

**Informal Sector Training and Resources Network  
(ISTARN)  
Traditional Apprenticeship Programme (TAP)**

**Zimbabwe**

**- Case Study -**

**Analysis for  
Good Practice and Replicability Purposes**

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# Informal Sector Training and Resources Network (ISTARN) Traditional Apprenticeship Programme (TAP)<sup>1</sup>

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## 1. Project Profile

**Technical Cooperation (TC) through:**  
BMZ / GTZ

**Time period of TC agency involvement:**  
Begun in 1994 – “ongoing”<sup>2</sup>

**Counterpart organisation:**  
Ministry of Higher Education and Training (MoHET).

**Purpose of project:**  
The purpose of ISTARN was to contribute to employment creation via project activities and vocational training services in the informal sector. The TAP was a specific strategy to achieve this.

**Brief description of the project:**  
The TAP recognises the *traditional practice of technical skills and business knowledge transfer* that occurs in supervised employment i.e. inexperienced employees or “apprentices” learn from enterprise owners through being involved in both the production or service area, and in the business dealings of the enterprise. The added value provided by the project is in the form of a very brief period of structured training (making use of existing facilities) and the supportive context of the ISTARN package. Initially piloted in the Masvingo Province, the project is now also being implemented in Mutare Province and Bulawayo.

**Target group:**  
*Unemployed youth* who had been *out of school for several years*.

**Project level:**  
The TAP is a *micro* level intervention. However, it has involved working with training institutions to get them to adjust to informal sector needs, and ISTARN was involved with local government advocacy to ensure a positive climate for the development of small businesses. Thus, it had *meso* (institutional) and *macro* (policy) aspects.

**Implementing TC agency context:**  
At the time of the initiation of the ISTARN project, GTZ supported a number of projects in Zimbabwe. ISTARN formed part of the BMZ funded and GTZ supported Business and Employment Promotion Programme in Zimbabwe. It had close links with the National Vocational Training and Development Programme (NVTDP) which facilitated the creation of a training system responsive to the needs of the country.

The TAP was one of a number of services offered by ISTARN as part of a package that looked at vocational training for the informal sector in an innovative and integrated way, with the different services contributing to making training an effective tool for addressing unemployment. The services offered by ISTARN included *access to credit for tools or other start-up capital* (specifically aimed at graduates of the TAP), *access to small business management training*, regular monitoring visits by business advisors to give appropriate *advice and monitor* performance, capacity building for *small business associations*, a *marketing support programme*.

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<sup>1</sup> **Original case study source:** *ISTARN – TAP: A pilot project in Zimbabwe to develop and test a vocational training approach to the informal sector*. Commissioned by GTZ and ISTARN and undertaken by Manstrat.

**Date of case study source:** July 2000

### **Additional Resources**

*Adding Value: A formative case study of the Traditional Apprenticeship Programme of ISTARN*, Nell and Shapiro cc, 1998.

*Adding Value Manual 1 (Is a TAP for you?) and 2 (How to set up and run a TAP):* GTZ/ISTARN, 1999

<sup>2</sup> On halt due to political situation

## 2. Informal Sector Training and Resources Network (ISTARN) Traditional Apprenticeship Programme (TAP) The Projects in more detail

### Background

#### Problem identification:

The problems identified in the process of initiating ISTARN as a project, and the TAP as a strategy, were

- the high levels of unemployment
- the lack of absorption capacity in the formal sector
- the failure of the existing education and training system to address this problem adequately.

Further, unless informal sector businesses are supported to succeed, any impact they have will be transitory, and they will not succeed in creating additional jobs.

