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Using Indirect Interventions to Benefit Youth: Lessons from STRIVE's Afghan Secure Futures Program



*Apprentices at work in a Kabul metalwork shop*

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# Abstract

This report draws on the experience of the Afghan Secure Futures (ASF) project to highlight several important technical considerations when employing indirect programming approaches to reach vulnerable youth. Its intended audiences are implementers and donors who are developing programming for vulnerable children and youth and considering entry points for interventions or pathways for economic inclusion. The report discusses each finding in turn and then presents conclusions.

ASF operated from 2008 to 2011 with a budget of \$2.9 million. Implemented by Mennonite Economic Development Associates (MEDA) and managed by FHI 360, the ASF project focused on improving the lives of as many as 1,000 vulnerable boys, mainly between the ages of 14 and 18, who were living in Kabul and working as apprentices in the construction sector. The project took an indirect approach to generating economic benefits for youth apprentices by focusing its economic interventions on the workshop owners that employ apprentices.

ASF was one of four field projects of the STRIVE program, managed by FHI 360 in partnership with Action for Enterprise (AFE), ACDI/VOCA, MEDA, Save the Children, the IRIS Center at the University of Maryland and USAID/DCOF. STRIVE implemented four field projects in Africa and Asia between 2008 and 2013. Each project pursued a unique economic strengthening approach, ranging from savings-led finance to workforce development to value chain interventions. Coupled with a robust monitoring and evaluation framework and learning strategy, STRIVE tracked and documented the impacts of these diverse interventions on child-level indicators related to both economic (financial), and non-economic (health, education, nutrition, etc.) vulnerability factors. As a result, STRIVE has sought to identify and demonstrate interventions that can sustainably increase household incomes and/or assets and document how such increases improve (or fail to improve) the lives of children.

This FIELD Report summarizes the findings of one of the STRIVE projects, MEDA's Afghan Secure Futures (ASF) project, on using an indirect approach to reach and benefit youth in Afghanistan. It finds that indirect approaches can create both economic and social benefits for youth and that many questions remain on how to implement indirect approaches most effectively.

# Introduction

## Background

Despite significant economic reform and growth since 2001, many Afghans continue to struggle economically: 36% of the population was unable to meet their basic needs in 2007 and over half of the population was at risk of falling into extreme poverty.<sup>1</sup> A common coping mechanism for families is to engage their children in work. As a result, an estimated 21% (1.9 million) of Afghan children between six and 17 years old are working; this increases to 45% of males between 16 and 17.<sup>2</sup> Although this livelihood strategy contributes significantly to income for many families, it can interfere with formal schooling or training for young people, and in some cases leads to physical injury and other long-term health consequences. In such cases, the end result is short-term gain for families but longer term losses for many working youth, who become stuck in low-skilled jobs or have reduced physical capacity.

A related challenge is that only 50% of boys and 18% of girls possess basic literacy skills.<sup>3</sup> Though some success has been made in raising school enrollment rates, access to education remains extremely limited in Afghanistan: only 52% of children aged seven to 12 are attending school.<sup>4</sup> Secondary school enrollment rates fall to 23% for boys and 7% for girls.<sup>5</sup> Less than one percent of the Afghan population receives higher education.<sup>6</sup> This problem is particularly relevant in Afghanistan given the size of its youth population: 68% of the population of Afghanistan is below 25 years of age<sup>7</sup> while in Kabul 48% of the workforce was under 18 years old as of 2006.<sup>8</sup>

Ideally, all school-aged children and youth would have access to high quality, inclusive education. Where that is not widely available, however, young people's long-term vulnerability is reduced when they have access to safe opportunities to learn marketable skills. Such learning may occur in institutions, such as technical and vocational schools; however, it may also take the form of enterprise-based learning, where skills are taught in the workplace. Frequently, this learning occurs through the apprenticeship system, where youth learn a profession or trade from an experienced worker. Apprenticeships are a common approach to vocational training in Afghanistan, but the quality of apprenticeships varies greatly. Working conditions may put youth at risk of physical injury. The need to earn money to support their families may lead apprentices to forego their formal education. Poor health and lack of education are likely to compromise apprentices' long-term earning potential.

### Youth Vulnerability in Afghanistan

- **Youth Literacy:**  
50% for boys; 18% for girls
- **Secondary school enrollment:**  
23% for boys; 7% for girls
- **Primary school enrollment:**  
Children aged 7-12: 52%

To mitigate these potential risks, the Afghan Secure Futures project (ASF) sought to reduce the vulnerability of male apprentices in the construction sector with a range of interventions designed to support the apprentices and

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<sup>1</sup> World Bank, Poverty Status in Afghanistan: A Profile Based on National Risk and Vulnerability Assessment (NRVA) 2007/8, 2010, 10.

<sup>2</sup>National Risk and Vulnerability Assessment 2007/8: A Profile of Afghanistan, 2009, 34.

