Generation
KENYA

2025-2029 STRATEGY

Re-Imagining The Future of Work for Kenya's Youth

Building Sustainable Employment Systems

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Executive Summary

Generation Kenya (GPK) aims to transform how youth employment programs operate in Kenya by moving from a program implementer to a systems orchestrator for 2025-2029, targeting 30,000-50,000 youth trained and a sustainable pipeline of 10,000 graduates annually. By scaling our proven model through an ecosystem-focused approach, we will:

Embed our methodology in public TVET institutions, transforming traditional training approaches

Implement process and technology innovations to dramatically improve efficiency and performance

Establish employer-driven Centers of Excellence in high growth sectors, including technology, green jobs, manufacturing, and digital services, with 80% employed within 3-6 months post-program graduation.

Build financial sustainability by reducing donor dependence from 80 % + to 50-60% through innovative public-private co-investment models

This evolution builds on our decade of success (33,000+ graduates with 83% job placement), our extensive ecosystem of partnerships (450+ employers and 83 training partners), and our experience and lessons learned in our areas of strategic focus in Kenya and abroad. We are confident in our ability to make this transition due to our demonstrated success in quickly responding to market shifts, building coalitions across sectors, and creating durable employment outcomes. Through this approach, we aim to transform Kenya's youth employment landscape to understand, value, and utilize the key elements of our methodology to support meaningful careers at scale.

Context and Challenge

Kenya faces persistent youth unemployment challenges, with recent data showing a 12% youth unemployment rate and 19% of youth not in education, employment, or training (NEET). The situation is even more difficult for young women, with 17% unemployment and 25% NEET rates. These national figures reflect a regional challenge highlighted in the ILO Global Employment Trends for Youth 2024 report for Youth 2024 report that across sub-Saharan Africa, nearly three in four working young adults are trapped in insecure, informal work, with more than half engaged in low-productivity agricultural jobs.

Even more concerning, one-third of these young workers earn less than the median wage, and the youth labour force is projected to grow by an additional 72.6 million by 2050, intensifying pressure to generate dignified employment opportunities at scale. These challenges demand more than isolated training programs—they require a fundamental transformation of the employment ecosystem.

Strategic Vision

At Generation Kenya, we are reimagining the very systems that create employment opportunities. As Kenya grapples with youth unemployment, we see an opportunity to do more than respond to symptoms.

> **We aim to transform the employment ecosystem, fostering inclusive economic growth while unlocking meaningful, durable careers for the nation's youth.**

The launch of our 2025-2029 strategy signals a bold evolution in our approach. Grounded in our proven methodology, we are transitioning from a program implementer to a systems orchestrator, aligning our partnerships with employers, government, youth, and skilling institutions in a shared mission to reshape how employment happens in Kenya. We will continue to strongly focus on job placement to prepare young

people for careers that endure, embracing frontier technologies including artificial intelligence (AI), while expanding into growing sectors such as the green economy, manufacturing, and digital jobs

Sustainability has always been core to our work, but today's shifting landscape demands a new approach. Philanthropic funds are more competitive as international aid funds decline, public budgets are tight, and the labour market is experiencing high volatility due to global trends that include the rapid adoption of AI that is reshaping job requirements, as well as international tariffs that are disrupting supply chains and shifting manufacturing priorities across industries. Employers face rapidly evolving needs, while technology brings both disruption and opportunity. We will integrate models into public TVET systems and employer-led upskilling, ensuring impact outlasts our direct involvement. Through policy influence, strategic partnerships, and thought leadership, we will position Generation Kenya as a center of excellence for workforce development, driving a fundamental shift from supply-driven training to a labour market-responsive system.

Track Record and Impact

Our impact is measured across three dimensions: breadth, depth, and durability. Each dimension reflects our holistic approach to solving youth unemployment through systemic interventions rather than isolated programs. Over the past decade:

Breadth

We have supported over 33,000 young people aged 18-35 across 8 professions and 27 counties in Kenya, 60% of whom are women. Our graduates enter the workforce through partnerships with more than 450 employers, including Teleperformance, Java, Mega Couture, Jumia, and Sanlam across customer service & sales, tech, and skilled trade sectors. Before joining Generation Kenya, 95% of our learners were unemployed, 84% struggled to meet their daily needs, and 34% had dependents. Today, close to 90% secure employment within six months of completing the program, with 91% placed in roles directly aligned with their training.

Depth

The depth of our impact is evident in our placement outcomes. When learners join Generation, 90% are unemployed, of whom nearly half are long-term unemployed. Three months after completing our program, graduates have an 83% job placement rate, rising to 89% within six months. Employer confidence in the program is evident: over 75% of graduates are hired by employers who return to recruit again.

Durability

Beyond immediate employment, we track the durability of our impact through long-term outcomes. According to our 2024 Alumni Survey of youth employed 2-5 years post-training, 74% remain employed, with 50% in permanent or fixed-term contracts. 60% can meet daily needs and save money, while 91% report job satisfaction and 90% feel a sense of purpose at work. These results demonstrate that Generation Kenya does more than connect youth to jobs-it prepares them for sustained success in work and life.

