



Values and Life Skills (VaLi) Working Group

# **POLICY BRIEF**

---

## **INVESTING IN DRIVERS OF YOUTH EMPLOYMENT IN KENYA**

---



Zizi Afrique  
Foundation



# Policy Brief

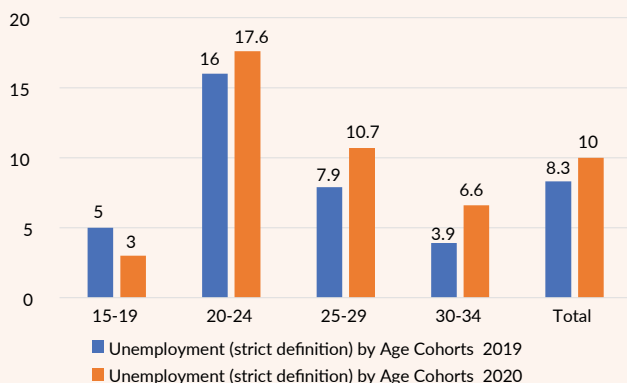


## Investing in Drivers of Youth Employment in Kenya

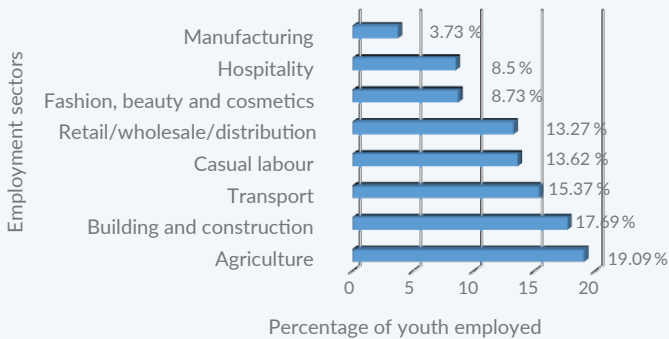
*The informal sector still remains the largest employer of the youth in Kenya. Unfortunately, there is gender inequality in youth employment where less than a quarter of young women are employed compared to 51% of employed young men. Besides the traditional determinants of employment, soft skills have also been identified as essential for employability and improved productivity. Among the key drivers influencing youth employment are gender, age, location, and education attainment. These drivers, among other correlates of youth employment, collectively and selectively require urgent policy attention such as through targeted interventions for women of various youth age groups.*

## Introduction

Youth unemployment remains a major socio-economic challenge affecting most developing economies, Kenya included. A salient characteristic of unemployment in Kenya is that unemployment has been consistently high among the youth of 20–24 years (17.6%), followed by those of 25–29 years (10.7%) and then 30–34 years (6.6%) (2019). It is estimated that about 500,000 youths enter the employment market every year, but only 25 percent are absorbed (Economic Survey, 2022). Going by Kenya’s definition of the youth, i.e. age group 15–34, the youth comprised of 72.5 percent of the total unemployed population in 2019. However, as youths approach the ages of 30 and above, the unemployment rate starts to decline (Figure 1).



Data Source: KNBS (2021)



Source: Dalberg Data (2019).

In Kenya, majority of the young people are engaged in the agriculture sector, followed by building and construction, transport, casual labour or the jua kali sector, and in retail, wholesale and distribution which are largely informal (Figure 2). Of interest is the agricultural sector which has the potential to improve youth employment through value addition and promotion of youth agripneurship (Adeyanju et al., 2021).

In terms of employment distribution, there is a significant variation in the sector of employment across counties in Kenya. For instance, majority of the youth were engaged in small-scale agriculture followed by informal sector (including self-employment) and formal private sector (Figure 3) in most counties excluding urban counties such as Nairobi and Mombasa.