<sup>3</sup>UNDP, National Joint Youth Program, Background. [http://www.undp.org.af/whoware/undpinafghanistan/Projects/dcse/prj\\_youth.htm](http://www.undp.org.af/whoware/undpinafghanistan/Projects/dcse/prj_youth.htm)

<sup>4</sup>National Risk and Vulnerability Assessment 2007/8: A Profile of Afghanistan, 2009, 69.

<sup>5</sup>UNDP, National Joint Youth Program, Background. [http://www.undp.org.af/whoware/undpinafghanistan/Projects/dcse/prj\\_youth.htm](http://www.undp.org.af/whoware/undpinafghanistan/Projects/dcse/prj_youth.htm)

<sup>6</sup>National Risk and Vulnerability Assessment 2007/8: A Profile of Afghanistan, 2009, 71.

<sup>7</sup>UNDP, National Joint Youth Program, Background. [http://www.undp.org.af/whoware/undpinafghanistan/Projects/dcse/prj\\_youth.htm](http://www.undp.org.af/whoware/undpinafghanistan/Projects/dcse/prj_youth.htm)

<sup>8</sup>Beall and Schutte, Urban Livelihoods in Afghanistan, Afghan Research and Evaluation Unit, 2006, 39-40.

the workshops in which they were employed. This paper outlines the project’s learning in the area of employing indirect programming interventions to benefit young workers.

## Introduction to STRIVE and Afghan Secure Futures

In October 2007, USAID’s Displaced Children and Orphans Fund (DCOF), in close consultation with the USAID Microenterprise Development office, initiated the STRIVE (Supporting Transformation by Reducing Insecurity and Vulnerability with Economic Strengthening) Program, a seven and a half-year, \$16 million initiative that used market-led economic strengthening initiatives with the aim of benefitting vulnerable children. The program aimed to fill knowledge gaps about how economic strengthening can reduce children’s vulnerability.

The Afghan Secure Futures project (ASF) operated from 2008 to 2011 with a budget of \$2.9 million. Implemented by Mennonite Economic Development Associates (MEDA) and managed by FHI 360, the ASF project focused on improving the lives of as many as 1,000 vulnerable boys (70% between the ages of 14-18<sup>9</sup>) who were living in Kabul and working as apprentices in the construction sector. Although both male and female children face significant challenges in Afghanistan, ASF focused on young males because their work outside the home made them more accessible to economic programming. In addition, they are under greater pressure than girls to develop practical skills and contribute to family income.

ASF’s learning agenda consisted of a range of quantitative and qualitative assessments that took place over the duration of the project.<sup>10</sup> The following table outlines key monitoring and evaluation milestones of the project:

Assessment	Data Points and Sample Sizes	When
Baseline Registration	Information on demographic, economic, workplace health and safety of project clients (workshop owners and apprentices) Sample: 363 workshop owners and 1080 apprentices (representative sample)	Project commencement 2009
Most Significant Change Impact Stories	Qualitative stories of program impact collected during survey process and by project staff Sample: 373	Life of project
Follow-up Survey	Surveys administered to a non-representative sample of project clients Sample: 40 Workshop Owners surveyed in person; 68 apprentices surveyed in person	Spring 2010
Final Quantitative Survey	Surveys administered to a non-representative sample of project clients Sample: 370 workshop owners, 60 in person and 310 telephone surveys; 115 apprentices, all in person	Spring 2011
Close Out Qualitative Surveys	Qualitative data collected through individual and group interviews with 12 workshop owners and 65 apprentices	Spring 2011

<sup>9</sup> In the baseline data, the ages of the apprentices ranged from 7 to 26. Nearly 70 percent were between the ages of 14 and 18 years of age.

<sup>10</sup> The security situation in and around Kabul required the ASF team to make changes in programming and M&E processes during the project life cycle. Operationally, there was a scale-back in programming activity and reach. The M&E team occasionally had to collect data via telephone interviews, rather than in-person discussions. Supplementary notes in this paper describe conditions under which data was gathered and whether security dictated changes in collection methods.

## Indirect Approaches in Economic Strengthening Programs

Many economic strengthening (ES) projects use indirect approaches. Some seek to benefit youth through one of the social units to which they belong, such as their family. Examples include the three other STRIVE initiatives: ACDI/VOCA's Agriculture for Children's Empowerment in Liberia, Action for Enterprise's STRIVE Philippines Project and Save the Children's Savings Group and Ajuda Mútua project in Mozambique. Such projects typically focus on increasing the earnings of children's parents with the assumption that this will be partly spent to benefit the family's children. The assumption that benefits will always trickle down to a family's children has been questioned; there is some evidence that this does not always occur and that targeting programming to adult women in the household is more likely to benefit children.<sup>11</sup>

Seeking to benefit children and younger youth through their workplaces is less common among ES programming. Practical and ethical considerations may contribute to this. In programming terms, working youth may be more difficult to reach because they tend to be employed in more informal workplaces, lacking legal registration or even a fixed address.<sup>12</sup> Additionally, concerns about child labor may make practitioners reluctant to engage with workplaces with young workers. Such engagement could be seen to legitimize the work status of young employees.

