

#### SPECIAL REPORT

## JOBS



"From growing small businesses to upskilling youth to implementing government programs, there's no one path forward but there are endless possibilities."



## Letter from the Editor

The right to decent work; it's enshrined in Constitutions and included in the UN Sustainable Development Goals as critical to inclusive and sustainable economic growth. But the unprecedented years of COVID-19, the ripple effects of the war in Ukraine, and the global cost of living crisis have taken countless tolls on economies around the world and, in turn, their respective job markets. Unemployment is high, but so too are the number of job openings.

There's clearly a perceived disconnect between what employers need and the skills jobseekers bring. Many workers are demanding more (and leaving secure employment to find it) while others are being forced to accept less than they need to survive. Employers are struggling to compete on salary while entire generations suffer the "pay cuts" of runaway inflation.

And while it's governments' role to deliver assistance and support people back into decent work, the private sector can do much to help themselves by creating opportunities for growth and support for those who need it, from the long-term unemployed to recent graduates to refugees.

Palladium has spent decades working with both governments and the private sector globally, and we see massive opportunities to accelerate our efforts to ensure that individuals and societies have the resilience to withstand more unpredictability in the years to come. From growing small businesses to upskilling youth to implementing government programs, there's no one path forward but there are endless possibilities.

The articles in this edition of our Special Report are curated from those published by our employment thought leaders and reflect their unique perspectives on jobs and sustainable work, be it through a particular industry, stakeholder, case study, or point of view.

I hope you'll find something in these pages that resonates with you, and if so, I welcome you to get in touch.

#### Elizabeth Godo

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## Pacific Workers in Australia Weigh the Emotional Costs of Migrating for Work

Michelle Carnegie Pacific Labour Facility

#### **ABOUT THE AUTHOR**

Michelle Carnegie has a PhD in human geography and has two decades of experience working in the Asia Pacific region on livelihoods, development, and gender issues. From 2019 to 2022 she was the Research & Learning Manager at the Pacific Labour Facility.



For many regional businesses across Australia, Pacific and Timorese workers are critical, ensuring crops can be harvested, meat processed, and more. The Pacific Australia Labour Mobility (PALM) scheme is a temporary labour migration program that matches Pacific Island and Timorese workers with Australian employers for seasonal jobs for up to nine months, and longer-term roles for between one and three years.

The economic benefits of the PALM scheme are substantial - the latest estimates show that between July 2018 and December 2021, approximately 5,300 long-term workers earned up to AUD172.8m and from that, saved and sent home an estimated AUD64.2m.

The bottom line? Workers that travel to Australia for temporary employment generally earn and save more than if they had stayed at home.

However, the potential social and emotional costs associated with temporary labour migration are often ignored when compared with the economic benefits. Under current visa arrangements, family members cannot accompany PALM scheme workers to Australia.

Family life inevitably changes when a household member migrates for temporary work, while partners, children, siblings, and parents stay behind and adjust to their absence. And workers themselves must adjust to a new life in Australia, working in jobs that are physically demanding, with

#### "Nothing can really compare to being physically present with family."

early starts and shift work, living in shared accommodation in remote and regional Australia, without their family and community support systems.

Recently, the Pacific Labour Facility (PLF), administers of the PALM Scheme, conducted a longitudinal study of 12 Fijian PALM scheme workers in Australia at the 12 to 18-month point of their 36-month contracts, and a 'staybehind' family member. The study findings; juxtapose the workers' physical absence and their personal and emotional sacrifices against the significant financial benefits of earning a foreign income.

#### COMMUNICATING ACROSS DISTANCE

Most families communicate daily, using WhatsApp or Facebook Messenger, scheduling times to connect around time zones and routines. Conversations generally focus on the minutiae of everyday life, the highs and lows of the work or school day, finances, savings plans and household purchases, and the wellbeing and welfare of family, especially children and vulnerable members of the household.

Through video chat, one worker helps his daughter with her school homework using a whiteboard, one joins his church fellowship sessions, and another shows her family members what she proposes to buy for them during her shopping trips.

But according to the workers, nothing can really compare to being physically present with family.

"I know what they're cooking at home. Then they know what I'm having for dinner," says Shelini, a 32-year-old worker. "So, it's basically like I'm there. It's only when someone is sick and physically I'm not there, that's when it's hard."

Responses to separation often differ based on family structures and stages in life, as well as support networks. Single mothers with a teenager or young adult child with extended family available to look out for them have fewer concerns about family separation than, for example, a married couple with one or more young children and a stay-behind spouse.

