

INTERMEDIARIES MODEL AND GUIDELINES

Models and guidelines for
impactful and sustainable inclusion of
intermediaries in the skills-jobs value chain



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Skills development in Africa

There is an urgent need across Africa, to harness its [demographic dividend](#). A burgeoning young population presents a “[window of opportunity](#)” for rapid economic growth on the continent. Young people are a driving force for innovation, the development of industry and technology, and entrepreneurial creativity. [Agenda 2063](#), Africa’s blueprint for transforming Africa into the global powerhouse of the future, recognises the potential of youth and the need to invest in this important demographic group. Economic growth in Asia and South America arose out of successful harnessing of their youth bulges. However, the window of opportunity is limited – it is therefore, imperative that investment in youth includes appropriate skills training which effectively responds to the demand for skills both in the present and future.

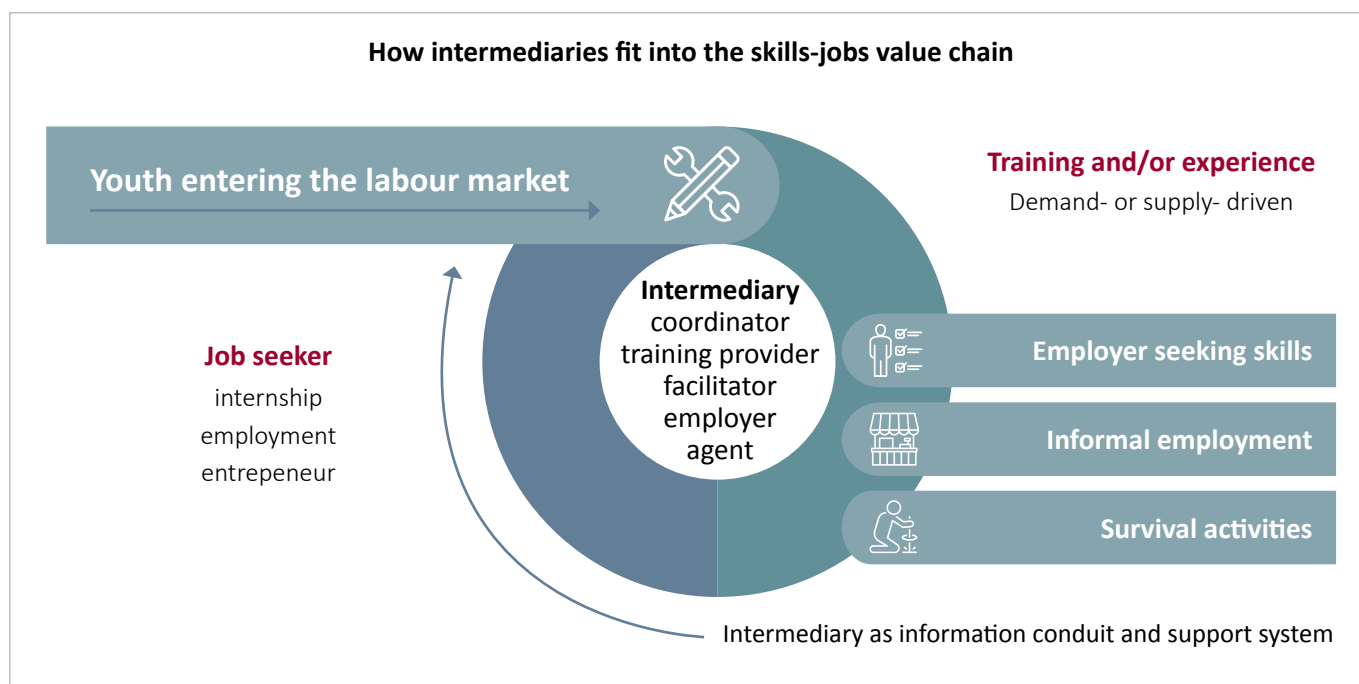
Across the continent there has been a persistent disconnect between skills demand and supply, and TVET national systems have not been adequately funded, compounding the problem. A focused collaboration between all stakeholders is necessary to effectively address the disconnect ([ACJ Learning Brief; 2021](#)).¹

What is an intermediary?

There is an existing network of role-players in the skills-jobs value chain that drives and influences skills and employment. Intermediaries enter this space to strengthen, enhance, accelerate or improve the processes and impact. Intermediaries can connect one to one, one to several, or amongst many role-players. Intermediary organisations, therefore, link the main parties in the skills-jobs value chain. Intermediaries can act on behalf of an employer, or are able to link, or mediate between people or organisations.

The role of intermediaries in Africa

Intermediaries play a significant role in Africa to **facilitate better alignment of the demand and supply sides** of the skills-jobs value chain, thereby directly contributing towards the harnessing of the demographic dividend. Intermediaries can **advocate for a more focused approach to work-based learning** and **act as a conduit of information** about the work-based learning system across Africa. They can facilitate the **establishment of valuable and lasting partnerships and collaborate with various role players** to pool resources (e.g., Harambee in South Africa). There is also a role to play in **supporting entrepreneurs in the informal sector and collaborating with informal worker organisations** to supply relevant skills and expertise to small businesses. Intermediaries can also contribute to **providing quality training**, or serve as labour brokers, or placement agencies.



