Vouching for success

Toolkit for India's first skill voucher project

Documentation of impact stories (field visits, interviews)
Concept for the toolkit (development of different components)
Copywriting, proof check, design supervision

Centre for Civil Society (CCS), a public policy think-tank on education and livelihood, needed a comprehensive toolkit for their flagship program, Vikalp. Using 'skill vouchers', Vikalp aimed to empower young people with the choice to train in a skill and at a training institute of their choosing and ensure transparency and accountability for the funds spent.

The purpose of the toolkit was to help government, private and non-government agencies to implement the program on their own.

The toolkit – comprehensive with ease of use and driven by stories of change – not only achieved this but went on to become a central advocacy tool for CCS to propound the voucher model for integration into India's skills ecosystem.

VIKALP VOUCHERS
Your Skills, Your Success

VOUCHING FOR CHANGE

CENTRE FOR CIVIL SOCIETY

Partners in change

barti
Babasaheb Ambedkar
Research & Training
Institute (BARTI)

N·S·D·C
National
Skill Development
Corporation
**Transforming the skill landscape**

Michael & Susan Dell
FOUNDATION

I·D·F

What is a skill voucher?

A skill voucher enables an individual to train from any training institute accredited with the provider of the voucher. In the most prevalent model for skill vouchers, individuals obtain vouchers from the sponsor, attend training courses of their choice and pay a small contribution. Once the performance criteria are met, the training institute redeems the voucher for payment.

Traditional model of funding (supply side)

Training institutes

Funds

Free training

Funder
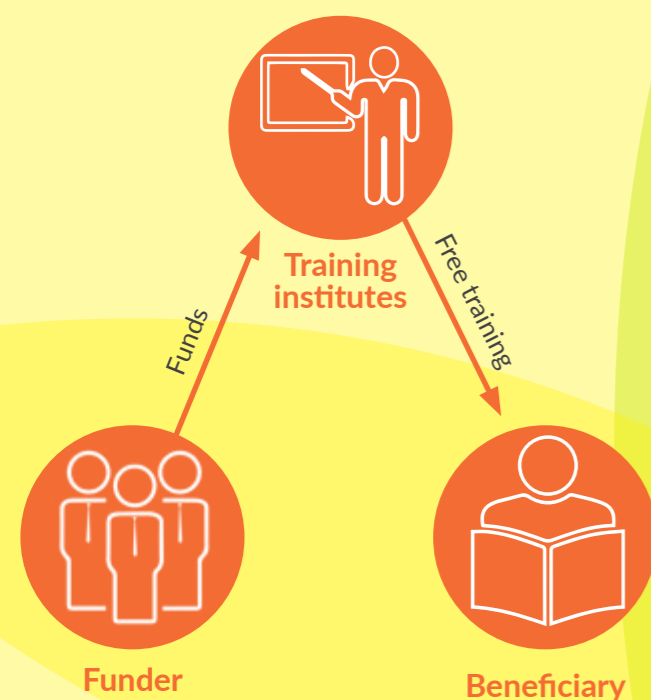
Beneficiary

Challenges

- Lack of choice for the beneficiary to pick the best institute and skill matching his/her interest and aptitude
- Performance is not a necessary criterion for the training institute to qualify for funding

Skill voucher model (demand-led)