"For me as a single mom, I don't find it hard because my daughter has grown up," explains a working mother on the PALM scheme with a 19-year-old daughter who lives with her family. "And she is in a good place, like she is in a safe environment, safe with my family."

#### TRAGEDY ACROSS BORDERS

One worker, Ashika, lost her husband to suicide during her 15th month in Australia; a

# at home."

shocking and unexpected incident that she believed was due to the long delays between physical meetings and all of the unknowns that came during the pandemic.

Her husband supported her to join the PALM scheme, but she thinks that his insecurities about her being in Australia when the international borders closed indefinitely deeply affected him. These insecurities and fears were only exacerbated by unclear timelines when she would be able to come home, or he could come visit her as they had planned.

These types of struggles forced many workers and families to reassess whether working in Australia was the right thing to do.

Despite the uncertainty, when workers and family members were asked about the improvements in their lives, they cited the ability to materially provide for their families, to alleviate their financial struggles, to put savings away for the first time in their lives, and to plan for a future they could only have otherwise dreamed of for themselves.

Still, Ashika notes that one of the hardest things about being a PALM scheme worker is being without her family. Though COVID-19's effects brought deep personal tragedy and heartbreak for Ashika, the money she earns ensures that her family is provided for, especially as much of their work has been curtailed due to lockdowns and border closures.

Without her help, her family would have struggled to pay their rent and ongoing medical costs for her elderly, sick mother. Her younger sister was laid off from her job in tourism and Ashika believes this would also have been her fate had she, too, stayed in Fiji.

Despite the hardships, becoming a PALM scheme worker is coveted employment

"Workers that travel to Australia for temporary employment generally earn and save more than if they had stayed

- in every country there are thousands of eligible workers in the 'work-ready pool' for relatively few work placements that provide the opportunity to accumulate hard-earned wealth for an entire family.

One man, Jone, a worker's father, recounts how much his children miss his older daughter when she's away working. "The young ones, they miss Susi very much," he says. "We're very close and when they make video calls, sometimes she cries. The main thing to do and I advise all my children, to understand what we're going through, this is a way to look for some more money to help me out supporting you."

#### IMPROVING OUTLOOKS AND CREATING COMMUNITY

To better support the health and wellbeing of workers, the PLF is introducing a 'community of care' approach to worker welfare that fosters culture, connections, and relationships. This begins by bringing together different regional partners and stakeholders that have a role in and responsibility for supporting workers.

These groups include Australian employers, Pasifika diaspora groups, churches, the police, and community organisations. The PLF is also supporting additional community liaison staff in Australia and welfare staff in some labour sending units to support both workers and families experiencing family separation issues.

Some units are involving families in predeparture briefing sessions. A family readiness pilot program in Vanuatu assists couples to gain a better understanding of what to expect from work in Australia, and learn techniques to maintain respectful, empathetic, and compassionate long-distance relationships and negotiate financial management.

Meanwhile, the PLF is continuing its social research with PALM scheme workers and families, including expanding its longitudinal study to other nationalities and workers from diverse backgrounds in the hopes of better understanding how to build mechanisms, processes, and policies that better support workers and families into the PALM scheme Р

## Why We Hire Flight Attendants and Retail Managers to Help the Unemployed

Katharina Cavano Palladium Senior Editor

★ FEATURING Becky Brocklehurst in Restart Team Leader

#### ABOUT THE EXPERT

Becky leads Palladium's DWP Restart contract in the UK which is delivered across Hampshire and the Isle of Wight. Becky comes from a background of nearly 20 years in the Welfare to Work sector and has worked on a variety of contracts, including many from start-up and with varying commissioners. Becky specialises in developing and managing high performing and engaged teams across large geographies to deliver against outcome led performance and compliance targets.



The Restart Scheme, a UK Department for Work and Pensions program, aims to help people who have been out of work for more than 9 months to get back into jobs. Restart's goal is clear: support and advise those who have been unemployed in the long term to find sustainable employment. What's less clear was who exactly would be the best fit to do the supporting and advising.

It turns out that recruitment-related job experience matters a lot less than who advisors are as people.

"You have to see the best in people, and as someone walks in the door, you need to be able to see their potential and what they can do rather than what they can't do," says Becky Brocklehurst, Palladium's Restart Team Lead. Rather than looking to hire exclusively people who have worked in recruiting, a traditional role in the job sector, Brocklehurst and her team instead built

#### "You need to be able to see their potential and what they can do rather than what they can't do."

a competency framework based on what 'good' would look like and went from there.

"There aren't many people who have done this job before, so we had to go broader and think about what the transferrable skills are for the role, and the answer was a lot of customer service people."

