Vocational Education Training (VET) Skills Demanded by Informal Sector for Self-Employment in Tanzania: Views of The Stakeholders in Morogoro Region, Tanzania

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ABSTRACT

This study sought to examine the Vocational Educational Training (VET) skills demanded by the informal sector for successful self-employment in Tanzania. The study collected both qualitative and quantitative data from 120 VET stakeholders. Quantitative data were collected using a questionnaire, while qualitative data were collected using interviews. It was found that the core VET graduates’ skills demanded by the informal sector for successful self-employment were skills that were practical oriented. That is, the informal sector demanded that instructions VET be practical rather than theoretical in nature. The instructional needs proposed by the respondents included the centres having sample projects for teaching, inviting experienced business owners to share experiences, and paying visits to successful businesses to learn how the business is undertaken. It was concluded that the Tanzania VET curriculum needs transformation to make it relevant to the current business environment. The curriculum needs to include the appropriate competencies and skills that allow the graduates to be themselves by thinking critically and bringing solutions to the prevailing problems. It is recommended to the VET centres to include the courses that prepare the students for self-employment and the ability to create employment opportunities for others.

APA CITATION


CHICAGO CITATION

INTRODUCTION

Globally, graduate unemployment has become a critical problem. From a statistical point of view, Mgaiwa (2021) cited the high unemployment number of higher education graduates ranging from 75% in India and China, 50% in the USA, and 45% in the UK. Moreover, Magasi (2022) cited global youth unemployment as having reached 13.6% but with significant regional disparity (below 9 per cent in Northern America and Sub-Saharan Africa) in most sub-regions. At the same time, globalisation and technological changes are transforming the needs of employers, who are now looking for candidates with demonstrated transversal competencies or soft skills (adaptability, leadership, teamwork, clear communication in different languages, and so on). Self-employment in the informal sector has different needs (such as entrepreneurial skills) in regard to the skills that are appropriate to the labour market in the globalised and competitive world. As the solution, Mgaiwa (2021); Shitundu (2017) propose soft skills to be provided to the students in the Vocational Education and Training (VET) centres to allow them to employ themselves rather than being employed.

VET is considered to be the key element of lifelong learning systems that basically aims at equipping people with the technical knowledge, expertise, skills, and competencies required in the labour market and at the same time, with the personal skills for their future lives in society. VET is said to be the best tool to pave the way toward high-quality jobs and increased employability. Despite its importance in many countries, participation in VET has traditionally been stigmatised in favour of university studies, although the recent socio-economic transformations are changing attitudes toward VET (Aldossari, 2020). In line with this, some scholars such as Carnell and Fung (2017) and other education stakeholders agree with the proposal to revive the VET curriculum that all programmes of study should give students the chance to connect academic learning with the areas of knowledge and skills needed both for professional and for private lives and enable them to become lifelong learners.

Nevertheless, while some studies reveal a convergence between the competencies included in educational programs and the employers’ perspectives (Mwasomola et al., 2020), others show that the relevance of the different transversal competencies such as adaptability, leadership, communication, and teamwork skills may be perceived differently by the different actors engaged in the educational process (Sá & Serpa, 2018; Reynold et al., 2021). In addition, Kiswaga (2021). Studying students’ perception of the link between curriculum and self-employment concluded that students perceived that their academic studies were not preparing them well for self-employment. This debate on how to combine knowledge with skills concerns educators as well as important stakeholders to think about the curricular reforms since they are responsible for finding the way to motivate and engage their students (Greenberg &
Nilssen, 2015) and redefine their methodologies and curricular plans accordingly.

Some scholars such as Sá and Serpa (2018); Mgainwa (2021); Shitundu (2017); Carnell and Fung (2017); believe in VET has desirable effects on the employability of individuals and on their access to gainful jobs. That is why Tosun et al. (2017) noted the expansion of VET was among the active labour market policies (ALMP) that governments used to improve the poor’s endowments and entitlements in order to facilitate self-employment among the graduates. As a result, in most countries, the emphasis is given to technical and vocational education and training (TVET) programs to provide the skills needed to improve access to work, productivity, and income levels.