Beneficiary

Voucher

Voucher for training

Funder

Training institutes

Voucher for payment
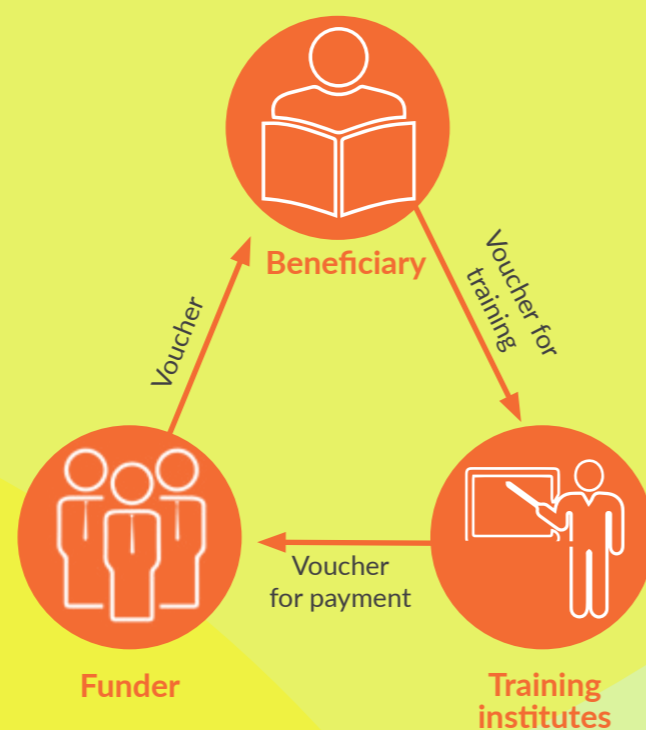
Benefits

- Beneficiary has the choice to pick the best institute and skill matching his/her interest and aptitude
- Voucher payment is linked to performance criteria, and failure to meet this criteria leads to non-payment to the institute

Skill vouchers have worked worldwide!

IN AUSTRIA : Upper Austrian Bildungskonto increased demand for skills training among working professionals, unemployed persons and working mothers.

IN KENYA : Jua Kali Voucher Program for employees of micro and small enterprises recorded more than double increase in sales, with positive impact on incomes, networking and business development.

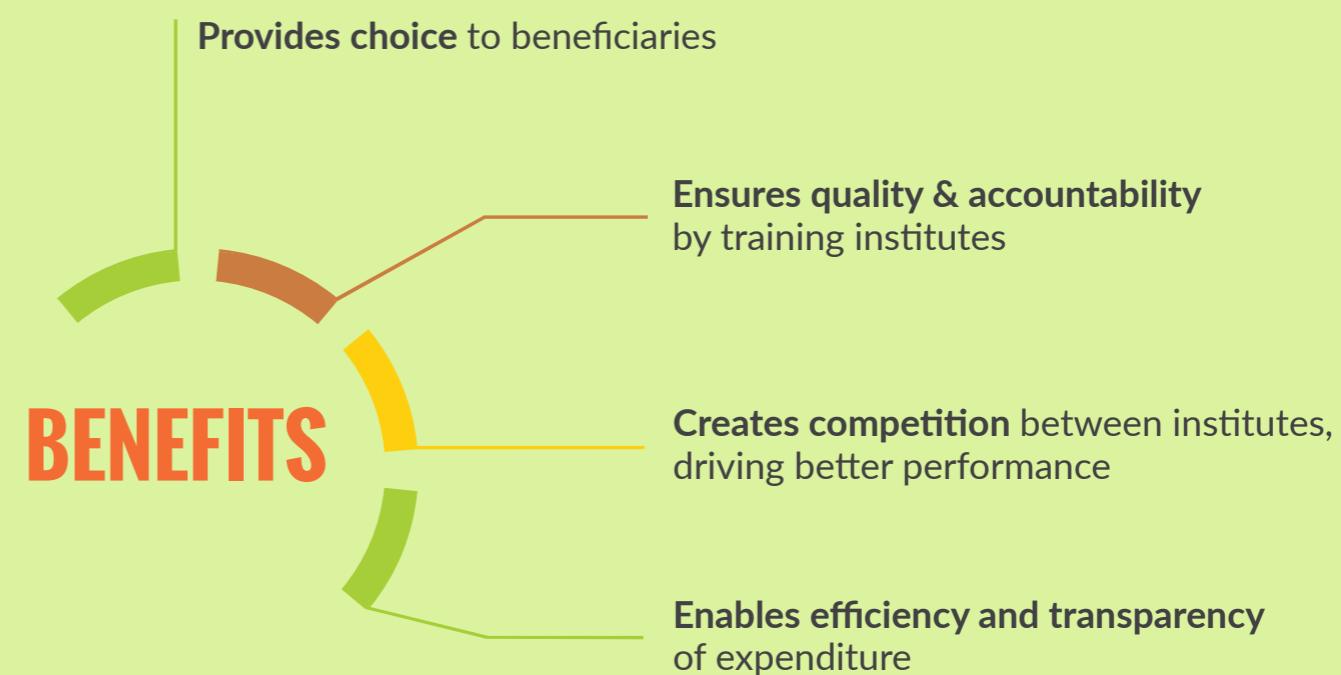Read more at: http://ccs.in/sites/default/files/publications/viewpoint9.pdf

Vikalp: Vouching for change

In 2012, Centre for Civil Society (CCS) had a bold idea – could we use vouchers to help provide high quality skills training to marginalised youth? Vouchers could be an innovative instrument in enabling young people to make an informed choice about their career while ensuring transparency and accountability for the funds spent.