Often, those who walk through Restart's door looking for assistance have not only been unemployed for years, but many have barriers to employment that advisors can help them through. Clients have a full year to work with Restart advisors, time which can be spent crafting resumes, getting prepared for interviews, and building confidence after extended time without a job. Brocklehurst adds that this isn't a one-off meeting and that advisors must be resilient, constantly thinking about what's next for their clients and believing in what's possible.

When Palladium began hiring advisors in 2021, the team found a pool of unexplored candidates from sectors that had been hit by the COVID-19 pandemic. From retail to the service industry, many workers were made redundant or lost their jobs, and it wasn't because they didn't love their jobs, Brocklehurst clarifies – it was simply because of the pandemic. "I think COVID-19 gave us the opportunity to source people that we may not have found otherwise. Some of our best colleagues are people who wouldn't have left their job otherwise but now they love this role."

So, why zero in on customer service?

#### "This is more than a job office aiming to get people in seats – it calls for compassion and empathy."

"When you think about someone like a retail manager or even a flight attendant, they really represent the brand and the company they work for and deliver quality service so that people come back," she notes.

"It's not much different in this role. People don't necessarily have to come see us, but they'll be more likely to do so if they want to," adds Brocklehurst. And that's only one part of why so many people stick with Restart when other government programs have been unsuccessful. The other, perhaps more important, part is the team's ability to go above and beyond for their clients so that they not only find a job, but a job that sticks in the long term.

Brocklehurst recalls a recent client who received a job offer but had it rescinded because he didn't have the right ID. The advisor quickly got on the phone to salvage the job offer, and then helped the client through the process of getting the proper ID. "He hadn't worked in four years," she describes. "He was dancing around the office with his advisor, crying he was so happy."

This is more than a job office aiming to get people in seats – it calls for compassion and empathy, and as Brocklehurst says, a real desire to make a difference in people's lives. From setting someone who experienced domestic abuse up with a doctor, to going to the shop with a client who received a job offer to help them purchase things that they need for the role, advisors are good at thinking on the spot and flexing with circumstances, rooted in genuine care for their clients. "Anyone who's worked in customer service is used to spinning the plates and constant changes, which is a big thing in this sector," explains Brocklehurst. "While it may be

structured to a point, you still have to be able to flex and not get in a panic. Instead, adjust and maintain emotional balance."

It's not always dancing and tears of joy, and advisors also have to cope with some of the stresses and challenges of working with people facing difficult circumstances.

Brocklehurst's hiring approach has trickled down to impact the way advisors themselves assist each and every client that walks through the door. "We knew what good looked like and who would succeed in the role and so we looked for transferrable skills, which has then cascaded down to helping our clients find their own transferrable skills," she says.

The approach is working.

Since they opened their doors in June 2021, Restart has helped over 400 people into jobs and counting. With a diverse staff and a unique way of supporting their clients, the team has seen great success. Brocklehurst chalks it all up to the team and their outlook. "It's about believing in the possible in the face of what might seem like the impossible and always looking at what we can do rather than what we can't."

## Global Youth Unemployment is Rising: Here are 3 Ways to Get Grads into Jobs

BY Lorenza Geronimo Skills for Prosperity

#### ABOUT THE AUTHOR

Lorenza was the Communications Lead for Skills for Prosperity project, and was previously the Communications Lead for The Humanitarian and Stabilisation Operations Team.



"Progression to employment is underpinned by qualitydriven training that produces the technical and employability skills relevant to employers' needs."

Worldwide, <u>75 million</u> young people are unemployed despite having received formal training. Further, the International Labour Organization (ILO) recently reported that youth unemployment rates globally are <u>higher than those for adults</u> and that the COVID-19 pandemic has only widened this growing gap.

According to a <u>new report</u> from the UK Aid-funded Skills for Prosperity

(S4P) program, one of the reasons why graduates from higher education (HE) and technical and vocational education and training (TVET) institutions may be unemployed is that their skills and knowledge aren't relevant or match up with what's needed on the job market.

The program, which aims to transform HE and TVET systems in partner countries in Africa, Asia, and Latin America so that they better equip young people with the skills needed by the job market, shares insights into three promising approaches that the team is piloting across different countries.

In the report, <u>Supporting Graduate</u> <u>Transitions into the Job Market</u>, S4P technical advisers John Mountford and <u>Advance HE</u>'s Lindy-Ann Blaize Alfred review the approaches based on experiences in Nigeria, Kenya, and Mexico.

"The successful transition from training to employment is at the heart of the Skills for Prosperity program," explains report co-author John Mountford. "Learner progression to employment is underpinned by quality-driven training that produces the technical and employability skills relevant to employers' needs."

