not deliberately, more in the background.

Overall, the feeling has been aroused that TVET or VSD composes such a 'minor' part of a countries' or institutions' development focus, that there is no need created to pursue the establishment of clear guidelines and, even less, to elaborate on a trade-off, when anyway only a fraction is devoted to VSD. What is striking is that the SDC approach to VSD seems the most mature of all. It has a distinct guideline, a clear target group, the approach is very specific but at the same time the most encompassing, and the SDC focus is really set towards the lowest group of society. Many other institutions and countries could have been examined – but even after extensive research, no other donor appeared to have such a system in place in this area like the SDC. It could be that VSD is simply not yet such a central core area of aid.

7. Recommendation for an Inclusive and Quality VSD System

7.1 How to Handle Trade-off?

As figured, a clear trade-off between reaching the poorest and quality VSD for innovation exists and as this trade-off is not going to vanish, one relevant question needs to be answered: how should we handle this trade-off?

First of all, each country and region in which a VSD project is planned needs to be understood in detail. It is crucial to differentiate on all relevant factors, to reach a suitable result for the designated country or region.

Furthermore, a certain amount of continuity for a project considering financial and logistical resources should be expected. It is vital for a VSD project to count on continuous input from the helping country. When it comes to planning, the continuity of the project is also essential. Nevertheless, the approach of any project should be flexible, as circumstances in the target country may change rapidly. Moreover, it is necessary to develop tailored solutions in all areas to reach the best results within a project. This is heavily imperative within fragile or semi-stable environments.

Additionally, it is relevant to consider and evaluate new ways of VSD, not least because there might be a certain approach of the SDC on how to handle certain elements of VSD. One should be open to new ways of aid. Ideas from workshops with universities, think tanks with various experts or involvement of not yet used votes to a project are only a few strategies which might work and lead to new ways of VSD.

Eventually, it is important to scrutinize the diplomatic value of VSD and aid in general. It might be that VSD is pushed from politics for diplomatic reasons. The sheer fact that Switzerland establishes a VSD project in a certain country might be motivated politically and not set up for the essential reason of vocational skills development. Therefore, the SDC always has to analyze and evaluate critically the drivers of a new VSD project.

7.2 Our Approach: Assessment for Each Region

As mentioned above, every single region of the world where VSD projects are ought to be set up, has to be assessed individually. This stage is crucial for the entire development and future of a project. Various factors which may have an impact on a project have to be included in the assessment. This includes the differentiation of the different poverty levels of the people

and the poverty level of the country in general. The distribution of rural, suburban and urban population needs to be known as this is highly relevant for the approach of the working methods within a VSD project. Considering education, gathered information about the educational attainments of the people are needed. The percentage of people with primary, secondary or tertiary education is decisive for the approach. Furthermore, general information about infrastructure, economic environment, political stability, local culture and environmental conditions is helpful to develop an overall proposition.

7.3 Important Inclusions

7.3.1 Key Actors

Special attention needs to be given to so-called key actors. These are actors, which are decisive when it comes to the layout of a VSD project. After the overall assessment for a VSD project, it is always crucial to include these actors. Basically, it is decisive to build on given structures within politics and economy. The private sector which already exists should be taken into account. It is necessary to include unions and other ambassadors of the people. The more alignment with these institutions is reached, the smoother is the set up of a VSD project expected to be. Furthermore, it is valuable to include young adults which already enjoyed certain years in primary or secondary education. These are the young people which theoretically have the talent and the commitment to bring change for the better to their village, but just did not quite have the opportunity so far. It will be vital to regard them as major collaborators of a VSD project. It is inevitable to improve the image of vocational skills. As many low-skilled workers in developing countries possess the image of the unsuccessful vocational education, it is vital that people realize that demand-driven vocational skills development is highly successful and prosperous for the future generations. Furthermore, this development leads to innovation and entrepreneurial behavior. Last but not least, local culture such as special habits of the people and native tribes should always be considered as one of the most important factors. These may influence the entire region when it comes to major change through VSD for innovation.

7.3.2   Sectors with Growth Opportunities

As the approach puts a large focus on the demand-driven economy, it is inevitable to concentrate on sectors with growth opportunities. Many VSD projects have failed because this factor was not taken into account. A VSD project must not train a great amount of young people to become electricians, while there is no guaranteed or too expensive electricity in the region. Therefore, it is important to focus on sectors which are needed in the region of the chosen village or city and the surrounding area.