MEDA's CIDA-funded PPIC Work project engaged with economically active children in Egypt, providing dual-purpose loans to their employers: in addition to the financial terms of their loans, employers agreed to social conditions such as committing to providing improved safety conditions. This indirect economic programming was complemented by direct interventions aimed at helping targeted children to stay in school.<sup>13</sup> Two surveys of economic development initiatives oriented toward children did not uncover any further examples.<sup>14</sup> Rather, all focused either on benefiting children directly or indirectly through their parents. Although indirect approaches are more common among youth-oriented programming, there are still relatively few examples.<sup>15</sup>

### Choosing an Indirect Approach

During the ASF design phase, MEDA considered both direct and indirect strategies for improving the economic conditions of vulnerable youth in Afghanistan. Several challenges were identified with an approach that worked directly with vulnerable youth. Apprentices in Kabul are often out of school and are employed mainly in informal businesses. There were few entry points to directly reach these youth. The main consistent characteristic among the youth was their engagement with the workplace.

For these reasons, ASF decided to use an indirect approach to benefiting vulnerable children. This approach sought to improve the business opportunities of workshops in the high potential carpentry and metal-working subsectors of the construction industry, in which many vulnerable children in Kabul work. With the exception of supplementary literacy training, none of ASF's interventions targeted apprentices directly.

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<sup>11</sup>CPC Livelihoods and Economic Strengthening Task Force, *The Impacts of Economic Strengthening Programs on Children: A Review of the Evidence*, 2011, 11.

<sup>12</sup> See for example, *Global Employment Trends for Youth 2013: A generation at risk* / International Labour Office – Geneva: ILO, 2013, which points to the global trend for informal, unpredictable work for young people.

<sup>13</sup> See <http://www.ppicwork.org/> for publications, manuals and video documentation of the project. The project was active in Egypt from 2002 to 2011.

<sup>14</sup> See Carolyn Barnes, *Economic Strengthening Activities Benefiting Orphans and Vulnerable Children in Africa: Mapping of Field Programs*, 2004; and CPC Livelihoods and Economic Strengthening Task Force, *The Impacts of Economic Strengthening Programs on Children: A Review of the Evidence*, 2011.

<sup>15</sup> The Aga Khan Foundation's *Enhancing Employability and Leadership for Youth* project in northern Pakistan (CIDA, 2011 – 2017) and the multi-donor *Joint Response to Youth Employment in Sierra Leone* are two examples (donors included the United Nations family, German Development Cooperation (GTZ), the World Bank and the European Union, 2010-2012).

Significant knowledge gaps continue to exist on the efficacy of targeting youth through indirect approaches. As such, ASF has learned much to add to the field’s understanding of how youth can benefit both economically and socially through indirect programming.

## ASF’s Indirect Approach to Youth Programming

Afghan Secure Futures took an indirect approach to generating economic benefits for young apprentices by focusing its economic interventions on the workshop owners that employ apprentices. The workshop owners were typically independent entrepreneurs engaged in providing services in wood- and metalwork to the construction sector in and around Kabul.<sup>16</sup> The majority of workshops were small enterprises, employing between two and eight employees, a combination of apprentices and adult workers.

Project interventions sought to address the constraints within the support service markets (particularly business development services and financial services) that inhibit business growth among micro and small workshops. The project’s operating assumption was that improving business opportunities in the sector, especially for workshops that are employing apprentices, would ultimately improve employment and income opportunities for vulnerable youth. In addition, interventions to improve access to non-formal education opportunities directly targeted apprentices.