**Further, there is gender inequality in youth employment as less than a quarter of young women are employed compared to 51% of employed young men.** Majority of the employed are in informal employment, followed by self-employment. Very few are formally employed. The employed youth mainly lived in urban areas. The informal sector still remains the largest employer of the youth in Kenya (KNBS, 2021). Being a female increases the possibility of being unemployed in Kenya while a male is more likely to be absorbed in the market especially in the informal sector. The gender gap is large in the informal sector where young men are approximately 5 times more likely to be in informal employment compared to the formal and self-employment sectors where young men are about 4 and 3 times more likely to be employed than young women in Kenya (Schieder & Gould, 2016).

**Older youth aged 22–25 years are 8 times more likely to be self-employed, whereas youth aged 18–21 and 22–25 years are approximately 3 and 4 times more likely be in informal employment compared to youth aged 15–17 years.** Young educated people with primary, secondary and post-secondary schooling are approximately 5 times more likely to be in self-employment than being unemployed as compared to youth with no formal education (Dalberg, 2019). The probability of being employed is higher among rural than urban youth especially in the informal sector in Kenya. Majority of the jobs in the country are found in the rural agricultural sector. Second, urban areas are increasingly receiving a growing number of youths, causing a strain on the number of available jobs.

**Young parents were found to be approximately 2 times more likely to be self-employed and at a lower risk of unemployment compared to youth without children.** This could be associated with the fact that

presence of dependants increases the parents' financial motivation (i.e., money) to provide for the children. More so, self-employment may be more attractive for young parents seeking independence and flexibility to cater to family and household needs.

**Besides the educational level of a young person, soft skills have also been confirmed to be crucial in determining youth employability.** For instance, decision-making skills such as problem solving, curiosity to learn, critical and creative thinking were found to be necessary for productivity in the workplace. In addition, possession of **digital skills** also influences employability among youths. Ownership/access to a smart phone greatly increases the probability of being formally employed as smart phones increase assets to access information on available job opportunities and government funding.



## Policy Recommendations

- i. *Soft skills, values and life skills are paramount for employment:*** The TVET Act No 29 (2013) and the policy on Recognition of Prior Learning (RPL) aim at providing equitable access to formal education irrespective of one's educational background, age, or socio-economic status. The two policies acknowledge the importance of developing and improving technical and academic skills. However, they fail to recognize soft skills, values and life skills such as decision making, problem solving, curiosity to learn, critical and creative thinking, and negotiation skills that are vital for one's success in the labour market particularly in the informal sector. Therefore, TVET institutions should develop and improve on the training of soft skills, values and life skills among youth in TVETs since the most valuable employees need to have a mix of academic, technical, and soft/life skills.
  
- ii. *Develop strategies to encourage marginalized girls to enroll in technical courses:*** Research has it that young women were less likely to be employed compared to young men. This is not surprising because the enrollment rate of girls to TVETs is lower compared to that of young men<sup>1</sup> . To increase enrollment rates to TVETs, particularly among girls, stakeholders should develop strategies to encourage young women to enroll in TVETs. This could include gender responsive career counselling in primary and secondary schools as well as making TVETs more friendly to young women, who most of the times are also young mothers.

---

<sup>1</sup> Kenya National Bureau of Statistics. (2021). *Economic Survey 2021 Report*. <https://www.knbs.or.ke/?p=6414>

- iii. Boost mechanization training in the agricultural, transport, building and construction sectors so as to accelerate industrialization in Kenya.** Through the support of the GIZ's Agricultural Technical Vocational Education and Training (ATVET) project, Kenya has initiated pilot trainings and a curriculum in 7 Agricultural Technical Colleges (ATCs) in close collaboration with farmer associations, and development partners. The training curriculum will need to prioritize mechanization training in agriculture. It mainly focuses on contract farming, value chain development, good agricultural practices and aquaculture. The national government through the GIZ ATVET should consider boosting the adoption of agricultural technologies through mechanization training to accelerate industrialization in Kenya. Mechanization training should also be introduced in TVETs in the transport, building and construction sectors where majority of youth are found.
- iv. Improve the effectiveness and accessibility to government fund initiatives to address the challenge brought about by low household income.** Since a section of educated youth are creating their own jobs, financial support is crucial. The Youth Enterprise and Development Fund and the Uwezo Fund require intensified monitoring and evaluation by government to establish their effectiveness. There is need to enhance youth financing which can be outsourced from international and non-government organizations through private and public partnerships. There is also need for an effective information dissemination system to create awareness on the available public and private sector opportunities: government loans and funds targeting the youth.

