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# Effective School to Work Transition

Policy Recommendations

Egypt Network for Integrated Development

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**Policy Brief 021**

## **Effective School to Work Transition: Policy Recommendations<sup>1</sup>**

The purpose of this Policy Brief is to start with the overarching policy requirements for an “Effective School to Work Transition” and then move to those policy recommendations that apply more specifically to the provision of Career Guidance and the performance of Public Employment Offices. The proposed menu of Active Labour Market Policies (ALMP) is classified into three policy areas: Linking education strategy to labour market needs; Implementing sectorial policies conducive to growth and structural change; and, Legislative reforms and labor market information policies.

### **Introduction**

In Egypt, there is a severe mismatch between skills that are taught and what employers need. As a result, youth are poorly prepared to enter the workforce.

The biggest drawback with regard to skill development / vocational training is a negative mindset that parents, students and employers have towards vocational training. There is a lack of social recognition and acceptance of skilled drivers, technicians, carpenters or tailors. The society largely looks down upon such essential services which are in demand by the industry. Hence, there is a large gap between demand and supply.

The approach for overcoming such challenges includes spreading mass awareness about skill development and changing people’s attitude towards vocational education and training. Mass publicity and media support is needed to drive such movement to spread awareness on how TVET will help millions to attain sustainable livelihoods for the rest of their lives. Campaigns need to address masses and position vocational training as a key to sustainable livelihood by providing skill training that leads to employment and entrepreneurship.

### **A. Linking Education Strategies to labour market needs**

#### **1. Rebuild and revive Egypt’s value system**

-Providing education aimed at cultural and behavioral change in order to establish values of ethics, participation, entrepreneurship, innovation and transparency. Key elements are necessary for youth development within school and local communities such as policies and programs focusing on the evolving developmental needs and tasks of adolescents, and involve youth as partners rather than clients where youth are viewed as a valued and respected asset to society; promoting activities of self-understanding, self-worth, and a sense of belonging and resiliency . Not to mention opportunities to Belong – Opportunities for meaningful inclusion,

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<sup>1</sup> This Policy Brief was prepared by Heba Handoussa, Managing Director, ENID. Thanks are due to the ILO for support and material from the ILO 2014 project on Career Guidance.

regardless of one's gender, ethnicity, sexual orientation or disabilities; social inclusion, social engagement and integration; and opportunities for socio-cultural identity formation.

- Revise educational curricula for changing the perceptions and attitudes toward technical and vocational education.

- Initiate a wide media campaign in order to encourage self-employment and entrepreneurship and to raise the feasibility and stature of skilled workers and graduates of vocational schools.

## **2. Reforming school and vocational level education**

- Adopt training and qualifying policies, as well as providing grants for acquiring technological, vocational and technical skills.

- Modernizing the curriculum and teacher training, together with access to modern facilities and tools should be undertaken with the target of accreditation of TVET schools and university faculties.

- Strategic planning for linking the vocational technical education to the labour market, through the dual training system. This would not be limited to industrial vocational education, but also include the faculties of applied science. The immediate focus on such specializations would directly boost a number of crucial economic sectors that act as catalysts for job creation and require various specializations.

- Expanding female vocational schools in rural areas. This is likely to equip women with the skills needed to qualify for good jobs in the labour market. Secondary data analysis demonstrates female seekers significantly lag behind their male counterparts when it comes to job openings and successful recruitment.

In conjunction with the inclusion of women, increasing investments for employment generation in rural areas, especially in Upper Egypt governorates, would help reduce poverty and vulnerability.<sup>2</sup>

- Adopting all the tools necessary in transforming the economy towards a knowledge society that requires progress in the area of information technology, and which encourages innovation and creativity.

## **3. Entrepreneurship training**

Introduce classes in the field of entrepreneurship in all stages of the education system so as to provide sound understanding of student options for self-employment. These classes would cover basic knowledge of Accounting, Project appraisal of costs and reviews, marketing, etc.

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<sup>2</sup> Abdel Mowla, A. Somaya.2011, *Vulnerable Employment in Egypt*, The Egyptian Center for Economic Studies (ECES) Working Paper Series, No. 165. Cairo, Egypt: ECES.

Entrepreneurship key competence refers to an individual's ability to turn ideas into action. It includes creativity, innovation and risk taking, as well as the ability to plan and manage projects in order to achieve objectives. Developing mindsets, generic attributes and skills that are the foundations of entrepreneurship can be complemented by imparting more specific knowledge about business according to the level and type of education.

