

Accelerating Skills through Vouchers

An Implementation Guide



Partners in change











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







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.

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