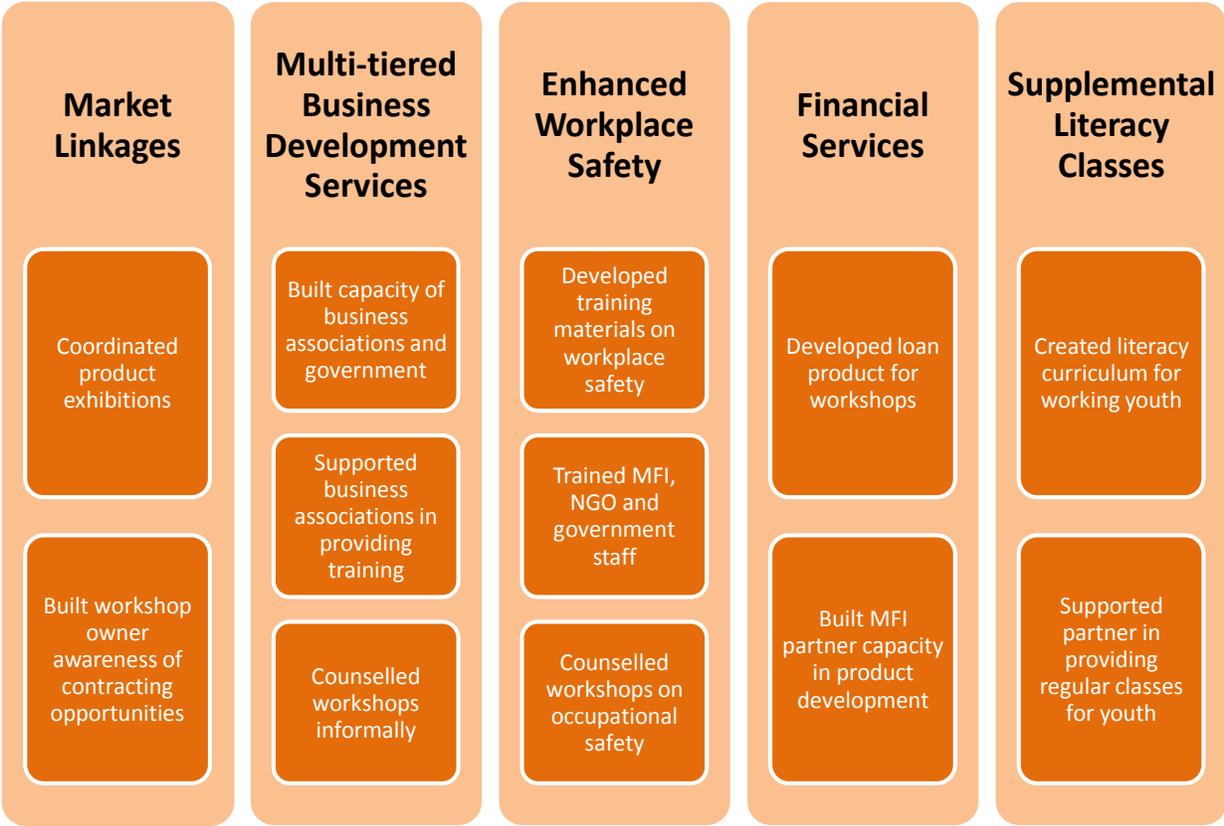
As shown in the diagram below, the majority of interventions undertaken as part of ASF focused on workshop owners and other stakeholders, providing indirect benefit to youth.<sup>17</sup>

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<sup>16</sup> The process of selecting these subsectors is described in *STRIVE for Learning Report No. 2: Leveraging Apprenticeships to Reach and Benefit Vulnerable Youth, 2012*.

<sup>17</sup> The only direct intervention that ASF provided to apprentices was the supplementary literacy and numeracy classes. For more information on this initiative, please see STRIVE for Learning’s Report *Incorporating Supplementary Literacy and Numeracy Classes: Findings from STRIVE’s Afghan Secure Futures Program*, available at <http://microlinks.kdid.org/library/incorporating-supplementary-literacy-and-numeracy-classes-findings-strive%E2%80%99s-afghan-secure-fu>

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# Summary of Findings

ASF examined the outcomes for both workshops and apprentices with pre and post surveys, Most Significant Change Stories and some group discussions with apprentices. The 2009 baseline surveys with workshops and apprentices were based on a census, where nearly all project participants were interviewed. In 2010, non-representative surveys were undertaken of a small convenience sample of both groups. In 2011, a census was again undertaken with mixed modes (in-person and telephone) of workshop owners, while a non-representative convenience sample was taken of apprentices. Workshops experienced growth through increased contracting opportunities and improved skills among business owners and staff in marketing, management and client relations. For apprentices, the most significant outcomes emerged in the areas of improved workplace safety, increased income and improved employability.

## Finding 1: Workplace safety can be positively influenced by leveraging economic incentives

The ASF team successfully leveraged economic incentives for workshop owners to improve workplace safety conditions for apprentices. Business development services – training much in demand by the workshop owners – were found to be the most effective avenue for promoting occupational safety and health for young apprentices. These training courses were different incentives than those originally planned at the project design phase, but had the desired outcome.<sup>18</sup> Information on workplace safety was conveyed to business owners during formal training sessions (conducted by ASF staff and ABA and FACT, partner business associations), as well as during the regular counseling and coaching provided to business owners in their workshops on a weekly basis.

A significant number of both workshop owners and apprentices noted improvements in their workplace safety conditions: in the endline survey, 98.9% of workshop owners reported improved workplace safety as a result of ASF project interventions.<sup>19</sup> In the same survey, 98.3%

### Workshop Safety: The Apprentices' Perspective

It quickly became apparent to the project staff upon inception that not only were the health and safety standards of the workshops quite low, there was little awareness of the need for such standards among either owners or apprentices.

Though project activity concentrated on developing the awareness and capacity of the workshop owners in proper safety standards, there was evidence of 'spillover' learning among apprentices. During group discussions and one-on-one interviews conducted as part of the 2011 endline review, the majority of apprentices noted that, as a result of workshop owners' efforts to improve safety not only did actual safety improve, so did their own understanding of safety standards and their importance in running a successful business.