Training and mentorship is of critical importance, ideally to be integrated into the public education system, but nonetheless to be disseminated throughout the governorates in a series of workshops that can include the following:

- Entrepreneurship and Small Business Management
- Logic and Critical Thinking including Problem Solving & Decision Making
- Creative Thinking & Innovation
- Economic and financial literacy including knowledge of concepts and processes that can be applied to entrepreneurship.
- Communication, presentation and planning skills as well as team work are transversal skills essential to entrepreneurs.

#### **4. Toward a faster and effective school to work transition**

- Strengthen institutional capacity in providing suitable job counseling and career guidance to job seekers while simultaneously working with employers to identify their needs, to result in sound matchmaking.
- Improving career guidance services in the Public Employment Services (PES) of the Ministry of Manpower and Migration (MOMM), in collaboration with the Ministry of Education (MOE), also entailing the possibility of including career orientation and guidance in MOE curricula.
- Encouraging educational and training institutions to undertake post-graduation research to identify if/where their graduates have been employed and assess a number of issues, namely: employment constraints, and degree of matching between graduates' skills and labour market needs.

#### **5. Adopting incentive systems that encourage employers to cooperate with employment offices**

- Institutionalize the full cooperation between education institutions and industrial federations and chambers of commerce (i.e: involve the private sector) in the labour market legislation process and in setting education quality standards, facilitate internships for students as part of their education, allow for flexible development of the curricula to adapt according to the labour market needs). In addition to institutionalize the collaboration to adopt effective Technical Vocational Education and Training (TVET) programs.
- Design a continuous process of career counseling from preparatory education stage onwards.

- Design a national standard for career guidance that should adapt international standards and experiences within the national context.
- Strengthen the role played by civil society organizations in establishing career guidance units, particularly for school dropouts through coordination of efforts in the field of career guidance (decentralized, participatory approach).<sup>3</sup>

## **B. Implementing sectoral policies conducive to growth and structural change**

### **1. Expand and diversify the industrial base and eliminating distortions of the industrial sector**

- Expanding the size and geographic diversification of the industrial zones.
- Improving performance of Egypt's extensive network of commercial offices and diplomatic missions in promoting Egypt's exports and FDI flows to Egypt.
- Prioritizing industrial clusters, which would link MSMEs with large enterprises and hence eventually eliminate many obstacles facing MSMEs.
- Creating local investment funds that aim to finance infrastructure investments, as they involve high employment potentials, especially for seasonal low skilled labour.
- Promoting investment in Egypt's seven emerging engines of growth;<sup>4</sup> especially those that are directly or indirectly labour intensive sectors. Sectors that would drive the course of development include conventional, and modern activities, and those producing potential internationally consumed or non-consumed services and commodities.

Any stimulus plan should be further reinforced by embracing an agenda for public investment that includes high job content, including public works program, which could be managed by local government in the short term as a way of offering quick employment for large numbers at a relatively low wage. Public works provide a temporary scheme for employment, eliminating the risks of burdening the state budget and fiscal insolvency over the medium term.

### **2, Implement the strategy for MSME development**

- Design an action plan coupled with a specific timeline in order to implement Egypt's MSME strategy that was designed four years ago. What is now needed – with input from stakeholders – is the preparation of an action plan for implementation of the strategy. This would address specific programs, projects, and initiatives, to be undertaken on an annual basis, to achieve the

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<sup>3</sup> *"The transformation at field level of existing PES into dynamic centres is appreciated by all stakeholders, in particular the employer community"* Results of Independent Evaluation of the ILO Project, North South Consultants Exchange, Final Report, November 2012.

<sup>4</sup> See Heba Handoussa et al, (2010), Situation Analysis: Key Development Challenges Facing Egypt, UNDP, (unpublished).

stated objectives and targets by the end of a five-year period. It would include estimated annual budgets, human resource requirements, and responsible implementing partners/bodies for each program/ project/initiative. Use of a results-based management (RBM) framework approach is recommended.

- Streamlining and accelerating the issuance of licenses and permits of small enterprises from the municipalities, and simplifying regulations that pose high burdens on micro, small and medium enterprises.

- Supporting entrepreneurship activities in the private sector by streamlining and simplifying bureaucratic procedures, granting temporary tax exemptions to small activities, minimizing bankruptcy burdens and business failure.