#### Possible and actual stakeholders:

The technical colleges in Masvingo and Mutare have been major partners of ISTARN and have piloted and implemented the TAP programme. Other colleges are now interested. A growing number of VTCs are initiating a TAP as an appropriate and cost effective means of fulfilling their mandates. They probably provide a more appropriate institutional environment. Some youth centres are being converted into VTCs. One of the useful developments of ISTARN is the forming of a partnership with MNAECC, broadening the base of government partnerships beyond the traditional notion of those focused on education and training. In the earliest stages of the project, some NGO providers of training were involved but this was not a particularly successful venture. Through the **TAP**, *capacity has been built in the institutions*, and through **ISTARN**, *in the ministries*.

The TAP is targeted at the disadvantaged unemployed, but specifically at those with the potential to be “winners”. The TAP, as with most GTZ funded projects, aims to achieve a gender balance and has a target of 30% women participants. Attempts have been made to include traditionally “female work” as well as to interest women in work traditionally seen as “male”.

Within the **TAP**, the key direct stakeholders are:

- ◆ The *implementing agency* whose job it is to ensure that the short-term training is provided either by doing it itself, or by forming partnerships to get it done. This involves doing needs assessment, research, planning and, if necessary, institution and capacity building of providers. Where the intention is to get the training accredited in some way, then the implementing agency needs to ensure that the training fits a modular framework

through which accreditation points can be acquired. The implementing agency fulfills a co-ordinating and a monitoring and evaluation function. It also keeps in touch with the apprentices and enterprise owners during the apprenticeship, and provides a supportive framework for the graduates. Initially ISTARN was the implementing agency for the TAP but, in some cases, this has now been taken on by the training providers.

- ◆ The *apprentice* has to decide whether the TAP fulfills his/her training requirements and which of the available technical options he/she would prefer. Then, as a requirement of acceptance on the programme, s/he must find a “master” or enterprise owner, willing to take him/her on, and negotiate the conditions of attachment. S/he must make her/his own arrangements to attend the formal training sessions, participate fully in the activities of the enterprise, and make use of the available support to set up in his/her own business. The possibility also exists to convert the attendance certificate awarded for attendance at the formal training into a formal certificate of competence through trade testing, but this needs to be done on the trainee’s own initiative.
- ◆ The *enterprise owner*, motivated by the prospect of cheap labour, augmented production capacity with some basic understanding of the technology involved, and/or social responsibility, agrees to take on the apprentice and negotiates an arrangement. The contract is between the apprentice and the enterprise owner. He or she makes the apprentice available for the formal training when necessary and provides a working environment that encourages the development of technical skills and business/business management skills. S/he monitors the apprentice’s progress and provides feedback to the implementing agency on this and on the usefulness of the programme generally.

### **Underlying concepts:**

The key underlying concepts which this project attempts to operationalise are:

- ◆ **Cost effectiveness** (many people trained at minimal cost, in a short time – about six weeks of formal training and a maximum of a year in apprenticeship, whereas formal vocational training usually takes about three years and does not even include business skills).
- ◆ **Relevance** (meeting the needs of the economy, the labour-market and the education and training system, as well as of individual participants). The training specifically prepares trainees for and under conditions and circumstances prevailing in the informal sector where they are likely to establish their own businesses or self-employment opportunities.
- ◆ **Accessible** to a large number of people (in terms of cost and prior qualifications/education – the ability to read, write and perform basic calculations are all that is required).

In addition, the project is concerned with:

- ◆ **Adding value rather than interfering with existing traditional practice**, so that interventions are aimed at improving the skills transfer process and, hence, the ability of trainees to create jobs and employment opportunities for themselves on completion of

training. The ***training is aimed at the informal sector market***, not at formal sector wage employment.

- ◆ ***Encouraging trainees to take maximum responsibility for the process*** (they are required to find their own “master” or enterprise owner and to get him to agree to employ and train them). At most, the enterprise owner pays a small stipend or salary.
- ◆ ***Flexibility*** (the apprenticeship terms are informal and not bound by rigid regulations or the requirement for trade testing).

### **Assumptions:**

The key methodological assumptions of the TAP were that:

- ◆ The TAP can provide added value to the traditional practice.
- ◆ This added value will increase the potential for self-employment, lead to increased self-employment and job creation, and that this self-employment and job creation will contribute to the alleviation of poverty.