Our extensive network of strategic partners, comprising 450+ employers, government entities, civil society organizations, and development partners, has enabled large-scale, measurable impact as described above. The majority of our graduates come from these partnerships. Specifically:

- **Employer-embedded programs churned 8,600+ graduates**
- **Implementing partners (private skilling institutions) have skilled 11,300+ graduates**

- **Community organizations, faith-based organizations, and NGOs have skilled 4,000+ program graduates**
- **ITVET partner institutions have skilled 7,500+ program graduates**

Our 72% average placement rate across all training partners, reaching 88% with implementing partners and 81% with community-based organizations, demonstrates our ability to train and effectively transition youth into jobs. These results prove our unique strength in convening diverse stakeholders and aligning their efforts to deliver real, measurable outcomes for Kenya's youth.

Impact Objectives

Our 2025-2029 strategy is built around three core impact objectives that will transform how we prepare youth for meaningful careers and shape the broader employment ecosystem.

Breadth

Expanding Our Reach Without Compromising Quality : From 2025 to 2029, Generation Kenya aims to **train 30,000-50,000 underserved youth,** establishing a consistent pathway to graduate 10,000 annually and ultimately reaching 80,000 graduates by 2035. This strategic expansion comprises both strengthening established programs and developing new offerings in high-potential sectors.

Future Ready Program Development Strategy

Our five-year program portfolio will build on our proven success in apparel manufacturing, business process outsourcing (BPO), and customer services while strategically diversifying into high-growth, automation-resilient sectors, including green jobs, technology-enabled roles, and manufacturing.

Portfolio Prioritization

Over the next five years, we will focus our program investments on three categories:

a) **Immediate Expansion of Existing Sectors:** High growth areas with proven employment potential such as BPO, retail, and hospitality, that continue to benefit from local demand shifts, global outsourcing trends, and increased service sector investments.

b) **Strategic Watch Sectors:** We see potential in textile and apparel manufacturing but are approaching with caution. While historically a major job creator through Kenya's Export Processing Zones, its future requires careful monitoring due to growing trade restrictions and the possible non-renewal of AGOA (African Growth and Opportunity Act). Our five- year strategy includes shorter-term programming here while exploring regional market diversification and value-added production opportunities.

c) **Future Growth Investments:** We will proactively develop programming in sectors with strong long-term trajectories aligned with Kenya's development agenda, like:

- Leather manufacturing (projected to create 25,000+ jobs by 2027), supported by government prioritization and value-chain development.

- As Kenya accelerates its transition to clean energy, energy and power is projected to create between 25,000 and 190,000 jobs by 2030. This sector has been identified as one of the World Bank's focus areas under its 'Jobs - The Path to Prosperity' priority initiative.

Evidence Based Portfolio Management

To ensure our five-year program portfolio remains responsive to market realities, we will conduct a comprehensive Labour Market Assessment (LMA) to:

01 Validate growth projections across our target sectors

02 Identify skills gaps & automation risks to future-proof our curriculum

03 Analyze employment quality and regional opportunities

04 Inform targeted training investments for sustainable youth employment

Our portfolio expansion decisions will be driven by this and other leading research, including the World Economic Forum's The future of jobs report and Genesis Analytics' research on ICT employment in Kenya in Kenya. Before developing any new program, we will rigorously validate opportunities, prioritizing high-demand sectors and models that directly connect training to job placements.

Portfolio Implementation Approach

Over the next five years, we will ensure alignment with labour market needs by investing in industry-specific skill mapping and delivering modular training pathways validated by employers. Strategic partnerships will be key to our portfolio strategy, and we will pursue:

- **Multi-year MOUs with employers**

- **Collaborations with industry bodies & multilateral funders like the World Bank, whose focus is on how to meet the stable employment aspirations of the developing world's fast-growing youth population**

- **Sector-specific advisory councils**

- **Deeper public-private sector integration by embedding Generation's model within skilling institutions, including TVETs**

In addition, as part of our implementation approach, we will continue to experiment with different categories of employment (e.g., freelancing, permanent jobs, contingent fees) to place our graduates in the best position to earn above the living wage, based on the unique requirements of the specific industry and sector they are entering. Building off our initial pilot for the Digital Freelancing Program, we will continue to expand and refine our approach and its applicability to different sectors and job roles.

Depth

Strengthening Employer-Driven Training Models : We will transform how we drive quality employment outcomes, ensuring that every program graduate not only secures work but thrives in it. Our ambitious targets reflect this commitment: **over 80% of graduates placed in meaningful work within 3-6 months, with 90% employed in roles directly aligned with their training.** Furthermore, we aim for **more than 75% of employed graduates to be hired by repeat employers, and at least 60% to achieve a living wage** (defined as 40% above minimum wage within one to three years.

