

# Shared Economic Opportunities

Principles for Building  
Dynamic People-Centered  
Economies



# Dynamic People-Centered Economies

## INTRODUCTION

A critical way to reduce poverty and promote stability is through job-rich economic growth that produces decent work for all. The United Nation's Sustainable Development Goal 8 calls for countries to build "dynamic, sustainable, innovative and people-centered economies." This document outlines RTI's approach to working collaboratively with others to achieve this goal.

RTI International is committed to achieving dynamic economic growth through collaboration. **In fact, it's in our DNA.**

For 60 years, RTI has served as the anchor institution of North Carolina's Research Triangle Park (RTP)—one of the earliest and most successful collaborative economic development projects ever undertaken in the US. Before RTP was founded, North Carolina was the second-poorest state in per capita income in the United States. Key industries—furniture, agriculture, textiles—were in decline. Students were drawn to the area by three top-tier research universities, but graduates were leaving to find jobs elsewhere.

So business, government, and university leaders came together to create RTP—and in the process, developed many of the ideas that now inform dynamic, people-centered economic development practice globally. Today, the Research Triangle region is home to over 170 companies and employs over 42,000 knowledge workers, helping to drive economic growth across a region that has added 50,000 companies and 710,000 jobs over 60 years—three times the national growth average. RTI has played a critical role in this success by providing innovation, research, and technical assistance services.

As RTP has grown and prospered, so has RTI. We now work in over 90 countries, but our approach is still rooted in the lessons we first advanced in North Carolina a half century ago.



*Horizon Building on RTI's North Carolina campus.*





## Principles for building dynamic people-centered economies:

**Link educators and employers to deliver demand-driven programs.** RTI advances robust educator–employer partnerships across a range of sectors to support work-based learning opportunities, applied research, and market innovation.

**Empower education providers to deliver quality education.** RTI supports education and training institutions to build their capacity and ensure the consistent delivery of quality education for all.

**Connect youth to assets to lead change and define their own futures.** RTI works with youth to develop and deploy assets and gain life and employability skills.

**Engage governments to advance inclusive, innovation-driven economic growth.** RTI assists governments to develop and implement economic growth plans that focus on skills and support capacity development.

**Foster learning and innovation in the sector.** RTI believes in open innovation, rigorous evaluation, and radical collaboration to drive learning and scale, moving beyond project mentalities.

RTI applies these principles across a range of education, workforce development, and economic growth programs in contexts as diverse as Latin America, sub-Saharan Africa, and Southeast Asia, and in both tertiary and secondary education, including universities, technical training, and second chance opportunities for out-of-school youth. The following examples from our current program portfolio highlight our work and provide concrete examples of our commitment to these principles in action.



# El Salvador



## Linking higher education to industry to boost economic growth

El Salvador's young people yearn for jobs, but the country's years of sluggish growth and dismal investment in higher education—one of the lowest in Latin America—have left the youth with few opportunities. Education programs are not connected to the needs of the private sector, and students continue to enroll in traditional academic programs with limited economic relevance. Collaboration between academia and the private sector has been scarce due to distrust and lack of avenues for engagement.

The USAID Higher Education for Economic Growth project is creating a new model of industry-linked education. Led by RTI, the goal is to develop a high-functioning system in which universities work closely with industry partners and employers, alongside government, to increase Salvadoran global competitiveness and economic growth.

A systems-level approach has been critical to achieving related outcomes on faculty development, curricula reform, research, institutional capacity, and policy. An independent evaluation and case study both note that a key success factor has been the early investments made in developing industry–higher education clusters that provided the social infrastructure needed for sustained impact, especially in areas of curricula reform and applied research.



Developed four industry–academia clusters in high-growth sectors to promote public–private collaboration



Institutionalized 30 new/upgraded STEM degree programs aligned to industry needs



Established five new career development centers to link youth to the labor market



Developed first national higher education policy through a broad consultative process



Launched 26 applied research projects addressing real industry problems

# Indonesia



## Making technical education work for youth and employers

Economic forecasters have predicted that Indonesia could become the world's 7th largest economy by 2030. A critical variable in realizing this potential is Indonesia's ability to train and deploy a skilled workforce in a fiercely competitive economic region. These workers, especially those from Indonesia's sizable poor and vulnerable population, will progress through one of its 20,000+ vocational training schools and centers. To be successful, these schools need new approaches and partners.