<sup>18</sup> On the CIDA-funded PPIC-Work project in Egypt, MEDA successfully leveraged access to microfinance loans as an incentive for workshop owners to make safety improvements in their businesses. The ASF team initially hoped to use comparable financial services in Kabul, but found that lending requirements in Afghanistan excluded most of the target workshops. In the final survey, a significant number of apprentices reported feeling safer at work. These results are comparable with an independent evaluation conducted on PPIC Work's Egyptian workshops, where 96% were found to have improved workplace safety in response to MFI training and support. The Canadian International Development Agency (CIDA) contracted an independent evaluator to conduct a mid-project review of MEDA's PPIC Work project in 2008. The review found that 24 of 25 workshops (or 96%) which were randomly selected from the project's clientele had made improvements in working conditions. While the specific incentives leveraged under ASF differed from those used in MEDA's Egypt project, both projects were able to positively impact on occupational safety for young workers.

<sup>19</sup> Endline survey sample size: 370, with 60 in person interviews and 310 phone interviews with workshop owners, May 2011. 366 workshop owners reported workplace safety improvements as a result of ASF interventions; 4 reported no workplace safety interventions.

of workshop owners reported having safety equipment in the workshops; 82% reported using this equipment regularly.<sup>20</sup> The number of apprentices reporting that they felt safe in the workshop rose dramatically over the course of the project: in 2009, 63% reported feeling “somewhat safe” or “very safe”; at the end of the project in 2011, 100% of apprentices surveyed reported feeling “somewhat safe” or “very safe.”<sup>21</sup>

Similar findings emerged during the qualitative interviews undertaken at the end of the project.<sup>22</sup> Both workshop owners and apprentices noted that workshop safety standards improved considerably over the life of the project, which they attributed to increased awareness and a consistent approach by ASF’s business development officers in stressing the economic payoff to improved safety.

### Key Learning

- Economic incentives can be leveraged to improve social conditions for young workers. In this case, workplace safety improvements were targeted and significant improvements were recorded over the course of the project.
- Incentives may vary and should be selected based on demand in a particular context. The ASF team expected to incentivize workshop owners through improved access to microfinance loans; however, business development services were found to be more appropriate incentives for the workshop owners.

## Finding 2: As workshop income increases, more apprentices are hired

At the project design phase, the ASF team hypothesized that as workshop income rose, more apprentices would be hired. For smaller workshops in particular, hiring apprentices is the primary way of building the workshop’s capacity to handle larger and more varied orders. The apprentice model is well entrenched within the Afghan trades sector. All small and medium workshop owners the project worked with came into the business via the apprentice model themselves, and there is a strong cultural tradition for owners to bring on and train their own apprentices.

Tradition is not the only rationale, though: there is also a practical imperative. Hiring apprentices – as opposed to recruiting more highly skilled workers – limits the financial risk to the employer, as these skilled workers are more expensive. Hiring apprentices allows workshop owners to develop their long-term workforce at lower cost, an important consideration in the context of informal, unpredictable income streams. This hypothesis seems to be borne out by data gathered on increased workshop revenue and increased numbers of apprentices being hired, particularly in smaller workshops.

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<sup>20</sup> Endline survey, as above. 364 of 370, or 98.38% of workshop owners reported having safety equipment in their workshops and 307 or 82.97% reported using this equipment regularly.

<sup>21</sup> The baseline included 1080 apprentices. 676, or 62.83% reported feeling “very safe” and “somewhat safe” and 400 reported feeling unsafe (responses included “neither safe nor unsafe” and “not safe at all”). 4 responses were missing. At endline in 2011, 115 apprentices were surveyed using a convenience sample, which may not be representative of all of the apprentices; all 115 reported feeling safe.

<sup>22</sup> In spring 2011, qualitative data was collected through individual and group interviews with 12 workshop owners and 65 apprentices. Sample was non-representative.

## Increased Workshop Income

Workshops showed strong financial gains over the course of the project, with 93% of workshop owners stating in the endline survey that their business's average monthly revenue had increased over the past year.<sup>23</sup> The following table shows the average monthly revenue, as reported by workshop owners in surveys conducted at the beginning and end of the project. Though financial data on workshops was challenging to collect, a consistent and significant increase in revenue can be observed over the project period.<sup>24</sup>

**Average Monthly Workshop Revenue  
(in Afghanis)<sup>25</sup>**

Monthly Revenue (In Afghanis)	Workshops in 2009 <sup>26</sup> (n=360)	Workshops in 2011 <sup>27</sup> (n=354)
1,000 - 19,999	51.9%	35.0%
20,000 - 49,999	38.1%	41.0%
50,000 - 1,500,000	10%	24.0%

As seen in the table above, the income levels of workshops benefiting from ASF interventions saw an increase in monthly income: over half of the workshops had monthly revenues below 20,000 Afghanis in 2009; by 2011, only 35% of workshops had revenues under 20,000 Afghanis. Those earning between 20,000 and 50,000 saw a slight increase (38% in 2009 vs 41% in 2011). The number of workshops earning 50,000 Afghanis or more per month increased dramatically, from 10% in 2009 to 24% in 2011.