To realize these goals, we will evolve our employer engagement approach from transactional partnerships to long-term, sector-wide coalitions. Rather than focusing solely on direct training provision, we will strategically embed skilling programs within carefully selected organizations, including TVET institutions and employer-led upskilling initiatives. This approach will establish a scalable skilling ecosystem that aligns closely with industry needs and can be sustained beyond donor funding cycles. Our confidence in this strategy is reinforced by our strong foundation of employer relationships. The 2022 Mathematica report confirms that employers value us as a reliable and responsive recruiting partner. Employers consistently highlight that Generation quickly meets their hiring needs with a large pool of qualified candidates, significantly reducing their recruitment costs and timelines. Employers specifically emphasize two unique advantages of our program: our ability to prepare inexperienced learners for roles typically requiring experience, and our support for impact hiring from marginalized communities. Our tailored candidate pre-screening and logistical support in setting up interviews has not only reduced hiring costs but also improved interview success rates. This efficiency has become critical for business expansion, as an employer from our sewing machine operator (SMO) program explained: *"Before we started engaging with Generation, it would take more time to fill up one (production) line before we could start producing. But now it's easy for [Generation] to provide all those employees at once, which means that the line starts operating faster."* This established track record of meeting employer needs with qualified candidates will continue to differentiate Generation Kenya as we expand our reach and impact.

To strengthen outcomes, we will build on our hiring trends analysis system to launch real-time labour market intelligence and early warning tools. These insights will continuously inform program updates and curriculum adjustments. Additionally, we will leverage AI-driven job-matching technology and blended learning models to expand our reach, lower costs, and increase efficiency, ensuring that we can connect at least three times more youth to employment opportunities while reducing our per-learner cost.

Durability

Driving Financial Sustainability and Long-Term Career Resilience : Our goal is for **over 80% of alumni to stay employed** and **at least 60% to earn a living wage within three years of graduation,** significantly improving from the current 31% who reach this threshold. To improve outcomes, we will strengthen job retention and wage progression strategies, building on existing modules on career pathways and salary negotiation.
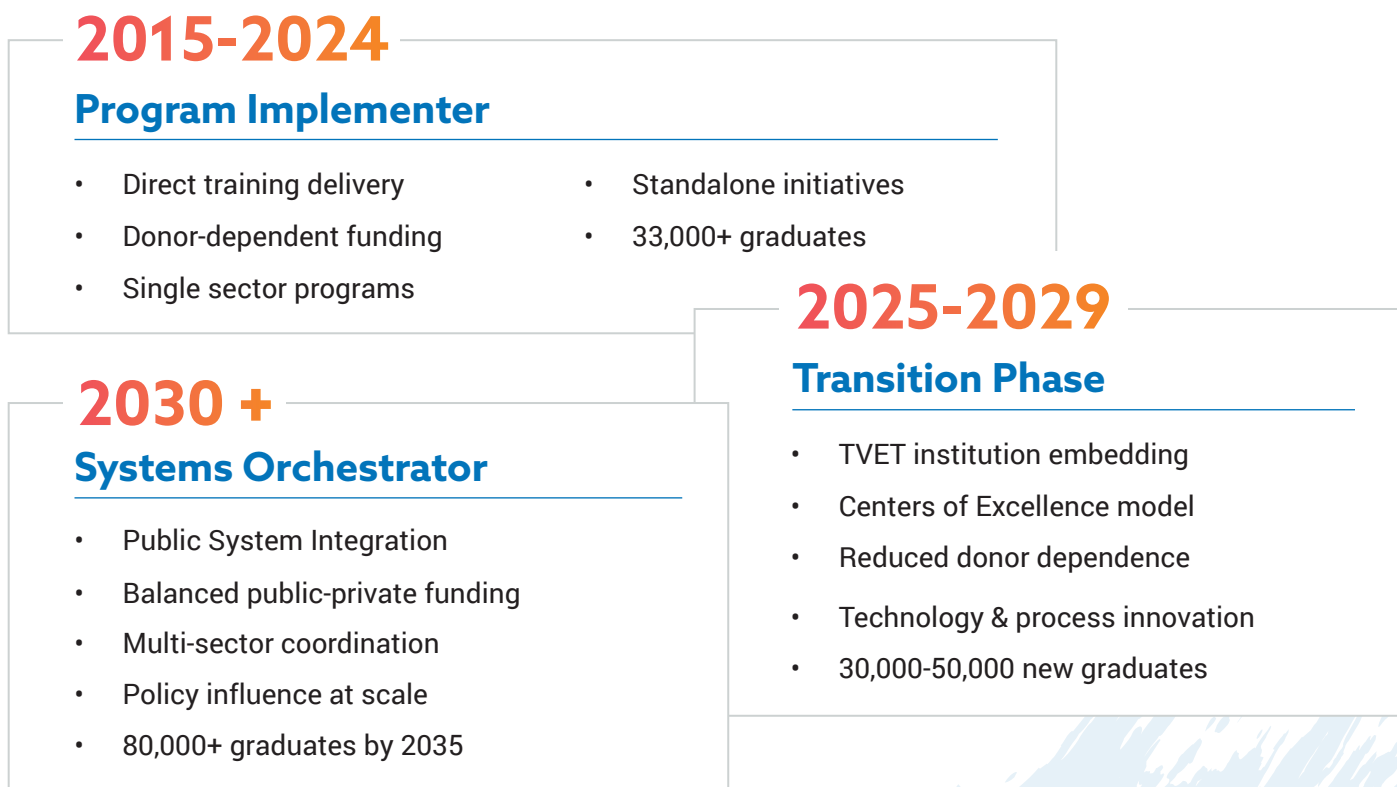
Financial literacy will remain embedded through our money management modules and reinforced post-graduation through partnerships with financial providers and alumni mentors. We will prioritize sectors with strong income growth potential, such as the green economy, where roles in energy and power can offer salaries of up to $1,000/month. Our aim is for 60% of alumni to actively save and 80% to report financial and personal stability within three years.