#### 1. WORK-BASED LEARNING AND PRIVATE SECTOR ENGAGEMENT IN NIGERIA

Work-based learning, including through apprenticeships, internships/traineeships and on the job training, can reduce skills gaps as it ensures that HE and TVET learners acquire skills demanded by employers.

In Nigeria, the team has brought together policy makers, HE and TVET providers and private sector employers to design and deliver the National Apprenticeship and Traineeships System (NATS). From February 2022, NATS will pilot apprenticeships for 1,500 learners in the priority sectors of agriculture, ICT and creative industries, both at their workplace and at college. These will equip learners with technical and employability skills, such as communication and teamwork, which will help them transition into the job market.

NATS will also build employers' capacity to contribute to work-based learning programs and will build a "mentor bank" of industry experts who can be assigned to learners to support them.

#### 2. INNOVATIVE CAREERS ADVICE AND GUIDANCE IN KENYA

In Kenya, the team has been piloting an innovative approach that combines online modules and face-to-face careers advice. S4P will deliver online courses from Accenture's Learning Exchange portal (LX) to 240 final year students aged 21 and 22, in partnership with identified TVET and specialist providers' careers services. The modules focus on areas such as English as a second language, digital and financial literacy, and career planning and job search strategies. They will help learners become work ready as they prepare to enter the job market.

Kenya's Ministry of Education weighed in to ensure the courses match the skills the country needs. The pilot is also providing IT and coaching resources to build the capacity of participating TVET and specialist providers.

As this initiative places a strong emphasis on inclusivity, at least half of the learners have disabilities and around 50 percent are women. The pilot harnesses online methods to improve access to education and skills training, particularly for disadvantaged groups, which is even more relevant in a COVID-19 era.

#### 3. MENTORING WOMEN IN MEXICO

In Mexico, <u>75 percent</u> of female college graduates don't have a job in the formal economy. It is particularly hard for them to access positions in the fields of science, technology, engineering, and mathematics (STEM), which are typically better paid. "It's essential that training is delivered through inclusive and innovative models that provide access to employment opportunities for all."

To promote equal opportunities, S4P is delivering a mentoring program with the Autonomous University of Chihuahua (UACH). This initiative aims to encourage women to complete their STEM undergraduate studies and inspire them to pursue a specialisation in these fields.

S4P will also establish a support network which will involve female professionals in STEM and will assign these to final year female engineering students so they can act as their mentors. This will provide them with role models, help them overcome stereotypes on gender roles and ultimately support their transition into the job market. The program also aims to embed practice within UACH so that this initiative can be replicated with a wider student cohort.

"It's essential that training is delivered through inclusive and innovative models that provide access to employment opportunities for all," concludes Mountford. "This report provides an important opportunity to share good practices from across S4P in this important sector."

Transitions into employment for young people can be complex and challenging, and are not always linear, making it all the more important that TVET and HE are fully equipped to prepare students for employment beyond training or school. As economies around the world begin to rebuild and recover from the pandemic, ensuring that youth populations are employed will play a critical role.

## The Case for Hiring Refugees

BY Staff Writer Palladium

★ FEATURING
Sinéad Magill In
Palladium Managing Partner

#### ABOUT THE EXPERT

Sinéad leads Palladium's donor funded business, including delivery of the UK Government's Humanitarian and Stabilisation Operations program. Sinéad has over 15 years of experience leading governance, security, and justice programs. She played a key role in DFID's programming in Iraq and subsequently delivered programs in Afghanistan, Palestine, Uganda, and Syria. Sinéad was featured in Management Today's 35 Under 35 and won the Women of the Future Business Award.



There are 100 million people forcibly displaced worldwide, according to the latest reports. This number includes both refugees who have left their country and those who are internally displaced within their own country. It's equal to about 1% of the global population and now includes the more than 6 million refugees who have left Ukraine.

Refugee resettlement has become a bigger and more politically prominent question in recent years, and it's only been further brought into the spotlight by the conflict in Ukraine, which has precipitated the fastest growing refugee crisis in Europe since World War Two. Beyond addressing their immediate needs, refugees look for meaningful employment that offers them dignity, independence, and an opportunity to integrate into their host country for however long they reside there.

"It's become abundantly clear that far from being the beneficiaries of their host countries, refugees can provide much "Far from being the beneficiaries of their host countries, refugees can provide much needed labour, a skilled and educated workforce, and a source of innovation."

needed labour, a skilled and educated workforce, and a source of innovation," explains Sinéad Magill, Palladium Managing Partner.