## ASF Support to Workshops

Though many factors external to the project contributed to workshop growth, two ASF intervention areas had an effect on income, as reported by workshop owners: skill building for workshop owners and improved linkages to markets. The overwhelming majority of workshop owners stated that they learned new skills through contact with the ASF project: 97% described benefiting from additional skills in marketing, management, client relations and pricing products.<sup>28</sup>

ASF worked to improve workshop linkages to contracts and markets, both directly, by providing information on how to access contracts from government agencies, NGOs and larger firms, as well as indirectly, by creating

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<sup>23</sup> Endline survey sample size: 370, with 60 in person interviews and 310 phone interviews with workshop owners, May 2011. 343 workshop owners (92.95%) reported increased monthly revenue over the past year, 25 (6.78%) reported their income remained the same and 1 (0.27%) stated that their income decreased. One response was missing and excluded from analysis.

<sup>24</sup> It should be noted that the figures collected in the first round of data collection (2009) for this question were problematic, with substantial monthly variances. However, workshop owners overwhelmingly reported an increase in revenue from 2009 to 2010 and again in 2011 (40 of 40 respondents in 2010 reported an increase, and 343 out of 369 (92.95%) in 2011). Workshop owners were reluctant to report income because they feared the data would be relayed to the tax authorities. As a result, the ASF team amended their systems and added additional questions for validation, focusing on assets as well as income.

<sup>25</sup> In August 2011, the final month of project implementation, the exchange rate was 43.33 Afghan Afghanis per US dollar, a slight dip from the 45 Afghan Afghanis per US dollar at project commencement. (<http://www.xe.com/currencytables/?from=AFN&date=2011-08-31>)

<sup>26</sup> 3 responses were missing and excluded from analysis

<sup>27</sup> 16 responses were missing and excluded from analysis

<sup>28</sup> In the endline survey, 359 of 370 surveyed said they learned new skills. The 60 workshop owners who were interviewed in person listed marketing, pricing and client relations as the top three skills learned in the training. The 310 workshop owners surveyed by phone listed marketing, management and client relations as the top three skills.

networking opportunities for workshop owners. Direct linkages to contracts rose steadily over the course of the project: in 2009, just under one in three workshops reporting that they had received contract work from a government agency, NGO, larger firm or another workshop's referral. In 2010, all workshops surveyed had received contract work through such connections (though it should be noted that this was a smaller sample size), and in 2011, 82% of workshops in the project reported success with such contracting connections.<sup>29</sup>

Networking among workshop owners was an unintended positive outcome of training and capacity building events held by the ASF team. Workshop owners reported learning important skills, but also realized significant benefits from the opportunity to meet with peers. As trust grew among the workshop owners, so did the benefits: in 2010, 12.5% of owners reported benefiting from ASF through new business referrals and 2.5% reported benefits from networking opportunities. By 2011, however, 90% stated they benefited from the networking and 94% reported receiving new business referrals.<sup>30</sup> Overall, the number of workshops reporting an increase in new work orders over the past year rose significantly from 25% in 2010 to 92% in 2011.

Khaleel's story illustrates how these interventions resulted in a growth in workshop revenue, leading to an increase in the number of apprentices he employs (see sidebar **Client Story: Kabir**).

### Increased Recruitment of Apprentices

As workshop incomes increased, so did the number of apprentices employed in the workshops. The majority of workshops experienced growth, hiring additional apprentices to learn trades. In 2010,

#### Client Story: Kabir (Kabul Furnishings)

Kabir is the owner of a carpentry workshop called Kabul Furnishings. He started his career as an apprentice, learning the carpentry trade in Iran, Tajikistan and Pakistan where he was a refugee. He did not take any formal courses in carpentry but learned through hands-on experience.



When he returned to Afghanistan in 2000, he started a small business with four workers. After his association with ASF, he increased the number of apprentices in his workshop to 12. He attended all of the business development training provided by ASF and in addition, he participated in the product exhibition organized by ASF in October 2010 where he made many valuable business contacts.

He attributes his success mostly to the capacity building training organized by ASF through local partners ABA and FACT. Through the training, he learned to analyze the structure of his business and decided to recruit an operations manager to free him for business development. He also learned about good customer relations and now works with potential customers to create new and interesting designs.

<sup>29</sup> At baseline, 100 of 363 workshops reported receiving contracts in this manner. In 2010, 36 of 40 responded positively, and with 4 responses missing, this resulted in 100% of respondents answering positively. In 2011, 305 of 370 reported receiving contracts in this manner.

<sup>30</sup> In 2010, 5 of 40 respondents reported receiving referrals and 1 of 40 benefited from the networking opportunities. In 2011, 332 benefitted from the networking and 347 received new business referrals, of 370 interviewed.

97.5% of 40 workshop owners surveyed stated that they had increased the number of apprentices in their workshop in the past year; in 2011, 93% of 370 reported hiring more apprentices.