Guided by our alumni and mentorship strategy, graduates will access mentorship, online courses, and career tools, including AI-powered resources. We will improve data systems to track wage levels, job duration, saving habits, and well-being, engaging graduates through surveys and employer feedback. At a systems level, we will advocate for public funding policies and create an open-source repository of alumni outcomes supporting long-term tracking and broader sector learning.

Figure 1: **Situating the current 5-year strategy in the overall view of GPK's transition to Systems Orchestrator**

Generation Kenyas Transformation

From Program Implementer to Systems Orchestrator

2015-2024

Program Implementer

- Direct training delivery
- Donor-dependent funding
- Single sector programs
- Standalone initiatives
- 33,000+ graduates

2025-2029

Transition Phase

- TVET institution embedding
- Centers of Excellence model
- Reduced donor dependence
- Technology & process innovation
- 30,000-50,000 new graduates

2030 +

Systems Orchestrator

- Public System Integration
- Balanced public-private funding
- Multi-sector coordination
- Policy influence at scale
- 80,000+ graduates by 2035

Key Strategic Initiatives 2025-2029

TVET Integration	Industry-Led	Employer-Embedded	Technology &	Sustainable
Public Systems Strengthening	Centers of Excellence	Training Approach	Process Efficiency	Funding Diversification

Strategic Initiatives

01.   TVET Integration and Public Systems Strengthening

1.1 Goals

Embed our methodology in a growing network of TVETs, starting with progressive institutions	Coordinate with county and national TVET leadership to shape demand-driven skilling approaches	Lobby the national government to implement progressive funding models	Reduce donor dependence through increased public sector investment in skilling programs

1.2 Previous Experience and Foundation

Over the past decade, we have established a strong foundation through sustained collaboration with Kenya's TVET system, from which we have graduated over 7,500 youth. Between 2021 and 2023, we deepened our engagement by formalizing partnerships with county governments and TVET institutions, which enabled us to secure in-kind support such as training spaces and equipment for program delivery in ICT hubs and TVET centers. During this period, we trained 59 TVET trainers across six counties in partnership with the Stanbic Kenya Foundation, implemented a digital lab-based freelance program at Kisii National Polytechnic, and supported digital freelance programs in Nakuru and Mombasa by leveraging county infrastructure. Additionally, we partnered with Makueni County to train youth in their innovation hubs and secured commitments from Kitui TVETs to expand youth training opportunities.

Our collaboration with 17 public TVETs has resulted in 2,959 skilled program graduates, providing a solid foundation for deeper systems integration.

Our influence extends beyond direct program delivery to shaping the broader TVET landscape in Kenya. We have played a key role in influencing national TVET policy through our participation in the Value & Lifeskills (VaLi) Working Group and contributed to the development of a new ILO-backed curriculum for skills development. Our TVET partners have successfully adopted our methodology, utilizing robust tools such as Torsh for video-based instructor observations and feedback. This demonstrates the adaptability and effectiveness of our approach within public institutions, as well as our commitment to building institutional capacity for sustainable impact.

Internationally, our counterpart, Generation India Foundation (GIF), demonstrates our Generation's scalability through their experience with Project AMBER (Accelerated Mission for Better Employment and Retention). Working with India's Ministry of Skill Development and Entrepreneurship, GIF has trained nearly 26,000 youth (51% women) with a 73% placement rate within three months. An independent evaluation found that AMBER graduates were three times more likely to secure employment than those in comparison groups, with 85% finding jobs directly related to their training and earning 14–38% higher wages. The project also pioneered outcome-based financing models, reducing government costs by approximately 30%. Project AMBER exemplifies how the Generation model adapts to government systems using outcome-based financing. These insights will inform our Kenya approach as we strengthen TVET systems and develop sustainable employment pathways. The significant program overlaps between Kenya and India, particularly in high-volume areas like Retail Sales, Digital Customer Support, and Food & Beverage, underscore the transferability of our successful methodologies across markets, reinforcing the relevance of India's experience to our Kenya expansion strategy. Ongoing knowledge-sharing with Indian colleagues continues to guide our work at Generation Kenya.