But it's not just host countries that benefit – businesses do as well. Reports have shown that not only do refugees tend to stay with the same employer for longer than other hires, but that once a positive relationship is established, it can open the door to recruitment of other refugees. One report, conducted by the Fiscal Policy Institute in the U.S., focused on the employer's experiences with hiring refugees, and perhaps most importantly found that most of those interviewed stressed the similarities, not the differences, between refugee employees and their other employees.

Consistent across industry, sector, and geography was that refugees tended to stay with the same employer for longer than other hires. 73% of those surveyed reported a higher retention rate, seemingly owing in part to efforts to integrate refugees into the workplace. Despite language barriers and other challenges (real and perceived), employers that sought to make the workplace culture and practices more flexible and accommodating, benefitted as a result.

Once a positive relationship is created, it can open the door for more refugees to be recruited and hired. Why is that? By working with those initial hires to create "Consistent across industry, sector, and geography was that refugees tended to stay with the same employer for longer than other hires."

a more inclusive culture, employers can retain current employees while building an environment where other refugees would want to work as well.

This works as an advantage for recruiting in at least two ways:

First, when employers work through integration issues for a particular ethnic group, they're very likely to see other refugees from that same community applying for jobs at their company. Second, as employers build relationships with refugee communities and refugee resettlement agencies, hiring logistics become more efficient (i.e., if an employer works through the initial logistics of hiring refugees from one country of origin, hiring from a second group is often far easier).

Employers frequently feel that they have learned and grown from the experience of integrating refugees in ways that made them not just better employers of refugees, but better employers in general. Making production goals and evaluation clear to people who don't speak English well also benefited native English speakers who found the new communications clearer.

"We see this regularly in our communications to our global workforce," explains Palladium Head of Communications, Elizabeth Godo. "Keeping our employees for whom English is a second (or third, or fourth) language in mind, be they refugees or otherwise, makes our messages clearer and more inclusive for everyone."

An openness to hiring employees who may need training on the job has

widened the door for both refugees and non-refugee employees, helping hiring managers to see potential where before, their unconscious bias and unfair recruitment practices were limiting their pool of candidates to the usual suspects.

In some cases, hiring refugees has helped companies connect with local markets in areas with high concentrations.

Refugees are vital to labour markets globally, and as the spotlight is placed on the growing numbers of refugees, companies can only stand to benefit by embracing them into their workforce, and in turn their communities.

## How One Woman's Passion for Fabric has Created Jobs for Women in Guatemala

#### BY

Claudia Navas Creating Economic Opportunities

#### **★** FEATURING

Ricardo Michel in Palladium Managing Partner

#### ABOUT THE AUTHOR

Claudia is a member of Creating Economic Opportunities Communications Team. Before joining the team in 2019, she worked as a national journalist for 15 years specialising in development issues and spent time as a Communications Specialist for UNICEF and NGOs.

#### **ABOUT THE EXPERT**

Ricardo brings more than 25 years of international finance and leadership experience in both the private and public sectors. He leads Palladium's business in the Americas, with a focus on finance and investment, market systems, private sector engagement, and business transformation.

Prior to joining Palladium, Ricardo served as Managing Director of FHI Partners, a subsidiary of FHI 360, as well as Executive Vice President of AMEX International, Inc., an international development consulting firm. He was a presidential appointee in the Obama Administration to the U.S. Agency for International Development (USAID), where he was responsible for public-private partnerships and played a catalytic role in the launch of the U.S. Global Development Lab. He also directed the Office of Innovation and Development Alliances (IDEA) and served as Senior Advisor for economic growth and trade in the Africa Bureau.



"I had the knowledge, the equipment and the staff but I had no one to sell to, and the clients I had were not enough to achieve the stability I was looking for."

Jennifer Medina grew up with fabric. Her parents had a small factory that made quilts and sheets. She loved the feel of the cotton, the brightness of the colours, and how these could be transformed into items for people's homes. She took that passion for fabrics and started her own company, Cintora Textiles, 15 years ago in Guatemala City to put her extraordinary design skills to work in creating everyday items at affordable prices.

Medina scored some early successes with her business when the retail giant Walmart bought her pillowcases for beds and sofas and some restaurants bought tablecloths. But she felt she could do more for her company. When USAID and Walmart offered her a place in the new Value Chain program in 2019, she thought it could be the chance she needed to expand even further.

Palladium's Creating Economic Opportunities Project partnered with Walmart Guatemala on the Value Chain Program to help strengthen and grow up to 40 small businesses, most led by women. Through this partnership, Palladium and Walmart are leveraging their combined experience to help small business like Cintora Textiles grow, and to help local economies recover.