The greatest amount of growth occurred in smaller workshops, as seen in the following table:

**Workshop Size by Number of Apprentices**

<b>Workshop Size</b>	<b>Percentage of workshops 2009<sup>31</sup> (n=360)</b>	<b>Percentage of workshops 2011<sup>32</sup> (n=369)</b>
0 apprentices	0.83%	0
1-5 apprentices	73.83%	49.05%
6-10 apprentices	19.56%	40.92%
11-15 apprentices	2.48%	9.21%
16-100 apprentices	2.5%	0.81%

In 2009, almost three quarters of the workshops had 5 or fewer apprentices; by 2011, just over half of the workshops had 6 or more apprentices.

Training apprentices is the only consistent way for small informal workshops to secure skilled labor. The generally lower wages and limited advancement opportunities meant that hiring already training apprentices is not practical. Workshop owners and apprentices reported in interviews that it took between 12 and 18 months for apprentices to build up skills to a competency level where they were doing revenue-generating work. Therefore, business owners must ensure a steady supply of future labor by hiring apprentices in advance: increasing the number of apprentices demonstrates a basic belief in future volume of work.

**Key Learning**

- Two ASF interventions were linked to increased workshop income: skill building opportunities for workshop owners and improved linkages to markets.
- As workshop revenues increased, so did the numbers of apprentices employed. In years 2 and 3 of the project, 97.5 percent and 93 percent of workshop owners reported hiring additional apprentices.
- The greatest amount of growth occurred in smaller workshops.

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<sup>31</sup> 3 responses were missing and excluded from analysis  
<sup>32</sup> 1 response was missing and excluded from analysis

### Finding 3: Apprentice income increased with workshop growth

Over the course of the project, apprentice income rose both in absolute terms and in terms of household assets. Apprentices reported rising income, from an average of USD9 per month at baseline, to USD20 per month at final assessment. In 2010, 53% of apprentices stated that their income had increased and in 2011, 78% reported higher income.<sup>33</sup>

During ASF's final assessment in 2011, surveyed workshop owners reported that they had both hired more apprentices and increased the pay of the apprentices in their employ. Surveys with apprentices confirmed the general increase in apprentices' wages and in focus groups and one-on-one interviews, apprentices affirmed that the increase was due, in part, to programming interventions. It is likely that increased income was due to a combination of factors, including the natural life cycle of a business and increasing wages to represent compensation for improved skill sets. Confirmation of exact increases in wages proved difficult, as workshop owners were believed to have understated income and expenditure in order to avoid paying income tax. However, project close out interviews support these findings, with both workshop owners and apprentices reporting a link between increased apprentice income and workshop growth.

It is worth noting that despite the challenges in establishing exact levels of increased income, several apprentices reported in group meetings that their wages were the only regular source of income in their family. Face-to-face interviews were conducted with 109 apprentices during the 2011 endline survey, and 33 respondents ranked their income as the first or second most important source in the household. Income stability is vital for households to smooth income during emergencies and to plan for the future, as illustrated in Abdul's story (see sidebar: **Client Story: Income Stability Fuels Dreams of Better Future**). Income stability will be discussed further in Finding 4, below.

#### Client Story: Income Stability Fuels Dreams of Better Future

Focus groups held with apprentices during project closeout evaluation yielded evidence of the impacts of ASF programming on their home life.

One young apprentice, Abdul, spoke of how the money he earned and new skills he was acquiring were giving new hope to his family. His father was deceased, his mother worked as a house cleaner and his brother washed cars. His wages as an apprentice was the only consistent money coming into their household, and this income allowed his mother to plan consistent meals and put aside some money for school uniforms and transport fees.

Her long term goal was for both her sons to return to the public school system and complete their primary education.

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<sup>33</sup> In 2010, 68 apprentices were surveyed (non-representative, convenience sample), 36 stated their income had increased, 31 said it stayed the same and 1 reported a decrease. In 2011, 115 apprentices were surveyed (non-representative, convenience sample), with 90 reporting an increased income, 1 reporting a decrease and 24 stating their income stayed the same.

### Key Learning

- Apprentices reported rising income, from an average of USD9 per month at baseline, to USD20 per month at final assessment. In year 2 of the project, just over half reported an increase in income and in year 3, over three quarters reported earning more.
- Though the increased income was likely due to a combination of factors, including improved apprentice skills, interviews with apprentices and workshop owners found a link between increased wages and project activities.
- In addition to increased monthly income, the majority of apprentices participating in focus groups and one-on-one interviews emphasized the importance to their household of earning a regular and dependable wage; this allowed families to smooth income and plan for the future.

### Finding 4: Apprentices experience improved quality of life and employability

In addition to the increased income discussed in Finding 3, anecdotal and qualitative evidence indicated that programming interventions translated into solid gains in terms of enhanced quality of life and improved employability for apprentices.

A set of three apprentice group meetings in 2010 probed the issues of indirect benefits as a result of programming activity. Of the 68 apprentices involved in the discussions, 57 stated that the program's interventions – trainings, market linkages, etc. – created market conditions that led them to having enhanced employability.

In particular, a majority of apprentices expressed the belief that the new skills learned, contacts made, skills developed and financial base established meant that they were much better positioned to open their own workshop, a stated desire of many of the apprentices.