With this idea, CCS started a pilot, 'Vikalp', in Mumbai and Pune, supported by like-minded partners, Babasaheb Ambedkar Research & Training Institute (BARTI), Pune, an autonomous body under Department of Social Justice and Special Assistance, Maharashtra, National Skill Development Corporation (NSDC) and Michael & Susan Dell Foundation (MSDF). India Development Foundation (IDF) came on board as a third party impact evaluation partner.

Objectives

- **Demonstrate benefits** of the skill voucher over existing models of skill development;
- **Offer youth the right to choose** based on counselling (as opposed to them having to rely on availability of schemes and courses);
- **Show that co-payment instils ownership** and commitment in the students; and
- **Develop an implementation toolkit** to serve as a 'how to' guide for scaling and replicating the model elsewhere in the country.

Provides choice to beneficiaries

Ensures quality & accountability by training institutes

BENEFITS

Creates competition between institutes, driving better performance

Enables efficiency and transparency of expenditure

Vikalp has been acknowledged as the model for NSDC's STAR scheme, the Rs 1,000 crore-voluntary skill development scheme by the Ministry of Finance.

"I can't believe I am working with a company as big as Amazon in my first job!"

Akash, 23, is working as an operations executive with Amazon, after training in IT Hardware & Networking under Vikalp.

Key findings from Vikalp pilot

The three-year pilot has demonstrated phenomenal results. A total of 2,000 youth have been trained, while an astounding 5,100 youth attended the Career Awareness *Melas*, the unique mobilisation and career counselling platform for Vikalp. Some of the key findings are:

- Skill voucher is a better model since it ensures **efficient and effective utilisation of funding**.
- Choice of training institute and course and co-payment by student leads to **higher commitment and ownership**.
- The role of the **project implementing agency is critical** to the success of the model.
- **Drop-out rate** during training averaged **as low as 9.5%**.
- **60% of the beneficiaries** were found to be **in jobs** 3-4 months after the training.
- Top reason for beneficiaries opting out of the placement was **preference to continue formal education**.

[Vikalp pilot impact assessment]

Accelerating Skills through Vouchers

An Implementation Guide

VIKALP VOUCHERS
Your Skills, Your Success

CENTRE FOR CIVIL SOCIETY

Partners in change

Babasaheb Ambedkar Research & Training Institute (BARTI)

N·S·D·C National Skill Development Corporation
Transforming the skill landscape

Michael & Susan Dell FOUNDATION

I·D·F

Vouching for change

India's first skill voucher project

In 2012, Centre for Civil Society (CCS) had a bold idea – could we use vouchers to help provide high quality skills training to marginalised youth? This was an idea that could potentially transform how millions of young people received training and how governments and CSR agencies spent their skill development funds. Vouchers could be an innovative instrument in enabling young people to make an informed choice about their career while ensuring transparency and accountability for the funds spent.

With this idea, CCS started a pilot, 'Vikalp', in Mumbai and Pune, supported by like-minded partners, Babasaheb Ambedkar Research & Training Institute (BARTI), Pune, an autonomous body under Department of Social Justice and Special Assistance, Maharashtra, National Skill Development Corporation (NSDC) and Michael & Susan Dell Foundation (MSDF). India Development Foundation (IDF) came on board as a third party impact evaluation partner.

The three-year pilot has demonstrated phenomenal results. A total of 2,000 youth have been trained under Vikalp. The job retention rate for those who have completed the training is 60%, after 3-4 months of training. An astounding 5,100 youth attended the Career Awareness *Melas*, the unique mobilisation and career counselling platform for Vikalp. These results show that the voucher model can effect a positive change in India's skills ecosystem. At the same time, it also fits in with the government's broad strategy of funding the youth directly instead of routing payment to the service providers.