Collectively, these experiences, spanning local partnerships, national policy influence, and international best practice, position us to drive deeper systems integration and sustainable impact within Kenya's TVET ecosystem.

1.3 Implementation Approach

Our implementation strategy will unfold over three distinct phases:

01 **Formalize governance partnerships** with 1-2 carefully selected TVETs to build a strong proof of concept. In collaboration with the Kenya School of TVET (KSTVET), we will train instructors and convene sensitization forums to build ecosystem buy-in. Generation Kenya will oversee core methodology components, including curriculum development, employer engagement, quality assurance, and data management.

02 **Transition training delivery to TVET instructors** while maintaining oversight to ensure quality. In parallel, we will formalize partnerships with key government agencies to enable access to a wider network of TVETs, building on our successful proof of concept.

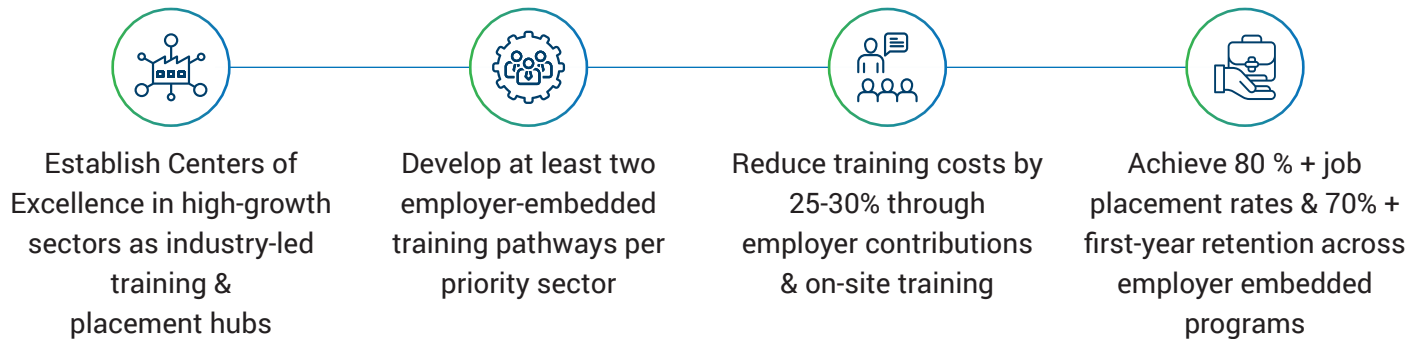**03** **Focus on influencing national policy** using evidence from program outcomes, such as placement rates, employer feedback, and cost-effectiveness, to advocate for public financing and broader adoption. We will participate in national forums and technical working groups, establish benchmarks for scale-readiness, and engage new funders to replicate successful models. We will advance our dialogue with the Vision 2030 Secretariat to establish ourselves as thought leaders in human capital development—a key priority project within Vision 2030. This ongoing collaboration will enable us to influence national employment pathways for youth while ensuring our initiatives align with Kenya's Medium-Term Plan 2023-2030 priorities and the bottom-up economic transformation agenda.

Our implementation approach will be supported by establishing a multi-sectoral Advisory Board with representatives from government, employers, skilling institutions, alumni and funders to drive a shared vision and accountability. We will engage with key ministries throughout, including Youth Affairs, Education, ICT, and Labour, through technical working groups and

policy dialogues to shape how skilling and placement are institutionalized. In addition, comprehensive data systems will track learner progress, training effectiveness, and post-placement outcomes, with insights shared with TVET leaders and government partners to inform improvements and policy.

02.   Employer-Embedded Approach

2.1   Goals

Establish Centers of Excellence in high-growth sectors as industry-led training & placement hubs

Develop at least two employer-embedded training pathways per priority sector

Reduce training costs by 25-30% through employer contributions & on-site training

Achieve 80 % + job placement rates & 70% + first-year retention across employer embedded programs

2.2   Previous Experience and Foundation

Our employer-embedded approach builds on proven successes across multiple sectors. Through these strategic partnerships, we have successfully graduated approximately 8,600+ young people, demonstrating our capacity to work effectively within existing employment systems and create sustainable pathways to opportunity. The Sewing Machine Operators program, co-designed with the textile industry and accredited by NITA in 2023, exemplifies this model's effectiveness, combining in-kind employer support with high placement rates. This approach has reduced costs by approximately 30% while maintaining quality and relevance.