7.3.3   Create Rethinking

A look back on the guidelines of the SDC considering VSD reveals that the SDC already made a clear decision when it comes to the trade-off between reaching the poorest and VSD for innovation. As the policy says: "Its activities are aimed at the poorest and most socially vulnerable sections of the population, young people and women as well as rural populations.", the statement of the SDC ought to be questioned. First of all, it has to challenge the assertion of "aiming at the poorest". There is no assurance, if this policy is conducive or obstructive. Furthermore, the inclusion of VSD for innovation must be guaranteed if the trade-off mentioned above should be ameliorated. Additionally, the policy states, that "it endeavors to establish an efficient and flexible education system that addresses local requirements." (SDC, Vocational Education and Training, 2015) To fulfil this goal, local human resources have to be included as extensively as possible in the projects.

7.4 Reformulation and Re-Targeting

After these insights on the existing trade-off and the current policies, it is now time to reformulate and re-target the approach of VSD. As the evidence shows, the poor are not to be found in the majority of the pathways to skills development. Setting the focus there is more likely to lead to a dilution of funds. The pathway is more promising the other way around. In other words, an evaluation has to tell precisely, where and how to begin a VSD project. This approach therefore proposes three phases for the VSD projects. The ignition phase, the transition phase and the maturity phase. The ignition phase starts right after the execution of the assessment. It is all about recognizing the country and evaluating doable and tailored approaches for a certain region. However, policy attention needs to be given to market-led

pathways to acquire skills for the youth from comparatively better-off families. This idea should counter the fact that money has been invested in the very poor in previous projects and has been malinvested at times. Therefore, the main concentration has to be given on existing structures and the work with people who are well-included in the society and are able to contribute to the initial stage of the project due to their local experiences and knowledge. In the second phase, the transition phase takes place. After the first vocational skills have been passed on to locals, they are expected to recognize market-led and demand-driven courses. These will actually exclude the poor in the first place until effects gain ground. It depends on the ignition phase, if the transition phase begins sooner or later. Once these effects show, the long-term maturity phase can start. In this phase, local people who received VSD trainings, are now able to pass on their knowledge and start to include the very poor to their projects. The expansion of vocational training centers and the growth of opportunities into rural and urban slum areas will begin to spread on a self-sustaining basis.

7.5 The Approach in Detail

To clarify the approach, a few challenges have to be resolved. As the idea is very ambitious and comprehensive, there has to be a shift of certain foci. First, the focus of the attention should be on people with a chance to engage themselves. This requires a certain education level, vocational skills and commitment to work. Furthermore, the project requires a precise application of the assessment to enable the biggest change. The VSD ambition should be needs-oriented for these groups of people but nevertheless broad, which favors the whole community. The ultimate goal would be a spill-over effect and to create re-iterative processes. A project should be able to trigger dynamics which function on a self-sustaining basis. Additionally, joint efforts may be able to broad the effectiveness and facilitate the overall implementation. Last but not least, the inclusion of local human resources is inevitable. This is mainly because they have a lot of knowledge and experience concerning local circumstances and challenges. Furthermore, it is important to let them feel it is their project as well and not perceived as a foreign intrusion.

7.6 Examples

To demonstrate the ideas mentioned above, a few examples have been created. On the basis of two fictive countries, the stream of the proposed three different phases is to be shown. Afterwards, special cases with unanticipated issues will be explained.

7.6.1 Example 1: Needland

As a first example, there is the fictive country of Needland. The assessment shows that this country suffers from a high level of poverty and low education. Also, local tribes may be influential to the general opinion of VSD projects. Therefore, special attention has to be given to them. The first target will be mechanics. As it is important to be able to repair cars, bicycles, trucks, engines etc., mechanics are needed even in poor environments with simple infrastructures. Even if the economy is slow and politics are not stable, it is vital that people at least have their mobility for professional and personal use. Therefore, a VSD project is set up to support local business-owners which already possess a little shop or a factory and already have basic skills of mechanical matters. Profound and practical vocational training has to be provided to them to broaden and deepen their knowledge about their matters. The goal is to provide them with skills to operate a factory or a shop to offer a wide range of services. People in the rural areas should realize that they can go to the local mechanic to get their cars and bicycles fixed. Once this happens, the transition phase will be launched. Now it is all about managing the shop. The mechanics learn how to administer their own shop. At this stage there should also be a change of the mind-set. Mechanics should recognize their possibilities, which they might have with better vocational skills. They also realize that they need administrative help, so they might start to employ poor people which are glad to get a basic job opportunity. Once the demanded structures are set up and well-established, the maturity phase can start. In this phase a self-sustaining process should set in. A shop or factory with re-iterative processes contribute to the local economy and stability. The shop-owner is now able to employ people and pass on his or her knowledge. A long-term goal could be the creation of networks and the specialization of certain mechanics.