To improve the quality of Indonesian technical education, RTI launched USAID's Indonesia Ready-to-Work Accelerator Program (RWAP). RWAP is establishing Centers of Excellence for technical training and using learning and innovation networks to scale and sustain quality models.

A key component of RWAP is the Quality Assurance Framework tool, a measurement instrument designed by RTI to help center operators improve technical training in five key areas: leadership, private-sector partnerships, business operations, equity/access, and innovative teaching methods.

This tool drives a larger self-assessment and improvement process led by a vital group of stakeholders: training center directors, instructors, employers, district government representatives, parents, and youth themselves. The aim is to secure buy-in and to ensure the strong and viable capacity necessary to prepare youth for today's and tomorrow's workforce demands.



Designed three industry endorsed, demand-driven curricula for garment, cooling technologies, and retail sectors



Designated Centers of Excellence that are transforming traditional pedagogy through innovated training methods



Leveraged public and private scholarships to provide disadvantaged youth access to training opportunities



Engaged governments in Central Java to manage new learning and innovation networks that support 200 training centers



Introduced Quality Assurance Framework to generate evidence needed to measure and scale institutional reforms

# Philippines

## Leveraging the power of STEM education for innovation-led growth

Even though the Philippine economy is expected to grow from the 34th to the 16th largest by 2050, it has not kept pace with its Asian “tiger” neighbors. Leveraging the full potential of a rapidly growing economy requires the Philippines to harness science and technology to drive innovation and human ingenuity, fueled by highly collaborative research and development initiatives between industry and academia.

RTI leads the USAID-funded Science, Technology, Research and Innovation for Development (STRIDE) program to improve the relationships that make the innovation ecosystem work together as a whole. The project is working through a dynamic network of researchers, innovators, entrepreneurs, and investors who turn new ideas into products that impact economic growth.

RTI facilitates robust research and development partnerships between university, industry, and government stakeholders by structuring opportunities for knowledge-sharing and collaboration, including offering joint university–industry research grants, developing externships for Filipino scientists, establishing technology transfer offices, and strengthening Philippine government innovation programs and policies.



Established university career centers that are improving industry links and graduate employment



Created technology transfer offices that are bringing university R&D to commercialization



Awarded over 50 scholarships for students to study in the US and advance their scientific careers



Launched professional science masters degree programs and placed 100 faculty in industry externships



Advanced innovative research through 68 industry–academia partnerships worth over \$5 million



# Kenya



## Creating local compacts for inclusive development

Kenyan youth, particularly those disadvantaged by having dropped out of school, struggle to find meaningful employment. This untapped demographic is both a challenge and an opportunity for public-and private-sector stakeholders.

The RTI-led USAID Kenya Youth Employment and Skills (K-YES) program provides disenfranchised youth the skills, assets, and support they need to compete and succeed in the workplace. K-YES works with private-sector companies (including Kenya Commercial Bank, Western Union, IBM, and Coca-Cola), local county governments, and vocational training centers to build action-oriented, multi-stakeholder compacts that are resulting in improved services, increased investment, and better education and employment outcomes. These compacts have developed nationally accredited competency-based vocational curricula in five sectors.

Through these local compacts, K-YES is connecting more than 30,000 young Kenyans to an integrated package of employment support services so they can make informed and empowered decisions about their careers. Students are linked to other employment support services (business and work readiness skills training, apprenticeships and internships, career development services, access to finance, job placement) that increase chances for formal employment or self-employment and reduce their drivers of rural–urban migration.



Developed demand-driven, nationally accredited vocational curriculum working with 50+ companies



Built the capacity of 25 youth polytechnics to improve the quality of technical education



Connected 146,000 youth to financial services



Formed county compacts among government, the private sector, educators, and youth



Used a pilot-test-scale approach to innovate and adapt the program, going from five to nine countries

# Haiti



## Developing high-potential value chains to increase skilled jobs

Haiti faces a multi-generational challenge of achieving inclusive economic growth in the face of natural disasters and political instability. In 2013, USAID chose RTI to lead the Haiti Local Enterprise and Value Chain Enhancement (LEVE) program designed to stimulate job creation by strengthening enterprises in the agribusiness, apparel, and construction sectors.