In the spring of 2011, during ASF's concluding evaluative exercises, MEDA staff reported repeated anecdotal references from apprentices that the programming interventions had strengthened the apprentices' ability to either start their own businesses or seek employment at other locales.

Chief among the stated quality of life/proxy indicator improvements were:

- **Enhanced Income Smoothing:** Many apprentices came from households at the lower end of the economic scale, and faced a variety of risks. As stated earlier, the apprentices' earnings were an essential source of household income: 7% of apprentices stated that theirs was the most important source in their family; 25% ranked theirs as the second most important and 50% stated theirs was the third most important source.<sup>34</sup> In follow up discussions, apprentices were asked further questions about income smoothing. Though their incomes varied in importance relative to other sources in the household, the majority of apprentices stated that their incomes were the most consistent. This income-smoothing meant fewer dips in the income required to pay for necessities such as food and housing and unexpected costs, such as medical bills.
- **Improved Food Security:** In the final survey, apprentices noted an improvement in food security, expressed as increases in the consumption of higher value foods – those with a higher nutritional content,

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<sup>34</sup> 2011 endline survey, 115 apprentices surveyed in non-representative sample.

such as animal protein or fresh vegetables. This was supported in the qualitative data collected during final interviews, during which there was substantial anecdotal evidence linking the increase in income with an improvement in both the quantity and type of foods available in the households.

- **Improved employability/ability to successfully start own business:** A common refrain among apprentices was a desire to eventually open their own workshop. This was seen as a vehicle for escaping poverty and establishing a secure financial base.
- **Improved status in household/feeling of self-worth:** Though not asked directly in the surveys, a common refrain during the qualitative data collection was that, as they learned new skills and earned more income, the apprentices experienced an improved status within their households, and also developed stronger self-worth and confidence.

### *Key Learning*

- Apprentices reported that skills learned and connections made as a result of changes in their workshop led to them being more employable in the future.
- Anecdotally, many apprentices believed they were in a better position to eventually open their own workshops, which they viewed as an important strategy for economic stability.
- Increased income and reliable wages led to improved food security and a greater ability to smooth income within apprentice households.

# Conclusions

The Afghan Secure Futures project has demonstrated that indirect economic strengthening interventions can have positive economic and social impacts on youth. Many economic strengthening projects use indirect interventions, though most seek to benefit young people by increasing incomes of parents or guardians. ASF sought to generate economic benefits for young apprentices by focusing interventions on the workshop owners that employed the young workers. The project's operating assumption was that addressing constraints within the support service markets, particularly business development services, and improving business opportunities in the sector would improve employment and income generating opportunities for vulnerable youth.

As discussed in this paper, the ASF team found that economic incentives can be leveraged to improve social conditions for young workers. In this case, workplace safety improvements were targeted and significant improvements were observed over the course of the project. Incentives for creating and sustaining such improvements will vary depending on the context. The ASF team expected to be able to leverage improved financial access for workshop owners as an incentive, but business development services proved to be more viable for construction industry workshops.

As revenues increased, workshop owners hired additional apprentices. In 2011, the final year of the project, 93 percent of workshop owners reported hiring additional apprentices. The greatest amount of growth occurred in smaller workshops, particularly those with ten or fewer apprentices. This may be due to the fact that for these small informal businesses, training apprentices is the only way to secure skilled labor.

Over the course of the project, apprentices reported rising income, from an average of USD9 per month at baseline, to USD20 per month at final assessment (non-representative samples). In year 2 of the project, just over half reported an increase in income and in year 3, over three quarters reported earning more. Though the increased income was likely due to a combination of factors, including improved apprentice skills, interviews with apprentices and workshop owners found a link between increased wages and project activities. In addition to increased monthly income, apprentices emphasized the importance to their household of earning a regular and dependable wage; this allowed families to smooth income and plan for the future. In addition to increased income, apprentices reported additional changes in their overall quality of life, including improved food security and a greater ability to smooth income in the household.

The data gathered over the course of the ASF project provided support for project assumptions, that indirect economic interventions can achieve positive results for vulnerable groups, such as working youth. Many questions remain, and the ASF team would encourage practitioners and donors to pursue and document learning to strengthen future programming. Important topics for further research include:

- Which contexts are more appropriate for indirect vs direct programming interventions for vulnerable populations?
- How can practitioners most effectively combine direct and indirect interventions?
- What factors can improve the sustainability of indirect interventions?
- Programming interventions can reach vulnerable youth through the family unit, school and their workplace, if applicable. What other avenues can programming use to support hard-to-reach young people?
- What are effective monitoring and evaluation techniques for measuring the impact of indirect economic interventions?

Unfortunately, MEDA no longer has a presence in Afghanistan and cannot verify the post-project impacts of Afghan Secure Futures. However, the team sincerely hopes that the project design, including the indirect interventions targeting vulnerable youth, have resulted in sustainable positive change for the apprentices, their employers and their households.