

VOUCHING FOR CHANGE



Partners in change





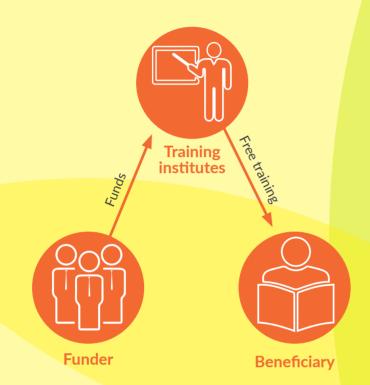




What is a skill voucher?

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.

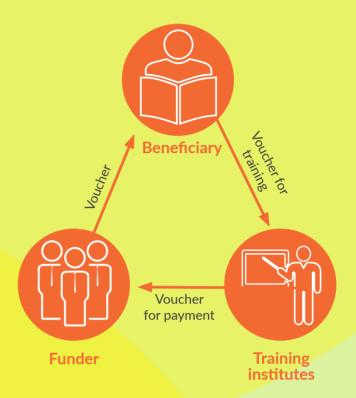
Traditional model of funding (supply side)



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)



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.

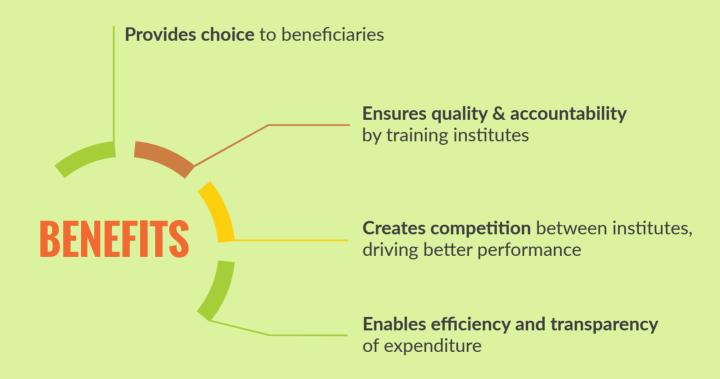
Vikalp: Vouching for change

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.

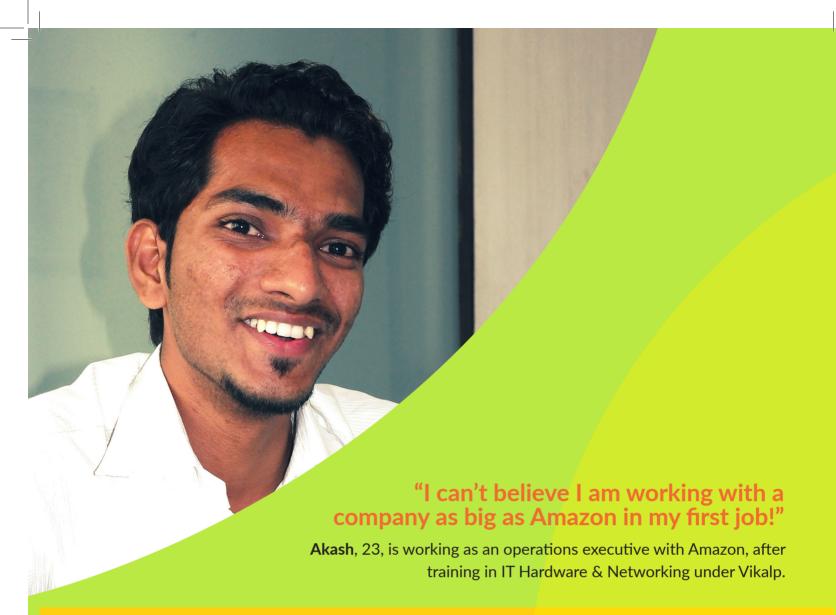
With this idea, CCS started a pilot, 'Vikalp', in Mumbai and Pune, supported by like-minded partners, Babasaheb Ambedkar Research & Training Institute (BARTI), Pune, an autonomous body under Department of Social Justice and Special Assistance, Maharashtra, National Skill Development Corporation (NSDC) 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.



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.



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]

CONTACT US

Centre for Civil Society (CCS)
A69, Hauz Khas, New Delhi - 110 016

T: +91 11 26521882

E: vikalp@ccs.in/ ccs@ccs.in

W: www.ccs.in