"It's important, especially in the context of what we're seeing with businesses and COVID-19, that big corporations and companies like Walmart understand the vulnerabilities of long supply chains," explains Ricardo Michel, Palladium Senior Managing Partner. "Shortening supply chains and looking locally, not just protects them from economic shocks but supports local partners too."

Michel adds how important small businesses are to both local and national economies. "When you look at developing economies and concentrations of small businesses, the economic impact they have is often greater at times than larger companies. The impact they have is more per capita and you see an immediate impact in terms of job creation, livelihoods, and even education."

"That's what makes supporting these small businesses so sustainable in terms of development," he concludes.

#### TRAINING TO EXPAND

"I had the knowledge, the equipment and the staff but I had no one to sell to, and the clients I had were not enough to achieve the stability I was looking for," Medina explained.

The program offered more than 200 hours of hands-on training and instruction on 25 topics to strengthen operational and financial management, vision and strategy, branding and marketing, and tips to access new markets. Medina updated her brand, developed shiny new labels, improved the management of her finances, and organised her inventory.

She had her first big success at the ExpoMueble Fair in November 2019, where she displayed the curtains and colorful aprons that were becoming big sellers in Walmart and that included new styles recommended in a marketing workshop. She won contracts worth US\$15,000 per week from two national household goods chains, which generated part-time work for half a dozen women in Medina's employ.

#### INNOVATING WITH CHANGE

"One big lesson in the program I remember was about the importance of being open to change, to innovate," Medina recalls. This was put into practice suddenly when her staff employed and even led to new contracts with the national Dollar City chain. But another workshop within the Value Chain program had more specific suggestions for boosting successful negotiations: research potential clients to understand their consumers' preferences; go to negotiations with concrete offers you can deliver on; and be flexible – always have a 'can-do' attitude.

"Introductions to national buyers is the greatest support that I had from USAID," Medina says. "I put into practice what I learned about good negotiations, about confidence in myself and my products."

Medina already knew Walmart stores, but now she investigated other stores in the Walmart group, including La Despensa, MaxiDespensa, and Pricesmart to investigate how items like hers were displayed and at what prices they were sold. She already knew which items she could make with less expensive fabric for more economical chains. She knew which patterns would appeal to different kinds of buyers, from stay-at-home to soccer moms, grandmothers and barbecuing fathers and uncles. She put all this knowledge to work at the Showroom for Women-led and Retail Businesses in Guatemala City in November 2021, where 44 small business owners engaged in 162 business appointments with 10 national retail chains.



the COVID-19 pandemic struck in March 2020. With stores closed and her orders plummeting, Medina started making masks and biosafety suits for companies. This kept her staff employed and even led to new contracts with the national Dollar City chain.

"Shortening supply chains and looking locally, not just protects them from economic shocks but supports local partners too."

Medina had formal business appointments with Gran Gallo, GTA and La Moderna. Over the next three months, Medina had multiple meetings with GTA and Gran Gallo and traveled to Coatepeque to meet with Gran Gallo at their headquarters and see how the supermarket operated.

#### **EXPANDING WITH PURPOSE**

By April, Cintora Textiles had won contracts with Gran Gallo, GTA and Walmart's MaxiDespensa chain. Medina adapted products for Gran Gallo's market, including tablecloths and the serviettes that cover freshly-made tortillas. For GTA in Guatemala City, Medina created an exclusive line of goods for chefs, including aprons, chefs' hats, and tablecloths. For MaxiDespensa, Medina created a more economical version of her fast-selling line of kitchen aprons for 45 stores in the chain.

"For Walmart Central America it is of vital importance to support and strengthen our value chain," explains Flavio Cotini, director of Walmart Mexico and Central America, "especially the local small and mediumsized business that provide for us the varied products that have special value for our customers."

For Medina and Cintora Textiles, the three contracts added up to new sales that represent 55% of current sales – a huge increase for the company and for local seamstresses who will get more work as a result.

"We had to change our distribution and production system," Medina says. "But our production grew by 150% and this generates work every month for the women in my community."  $\mathcal{O}$ 

## 10 Recommendations for Green Transition

#### BY Rhys Morris Palladium Managing Partner

#### **ABOUT THE AUTHOR**

Rhys joined Palladium in April 2015 and has managed Palladium's global security approach; its US Operations and latterly its EMEA business as a Regional Business Partner. Driving change through his personal commitment to Palladium's vision and with a passion for leading large teams of professionals, Rhys brings his operations experience and a collaborative approach to the management of the EMEA business.



A net zero future requires transitioning to a sustainable global economy, and with it comes the promise of "green jobs".