Backed by solid evidence, we at CCS now believe that the skill voucher model is ready for mainstream integration. With that goal in mind, we have put together this step-by-step implementation toolkit to help governments, funders and implementing agencies roll out large-scale skill voucher programs. Our pilot is only the tip of the iceberg and we hope that the best is yet to come!

"Vikalp was a life changing opportunity. Not only did I get high quality training but I am now working at a multinational company and pursuing a career of my choice. My salary (Rs 20,000 per month) is a big help at home. I now feel confident and able – and I've realised my opinion does matter!"

-Amit Waghmare is an IT service desk executive with Bank of America. He trained in IT Hardware & Networking under Vikalp.

Vikalp toolkit at a glance

Efficient. Effective. Easy to implement.

This toolkit is intended for use by government, private and non-government agencies wanting to implement the voucher model in their livelihood and skill development programs. It serves as a 'how to' guide to help them replicate and scale up the Vikalp model. The toolkit captures the operational facets of implementing the skill voucher model in terms of key processes, procedures and guidelines. It also documents vital aspects of project delivery at each stage of implementation, including best practices, experiences, learning and success stories from the pilot.

Five components of Vikalp

Institute Empanelment

Community Mobilisation

Selection & Counselling

Voucher Management

Monitoring & Evaluation

Benefits of Vikalp

The Vikalp skill voucher enables the youth to train from any institute empanelled under the project. The youth makes a co-payment of up to 10% of the fee or Rs 2,500 (whichever is lower). Once the training is complete and the performance criteria met, the institute redeems the voucher for payment.

Provides choice: The youth choose the course and the training institute that best match their aptitude, interests and requirements, as opposed to one being assigned to them. This instils a sense of ownership and commitment to the training, resulting in better performance and higher chances of employment.

Ensures quality & accountability: Stringent empanelment criteria for training institutes, along with periodic monitoring throughout the training process ensure quality. Moreover, redemption of the voucher is linked to specific milestone-based performance which makes the training institutes accountable.

Creates competition: In a model where they have to earn every voucher, training institutes compete with each other to get more trainees. This competition drives better performance and accountability.

Enables efficiency & transparency: As against the traditional model where the size of funding is pre-decided between the funding agency and the training institute, Vikalp follows a per student funding model, improving the quality and efficiency of expenditure. This model also ensures higher transparency by enabling funds to flow directly to the beneficiary. Although designed primarily for government programs, Vikalp is equally suitable for CSR expenditure.