In the following table, the three phases are pictured in a compact format.

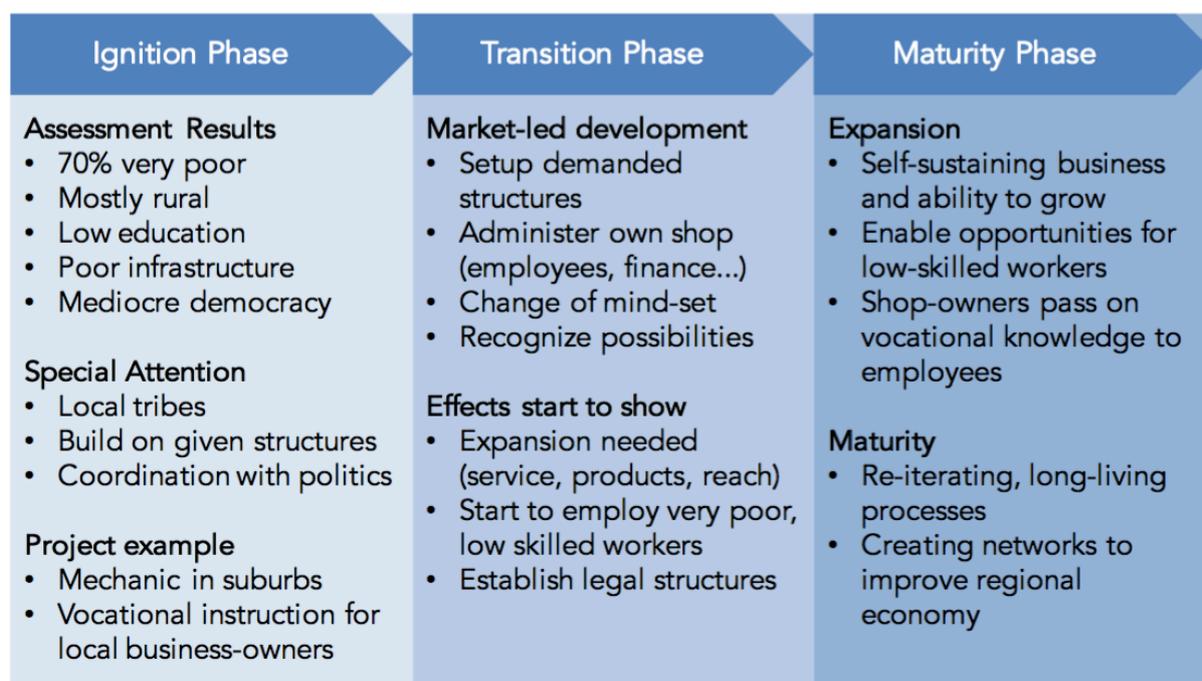| Ignition Phase	Transition Phase	Maturity Phase
Assessment Results • 70% very poor • Mostly rural • Low education • Poor infrastructure • Mediocre democracy **Special Attention** • Local tribes • Build on given structures • Coordination with politics **Project example** • Mechanic in suburbs • Vocational instruction for local business-owners	**Market-led development** • Setup demanded structures • Administer own shop (employees, finance...) • Change of mind-set • Recognize possibilities **Effects start to show** • Expansion needed (service, products, reach) • Start to employ very poor, low skilled workers • Establish legal structures	**Expansion** • Self-sustaining business and ability to grow • Enable opportunities for low-skilled workers • Shop-owners pass on vocational knowledge to employees **Maturity** • Re-iterating, long-living processes • Creating networks to improve regional economy

