

Private training providers

This is an intervention summary from the MSD for employment (MSD4E) landscape assessment.

Sudokkho supported private training providers (PTPs) to offer affordable, quality training for the construction and ready-made garment (RMG) sectors.

Background information

Project	Sudokkho, Bangladesh
Funder	FCDO, SDC
Implementer	Palladium, Swisscontact and British Council
Contact	Mark Rolls, Palladium (Mark.Rolls@thepalladiumgroup.com) Suresh Mahto, Swisscontact (suresh.mahto@swisscontact.org)
Rural or urban?	Urban / Peri-Urban
Sectors	Construction Ready-made garments
Intended employment outcomes	Access to jobs
Target group (end beneficiaries)	Unemployed or underemployed persons who are interested in seeking semi-skilled or skilled work in the construction or RMG sector: • 29% from disadvantaged groups (actual) • 34% women (actual)
Cross-cutting priorities	Gender/WEE
Years of operation	2015-2021

What constraints did the intervention aim to address?

- Few competency-based training courses are available to help poor people secure semi-skilled jobs in the RMG and construction sectors.
- Weak linkages with employers and limited job placement functions within training providers.
- Heavy reliance on donor subsidies to fund training.

Which market actor partners did the intervention work with?

1. 73 Private training providers (PTPs)
2. Construction and Garments Industry Skills Councils

What were the intended behaviour changes for these partners?

1. To reorient the business models of training providers away from donor subsidies towards delivering training that employers want and that individuals are willing to contribute to.
2. Cost-effective training is available in the market. The direct costs per trainee for a Sudokkho course were USD 75-113.
3. Increased graduate employment rates.
4. Training providers introduce quality standards.

How sustainable are these behaviour changes?

- The subsidy for PTP training was reduced from 70% to 50% by the end of the project, but questions remain about whether PTPs have a fully commercial case for sustaining their offerings.
- A new quality standards system was introduced.
- 34 training providers obtained Registered Training Organisation status and the associated quality assurance system.

What were the intervention's key results?

- 73 PTPs adopted new competency-based training programmes.
- 67,000 training graduates, of whom 93% were 'extremely poor'.
- 85% graduate employment rate.

<i>Has a third party been involved in measuring these results?</i>	Yes
<i>Is the partner behaviour change the sole/major/minor contributing factor towards the employment-related outcome you've reported? (i.e. are there other contributing factors?)</i>	Major
<i>Results chain available?</i>	No

What is one lesson learned from this work?

- Payment for results incentivises PTPs to reduce costs while still investing in quality training that yields positive outcomes for graduates. However, it can also incentivise misreporting and necessitates a robust system for monitoring and verification.
- PTPs can offer a cost-effective model to reach the extreme poor at scale. Sudokkho didn't explicitly aim to reach the extreme poor, but it focused on occupations where industry reported unmet demand for skills and which were accessible for those who had not completed lower secondary education. 93% of graduates were classified as 'extreme poor', and 32% were from 'disadvantaged groups'.
- It would be advisable for the donor community and government to agree on a common strategy for the provision of training subsidies. Throughout implementation, Sudokkho has faced pressure from the PTPs and the Department of Technical Education (DTE) to increase the subsidies paid to the PTPs and for the trainees. While Sudokkho has maintained its private sector approach and continued limiting the amount of subsidies provided, it has resulted in difficulties in attracting PTPs to its programmes.

Relevant project documents

- Annual reviews, logframe and Project Completion Review (public):
<https://devtracker.fcdo.gov.uk/projects/GB-1-201851/documents>

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