Accelerating Skills through Vouchers

An Implementation Guide

Institute Empanelment

CONTENTS

INSTITUTE EMPANELMENT
INTRODUCTION

This module lays down the directive for the Institute Empanelment component of the Vikalp skill voucher project. It details the steps for identifying and empanelling training institutes and includes an orientation presentation, the empanelment form for institutes and the draft MoU between the institute and the funder. The Institute Empanelment process comprises of three key steps.
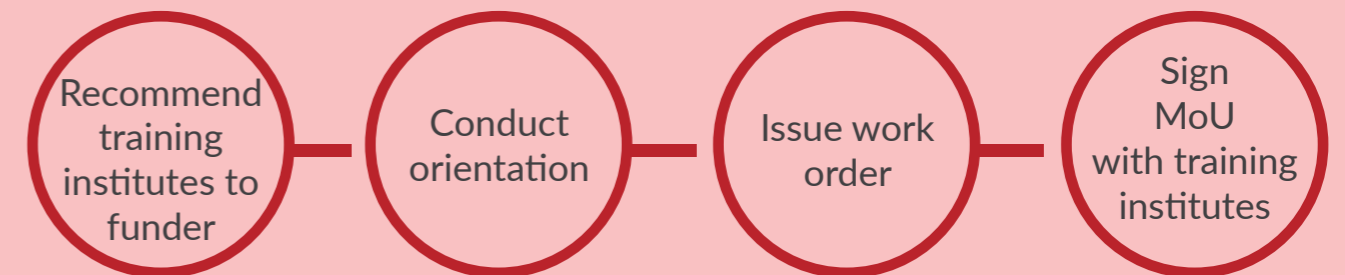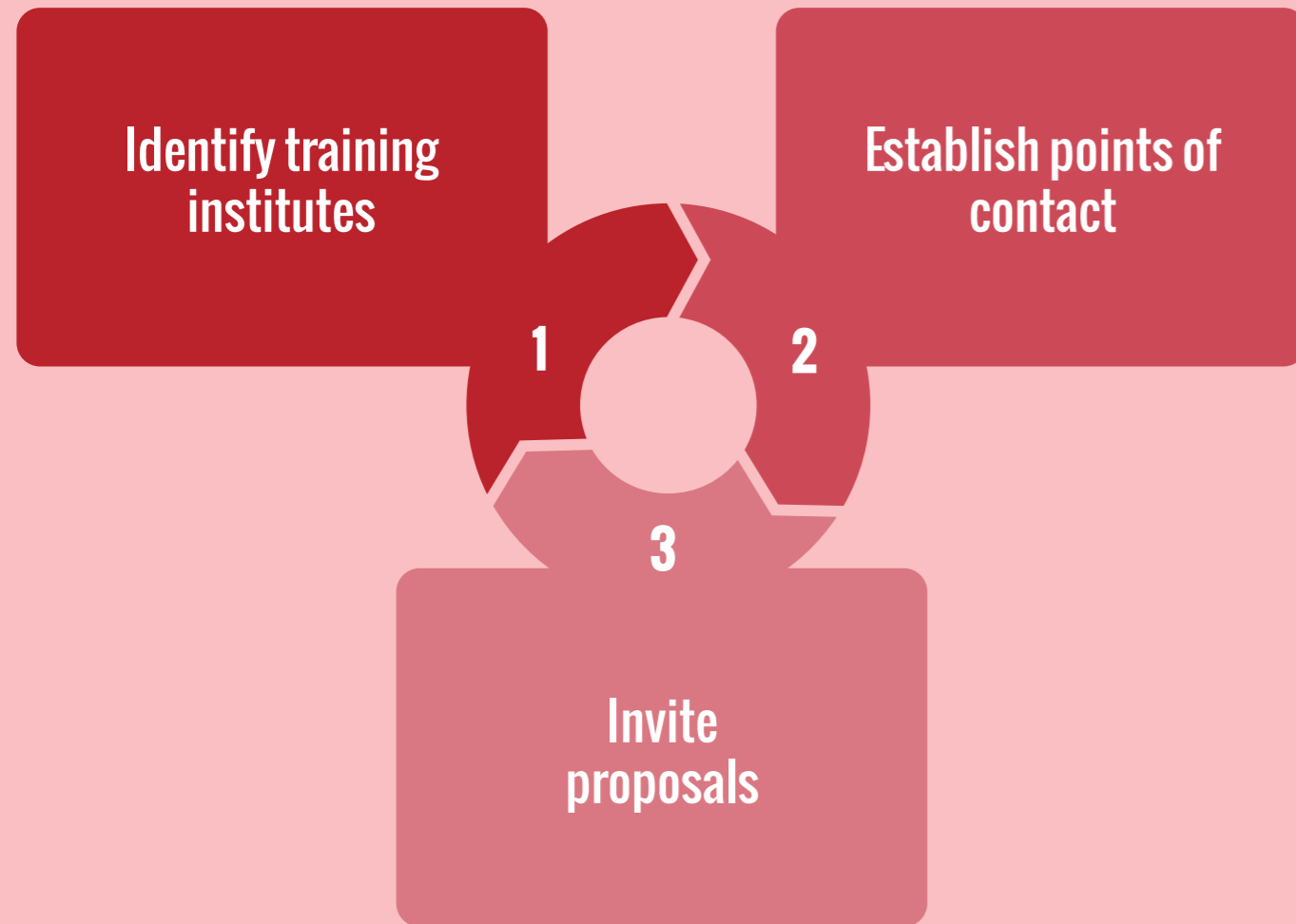
Step 1: Application rollout