Figure 1: Own Illustration - Needland

7.6.2 Example 2: Promiseland

A second example which is as well entirely fictive is Promiseland. In comparison to Needland, the assessment has shown that this country finds itself with a lower percentage of very poor and rural population. Furthermore, the education level is higher and the political situation is stable. There are relatively stable economic conditions and established businesses in the villages. However, innovation is low and some businesses are stagnating. Special attention is given to exactly these businesses. The VSD project wants to support business owners which are looking for new opportunities. Therefore, the proposition includes vocational instruction considering management skills. The goal is to create joint ventures and set up alliances. Management skills are relatively easy to pass on but the opportunities then again hard to implement. So, it is up to everyone, namely shop-owners but also teachers of the VSD project to seek opportunities to better handle finance, human resources, logistics, competition, strategies, customer care etc. Like in the first example, once the ignition phase is completed, the transition phase can be launched. Here it is central to set up the demanded structures. For example: the baker, the butcher and the convenience store owner can share means of transportation to share costs or may exchange staff in times of shortages but also for educational reasons. Again, it is a lot about the change of the mind-set. At a later stage, products and services can be diverted and expanded. Low-skilled workers are needed to

handle the administrative effort. After a while, the maturity phase begins. The businesses get abilities to grow and to foster. Furthermore, it will be able to provide opportunities for workers in all skill levels. Vocational training will be available on many levels, from management strategies to low-skilled work. The uprising alliance should figure as a role-model. Other businesses will try to engage themselves to compete with one another.

In the following table, the three phases are pictured in a compact format.

Ignition Phase	Transition Phase	Maturity Phase
Assessment Results • 20% very poor • Rural/urban balanced • Primary education • Existing infrastructure • Stable democracy **Special Attention** • Established but stagnating villages **Project example** • Joint venture • Vocational instruction for functioning businesses	**Market-led development** • Setup demanded structures and create alliance • Manage joint venture (employees, finance...) • Change of mind-set • Recognize possibilities **Effects start to show** • Diversion of service, products, customer segment • Employ and foster very poor, low skilled workers • Innovative thinking sets in	**Expansion** • Self-sustaining business and ability to grow • Enable opportunities for workers on all skill levels • Vocational training possibilities on many levels **Maturity** • Dominating alliance acts as role-model • Aspiring business development through creative and visionary approaches

Figure 2: Own Illustration - Promiseland

7.6.3 Example 3: Special Cases of Troubleland, Stubbornland, and Struggleland

In this chapter three special cases of countries which are supposed to point out challenges and difficulties which might appear while trying to set up a project in a certain country are discussed. These fictive examples are called Troubleland, Stubbornland and Struggleland.

While facing a country like Troubleland, the plans of setting up a VSD project are confronted with major political uncertainties and a dysfunctional economic environment. In this situation, there is no other option but to retrieve the project plans, because there are no stable circumstances for a VSD project and its staff. In this situation we should rather implement first aid than VSD projects.

Secondly, there is the problematic case of Stubbornland. In this case, the project is confronted with native tribes or fundamental cultural habits of the people which utterly hinder the

possibility of a VSD project. In this case, there is no other option but to acknowledge that the intention to pass on VSD knowledge is not wished-for. Therefore, the ignition phase is stuck and the following steps can not be carried out.

Eventually, there is the problematic case of Struggleland. In this country, the project faces difficulties in the transition phase. Possible complications could be economic difficulties, lacking incentives or an incomplete assessment from the staff of the project. In this case, the project has to be re-evaluated and re-assessed or entirely cancelled, because the maturity phase can not be carried out in the current situation.

7.7 Challenges and Major Questions Faced

Overall, the approach is heavily dependent on numerous factors which are volatile and have the capability to change the entire initial position. The acknowledgement of that fact is vital and it has to be questioned if the execution of the assessment is realistic and doable in each and every case. Furthermore, the term "VSD for innovation" might be unclear and the focus of the target may not be understood the same way from all stakeholders. Another big issue is the spill-over effect and the question if it will ever set in. Moreover, there is no assurance about the timespan of a VSD project. Even if planned carefully, the logistical and financial efforts might get overwhelmed once the project has been installed. In addition, there are many other question marks left. For example, if the cooperation and collaboration with locals will be prosperous or if international collaboration with other aid institutions will take place successfully. In the end what has to be acknowledged is that the approach is purely theoretical so far, but with more research, more knowledge and experimenting, we might be able to end up with a stable and successful way of how to implement inclusive and quality VSD projects.