¹AU-NEPAD. (2021). Learning Brief: Africa Creates Jobs (ACJ) 2021 Continental Dialogue.

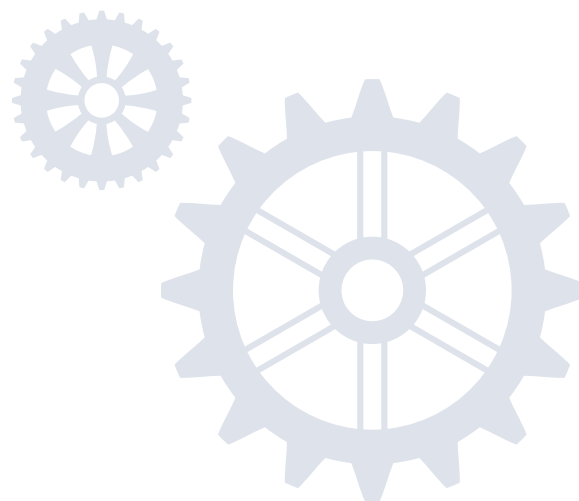
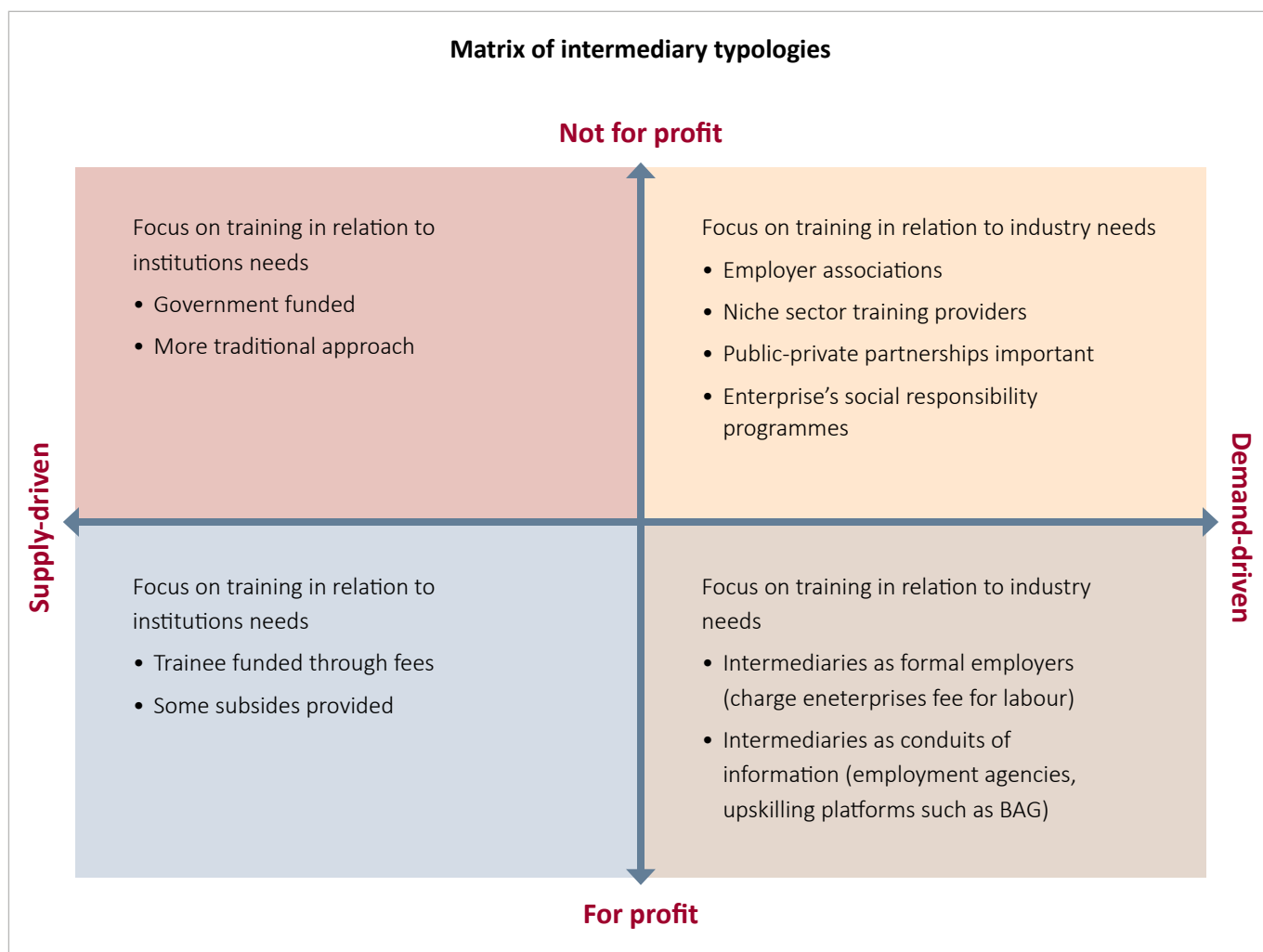
Types of intermediaries

Globally, and across the African continent, the nature of intermediaries is varied, and different funding models can apply. A simple [typology](#) has been developed to evaluate the intermediary system ([ILO; 2019](#)).