Other assumptions were:

- ◆ the informal sector will continue to play a significant role in the Zimbabwean economy;
- ◆ the informal sector will be able to absorb relatively large numbers of self-employed artisans and service providers;
- ◆ the informal sector will be able to generate enough income for such people;
- ◆ people who have been unemployed for a long period can move from passive to active mode, taking control of their own lives;
- ◆ government will continue to give public training institutions some degree of autonomy in deciding what courses to offer.

## **Process summary**

### **Description of intervention:**

- ◆ Participants are recruited, by the ***implementing agency***, from the ranks of the unemployed and are usually, but not always, young people who do not have marketable skills. They are selected on the basis of their entrepreneurial aptitude as the intention is that they will become self-employed.
- ◆ The major site and vehicle of the ***skills training is the workplace***. The trainee must find his/her own placement. The placements are usually for three to six months, but not more than 12 months. Length depends on trade – a carpentry attachment will be shorter than a motor mechanic placement. The placement must be ***in a technical area*** for which the ***implementing agency is offering added value in the form of a short period*** (e.g. two weeks, but not exceeding three months, spread over a longer period with work in between) ***of formal training***. The technical training must be as short as possible but as

long as necessary. Some **formal business** training might also be offered for a short period.

- ◆ The most appropriate skills are manufacturing (e.g. carpentry, welding, dress-making, building) or service skills (e.g. hairdressing, motor mechanics, fixing of appliances). Ideally, the capital cost of setting up one's own business should be as low as possible.
- ◆ The implementing agency follows the progress of the apprentice and provides a **business support package** to assist him/her in setting up his/her own business.

**Critical issues and their consideration:**

Critical Issues	Comments / Considerations / Tips
Too few women participating, despite initial efforts to involve them.	Some <b>financial assistance and accommodation support specifically for women</b> was provided and gender targets were achieved.
Recruitment problems.	<b>Enlisted help of informal sector associations</b> which led to an improvement of the calibre of enterprise owners and of apprentices.
Originally the TAP found attachments for the apprentices. The contract was between the TAP and the enterprise owner. This reduced self-reliance and interfered with the original practice.	Now <b>apprentices find their own attachments</b> as one of the "obstacles" they overcome to show entrepreneurial attitude. This works well as a selection tool.
Applications originally accepted from a large geographical area – difficult to service and follow-up.	Geographical <b>boundaries are set for applicants and placements</b> – reduces costs but limits access and choice.
Originally only a small range of formal training was offered – led to over-supply.	Now offer a wide range, meeting a broad spectrum of needs.
<b>Lecturers</b> not oriented to the informal sector.	Now <b>trained</b> for a week and can offer appropriate input.
Originally too expensive.	Now <b>apprentices pay for training materials for formal training</b> and for their accommodation at the formal training. Reduces access for poorest of poor, but creates the possibility of project sustainability.
Not all enterprise owners make good "masters".	Use is now made of an <b>Apprentice Development Appraisal Form</b> which subtly guides enterprise owners in what they should be doing. Some short-term business training is also provided to trainees to make up for enterprise owners' business shortcomings.
Follow-up support for businesses that were set up was inadequate.	ISTARN built the capacity of local providers to offer this at affordable prices. ISTARN is also working at <b>developing marketing intermediaries</b> to support the new businesses.