<u>A recent report</u> from Palladium's Challenge Fund for Youth Employment (CFYE) and partner INCLUDE defines green jobs as those that either generate goods or provide services that benefit the environment (e.g., green buildings or clean transportation); or jobs that contribute to more environmentally friendly processes (e.g., by reducing water consumption or improving recycling systems), while also generating and supporting the wellbeing of people.

One important element of this definition is that green jobs also have to be decent. Decent jobs must include opportunities for women and men earn a living wage while doing productive work with freedom, equity, security, and human dignity, with equal access for all.

In Africa, where youth unemployment remains a barrier to the continent's

"Analysing and understanding the gender dimension of green jobs and youth unemployment is critical in ensuring that women can play an equal part in the green economy."

development, a green transformation of the economy has the potential to create a variety of job opportunities. At the same time, the reality is that this transformation could displace existing jobs even as it creates new ones. So, what can policymakers, practitioners, investors, and other relevant stakeholders do to support this transition and stimulate job creation so that it benefits young people?

#### 1. FOCUS ON HIGH-POTENTIAL GREEN JOB SECTORS TO SHAPE POLICIES TOWARDS A GREEN ECONOMY

Rather than looking at green jobs from a binary perspective in which jobs are considered either green or "brown", facilitating a green economic transition requires a holistic approach. This requires looking at the potential of green jobs for youth in different sectors. The identification of 'growth' sectors for youth employmenti.e., the economic sectors that have the potential to significantly increase green job opportunities for youth-enable governments to target their interventions better and thereby stimulate the greening of sectors in which there is already strong market demand and the most promising green job opportunities.

### "Youth unemployment and climate change are two of the most pressing issues of our time"

#### 2. PROVIDE INCENTIVES FOR GREEN BUSINESSES AND GREEN TRANSITION PIONEERS

To foster the transition towards a green economy, governments have a number of economic and policy instruments available to support green businesses, either by integrating a 'polluter pays principle' into current policy frameworks, such as heavier taxation of smokestack industries and the removal of fossil fuel subsidies, or by initiating supportive measures such as tax cuts or benefits for green enterprises, investment in renewable energy and energy-efficient technologies, and feed-in tariffs. Stimulating green job pioneers with financial incentives and integrating specific environmental provisions can as such accelerate the transition to a green economy.

#### 3. PROMOTE INCLUSIVITY IN GREEN EMPLOYMENT BY CONSIDERING THE DIFFERENCES OF YOUTH

Policies to achieve a 'just' green transition in Africa should be inclusive and operate according to the Sustainable Development Goals principle of 'leaving no one behind'. Doing away with the idea of a green job blueprint for youth, interventions should be contextualised and account for the different agency and intersectionality of youth. To realise inclusive policies, vulnerable groups need to be able to participate in the decision making and implementation process, with support from coalitions of strategic actors across state and society.

## 4. NURTURE A GENDER-RESPONSIVE GREEN TRANSITION

Analysing and understanding the gender dimension of green jobs and youth unemployment is critical in ensuring that women can play an equal part in the green economy. In this regard, measures should be taken that both actively promote the participation of women in the green economy and address the structural barriers that women face in accessing green jobs. Gender specific business development programs and a focus on STEM (science, technology, engineering, and mathematics) education for girls can help level the playing field for women in accessing green jobs and green entrepreneurship opportunities.

In addition, addressing social norms and perceptions that prevent women from taking part in certain green jobs sectors and tackle barriers such as access to finance, land, technology and gender segregation in education systems and labour markets can further boost women's engagement in the green economy.

#### 5. FOSTER DEMAND-DRIVEN SKILLS DEVELOPMENT FOR GREEN JOBS, INCLUDING DIGITAL SKILLS

It is not just a question of training the labour force to adopt green skills, but it's also important to bridge the skills mismatch between what employers in the green economy demand and the skills that young women and men typically lack. CFYE found that digital literacy and soft skills are just as, and in some cases maybe even more, important than specific green skills, as these can often be developed through onthe-job training programs.

#### 6. STRIKE A BALANCE IN SUPPORTING CLIMATE MITIGATION AND CLIMATE ADAPTATION INITIATIVES

In the climate financing sector, there is a bias towards funding businesses that focus on climate mitigation approaches by reducing greenhouse gas emissions, especially in the agricultural and renewable energy sectors. Although these sectors have great potential for the creation of green jobs for youth, to facilitate a broader transition to a green economy in Africa, it is important that green jobs contribute to both climate mitigation and adaptation by managing the risk of climate change impacts. Aiming for a balanced investment and exploring opportunities for synergies between climate mitigation and adaptation approaches could provide additional opportunities for sustainable green employment such as within the climate smart agriculture sector.