From a financial perspective, intermediary organisations can be seen as **profit or not-for-profit**. From the perspective of “fit for purpose” skills development, intermediaries can be categorised into **demand-driven or supply-driven** type organisations. Intermediaries do not always strictly fall into these categories and there are many overlaps in different types of organisations. In general, for-profit organisations

have a financial orientation and not-for-profit a more social orientation. The demand-driven intermediary generally focuses on the needs of the employer and the labour market, while the supply-driven intermediary’s activities are primarily initiated by the intermediary organisation, either independently or in partnership with TVETs.

For the purposes of this guideline, and to simplify the content informing the model, these two broad typologies will be used. Intermediaries can be found across the spectrum, with some adopting a combination of funding models.



Global experiences of intermediaries in the skills-jobs value chain

The ILO report on intermediary roles ([ILO, 2019](#)) describes the significant role intermediaries play in disseminating information from governments and relevant bodies to employers, trainees, and other stakeholders. The report also found that intermediaries encourage employers to recruit more trainees, especially from disadvantaged groups, and help to improve retention and completion rates in work-based learning. Intermediaries can be found across the globe in various broad categories.

Intermediaries as formal employers: These organisations act as the formal employers of trainees and receive a fee from the host employer for the trainee's labour. In Australia, Group Training Organisations (GTOs) support the trainee through the process of work-based learning, and if necessary, provide pre-placement training. They also educate employers about the work-based learning system, as well as providing information about other related issues such as occupational health and safety. This group of intermediary helps to counter business downturns by employing trainees who would not otherwise be employed; they also take on trainees who have been made redundant and provide upskilling opportunities. Potentially, these intermediaries can also place trainees in more than one host organisation where work may be limited in scope, allowing them to be more fully employed.

Employer associations as intermediaries: Employer associations, being sector specific, are in an ideal position to coordinate work opportunities among employers. The construction sector is an example of the value that this type of intermediary has. The construction sector is often cyclical, and job and training opportunities can be intermittent. Through employer associations, trainees can be linked with more than one contractor, expanding opportunities available. Employer associations also play a valuable role in monitoring training quality. Examples include the Egyptian Federation for Construction and Building Contractors ([EFBCC](#)), and the National Association of Automotive Component and Allied Manufacturers ([NAACAM](#)) in South Africa. NAACAM, has partnered with the Department of Higher Education and training (DHET), donor organisations and the International Youth Foundation ([IYF- an international networking association](#)) to strengthen the responsiveness of TVET college courses to the needs of the automotive industry.

Intermediaries as training authorities: In South Africa, skills training is governed by a national qualifications framework and the sector education and training authority ([SETA](#)), is tasked with ensuring the quality of training provided for a full range of economic sectors. The individual SETA allocates money collected through skills levies, which employers must pay in terms of the Skills Development Levies Act.

Individual SETAs pay mandatory grants to companies that are eligible to receive funding (based on the submission of a workplace skills plan and an annual training report).

Intermediaries as training providers: in England, Group Training associations (GTAs) are funded through government training funds and by employers. They are basically training centres formed by groups of employers. They, therefore, deliver training “for industry, by industry”. GTAs are public-private partnerships, where employers subscribe to off-the-job training centres. GTAs are not-for profit organisations and are located in key industrial areas serving the relevant industries. In Tunisia, [FIESP](#) (Inter-company Training Cooperation with the Private Sector), with support from German cooperation, collaborates with Tunisian enterprises to develop training in the textile, plastics and hotel sectors. Training providers also operate independently and are largely for-profit organisations receiving funds from trainees or from government subsidies or a combination of both. Many NGOs and donor organisations offer training and support to TVET systems, including curriculum development, training the trainers and partnership strengthening.

Intermediaries as conduits of information: The Third-Party Agencies (TPAs) in India, act as intermediaries that offer support and information to both employers and trainees. They provide administrative assistance to employers in relation to the apprenticeship system and enable collaboration between companies so that facilities for training can be combined. Employment agencies (mostly on-line), link employers with potential employees, but are not generally concerned with training. In South Africa, the [Harambee](#) Youth Employment accelerator is a not-for-profit organisation that utilises partnerships to link skills and opportunities. Harambee has also partnered with [SA Youth](#), which is part of the Presidential Youth Employment Intervention (PYIE), linking different government departments and other organisations to form an extensive linkages network.

Intermediaries as facilitators: Examples such as FIESP and IYF illustrate the valuable role of intermediaries as facilitators of collaboration and partnerships between key role-players. A wide range of NGOs and donor organisations can also be found working to establish and strengthen sustainable partnerships to improve the responsiveness of the skills-jobs value chain. Intermediaries, especially donor organisations, play a vital role in providing finance, administrative support, assistance in placements, lecturer upskilling and other types of coordination and skills-jobs value chain strengthening.