Our deep engagement with industry networks such as RETRAK, KAM, and leading BPO companies has enabled us to stay responsive to evolving labour market needs. Over 400 employers have supported our programs through curriculum co-design, training delivery, and job placements. We have started replicating this model across priority sectors:

A. **Partnering with supermarket chains in retail to deliver sales training through their in house academies**

B. **Co-developing training pathways in leather manufacturing tailored to hiring needs**

C. **Working with BPO companies to provide mentorship and psychosocial support alongside hiring**

Interviews conducted by Mathematica highlight Generation Kenya's reputation as a reliable recruitment partner. Employers noted that our graduates, even without prior experience, perform well in roles that typically require it, helping reduce hiring costs.
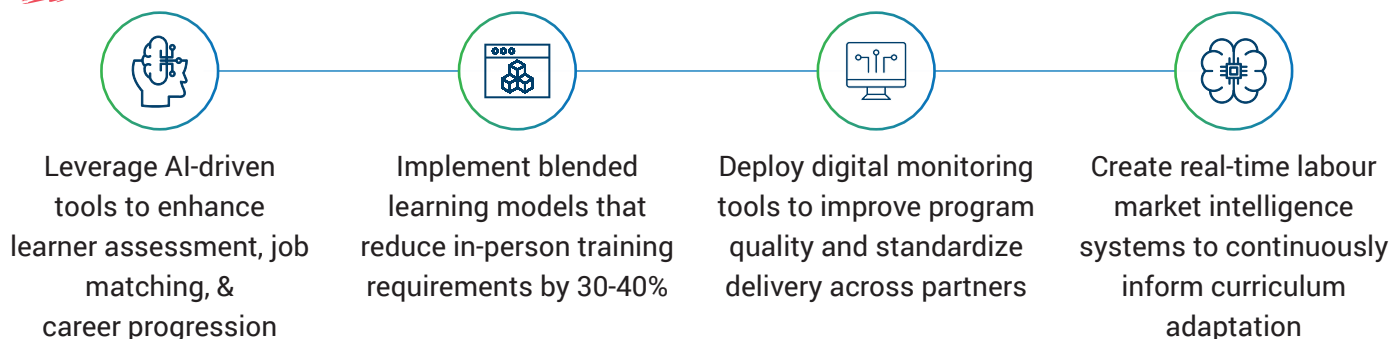
2.3 Implementation Approach

01 **Double down on an employer-embedded approach,** designing and delivering programs in direct partnership with employers, focused on on-site training and always aligned with their hiring needs. This model strengthens job placement outcomes, reduces training costs, and ensures industry relevance.

02 **Replicate this model across priority sectors,** partnering with supermarket chains to deliver sales training through their in-house academies and co-developing training pathways in leather manufacturing tailored to hiring needs. In each sector, we aim to establish at least two employer-embedded pathways to directly link training to employment.

03 **Build a broader ecosystem through Centers of Excellence (COE)**—multi-stakeholder hubs designed to convene employers, government, youth, and development partners to co-create and strengthen workforce development. We are currently developing a business case for a COE in the textile and apparel manufacturing sector supported by IDH. Once validated, this model will be replicated across other priority sectors.

Through this model, we are not just preparing youth for the job market; we are embedding them within it, ensuring our impact is both durable and transformative. This approach creates shared value by reducing employer recruitment and onboarding costs while providing youth with direct pathways to employment in their chosen fields.

03. Technology, Innovation, and Process Efficiency

3.1 Goals

Leverage AI-driven tools to enhance learner assessment, job matching, & career progression

Implement blended learning models that reduce in-person training requirements by 30-40%

Deploy digital monitoring tools to improve program quality and standardize delivery across partners

Create real-time labour market intelligence systems to continuously inform curriculum adaptation

3.2 Previous Experience and Foundation

Our evolution in technology adoption has been continuous and pragmatic, particularly during the COVID-19 pandemic, when we rapidly shifted to digital training models to keep youth connected to remote work opportunities. Building on this, we have experimented with hybrid delivery models and

integrated a suite of digital tools to enhance efficiency and learning outcomes. Notably, we implemented Torsh for video-based instructor observations and feedback, enabling real-time coaching of trainers and maintaining instructional quality across our partner network. We also developed systems to analyze hiring trends, track shifts in global and regional employment markets, and refine our Digital Marketing program to better prepare youth for remote and freelance opportunities. Leveraging data-driven approaches, we redesigned programs to achieve higher placement rates and introduced online training that emphasizes adaptability, effective communication, technology integration, and trainee engagement for successful remote learning.

To further streamline content delivery and support trainer development, we utilized platforms such as Canvas, Codecademy, Zoom, WhatsApp, and Senpiper, which allowed us to automate attendance tracking and enhance the overall training experience. Our commitment to market relevance led us to introduce certifications like AWS and Codecademy, boosting trainee employability in competitive sectors. The success of our Digital Customer Service program exemplifies our tech-forward approach, achieving a remarkable 97% placement rate in 2024 following employer-driven refinements and digital delivery innovations. These efforts collectively demonstrate our ability to adapt, innovate, and drive positive employment outcomes through strategic technology integration.

3.3 Implementation Approach

01 **Accelerate our technology adoption** by implementing a multi-layered digital strategy. First, we will enhance our training delivery through blended learning models that combine digital self-paced content with facilitated in-person sessions, reducing infrastructure requirements while expanding access to remote communities.