#### 7. CLOSE THE FINANCE GAP AND PROMOTE PATIENT (VENTURE) CAPITAL

Within the green economy discourse, it is increasingly recognised that small and medium-sized businesses have the potential to generate most of the new green jobs for African youth and can play an important role in diversifying a country's economic base. Within the green economy, those small businesses can stimulate innovation, help deliver goods and services, and be a powerful force for integrating women and youth into the economic mainstream.

However, despite the recognition of this potential, there is still a significant lack of finance to support these businesses. Green businesses are seen as risky investments, because they typically need longer-term investment than traditional business ventures and the proof of concept of new, innovative solutions is less well established. Facilitating a green transition, therefore, requires venture capital that accepts a longer-term investment horizon and a social, rather than just a financial, return on investment.

#### 8. STRENGTHEN THE EVIDENCE BASE WITH GREEN JOBS EXAMPLES FROM PRACTICE

Developing and using explicit theories of change for green job creation and informing these with case illustrations and narratives of green businesses allows policymakers and practitioners to gain insight into what does and does not work when it comes to stimulating green jobs for youth, thereby supporting learning and the development of green job approaches.

#### "Facilitating a green economic transition requires a holistic approach by looking at the green jobs potential for youth in different sectors."

Highlighting and showcasing best green job practices in the public domain can further help to create awareness around the need for a green transition and inspire other businesses to follow-suit.

#### 9. FACILITATE LEARNING AND EXCHANGE BETWEEN GREEN JOB CREATORS IN THE DEVELOPING WORLD

In addition to creating new knowledge on green employment creation, it is also important to foster an exchange of experiences and lessons learnt between green job creators, so that opportunities for green job creation can be leveraged effectively and potential challenges mitigated or navigated. Organising and facilitating learning sessions and communities of practice with relevant green job stakeholders can provide a conducive platform for this exchange.

## 10. STIMULATE MEANINGFUL YOUTH ENGAGEMENT

In order to ensure that the objectives and opportunities of the green economy are aligned with the aspirations and ambitions of youth in relation to the future of work, it is crucial to engage youth in discussions on programs and around green job creation. Organising dialogues with young people and setting up youth-inclusive governance mechanisms can help to provide evidence of their perceptions towards green and decent jobs. Youth unemployment and climate change are two of the most pressing issues of our time and are seen as 'threat multipliers' that exacerbate existing challenges and inequalities, especially those of vulnerable communities across the developing world.

The transition to a green economy emerges as a hopeful solution to address the multiple challenges of climate change, poverty, and inequality, while also enabling African countries to create decent jobs for their youth. Though much is still unknown, what is clear is the vast potential of a green economic transition for addressing unemployment and creating a more sustainable future for all.  $\mathcal{O}$ 

Special thanks to Siri Lijfering and Ninja Lacey on the INCLUDE team for their input. The Green Jobs for Youth in Africa report is a result of a collaborative project between CFYE and INCLUDE and an ongoing partnership to strengthen the evidence base around decent work and youth employment in Africa. <u>Read the full report</u>.

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#### GREEN BUSINESS STRATEGY

- Taking a value chain approach and focus on circular economy models as the engine of green growth
- Environmental and financial sustainability should go hand in hand to stimulate green jobs
- Sensitising the market to alternative materials and sustainable consumption

#### GREEN FINANCING

- Patient capital that allows for long investment horizons
- Donors should focus on bridging the finance gap for scaling and to de-risk the industries
- Incentives from the government, tax incentives or subsidies for green businesses

#### **GREEN SKILLS**

- Certification and
   recognition of existing skills
- Basic skill development; soft skills and digital skills/ digital literacy
- Green skills: Stimulate on the job learning; training and self-learning & career guidance

#### **GREEN AWARENESS**

- Increase visibility and strengthening the evidence base by showcasing best practices
- Advocacy both with policy makers and the private sector; encourage sectoral and cross-sector initiatives
- Highlighting the business case of green jobs instead of using climate change rhetoric

#### About The Catalyst

The Catalyst is Palladium's online publication, delivering news, perspectives, and in-depth reports from the front lines of our global work. Many of the stories are written by Palladium employees and partners, sharing their experiences and expertise as they work to solve the world's greatest challenges.

*The Catalyst* aims to inspire, educate, and embolden all readers, from experts in international development and C-Suite executives, to impact investors and community leaders.

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We work with corporations, governments, investors, communities, and civil society. With a global network operating in over 90 countries, Palladium is in the business of making the world a better place.

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