- v. ***A well-designed digital literacy strategy is required in TVET training in collaboration with potential employers.*** The introduction of smart classrooms in TVETs brings innovation through digital lessons and virtual experiments. However, these lessons do not involve the employer's contribution in developing youth digital skills required for the labour market. There is need to link digital literacy and industry needs to ensure that employers are also engaged in these smart classrooms to train and develop digital skills particularly in marketing, research and development to spur self-employment. These smart classrooms can also involve competitive pitchdeck presentations that allow students to come up with business ideas to present to instructors and employers/investors for incubation and financing.

# References

*Adeyanju, D., Mburu, J., & Mignouna, D. (2021).* Youth Agricultural Entrepreneurship: Assessing the Impact of Agricultural Training Programmes on Performance. *Sustainability*, 13(4), 1697-1707.

*Awiti, A., & Scott, B. (2016).* The Kenya youth survey report.

*Awiti, A., Orwa, C., Mbuvi, L., & Karumba, M. (2019).* Whole Youth Development in Kenya: Survey of employers and employees in the formal and informal sectors to determine entry-level skills among youth (18-30 yrs.) in employment Kenya.

*Dalberg, (2019).* Youth not in education, employment and training in Kenya. Accessed through [https://dalberg.com/wp-content/uploads/2019/10/191011\\_Porticus-Youth-NEET-Kenya\\_Report\\_vF\\_0.pdf](https://dalberg.com/wp-content/uploads/2019/10/191011_Porticus-Youth-NEET-Kenya_Report_vF_0.pdf)

*Escudero, V., & Mourelo, E. L. (2014).* Understanding the drivers of the youth labour market in Kenya. In *Disadvantaged Workers* (pp. 203-228). Springer, Cham.

*Jennings, J.E., & Brush, C.G. (2013).* Research on Women Entrepreneurs: Challenges to (and from) the Boarder Entrepreneurship Literature. *The Academy of Management Annals*, 7(1), 663-715.

*Kenya National Bureau of Statistics. (2021).* Economic Survey 2021 Report. <https://www.knbs.or.ke/?p=6414>

**Kiiru, J. M., & Barasa, L. N. (2020).** Securing Inclusive Growth: Mentorship and Youth Employment in Kenya. In *Africa and the Sustainable Development Goals* (pp. 145-154). Springer, Cham.

**Odondi, W., Maina, L., & Muhia, N. (2020).** The Risk to Achieving Sustainable Development Competencies: A Gendered Analysis of Access and Training Outcomes in TVET Institutions in Kenya. *Africa Journal of Technical and Vocational Education and Training*, 5(1), 18-28.

**Schieder, J., & Gould, E. (2016).** “Women’s work” and the gender pay gap: how discrimination, societal norms, and other forces affect women’s occupational choices—and their pay.

**Simoes, N., Crespo, N., & Moreira, S. B. (2016).** Individual Determinants of Self-Employment Entry: What Do We Really Know? *Journal of Economic Surveys*, 30(4), 783-806.

**Sumberg, J., Flynn, J., Mader, P., Mwaura, G., Oosterom, M., Sam-Kpakra, R., & Shittu, A. I. (2020).** Formal-sector employment and Africa’s youth employment crisis: Irrelevance or policy priority?. *Development Policy Review*, 38(4), 428-440.

**Wamalwa, F. M. (2009).** Youth Unemployment in Kenya: Its Nature and Covariates. Kenya Institute for Public Policy Research and Analysis.







# **POLICY BRIEF**

---

## **INVESTING IN DRIVERS OF YOUTH EMPLOYMENT IN KENYA**

---

Follow us:

Zizi Afrique Foundation



[www.ziaafrique.org](http://www.ziaafrique.org)