02 **Deploy AI-powered tools** for improved learner assessment, personalized learning paths, and efficient job matching. These innovations will enable us to process larger volumes of applicants, deliver more customized training experiences, and connect graduates to opportunities more effectively.

03 **Build robust data systems** that enable real-time monitoring of program performance across our partner network. This will include dashboards tracking key metrics from recruitment through placement and career progression, allowing for rapid identification of challenges and opportunities.

04 **Develop a labour market intelligence function** that continuously analyzes hiring trends, skill demand, and wage data to inform program design and career guidance. This intelligence will be shared with our ecosystem partners, positioning Generation Kenya as a knowledge leader in workforce development.

These technology investments will be strategically phased, with initial focus on tools that directly enhance placement outcomes and reduce delivery costs. As our model scales, we will introduce more sophisticated systems for personalization and predictive analytics, always ensuring that technology serves our core mission of connecting youth to meaningful careers.

04. Reducing Cost Per Learner for Scale and Sustainability

4.1 Goals

Decrease cost per learner by 25-30% while maintaining quality outcomes

Optimize training duration through modular design and focused curriculum

Leverage shared infrastructure through TVET and employer partnerships

Implement technology solutions that enable more efficient delivery at scale

4.2 Previous Experience and Foundation

Our continuous refinement of program models has yielded significant efficiency gains. The employer-embedded training approach in our textile sector work has already demonstrated cost reductions of approximately 30% through in-kind contributions of space, equipment, & industry expertise. Our transition to blended learning models during COVID-19 proved that quality outcomes could be maintained with reduced in-person instructional time.

4.3 Implementation Approach

We will systematically reduce costs while maintaining quality through four interconnected approaches: We will

01 Optimize our training design by creating modular, focused curricula that deliver essential skills in the shortest effective time frame. This will involve removing redundant elements, streamlining content, and concentrating on the highest-value knowledge and behavioral skills that directly correlate with job success.

02 Leverage shared infrastructure through our TVET partnerships and employer-embedded programs, significantly reducing facility costs. The Centers of Excellence will serve as innovation hubs where multiple cohorts can be trained efficiently using employer-provided resources.

03 Implement technology solutions that enable more efficient delivery, including digital self-paced learning components, virtual mentoring, and AI-assisted assessment tools. These innovations will reduce instructor hours while maintaining or improving learning outcomes.

04 Create economies of scale through our coalitions and partnerships, negotiating better rates for services and sharing resources across programs. Centralized functions like curriculum development, quality assurance, and employer engagement will support multiple training tracks, distributing costs across a larger base of graduates.

05 Design COEs with sustainable business models & revenue generation plans, using the textile and apparel sector CoE as a model for other sectors.

Through these approaches, we aim to reduce the cost per successfully placed graduate while maintaining our high standards for employment outcomes and career progression.

05. Sustainable Funding Diversification
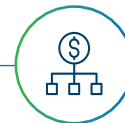
5.1 Goals

| Reduce donor dependence from 80 % + to 50-60% by 2029 | Secure public sector contributions covering at least 20% of training costs | Increase employer co-investment through both cash and in-kind contributions | Develop revenue-generating services aligned with our mission and expertise |

5.2 Previous Experience and Foundation

Overall, we aim to reduce donor dependence by expanding co-investment from employers, government, funders, and revenue-generating services. We are targeting public sector contributions to cover at least 20% of costs, while also implementing employer cost-sharing for programs preparing youth for both entry-level jobs and mid-tier roles.

Over the past decade, our funding model has evolved to become more diversified and sustainable. We have secured in-kind support from employer partners in the textile and apparel sector, which has reduced our operational costs by approximately 30%. By co-designing and delivering supervisory training for companies like Koko Networks and developing specialized training programs for various employers, we have demonstrated that there is strong market demand for our expertise—demand that can be monetized. Our partnerships with county governments in Nakuru, Mombasa, Makueni, and Kitui have also enabled us to access valuable training infrastructure, further strengthening our resource base.

In addition to local collaborations, we have expanded our reach by working with multilateral funders such as the World Bank and the European Union. To drive greater accountability and results, we have introduced outcome-based payouts, reducing assured payments to Training Partners from 70% to 55%, with the remainder tied to placement and retention outcomes. These strategic shifts not only enhance our financial resilience but also incentivize high-quality program delivery and long-term employment success for our graduates.

Implementation Approach

We will diversify our funding through a strategic, multi-pronged approach:

01 **Deepen public sector investment** by demonstrating the return on investment of our model to both county and national government agencies. As our TVET integration proves successful, we will advocate for direct budget allocations to support youth employment initiatives using our methodology. Evidence from our programs and international examples like Project AMBER in India will support these advocacy efforts.

02 **Systematize employer co-investment** by developing clear value propositions for businesses in each sector. This will include demonstrating recruitment cost savings, productivity gains, and reduced turnover from hiring Generation graduates. We will formalize these arrangements through MOUs that include specific co-investment commitments, whether financial or in-kind.