8. Support for Our Approach

8.1 Evidence for the Indirect Method

A quote from the SDC guidelines: "There is widespread agreement among international organizations and other sources that there is a serious dearth of statistical data on VSD." (SDC Guidelines, 2010, p. 22) This makes it extremely difficult to obtain a holistic overview of VSD. The reason for this data shortage is derived from the fact that in most countries, VSD is not a clearly defined area, it is also not an exclusive topic ministries of education deal with, the multitude of VSD providers is very diverse and not uniform and therefore, there is no clear approach and covering of the topic. (SDC Guidelines, 2010, p. 22) And this is exactly the difficulty the authors struggled with. The lack of data makes it a challenge to fully grasp the potential of VSD, especially when distinguishing between the two target groups and addressing the trade-off, which in general is never mentioned in the literature.

Resulting from a lack of meaningful statistics, the proposed approach is more a gut feeling rather than a verified proposal with clear evidence of success. Nevertheless, due to a vast number of signs and signals that the current approach has not fully grabbed foot and roots, the authors believe that a re-thought approach might lead to more satisfying results in the long-run. At the moment, there is no overarching concept on how to deal with VSD. Each donor does it differently, each project approaches the topic anew. And each project celebrates a certain little success. Directing the aid towards the poor has its full legitimacy. Nevertheless, the thought could be made if the aid could be organized more sustainably and with a more lasting and broader impact. NORRAG states specifically that there is mounting evidence that directing VSD towards innovation and the economy promises more success and in the end a stronger effect also on the very poor. There is no source which mentions the other way around, that directing VSD aid at the poor has a more profound and deeper impact.

8.2 How do we…

8.2.1 …Reach the Poorest

Following the principles that the SDC promotes, the proposed 'indirect' approach needs to have a clear impact on the very poor. The authors share the belief, that this will happen. It may take longer than the time the SDC allows for the trickle-down effect to set in, but when

the effects set in, they will be all the more satisfying. The poorest will benefit directly from a boost in the respective economy and an increased employment rate. Furthermore, the fact that locals have the knowledge to run their businesses, the training centers, understand management techniques and expansion opportunities, will lead to more trust from the poorer groups in society. They will rather seek employment in a trustworthy and for them known environment.

Furthermore, these thoughts have followed the authors again and again: Directing aid specifically at the poor makes absolute sense in necessary needs like providing shelter, food, access to health care and creating a feeling of safety and security. But is the very first thing the poorest need a workshop to obtain vocational skills? Might it not make sense to focus the direct aid at the basic needs, and target VSD indirectly and ensure that the effect sets in as soon as possible?

8.2.2 …Create a Paradigm Change

To ensure a rethinking to set in, turning the feeling from a necessity to study to pursuing a vocational training to become an expert in a certain profession one needs to think through who has more 'early adopter' and 'innovator' potential in order to pull the others in that direction of belief. According to the authors' view, a paradigm change is easier to fulfill when addressing the population group open to innovation. When it can be proven to them, that they have the ability to successfully run a business, expand their business, earn a decent living, run a training center, employ and educate a workforce, this will act as a major pull factor for the poorer population. Seeing the success of the vocational training absolvents and their standing in society will create a feeling of motivation for the poorer segment to follow that career path, recognizing that it is laid out in front of them and a reachable opportunity for them. Rather this way, than when training absolvents of the poorer societal group need to act as role-models to encourage other low-skilled workers to complete a weaving workshop.

8.2.3 …Plan Efficiently and Overcome the Gap

Planning where future growth sectors will lie and setting the training content accordingly is a massive challenge and not easy to fulfill. In order to reduce the gap of which skills are trained to those that are needed to a bare minimum, the economy takes over a main function. If the

economy is prosperous and well-functioning, it will adapt automatically to the changing needs. This again leads to the necessity to set the innovative strategy into the center and let market-forces lead the development and boost the economy, as NORRAG claims. The ones with managerial skills, a certain education level, an understanding of the economy and circumstances and the knowledge how to adapt to changes in the economic environment will also be able to react to shifting growth and possible skill gaps. Less so the population group who received low-skilled trainings in one profession and is dependent on their daily income. For this strategy to succeed, it is crucial to involve the private sector, to involve the local government, to collaborate between training centers and institutions. Even though this is a challenge to get all on board, engaging all stakeholders at national and local levels is an essential factor in order to actually implement the designed VDS ideas and programs. (Holmes, Chakroun, & Marope, UNESCO, 2015, p. 144)

The UNESCO report summarizes the overall challenge but also the opportunity nicely: Where TVET systems are responsive to emerging markets and new modes of organizing work, they can facilitate the restructuring of labor in response to changes in demand. New modes of organizing work, like fast-changing mixes of skill types and levels, functional leadership or technology-based solutions are rapidly becoming the norm. These changes require agility for developing skill mixes that are equal to the task. (Holmes, Chakroun, & Marope, UNESCO, 2015, p. 17)