Categories of intermediaries

Intermediaries as formal employers

- employ trainees
- receive fee from host employer
- educate employers about work-based learning
- provide information on work requirements
- upskill redundant workers
- place trainees in more than one organisation

Employer associations as intermediaries

- sector specific
- coordinate work opportunities
- monitor training quality
- strengthen responsiveness of TVET system

Intermediaries as training providers

- training centres formed by groups of employers
- coordinate work opportunities
- can also operate independently



Intermediaries as training authorities

- governed by a national skills framework
- provide information and guidelines to training organisations and companies

Intermediaries as conduits of information

- provide administrative assistance
- facilitate collaboration between enterprises
- link employers with employers
- establish linkages and networks
- upskill redundant workers
- place trainees in more than one organisation

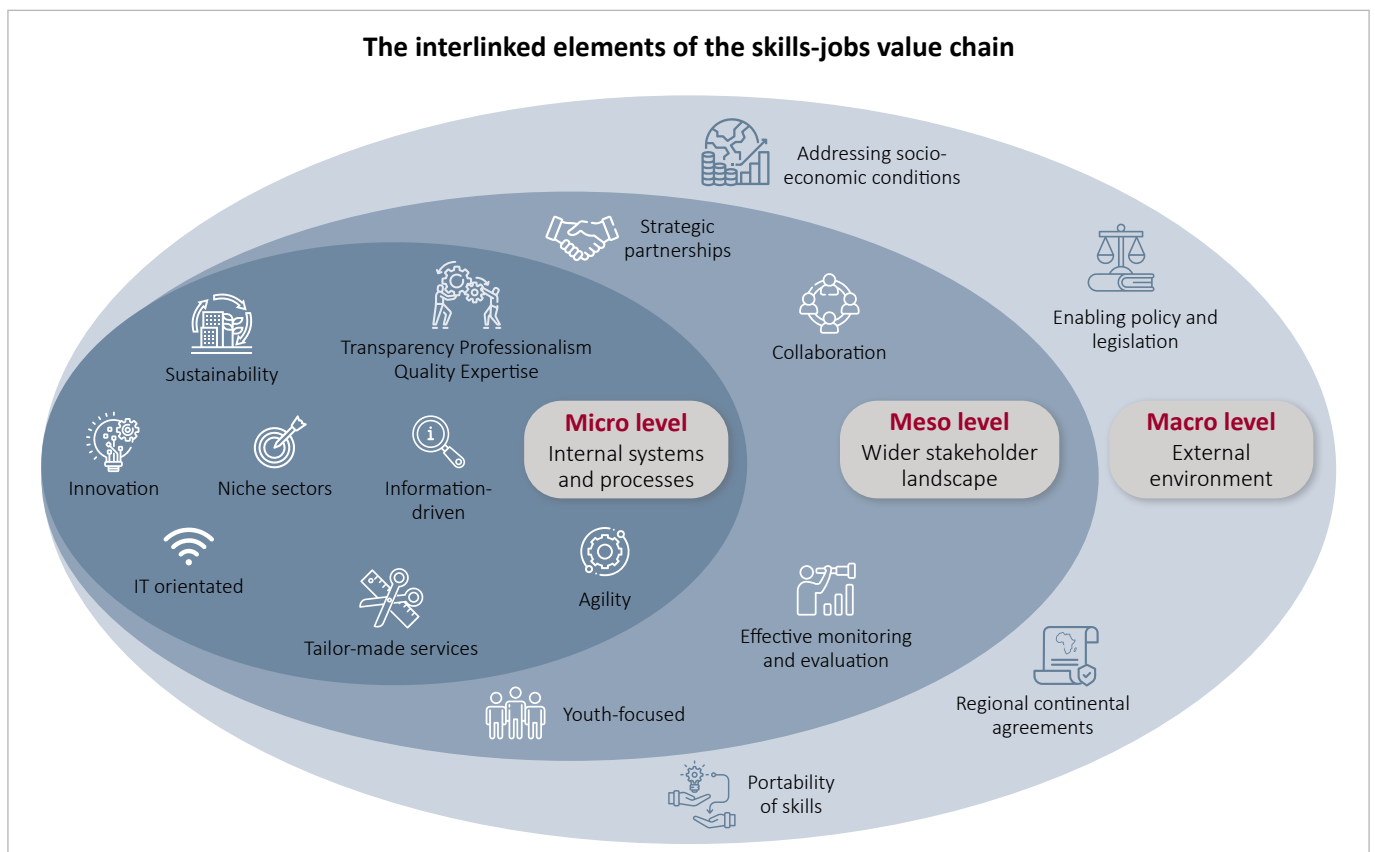
Intermediaries as facilitators

- facilitate collaboration
- strengthen partnerships
- strengthen responsiveness of the skills-employment ecosystem
- provide vital support- funds, administrative capacity building

Key features of effective intermediaries within the skills-jobs value chain

A strong and responsive skills-jobs value chain is dependent on effective internal as well as external conditions and can be seen in different levels where at the micro-level, organisations need to be innovative, agile, IT-driven, collaborative, youth-focused, and information-driven; at the meso-level intermediaries would need to engage with the broader stakeholder community; and at the macro-level require an enabling environment for optimum results.

The interlinked elements of the skills-jobs value chain



Key micro-level features

Strong institutions with a good reputation: Intermediary organisations must be well-governed, provide open and transparent information, produce quality products and engage in ethical and efficient business practises. The staff working in the institution also need to be experts in their respective fields, and able to transfer knowledge and information to employers, TVET institutions and trainees alike, especially about the work-based learning system. Institutions that have a social orientation (not-for-profit), as opposed to a profit-driven orientation were found to be more trusted (ILO; 2019).