In addition, some scholars, such as Shimba (2018) have noted inadequate self-employment skills provided by VET and suggested the need for a shift of the VET curriculum from preparing graduates for job placement toward self-employment in the informal and non-formal economic sectors. Among the self-employment, skills suggested included intrapreneurship and competence-based innovation, professional and creativity, communications and championing, and brokering and entrepreneurship (Bjornali & Støren 2012). Pérez-López et al. (2016) argue that entrepreneurship tends to increase relevant career options in the present labour market. A range of competencies suggested by the majority to develop the ability to cope with difficult situations and to adapt to adverse environments included attitudes towards entrepreneurship, social norms, self-efficacy, and resilience (Falk & Leoni 2009).

Like other parts of the world, Africa is facing the same problem of unemployment and its consequences to the economic, social, cultural, and psychological reams (Raimi, 2020). Despite the fact that Africa has the world’s youngest population, with a median age of 19.7 years as noted by Aboderin (2012) the intensity of unemployment is not given appropriate weight as ILO (2021) claims Africa to have the lowest unemployment rate globally on paper among youth ages 15 to 24 (10.6% in 2021). This is justified by Nguimkeu and Okou (2021) who noted that more than 80% of workers find their livelihoods in the informal sector. They are artisans and shop owners, fishers and divers, tailors and weavers, truck drivers and market sellers, among many other informal jobs. According to the African Development Bank (ADB) (2020), in 2015, one-third of Africa’s then 420 million young people between 15 and 35 years old were unemployed, another third were vulnerably employed, and only 1 in 6 was in wage employment (Raimi, 2020). Youth unemployment rates differ across countries in Africa ranging from a low of 1.0% in Benin in 2010 to 54.2% in Réunion in 2012. Six countries, most of which are located in North and Southern Africa, recorded youth unemployment rates of between 30.7% (Tunisia) in 2005 and 54.2% (Réunion) in 2012 (Baah-Boateng, 2016). Similarly, seven countries, three of which are in Southern Africa and two each in North and East Africa, recorded rates of between 20% and 30%. In contrast, 11 countries, all in Sub-Saharan Africa (SSA), recorded youth unemployment rates of less than 10% with Malawi, Rwanda, Congo Democratic Republic (DR), and Benin reporting rates of less than 2%. The relatively higher youth unemployment rates in these four North African countries compared with very low rates in many SSA countries largely explain the disparities in youth unemployment rates between North Africa and Sub-Saharan Africa (Baah-Boateng, 2016).

The key problem is that the majority of Africa’s youth work informally, and many are underemployed or remain in poverty despite working due to low wages and the lack of a social safety net, making it difficult to compare African countries to more advanced economies (Anjorin & Yaya, 2021). The African Development Bank reports that while 10 million to 12 million youth enter the workforce in Africa each year, only 3
million formal jobs are created annually (Humphrey, 2015). African youth have no choice but to work because most countries on the continent have little or no social protection. According to the African Development Bank, it is therefore common to see humanities and social sciences graduates driving taxis and engineers ferrying passengers on commercial motorcycles (Anjorin & Yaya, 2021). Still, the recent statistics from the analysis of Jensen (2022) of the ILO report of 2022 show that South Africa registered the highest unemployment rate in Africa in 2021, with around 34% of the country’s labour force being unemployed. Djibouti and Eswatini followed, with unemployment levels reaching roughly 28% and 26%, respectively. On the other hand, Niger and Benin had the lowest unemployment rates in Africa. One of the reasons why Africa needs to invest in VET is that majority of the countries have the opportunity to develop their informal sector and generate employment among the graduate. Since more than 80% of the Africans live in informal sectors such as artisans and shop owners, fishers and divers, tailors and weavers, truck drivers and market sellers, among many other informal jobs, its high time for the VET to reform its curriculum based on this sector.

