

# Faculty of Economics and Business Administration



**Doctoral School of Economics and Business Administration** 

Paper title: Vocational education and training and the youth labor market transition in Southern Benin

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## Introduction

- We see the consequences of the economic crisis in recent years on the economic and social fabric and they have destroyed the capacities of developing countries to create sufficient jobs to satisfy growing demand.
- The employment crisis should be an opportunity for our governments to tackle the underlying factors of the school-to-work transition (Scarpetta et *al.*, 2010).
- UNESCO data revealed that young people who represent the most dynamic human resources in the world are almost three times more likely to be unemployed than adults. In this fact in 2022, 12.7% of young africans were unemployed.

## Introduction

- A promising avenue for many countries to solve the unemployment problem is to promote vocational training
- The transition among young craftsmen is manifested not by the quest for additional training, an employment preparation course, etc., but rather by the dynamics of mobilizing the resources (material and financial) necessary for their insertion.
- In some studies, the determinants of the probability of being employed have been identified with traditional variables without taking into account vocational education, in particular apprenticeship programs, in developing countries.
- This research proposes to take vocational education into account in the analysis by evaluating the contribution of different types of vocational education to the probability of youth employment.

#### Overview of vocational education

- Retrospective studies on the impact of education on the different regions of the developing world have clearly established that "growth cannot take hold in a sustainable way without sufficient prior production of human capital" (Bauchet et Germain, 2013).
- The theory of humain capital states that any expenditure likely to improve the level of training of an individual increases his productivity, and consequently his future income.
- There is a relationship between spending on education and benefit through wages paid to employed workers (Vandenberg and Laranjo, 2021) or a greater probability of being employed.

#### Overview of vocational education

- The beninese education system is managed by three ministerial departments that carry out the formal program of education.
- Alongside this formal education system, professional training by apprenticeship coexists. Before 2005, the beninese apprenticeship system was not accredited by the government.
- After the reform introduced in 2005, the professional training by apprenticeship leads to two formal diplomas issued by the government (certificate of professional qualification program -CQP, and the examen of the certificate of occupational qualification -CQM).
- In Benin, apprenticeship system has more than 800,000 apprentices (Davodoun, 2014). This number is much higher than the number of students in technical schools (levels 1 and 2) estimated at 22,098 during the same period (MESTFP, 2016).

## Methodology

- Data collection from young people was carried out during the survey on the situation of young people aged 20 to 29 on the labor market in Benin in 2019 in municipality of Cotonou, Abomey-Calavi and Sèmè-Podji
- A simple random sample of 15 counting areas (ZD) was drawn from all the ZDs available (916) in this study area at the rate of 9 ZDs in Cotonou, 2 ZDs Abomey-Calavi and Godomey, 1 ZD in Agbangladan and Ekpè.
- The sampling carried out to select the young people to be surveyed is a simple random sampling stratified by the current occupation of the young person and 900 young was selected
- Among the 900 young people surveyed == 568 are either salaried workers, self-employed workers or unemployed but the analysis focused on 530.

## Methodology

- When the dependent variable is of a qualitative nature, it is essential to identify the most appropriate model. The usual regression models that use the ordinary least squares method are no longer suitable
- A Logit model is applied.
- Equation of the model  $P(Accese_i = 1|x_i) = \frac{1}{1+e^{-x_ib}}$
- The Logit model facilitates the interpretation of the estimates of the explanatory variables.
- The numerical values of the parameter estimates have no economic interpretation, and only the interpretation of marginal effects is possible (Kpenavoun, 2009) and the Logit model can facilitate the analysis of the marginal effects

 Socio-economic profile of young people aged 20-29 surveyed ☐ Mostly young single people (59.3%), young married people (25.1%) and young cohabiting couples (16,5%). ☐ For the type of diploma, more than half (54.5%) have no professional diploma. The traditional apprenticeship diploma (15,1%) and the bachelor's degree (14,2%) are the most common diplomas among respondents. ☐ The improved apprenticeship diploma (certificate of professional qualification program – CQP, or certificate of occupational qualification – CQM) concerns only 5.7% of the young people surveyed. ☐ The professional situation of young people indicates that 38.5% were unemployed. Only 10.0% of young graduates of the improved apprenticeship were affected by unemployment.