Effective use of information technology: is an important feature of modern work-based learning systems. Trainees or graduates with newly acquired skills can be linked to employers, (AgriSETA in South Africa uses a mobile app called [Connect ME](#)). [Lulaway](#) (South Africa) works with government, business and the social sector, using technology to link job seekers with employers, and focuses on youth employment. The [BAG](#) initiative in Rwanda is an excellent example of how technology can be harnessed to bridge the gap between the academic and business environment. The BAG online system complements theoretical learning with practical experience before students graduate, by providing a virtual platform for internship. Employers can also access the online platform to connect with graduates.

Clear identification within a specific industry: An industry-specific focus ensures that the details within the industry are brought to the attention of training providers. The move towards [micro-credentials](#) within specific industries allows trainees to enter the workplace with a skill on which he or she can build to reach a full qualification. The micro-credential system supports life-long learning in that innovation in any field can be strengthened through short, in-service training segments. This allows skills to be easily transferred and capacity to be built incrementally if necessary. Systems need to be agile and responsive, especially in a highly technical environment and within a fast-changing context. The acquisition of new skills must be forward thinking and pre-empt future needs, thereby requiring constant upskilling. On [FutureLearn](#), an upskilling platform, more than one-third of the micro-credentials on offer have some form of industry involvement.

Sustainable interventions: Where external support has been provided in relation to systemic interventions, a clear exit strategy must be identified to enable the interventions to continue and strengthen without the external support. In many instances where external support has been provided,

withdrawal is consistent with loss of funds. At the outset, a sustainability plan must be developed, which must include a plan for budget and resource health post external support. An important feature of a sustainability plan is that of stakeholder ownership. This together with adequate capacity and a strong, transparent system, will promote the endurance of the programme.

Key meso-level features

Strong partnerships: Partnerships build on and are driven by contextual and stakeholder needs. Public-private partnerships need to be strong enough so that skills development can be strategically demand-led and highly responsive to the needs of both the employer and the trainee, as well as being sufficiently agile to adapt to future needs. [The ILO survey of G20 countries](#), shows that most countries recognise the importance of strengthening partnerships between businesses and training providers to design, deliver and certify effective training programmes. The involvement of business representatives (e.g., skills councils, boards of vocational schools) has the effect of reinforcing business-vocational education linkages and enhancing the relevance of training to the skills needs of enterprises. In the United Kingdom, it was found that most effective way to engage employers is through trusted relationships. Businesses will trust and act on advice and guidance received from their fee-paying membership to associations. In the UK the National Apprenticeship Service (NAS) uses intermediaries to facilitate engagement with large numbers of employers. These intermediaries include professional bodies, trade associations, National Skills Academies (NSA) and the Federation of Small Businesses (FSB) along with more geographically based organisations such as Local Enterprise Partnerships (LEPs). [Harambee](#) (South Africa and Rwanda) and [SA Youth](#) are also good examples of the power of partnerships.

Involved national associations: Labour organisations, informal sector organisations, employers, industry bodies, training institutions and intermediaries must collaborate to ensure that the demand matches supply. To do this, it is essential that national associations inform curriculum development and that training institutions are responsive. The Kenya Association of Manufacturers ([KAM](#)) is an example of industry-led training and development. KAM is an umbrella body representing over 40% of the manufacturing industry in Kenya, that has implemented a youth-focused intervention called “Promoting youth employment through technical human capital”. The intermediate interface between the project and employers is achieved through the “Industry Liaison Officers” (ILOs), who double up as trainers.

Formal, and effective monitoring of training programmes:

Institutions should be monitored to ensure that they comply with regulations and that resources are optimally spent. Industry experts should monitor the quality of training and the credibility of the qualifications to ensure that acceptable standards are met. Collaboration with national qualifications authorities can enhance the quality of training and qualifications and certain intermediaries are well placed to facilitate such collaboration.

Exploring innovative solutions: Intermediaries can support and monitor the effects of innovative options. Interesting ideas can be found in systems such as [Social Impact Bonds \(SIBs\)](#), which are gaining traction. SIBs are complex, and involve private funding from social investors (or private sector social responsibility programmes) to cover the upfront capital required for a provider to set up and deliver a service. The commissioning authority identifies measurable outcomes, which are expected from the service provider. Once a young person is employed, payments are made to the investor. In South Africa, the investment company Yellowwoods, partnering with South Africa's Harambee Youth Employment Accelerator, the Gauteng Provincial Government and other stakeholders from the private sector, including the Standard Bank [Tutuwa Community Foundation](#), incubated an SIB programme called Bonds4Jobs.

Key macro-level features

Intermediaries can play a role in advocating for an enabling environment and the exploration of innovative systems to positively impact on the skills-jobs value chain. Some areas for advocacy are suggested below.

Strong national guidelines: The legislative and regulatory environment has to be enabling, clear, and responsive to the current country or regional needs. The guidelines should spell out how intermediaries fit into the skills-jobs value chain, and what the requirements are for registration. Intermediaries can work to influence policy that would in turn inform meaningful and appropriate legislation, regulations.

Regional portability of skills: The [Africa Creates Jobs 2021 Continental Dialogue](#) identified the need for skills to be mobile and transferable at a regional level. Regional economic communities should work with governments to promote policies on skills mobility. Mutual agreements (between sending and receiving countries) and multilateral agreements (between a regional grouping of countries) should be explored and promoted in relation to cross-border recognition of skills.

To enhance cross-border collaboration, skills can be shared at a regional level through formal internships. Intermediaries, who are placed to facilitate collaboration at a regional level, can work towards strengthening the mobility of skills.