Identify training institutes — Establish points of contact — Invite proposals

Step 2: Internal shortlisting

Evaluate & verify — Conduct SWOT analysis — Shortlist training institutes

Step 3: Recommendation to funder & orientation

Recommend training institutes to funder — Conduct orientation — Issue work order — Sign MoU with training institutes

STEP 1
APPLICATION ROLLOUT

1 Identify training institutes

2 Establish points of contact

3 Invite proposals

STEP 2
INTERNAL SHORTLISTING

1 Evaluate and verify

2 Conduct SWOT analysis

3 Shortlist training institutes

Institute Empanelment begins with the process of inviting applications from training institutes for the project. The Operation Associate will prepare a list of prospective training institutes after establishing their credibility through internet research, established reports and news coverage and their status as National Skill Development Corporation (NSDC) partners and NSDC's STAR scheme recipients, and through any other source necessary.

After a comprehensive list is prepared, the Operation Associate will:

- **Research** the training institutes and the courses offered for identified sectors of the project
- **Establish** first point of contact with the training institutes via calls/ emails
- **Provide** the training institutes with the application kit comprising of empanelment criteria **(Annexure 1)** and empanelment form **(Annexure 3 on CD)**, along with project collaterals such as brochure, postes and banners
- **Receive** and analyse the proposals

Once the applications have been received, the internal short listing begins. This involves:

- **Field visits** to the training institutes' premises
- **Verification** of information & data submitted in the application
- **Evaluation** of the ratio of course fee to expected salary; negotiation with the institutes if the ratio is more than 3:1
- **Clarifications** and revisions in the application by the training institutes, if required
- **SWOT analysis** of the training institutes **(Annexure 2)**
- **Finalisation of the recommendation** list for the funder
- **Finalisation of the date** for empanelment
- **Communication** to the shortlisted institutes
- **Rejection mails** to the non-qualifying institutes

STEP 3
RECOMMENDATION TO FUNDER & ORIENTATION

Recommend training institutes to funder (1)	**Conduct orientation** (2)
Sign MoU with training institutes (4)	**Issue work order** (3)
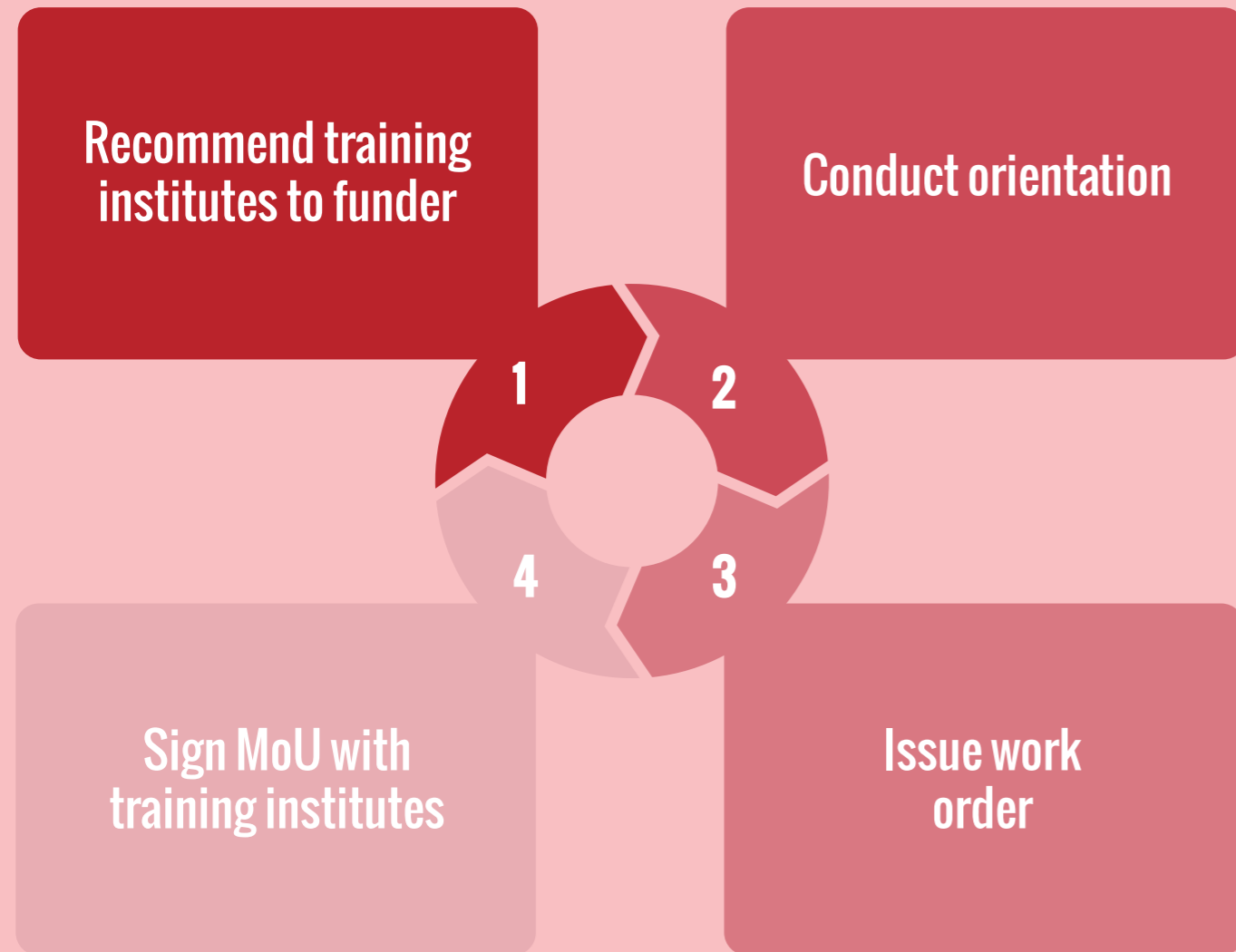
After the final list of training institutes is presented to the funder, the project orientation for the institutes is conducted. The orientation (presentation on CD - **Annexure 4**) covers:

- Project objectives
- Monitoring requirements
- Joint mobilisation planning
- Prospective challenges
- Project expectations

The training institutes will then be issued work orders with a cap on the number of students per course per location. The number of vouchers to be issued will be equal to the number of students finalised for each course. A formal MoU is signed between the funder and the training institute. Guiding outlines for the MoU in the form of a draft is provided in **Annexure 5** on CD.

LEARNING FROM VIKALP PROJECT

- **Visit to the training institute** premises is critical for real-time verification and evaluation of information submitted in the proposal.

- **Compare course fees** of two different training institutes for a similar course, for a better understanding of the price parameters.

- **Assess past track records** on attendance, placements and average salaries offered for the proposed course(s) to gauge the success of the course(s) for the project.

- In order to maintain the momentum and ensure that the target groups do not lose interest, it is recommended that the **Institute Empanelment process be completed within three weeks.**

- **Ensure interactions** with the institute are **with a figure of authority** rather than its marketing or other such teams.

- If the funder (mostly government) is running a parallel livelihood program(s) with the empanelled institute, get **an in-principal written agreement** from the funder for the institute **to comply with the Vikalp norms.**

Pragati picks the perfect training.

"The level of training is as good as was promised during the career mela – we have teachers from institutes like Manipal University and they really work to make sure we understand. I am lucky to get this quality of training for such a low fee. I wasn't sure about this course at first, but my participation at the career mela helped me make the final choice."

-**Pragati Gaikwad,** 21, is an Arts graduate and is training in IT Hardware & Networking under Vikalp.

INDIA'S FIRST SKILL VOUCHER PROJECT

YOU {
- Choose the course you want to learn
- Pick the institute you want to train in
- Pay a nominal sum - just 10-20% of the fee!

WE {
- Train you in the course of your choice
- Place you in the job of your choice
- Fund 80-90% of the total fee

GET READY FOR CHANGE. CHOOSE VIKALP.

Email us at vikalp@ccs.in / ccs@ccs.in
Visit us at www.ccs.in

Centre for Civil Society (CCS)

Partners in change

Babasaheb Ambedkar Research & Training Institute (BARTI)

N·S·D·C National Skill Development Corporation
Transforming the skill landscape

Michael & Susan Dell FOUNDATION

I·D·F