In Tanzania, like other parts of the world, the demand for self-employment among youth, especially the graduates are greatly demanded in order to assure a big number of youths with employment and reduce the problem of unemployment. The problem of unemployment in Tanzania is said to stem from many factors but strongly from the poor and inadequate skills of the graduates gained from colleges. This makes the employers’ tendency to omit the inexperienced youths, mainly fresh graduates, in the presence of readily available jobs and experienced adults. This implies that the training in the college does not give practical training and experience to the students. When graduates are seeking jobs, they are unlikely to be employed because of their insufficient skills. This is supported by Mulema (2014) who identified some factors such as the influence of peer groups and sex to have a great influence on youth self-employment perceptions and attitudes.

In addition, Mihyo et al. (2020) investigated the experience of the employers about TVET graduate employability and found that 39% of the employers pointed out that most of their employees were unable to apply their knowledge in performing relevant tasks while 26% of the employees complained that the TVET candidates were trained in the outdated curriculum. Also, Shitundu (2017) cited the results of a survey conducted in 2005/06, which established that 414 graduates of various disciplines were already involved in self-employment activities across regions and sectors in Tanzania; and the challenges and opportunities for self-employment creation exist in the country. The study found that university graduates require assistance and support to create high-income and high-productivity self-employment activities. Several challenges—including negative attitudes, lack of critical business skills, poor planning, lack of capital and poor market strategies—have also to be addressed. It is imperative that the students get adequate practical exposure opportunities through internships, field visits, and study tours so that they can be acquainted with the relevant skills in accordance with the current labour market. The implication of this is that in modifying the VET curriculum, youth characteristics and gender aspects should be observed and included.

Researchers such as Reynold et al. (2021) found that self-employment among VET graduates in Tanzania has become a persistent problem despite the fact that the informal sector can absorb more than 75% of the national labour force. There are scant empirical data on the prospects for self-employment among VET graduates in Tanzania. Some studies such as Mulema (2014); Ntimbwa (2019); Majogoro and Mgabo (2012); Shimba (2018); Arikpo et al. (2009); Withanage and Damayanthi (2019); Bjornali and Støren (2012); Pérez-López et al. (2016); Kisubi and Korir (2021)
were conducted in and outside Tanzania and addressed the factors for self-employment. However, these studies have fallen short of addressing the skills demanded by the informal sector for successful self-employment among VET graduates. Reynold et al. (2021) on the factors influencing the transition of youth from training to employment, found that 42% of the students had the aspiration to start and run their own businesses after their graduation, but they had the perceptions VET curriculum had not prepared them to attain that goal. Nevertheless, statistics by VETA (2018) indicated that over 65% of graduates were being employed in other firms/organisations instead of starting their own businesses for self-employment. The survey in addition, showed that more than one-third (33%) of VET graduates were unemployed with higher unemployment among female VET graduates whose unemployment is explained by the adverse influence of culture on household decisions. Most of these studies have viewed self-employment to be a personal aspect stemming from personal competencies and intrapreneurial characteristics. However, the concentration of these studies has been on University graduates and the VET graduates have been neglected. VET curriculum to enhance self-employment is insufficiently discussed by these studies. Moreover, the survey studies have identified a number of factors that influence self-employment among graduates and when embraced in the VET curriculum, changes can be witnessed.

**Objective**

To examine the stakeholders’ views on the core VET graduates’ skills demanded by the informal sector for a successful self-employment

**METHODOLOGY**

This study was conducted among VETA canters in Morogoro Region. VETA centres were selected to host the study because of their importance and direct contribution to national productivity. Morogoro Region was also selected due to the fact that it was one of the regions with many VETA centres compared to other regions, which may be a good representative sample of VET centres in Tanzania. According to Makombe (2006), VETA has a large potential for creating entrepreneurs from its Vocational Education and Training Centres (VETCs). This was due to the fact that vocational education and training curriculum is designed to promote enterprising behaviour.

The study adopted the survey design to collect data from 120 respondents. The size is considered the optimum and representative of the study population. Data analysis was done for both qualitative and quantitative data. For the quantitative data, the analysis was done by using descriptive statistics that involved frequency and% that were run through Statistical Package for Social Science (SPSS). Qualitative data from interviews were interpreted and organised into different themes based on the conceptual description of ideas expressed by the respondents during the interviews. The themes were related to the research questions of the study.