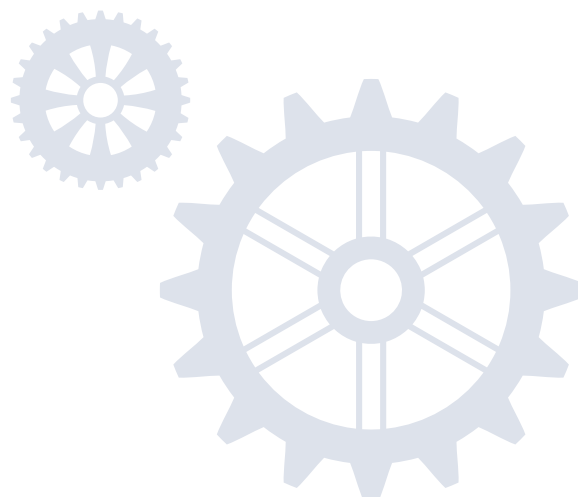
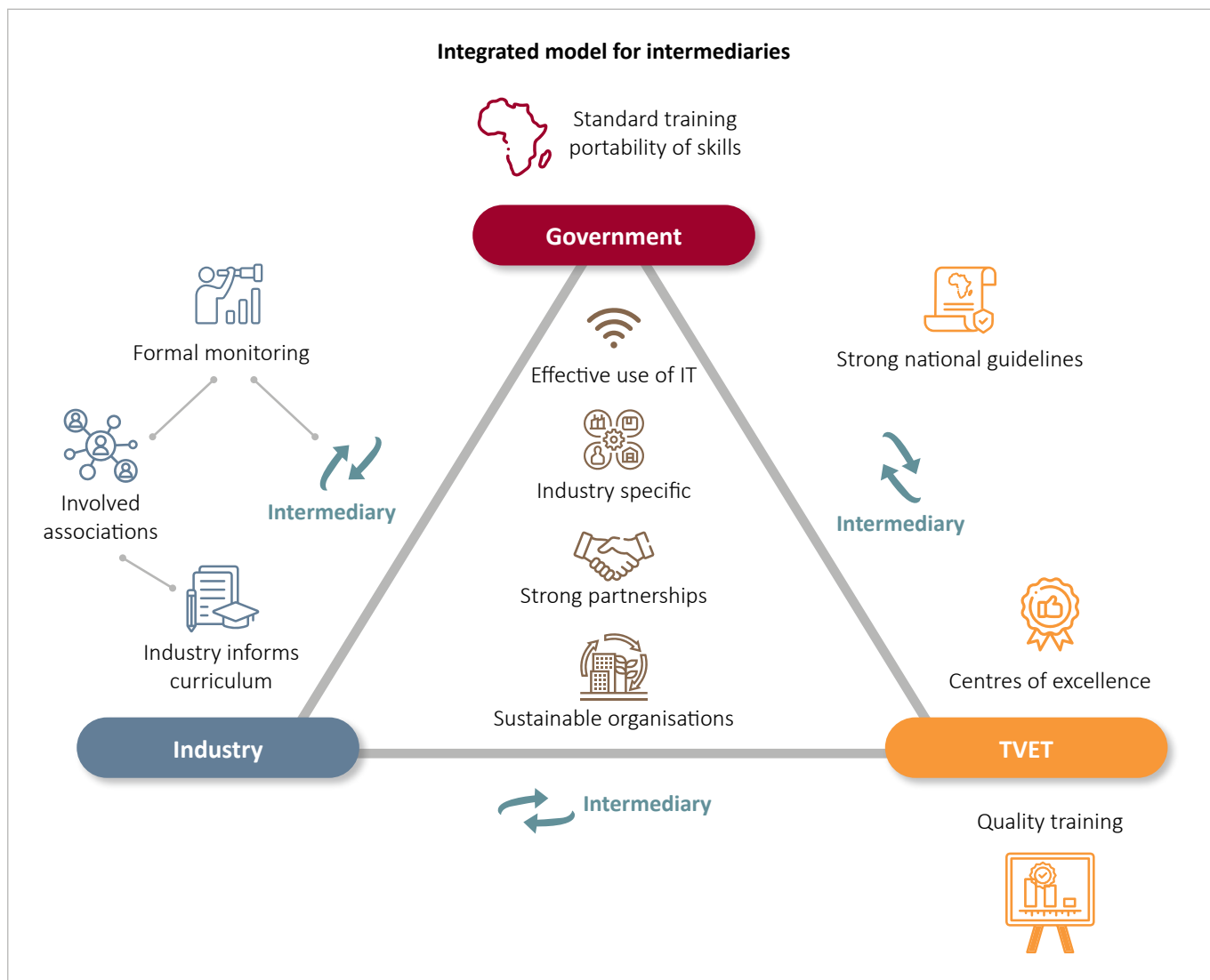
Focus on inclusivity: Difficult socio-economic conditions across the continent, drives the development of a burgeoning informal sector. A framework to recognise skills that have been acquired in informal employment needs to be developed. Intermediaries can play a vital role in supporting skills development outside of the formal system. [Kidogo](#) and [Sightsavers](#) are good examples of interventions that focus on inclusivity. Kidogo enables young mothers to continue their education, thereby enhancing female participation in highly technical male-dominated areas such as electrical and automotive engineering, and plumbing. Sightsavers involves the training of disabled youth in market oriented and complex IT skills. These are also good examples of how partnerships between a range of stakeholders can impact on people who would otherwise be left out of the skills-jobs value chain.