- Scaling-Up Best Practices: best practices exist in all realms of human development, ranging from preschool education to sanitary networks for low-density villages. Scaling-up calls for governance reform, institutionalization of capacity at different levels, resource mobilization, and strengthening high-level monitoring and evaluation. Activities that can be scaled-up to a national level could thus include housing and sanitation schemes for the poor, upgrading informal settlements, health insurance for various levels of household incomes, extension services for agriculture and mechanization, research and higher education on a not-for-profit basis. Scaling-up efforts require extending and strengthening partnerships to achieve wide coverage. New partnerships will require creating new management and operations systems to support scaling-up while maintaining the core values and quality of pilot projects.

- Focusing on developing micro, small and medium enterprises sector by establishing an MSME Federation grouping all specializations, and comprising MSME owners in order to assume several tasks. The entity, which might take the form of a producers' federation, will assume marketing and exporting role for such projects.

- Encourage formalization through a set of public incentives policies, such as; the State's contribution to the social insurance coverage of young and new SMEs employees.

- Facilitating obtaining funding including the benefit of Venture Capital mechanism.

- Facilitating receiving technical support and marketing of projects.

- Establishing business incubators according to global standards.

### **C. Legislative reform and labour market information policies**

#### **1. Reform of labour representation**

- Preparing labour law legislations and seeking Parliamentary councils' endorsement and approval.

- Monitoring syndicates' election and formulating committees in charge of preparing and endorsing syndicates' legislations.
- Adopting a strict policy to reform the performance of the public sector.
- Establishing committees for monitoring job performance and ethical conduct of government employees in order to ensure integrity and impartiality in providing public services.
- Supporting civil society and its role in monitoring the performance of governmental institutions, fighting corruption and setting mechanisms of accountability and transparency.
- Reforming the legislative track of activating and empowering the operation of general and local syndicates, supporting labour education, and negotiations with employers.
- Providing necessary guarantees that would secure free and fair syndicates' elections coupled with independence from the political regime.

## **2. Adopting an Information Disclosure Policy**

- Issuing the information disclosure and circulation law, after consulting with the various parties (public sector, private sector, civil society) on the most acceptable ways, mechanisms and regulations for information disclosure.
- Issuing a national glossary of statistical concepts and standards in the economic, social and political fields, so that it includes -in addition to the definitions- the government agencies entrusted with data collection, analysis, and production; while producing the data and the METADATA.
- Requiring government agencies to publish their reports, studies and statistics, based on a pre-designed and disclosed government information system.
- Establishing the Egyptian Portal for Education and Labour Market Statistics, which should act as a joint portal among ministries and authorities involved in education, labour, investment and statistics.

## **3. Informatics decentralization, so as to provide decision-making tools, (information and statistics) to local decision makers and stakeholders.**

- Activating the role of the Villages and Governorates Information Centers and linking them to the national databases and computer networks. This will allow the national databases to feed into the databases on the local level, and allow the local centers to make use of the deliverables of this system in providing reports and studies to support decision-making at the local level.
- Establishing regional and sectoral observatories, which can be considered the nucleus of the Labour Market Information System, and assisting them with all the necessary support.

- Activating and expanding the scope of the Government-to-Government (G2G) project, which is being implemented in the Ministry of Administrative Development (MoAD) to ensure mutual exchange of information and statistics between various governmental agencies.
- Accelerating the creation of an Employment e-system, which would help identify the most important characteristics of supply and demand in the labour market, as well as the qualifying and transformational training. In addition, the system will provide a credible media platform as it gives hope to every unemployed person that the government is aware, and seeking to gain further knowledge about him/her in order to provide the proper qualifying training compatible with labour market needs.

#### **4. Engaging civil society and the private sector as key partners in the management of the Egyptian Labour Market Information System.**

The process would start by identifying the means and regulations needed to develop and deepen partnerships with civil society and private sector by key government entities who work in education, training, and labour market through capacity building in the areas of operations and activities related to building and operating the Labour Market Information System.

#### **5. Adopting decision-making policies in the areas of education, training, and employment based on the optimum utilization of the deliverables of the Egyptian Labour Market Information System.**

- Building forecasting and early warning systems to identify future needs, problems or symptoms that could limit the ability of the Egyptian labour market to expand.
- Designing the training and qualification systems based on the deliverables from the Labour Market Information System to achieve consistency between the training and qualification sectors on the one hand; and the labour market on the other. Ensuring clear and accurate disclosure of the existing training and qualification programs in all sectors to make them accessible for use in the implementation of future training programs.

#### **6. Motivating the private sector**

This to adopt advanced employee training and qualification policies, as well as adopting on-the-job training systems. This would be achieved by providing all statistics, data and studies concerned with impact assessment and return on those adopted systems.

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