Apprentices lacked start-up capital.	Addressed through a <i>“hire to buy” credit facility</i> for tool purchase. Work is in progress to build the capacity of micro finance institutions to make loans available to graduates of the TAP.
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**Facilitating factors:**

- ◆ The combination of a relatively educated, young unemployed population provided fertile ground for the project.
- ◆ The training is effective because the apprentice learns technical (trade and production) skills but is also exposed to business management skills and is inducted into the informal sector business culture and business networks.
- ◆ ISTARN had done research and understood the traditional practice in the areas where it was working, as well as which technical skills could be used in the piloting process.
- ◆ The ISTARN focus on “winners” was important in limiting the drop-out rate and making the project more cost effective.
- ◆ Because tracer studies had been done the government partners in the project were aware that technical college graduates were not finding employment.
- ◆ The initial technical training makes apprentices more immediately productive and, hence, attractive to enterprise owners.
- ◆ Initially ISTARN had a secretariat, a base and financial resources, as well as good links into other business networks. It is able to help graduates access support in setting up a business.
- ◆ The TAP organises “conventions” of past graduates which helps with monitoring of impact and also helps to create business networks and role models among past graduates.

**Impact**

**Monitoring and evaluation:**

Monitoring and evaluation provide valuable feedback to the implementing agency, the apprentice and the enterprise owner. ISTARN has an impact monitoring system which involves tracer studies focused on key indicators of success, and, in addition, conventions and TAP workshops provide follow-up information. It is not possible to learn from practice unless there is monitoring of process and evaluation of impact. Ultimately the success or failure of the TAP lies in its ability to address the problem of unemployment both directly (self-employment of graduates) and indirectly (creation of additional jobs) and, in so doing, to alleviate poverty.

**What was/has been achieved?**

*(At time of writing of source material – 2000)*

- ◆ More than 1 100 trainees have gone through the programme.
- ◆ The concept has been applied to 19 different trades.
- ◆ The 30% female participation target has been comfortably met.
- ◆ In a tracer study of 82 graduates, 44% were found to be self-employed, of whom 10% also employed others; 31% were employed in the informal sector (on a wage basis); 13% were employed in the formal sector; and 12% were unemployed. In the tracer study, 86% said that they had increased their income substantially as a result of participation in the TAP.
- ◆ Enterprise owners are very positive about the programme, with 89% indicating that they had experienced improved productivity and profitability while they had apprentices from the TAP on attachment. A high percentage (70%) said that the value added by the intervention resulted in better quality products. This was confirmed by many of the graduates (23% in the tracer study) who said they had been able to inject new skills and production techniques into the businesses to which they were attached.
- ◆ A 1998 calculation of the costs for the TAP in ISTARN came to an average total cost of Z\$ 5 600 per apprentice for basic training (the formal aspect), technical evaluation, administrative costs, business training and a basic tool kit. The per annum cost per apprentice in formal institution-based technical training schemes came to an average Z\$ 32 000 and most of these have a duration of three years, making a total cost of around Z\$ 100 000.

#### **Impact against general indicators identified:**

On the basis of the above, the following can be said in relation to the general indicators of positive impact:

- ◆ the project makes a meaningful contribution to poverty alleviation at an individual level and is relevant to the identified problems;
- ◆ the impact is felt at least at the level of the direct beneficiaries, and sometimes beyond;
- ◆ the project responds within a social and economic demand-driven, rather than a supply-led, orientation;
- ◆ in comparison with formal vocational skills training, there is an efficient cost/benefit ratio.

It is too soon to reach conclusions about the operational and financial sustainability of the interventions. However, these have been seen as issues throughout the project and steps to ensure sustainability have been taken.