[Youth-led Social Enterprises:](#) have become an increasingly popular business model in African economies. The rise of social enterprise is illustrated by events like the Africa Social Entrepreneurship Summit, as well as the Social Enterprise World Forum, which was held in Addis Ababa, Ethiopia in 2020 (the first time the Forum has taken place in an emerging economy). Social enterprises, basically leverage market opportunities to create jobs, thus shifting the focus from aid-led solutions to enterprise-led solutions. However, reports from OECD countries suggest that social enterprises can create precarious and vulnerable forms of employment, so must be well supported. They do, therefore, offer a model for possible consideration for strengthening.

Social media platforms are a vital tool to reach young people. Harambee Youth Employment Accelerator has developed a podcast series called [Bozza Moves](#) in partnership with the [National Youth Development Agency](#) and community-based organisations such as [Afrika Tikkun](#). The podcasts aim to take the realities of young people into account- and understand that young people are optimistic, resilient and driven, “hustling” to develop micro-enterprises. The Bozza Moves podcasts feature stories of “hustle success” and are pushed via WhatsApp. Stories are also planned for TikTok and other social media platforms. Harambee notes that it is important to cut the red tape and to [support micro-enterprises](#) to ensure that they are sustained.

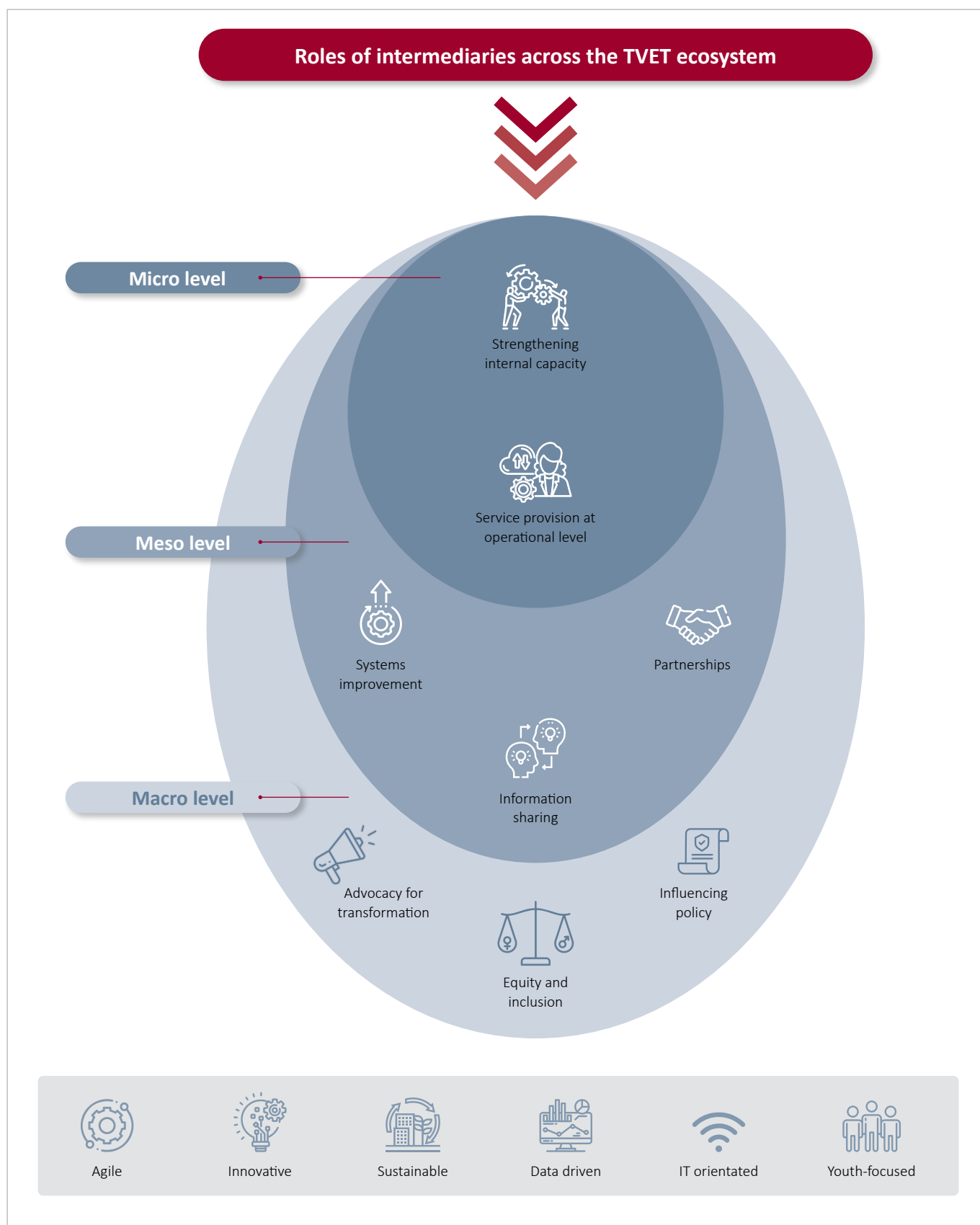
An integrated model

From best practices reviewed, an integrated model for intermediaries then, would be underpinned by strong, transparent, and supportive partnerships, and the skills-jobs value chain would be effectively monitored and evaluated. The system would be guided by clear national legislation, regulations and guidelines, that are regionally exportable. Industry would play an active role in developing curricula and have a system of work-based-learning as part of the culture of the organisation. TVET colleges and organisations or intermediaries providing training would have to produce high-quality, trusted training, that can be disaggregated into micro-credentials. The intermediary would link government, industry, training and trainees within this model. Intermediaries would also act as advocates to lobby for enabling national and regional policy development.