03 **Pilot social enterprise initiatives aligned with our mission.** These will include establishing agencies to connect youth to freelance opportunities, offering paid services to employers for recruitment and training needs, and developing sector-specific curricula such as supervisory training. The Centers of Excellence will incorporate revenue generation into their business models, potentially through fee-for-service training, certification programs, and consultancy services.

04 **Optimize our philanthropic fundraising** by developing sector-specific funding consortia where multiple donors can co-invest in high-impact initiatives aligned with their priorities. We will emphasize blended financing models that combine grants with recoverable capital and focus on sustainable system change rather than short-term outputs.

Through this diversified approach, we aim to create a resilient financial model that can weather funding cycles and support our work for the long term.

Risks and Anticipated Challenges

By proactively addressing the challenges below, through continuous learning, adaptability, and strong partnerships, we are confident in our ability to navigate risks while driving meaningful impact for Kenya's youth.

Table 1: Risks and Mitigation

Risk	Mitigation
Employment sector volatility The rapidly evolving nature of key sectors presents significant risks to our strategy. For example, the apparel manufacturing sector faces uncertainty regarding the future of AGOA (African Growth and Opportunity Act) trade preferences, while technological advances like AI are transforming roles in customer service & digital work.	• Maintain close relationships with employer networks and industry associations, conduct regular market scanning, and have demonstrated our ability to pivot programs quickly when market conditions change. • Our experience discontinuing the Financial Services Sales program when commission- based jobs proved misaligned with youth needs demonstrates our commitment to responsive, evidence-based decision-making.
Quality Maintenance During System Integration As we shift from direct implementation to a systems orchestrator role, maintaining consistent quality across our partner network presents a significant challenge. Employment outcomes could decrease as training delivery transitions to TVET instructors & other implementing partners.	• Phased transition with robust quality assurance mechanisms, including clear performance standards, comprehensive trainer preparation, regular coaching and observation, and real-time data monitoring. • Our experience with tools like Torsch for video- based instructor feedback provides a foundation for this quality management approach.
Public Sector Engagement Complexity Building sustained engagement with government institutions involves navigating changing political priorities, budget constraints, and bureaucratic processes. Policy shifts or leadership changes could disrupt partnerships and threaten program sustainability.	• Diversify our government relationships across multiple agencies and levels, from county to national government • We will also build a coalition of influential advocates, including employer associations and development partners, to maintain momentum through political transitions. • Our strategy emphasizes demonstrating a clear return on investment to government partners, strengthening the business case for continued engagement..
Funding Environment Volatility The philanthropic landscape continues to shift, with potential reductions in international donor funding for workforce development in Kenya. Economic downturns could also impact employer willingness to co-invest in training.	• Diversify our funding sources as outlined in our sustainable funding strategy. • We will maintain lean operations with flexible capacity, allowing us to scale activities in response to available resources without compromising core functions. • Our emphasis on embedding our methodology in lasting institutions like TVETs provides additional resilience against funding fluctuations.
Technology Implementation Challenges While technology offers significant opportunities to enhance efficiency and impact, implementation across diverse partners with varying digital readiness presents challenges.	• We will take a pragmatic, phased approach to technology adoption, prioritizing solutions with proven impact and accessibility. • Initial focus will be on tools that support our partners' immediate needs, with more advanced solutions introduced as capacity builds. • We will allocate resources for adequate training and support during technology transitions to ensure successful adoption.
Resource Constraint The ambitious scale of our strategy requires substantial human, financial, and technical resources. Limited capacity could force tradeoffs between breadth and depth of impact.	• Develop a phased implementation plan with clear prioritization criteria. • Build a talent pipeline for key roles through early identification and development. • Create modular components that can be implemented independently based on available resources.

Conclusion: Building a Coalition for Kenyas Youth Employment Future

To accelerate impact & shape a future where Kenyan youth thrive in dignified, long-term careers, we will build strategic coalitions with employers, government, community organizations, training providers, alumni & industry associations. This initiative is backed by our experience in delivering our programs through delivery partners, TVETs, & employers who have collectively enabled us to graduate over 80% of our program participants since inception (details in our 2025 - 2029 Cost Optimization Plan). These enduring partnerships, grounded in trust and shared purpose, demonstrate the power of local ownership & shared value. County governments & the private sector have reinforced this momentum through in-kind contributions, strengthening our ability to scale & embed programs within public-private systems.

By 2029, our goal is to graduate tens of thousands more youth into dignified work, with a focus on high-potential sectors like technology, green jobs, digital services, and manufacturing. Every program will be driven by real-time labour data, co-designed with employers, & measured for return on investment. The Genesis Analytics study is already guiding our scale in tech, where nearly 300,000 new roles are expected.

Our strategy is bold, but it is rooted in experience, relationships, & a system-wide view of what transformation requires. The question isn't if we'll reach 50,000 youth, it's how fast we will surpass it once the ecosystem fully aligns. By combining the private sector's demand-driven approach with the public sector's reach & infrastructure, we are building systems designed to outlast any single actor and ready to deliver lasting impact for Kenya's youth.

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