8.2.4   …'Improve' the Trade-off

It has been mentioned previously and the fact remains that the trade-off cannot be argued away nor eliminated. It will always exist and demand decisions to be made. What can be improved, however, is the handling of the trade-off and in that way overcome its drawbacks. The authors' belief remains, that through a re-targeting from addressing primarily the poorest, to including innovative and more overarching VSD approaches, VSD aid could be done more progressively and effectively – and in that way the trade-off improved. If through targeting VSD for innovation the poorest also benefit from the ameliorated situation due to the SDC's activities, the trade-off problem could be reduced. Less so if the poorest are targeted exclusively and no resources are left for innovation nor are there any 'trickle-up' effects. NORRAG puts it this way: "There is a need to balance the desire to reach the poorest and

the need to provide them with good enough training to access (self)-employment on completion of training." (Working Group for International Cooperation and Skills Development, Donor Policies in TVET, 2001, p. 44) The poorest definitely should not be excluded in the VSD policies and programs of the SDC, however, addressing a higher level might just work better. In one workshop for the poorest, the chance to provide them with profound enough skills to, upon completion, seek employment or have the ability to ensure self-employment is a large challenge. If the existing companies, supported by the SDC, which are growing and establishing their own training facilities, can offer trainings to the poorest and include them in the workforce, this way around could set in on its own.

9. Conclusion and Final Words

VSD seems like an area of aid still in the making. A lot of development potential exists, a huge market for possible projects and collaborations is laid out and the possibilities are endless. The opinion of the authors is that VSD in an ideal aid sector where innovative approaches can be combined with aid directed at the poorest of society. It is a promising combo with room for creativity and new approaches.

Our recommendation presented is a possibility for such a combined approach to VSD. There are other examples of innovative projects that worked. One is the Employment Fund in Nepal, an initiative of Helvetas in collaboration with the SDC and other donors. The project is directed at the very poor, as Nepal suffers from a high percentage of young people that are unemployed and features a rate of 90% unskilled population. But even despite this projects' orientation towards the poor, it exhibits an innovative touch. The project actively engages with the private sector, it works with companies and credit institutions, and just as much with the Nepalese government, who was a cofounder of the initiative. Apart from receiving technical skills the absolvents are also educated on labor rights as well as health and business skills. The training providers receive payments for their work, but in rates depending on the performance of the absolvent. 6 months after the training completion the training provider receives the last 35% of the price if the absolvent is employed and makes a stable income. The most important point is that the initiative has recognized that in other projects not much emphasize is put on follow-up activities after completion of the skills training. Its success therefore also comes from interpreting long-term statistical data that has been gathered over the course of the project and following up on the developments of their training absolvents. Only then can one learn what actually grabs hold and works, if there are any barriers inhibiting the outcome and figure out where promising long-term successes lie. This is a good example showing that there is no need to exclude the poor fully, but that a combination needs to be achieved and a system that pays off economically established. The poor, from the start, should be included into the economic process and the market, should contribute their part and realize the magnitude of the benefits they received. (Paudel, Jenny, Hofstetter, Porten, Employment Fund in Nepal, 2015)

This is one single example that worked. We believe that our recommended approach could also lead to success. But we are well aware that the idea and approach introduced above sound very great and simple, but that the implementation and realization will be highly challenging. The approach is ambitious and reaches for the stars. In general, the largest challenge with all these grand project ideas is the transition from design to implementation (Holmes, Chakroun, & Marope, UNESCO, 2015, p. 144).

It is a proven fact that many great change-driving ideas remain unimplemented and stuck because of inadequate capacity expertise and weak infrastructure and organization. (Holmes, Chakroun, & Marope, UNESCO, 2015, p. 144) This is also a danger here. But with the expertise and knowledge of the SDC, plus the Swiss drive for innovation, it would be a pity not at least to test this re-targeted approach and see if it holds what the authors believe it promises. If it works one can never say, but one will also never know, if one does not try.

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Declaration of Authorship

We hereby declare   41

- that we have written this thesis without any help from others and without the use of documents and aids other than those stated above,

- that we have mentioned all used sources and that we have cited them correctly according to established academic citation rules.

St.Gallen, 15 May 2016

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