- We use the Logit regression to estimate two models
- ☐ 1st: the regression without the "type of diploma"
- □2nd: the regression with the "type of diploma"
- LR test is significant at 1%; indicates that "type of diploma" has significant effect on the probability of being employed in Southern Benin.

Variable	Coefficient	Standard error	Z	P >  Z	
Size of the household from which the young person comes	0.036	0.037	0.97	0.331	
Father's level of education	-0.097	0.2084	-0.47	0.640	
Age	0.092**	0.0383	2.41	0.016	
Sex	0.738***	0.2071	3.56	0.000	
Young person's marital status	-0.006	0.2152	-0.03	0.978	
Adja ethnic group and similar	0.768**	0.3649	2.10	0.035	
Fon ethnic group and similar	0.470*	0.2852	1.65	0.099	
Mother's level of education	-0.134	0.2209	-0.61	0.543	
(School-based) Technical and professional diploma	-0.347	0.3522	-0.98	0.325	
Bachelor's degree	-0.462	0.2912	-1.59	0.112	
Master's degree	-0.495	0.5937	-0.83	0.405	
Traditional apprenticeship diploma	0.176	0.2795	0.63	0.529	
Improved apprenticeship diploma	1.645***	0.6296	2.61	0.009	
Constant	-2.754***	0.976	-2.82	0.005	
Number of observations = 530	Prob > chi <sup>2</sup> = 0.0000	Pseudo R <sup>2</sup> = 0.0701	LR chi <sup>2</sup> (13) = 49.49	Log-likelihood = -328.45626	

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Variable	dy /dx	Standard error	Z	P >  Z
Size of the household from which the young person comes	0.0078256	0.0080219	0.98	0.329
Father's level of education	-0.0210627	0.0449713	-0.47	0.640
Age	0.0199559	0.0081104	2.46	0.014
Sex	0.1593504	0.0427059	3.73	0.000
Young person's marital status	-0.0012872	0.0464666	-0.03	0.978
Adja ethnic group and similar	0.1657949	0.0775483	2.14	0.033
Fon ethnic group and similar	0.1014799	0.060979	1.66	0.096
Mother's level of education	-0.0290143	0.0476399	-0.61	0.543
Technical and professional diploma	-0.074901	0.0757968	-0.99	0.323
Bachelor's degree	-0.0998801	0.0623308	-1.60	0.109
Master's degree	-0.106802	0.1279004	-0.84	0.404
Traditional apprenticeship diploma	0.0379545	0.0602734	0.63	0.529
Improved apprenticeship diploma	0.3552538	0.133615	2.66	0.008
Number of observations	530			

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- The majors results of this study are similar to those obtained by some authors.
- Donato and *al.* (2018); Vandenberg and Laranjo (2021); Chakravarty and *al.* (2016); Mo Costabella (2017); Lee and *al.* (2019) === showed that graduates of TVET are more likely to be employed than those who have completed general secondary education and upper education.
- Also, the unemployment rate was 38.5% and this result is similar to that found by Gninafon (2019)

#### Conclusion

- This study has made it possible to determine the contribution of different types of vocational education to the probability of being employed for young people.
- Data collected in 2019 from young people, the logistic regression was applied, and the study showed that the improved apprenticeship diploma has a significantly positive effect on the access to employment for young people, this influence is around 35.5%.
- Results reveal that unemployment affected 38.5% of young people.
- Future research could focus on evaluating the impact of the CQP program or the CQM on the salary effect and the employment effect of graduates.

Thanks Akpé Merci