The overarching mission of Haiti LEVE is to encourage private-sector investment that creates jobs in targeted sectors. RTI conducted in-depth assessments of each sector, identifying value chains with the highest market potential, firms that could support program initiatives, and vocational schools ready to link their offerings more directly with market needs. The assessments considered demand-side constraints to gain a deep understanding of employers' skills requirements and supply-side challenges training institutes faced. Based on this assessment, RTI has provided a mix of technical assistance, capacity development, training, and small grants to more than 55 lead firms, four industry associations, and 21 training institutions to stimulate economic growth and job creation.

In agribusiness, for example, LEVE assisted lead firms in modernizing their operations to meet market demand. In Haiti's apparel export sector, LEVE supported large exporting operations with worker training and diversification so that new manufacturers in Haiti would have access to qualified labor. In construction, LEVE focused on increasing the productive labor pool by linking vocational training schools with firms and jobs sites to better match the needs of the private sector and strengthen certification programs.



Facilitated the creation of more than 7,000 jobs through 500 firms, including large, medium, small, and micro enterprises



Supported the drive toward higher quality and safer food products through Hazard Analysis and Critical Control Points (HACCP) certification of agribusinesses



Worked with the Ministry of Public Works to introduce new plumbing code and to roll out certification testing

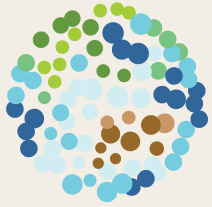


Hosted Two Skills Olympiads to link market demand with vocational schools and destigmatize vocational skills



Created and piloted new economic modeling to properly measure direct and induced job growth





## Global Center for Youth Employment

*Generating solutions for a working world*



### Connecting stakeholders to identify and pursue innovative solutions

The RTI-led Global Center for Youth Employment (GCYE) is a virtual learning and action center that assembles a diverse coalition of allies to identify and nurture innovative youth employment solutions. Our 40 nonprofit, corporate, government, and academic members reach more than 1 million youth a year in 100+ countries. Since 2015, GCYE has organized this community for a series of thought-provoking convenings and “ideathons” to drive open-source and open-use research and innovation that address the global youth unemployment crisis.

The Center is focused on solutions that are systemic, widely replicated, rigorously evaluated, and the result of collaboration among diverse stakeholders.

To date, RTI, center members, and foundations have supported 11 cutting-edge ideas, leveraging more than \$500,000 in investment.



#### **Testing the power of online networks for disconnected youth:**

RTI, LinkedIn, Harambee, and Duke University are collaborating on an impact evaluation of LinkedIn usage by marginalized work seekers in a South African employment training program.



#### **Scaling microwork and impact sourcing to generate job opportunities:**

Banyan Global and Future Work Consulting investigated the challenges in scaling microwork; they interviewed firms like Samasource, DDD, and Cloudflower and clients such as TripAdvisor and Getty Images to gain critical insights.



#### **Providing formal solutions for the informal economy:**

Kenyan social enterprise Lynk matches informal job seekers with gig-economy employers. GCYE is helping improve Lynk’s assessment and onboarding of workers to meet pent-up demand.



#### **Creating a cohesive ecosystem for disconnected youth:**

Harambee Youth Employment Accelerator is developing a digital platform to assist South African youth to leverage an array of learning to earning opportunities. GCYE is helping Harambee create a youth-friendly interface for the platform.



# Global Impact

RTI International is an independent, nonprofit research institute dedicated to improving the human condition by turning knowledge into practice. Drawing on in-house expertise spanning more than 250 scientific disciplines, we combine the research expertise of a university, the innovation and implementation capabilities of a private enterprise, and the mission focus of a nonprofit. This unique and powerful approach allows us to design and implement programs that are informed by strong evidence and deliver measurable outcomes.

The featured projects are part of RTI's international development practice, which designs and implements programs across a wide range of sectors to help lower- and middle-income countries and communities address complex problems and improve the lives of their citizens.





RTI International is an independent, nonprofit research institute dedicated to improving the human condition. Clients rely on us to answer questions that demand an objective and multidisciplinary approach—one that integrates expertise across the social and laboratory sciences, engineering, and international development. We believe in the promise of science, and we are inspired every day to deliver on that promise for the good of people, communities, and businesses around the world. For more information, visit [www.rti.org](http://www.rti.org).

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