Guidelines for sustainable and impactful intermediaries' practice

Intermediaries have a valuable role to play across the skills-jobs value chain, from the micro through to the macro levels.



Drawing from best practice examples, intermediaries can use this checklist of recommended actions to improve practice, to effectively impact the skills-jobs value chain, and to strengthen sustainability.

AREA OF FOCUS FOR INTERMEDIARY	CORE QUESTIONS	POSSIBLE RESPONSES / ACTIONS	✓
MICRO-LEVEL			
Service provision at operational level of TVET	What kinds of services are we providing?	Research and design your services	
	Are these services supply or demand driven?	Use available evidence to ensure that your services are meeting specific operational needs	
	What is the value-add of the services we provide to TVET institutions?	Develop monitoring tools to assess the value of your services to the end users	
	Are we focused on short-term fixes or longer-term solutions?	Define the outcomes / impact you want to achieve in short, medium and longer term	
Strengthening internal capacity and sustainability	Does our organisation have sector recognition?	Ensure that your organisation has “brand visibility” in the TVET sector based on a coherent marketing strategy	
	Does our organisation have the necessary human resources and capacity to achieve key objectives?	Ensure that your human resource strategy is geared to matching internal capacity with external objectives	
	Does our organisation have a diversified funding base?	Develop a resource mobilization strategy that aims to secure a diversified, predictable, and longer-term funding pipeline	
	Does our organisation meet the necessary criteria for sustainability?	Develop a coherent organizational strategy that is geared to longer term sustainability and/or articulates a clear exit strategy	
MESO-LEVEL			
Information-sharing	What kind of information are we sharing?	Identify critical information gaps so that you can tailor information for key groups	
	Who is our target audience?	Research and identify the probable end users of your information	
	What information-sharing platforms are we using?	Keep up to date with new and emerging information sharing platforms that may be most strategically relevant for your work	
	Is our target audience accessing the information?	Set up systems to monitor and analyse user access and utilization of the information shared	
Partnerships	What kinds of partnerships are we trying to build?	Map potential partners based on the outcomes you aim to achieve	
	Are we working to develop partnerships at the TVET supply or demand side? Or both?	Based on your focus define the kinds of partnerships you want to develop (possibly in a partnerships strategy)	
	What is the likely purpose / value-add of such partnerships?	Assess potential partnerships based on the likely value you will achieve	
	How can we strategically leverage partnerships to strengthen your TVET sector work?	Work strategically to establish and sustain core partnerships	
	Is there a need to formalize these partnerships?	Assess whether partnerships are needed to achieve short term (utility) outcomes or longer-term sustainable partnerships	
Systems improvement	Which elements / components of the TVET system are we trying to improve?	Analyse available evidence to identify systems weaknesses / gaps	
	Who are our target audiences within the system?	Map key TVET system stakeholders and potential entry points	
	What strategies / approaches are we using to influence systems change?	Develop an evidence-based strategy that targets improvement within the system	
	How are we measuring progress in achieving change?	Develop an M&E plan that aligns with your strategy	

AREA OF FOCUS FOR INTERMEDIARY	CORE QUESTIONS	POSSIBLE RESPONSES / ACTIONS	✓
MACRO-LEVEL			
Influencing policy	Which policy / policies are we trying to influence?	Identify areas / gaps in policy that are limiting relevant skills development and employment	
	Who is our target audience?	Do stakeholder mapping to identify key policy makers and policy influencers	
	Do we have an effective strategy for engaging with policy makers?	Develop strategies that are most likely to provide access to policy makers	
	Who will benefit from any policy changes for which we are advocating?	Link your policy influencing work to the intended beneficiaries of policy change	
Advocacy for transformation	For which specific issues are we advocating for?	Ensure that advocacy is targeted and tailored to the audience	
	Who is our target audience?	Source relevant data about your target audience	
	Do we have an effective advocacy strategy?	Develop an advocacy strategy that is results-based and measurable	
	What things are we aiming to change?	Be clear about what you want to change and at what level (micro, meso, macro)	
Equity and inclusion	On which equity and inclusion issues are we working?	Develop a coherent rationale for the issue(s) that you are working on	
	What is our organisation's understanding of inclusive education and training?	Familiarise your organisation with global, continental and national definitions of inclusive education	
	What factors are informing our equity and inclusion focus?	Collect ongoing disaggregated data to support your equity and inclusion work	
	Are we focusing on the community, the institutional or the policy level? Or both?	Scope the purpose and focus of your work	
	How are we working to address the opportunities and obstacles when it comes to young and adult learners' transition to the labour market?	Develop interventions that are targeted at mitigating / removing equity barriers for people trying to enter the labour market	