#### **Learnings**

##### **Generalisable learnings/good practice:**



- ◆ *Projects aimed at poverty alleviation through flexible, innovative interventions, including training interventions, in the informal sector can impact on unemployment and poverty alleviation.*
- ◆ *The informal sector is not a stepping stone to the formal sector but a specific sector in its own right. There is a value in developing informal sector businesses for the informal sector, rather than so that they can become part of the formal sector.*
- ◆ *Successful informal sector entrepreneurs need an entrepreneurial orientation and to be generalists rather than specialists, able to do a technical job from start to finish and deal with the business aspects. Skills training interventions need to take this into account.*
- ◆ *In informal sector training, the following should be taken into account:*
  - *on-site training overcomes venue and transport constraints and costs;*
  - *learning-by-doing or learning-with-production is an appropriate methodology for the likely target group in informal sector training, both in terms of engaging and holding interest and in terms of the generating income to offset training costs;*
  - *formal entry requirements limit access and should be kept to a minimum in addressing informal sector and marginalised target group needs;*
  - *short duration leads to cost effectiveness for the programme and the individual (as short as possible but as long as necessary is a good rule of thumb);*
  - *training needs to be focused on those skills that are essential rather than skills and knowledge that are “nice to have”;*
  - *training equipment and techniques need to be geared to what is possible in the informal sector (e.g. where there is no electricity in the workplace, training should be done on hand tools).*
- ◆ *Projects such as the TAP require a supportive framework including a “package” of supportive business services.*
- ◆ *Projects such as the TAP require intervention at the macro and meso levels even if they focus on the micro level.*
- ◆ *Specific intervention to address gender imbalance may be necessary and can work effectively.*
- ◆ *Subtle intervention may be necessary to ensure that enterprise owners meet the requirements of a good workplace environment.*
- ◆ *You cannot use a traditional practice as a basis for this kind of project if it does not exist in some form already. A TAP will not be appropriate in every circumstance and in every country.*

#### **Good principles affirmed:**

- ◆ *Minimal and appropriate intervention in existing practice – add value, don't reinvent the wheel;*
- ◆ *Relevance to the context and appropriateness to the market are essential elements of success;*
- ◆ *Maximum expectation of the participants – the 90/10 principle that requires 90% effort from the participants and 10% from the implementing agency in the form of a window of opportunity – prevents dependency;*
- ◆ *Select “winners” who are hungry for success as your participants;*
- ◆ *Training interventions for this sector need to be in the context of access to some sort of business support package;*
- ◆ *Partnerships are a difficult but important part of informal sector interventions – one intervention can seldom do it all.*

#### **Innovations:**

Some of the training innovations in this project have been:

- ◆ Intervening appropriately in an existing traditional practice to add value and challenge conservative practices in a subtle but effective way.
- ◆ Seeing such an intervention as part of a business support package rather than a stand alone training intervention.
- ◆ Recognising the importance of post-training support.
- ◆ Defining success in terms of poverty alleviation and employment instead of in terms of numbers trained.
- ◆ Monitoring and evaluating in terms of poverty alleviation and employment.

#### **Issues and ideas for replication:**

A suitable context in which to initiate a TAP includes:

- ◆ Ongoing high unemployment and a low capacity in the formal sector to absorb or even retain workseekers;
- ◆ Acceptability of this type of training to workseekers (this may include some way of linking informal training to a formal accreditation system);
- ◆ An existing informal sector, playing a significant role in the local economy;
- ◆ A reasonable basic educational standard among the unemployed;
- ◆ Some degree of skill in enterprise owners in the informal sector;

- ◆ Concentrations of business activity in certain nodal points, providing markets for informal sector outputs;
- ◆ An existing traditional practice of informal apprenticeships;
- ◆ A government approach, at the local, regional and national levels, to the informal sector that is at least constructive, even if restrictive regulations are in place;
- ◆ Enterprise owners willing to participate in the project;
- ◆ Training providers interested, capable and willing to undertake the training and, in the long-term, the role of implementing agency;
- ◆ Flexible, initial start-up funding;
- ◆ A well-managed implementing agency, well networked with other training and business initiatives.

**Questions raised:**

All project raise as many questions as they answer, especially in the medium- and short-term. Some of the questions here include:

- ◆ Are the individual gains sustainable? Where will these nascent entrepreneurs be in 10 years time?
- ◆ In the long-term, will such projects contribute to market saturation?
- ◆ Does the economic impact on individuals make enough difference to alleviate poverty, and does it impact on the economy of communities as well?
- ◆ Are projects of this kind sustainable in host countries after GTZ phasing out? If so, what contributes to this?