**FINDINGS OF THE STUDY**

The interest of this paper was to find out from stakeholders the core VET graduates’ skills demanded by the informal sector for successful self-employment. The study used closed-ended questions in the questionnaire to get information from the respondents regarding the VET instructional needs for graduate self-employment. The respondents were given statements to show their reactions to their perceptions. The summary of the findings is in the Table below.
Table 1: VET graduates' skills demanded for self-employment

<table>
<thead>
<tr>
<th>Skills demanded</th>
<th>n</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
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<tbody>
<tr>
<td></td>
<td>f</td>
<td>%</td>
<td>f</td>
<td>%</td>
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<tr>
<td>VET centres to have sample business/projects</td>
<td>120</td>
<td>108</td>
<td>90</td>
<td>6</td>
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<tr>
<td></td>
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<td>5</td>
<td>6</td>
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<tr>
<td>Readiness of students to start a business</td>
<td>120</td>
<td>108</td>
<td>90</td>
<td>6</td>
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<tr>
<td></td>
<td></td>
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<td>5</td>
<td>6</td>
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<td>Instructors who own business</td>
<td>120</td>
<td>114</td>
<td>95</td>
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<td></td>
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<td>6</td>
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<tr>
<td>VET centres to have publications on self-employment</td>
<td>120</td>
<td>96</td>
<td>80</td>
<td>8</td>
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<td></td>
<td></td>
<td></td>
<td>6.7</td>
<td>16</td>
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<tr>
<td>VET centres invite business owners to share their experiences</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>120</td>
<td>114</td>
<td>95</td>
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<td>6</td>
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<tr>
<td>VET centres to have students’ innovation competitions</td>
<td>120</td>
<td>106</td>
<td>88.3</td>
<td>8</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>6.7</td>
<td>6</td>
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<tr>
<td>Regular students visit successful businesses</td>
<td>120</td>
<td>114</td>
<td>95</td>
<td>00</td>
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The findings show that the majority (108, 90%) of all respondents agreed with the statement that for effective instructions to enable students to employ themselves, the VET centres need to have sample businesses/projects, while 6(5%) of all respondents disagreed with the statement. 108 (90%) of all respondents agreed with the statement that for effective instructions to enable students to employ themselves, the VET centres need to create students’ readiness to start and run a business, while 6(5%) of all respondents disagreed with the statement. 114 (95%) of all respondents agreed with the statement that for effective instructions to enable students to employ themselves, the VET centres need to have a business and have experience in self-employment, while 6(5%) of all respondents disagreed with the statement. 96 (80%) of all respondents agreed with the statement that for effective instructions to enable students to employ themselves, the VET centres need to have business and entrepreneurial publications on self-employment, while 16(13.3%) of all respondents disagreed with the statement. 114 (95%) of all respondents agreed with the statement that for effective instructions to enable students to employ themselves, the VET centres needed to invite the businessmen/businesswomen to come and share their business experience with the students; while 6(5%) of all respondents disagreed with the statement. 106 (88.3%) of all respondents agreed with the statement that for effective instructions to enable students to employ themselves, the VET centres needed to have regular innovation competitions among students and reward the winners in the competitions; while 6(5%) of all respondents disagreed with the statement. Last but not the least, 114 (95%) of all respondents agreed with the statement that for effective instructions to enable students to employ themselves, the VET centres needed to arrange regular students’ visits to successful businesses; while 6(5%) of all respondents disagreed with the statement.

Findings from Interviews

During the interviews with the VET administrators, it was revealed that their centres tried their best to include practical and sharing so as to increase the understanding of the students. It was revealed in the study that some VET centres were to some extent using successful business/projects used as examples to enrich their understanding. One of the VET administrators said:

In our centre, we give priority to practical learning. Although we cannot do it satisfactorily, we try our best to train our students using concrete examples despite the that we do not have sufficient resources such as finances and time. We do sometimes invite experienced business owners to share their experiences with them. Also, among the students, there are those who already have
businesses, but they came here to add their knowledge, we also encourage them to share their experience with their fellows. We bet that they get something that can motivate them to strive for self-employment after they finish their studies.

The implication of these findings is that the VET centre administrators were aware of the problem, but they were limited by insufficient resources. This means that to train the VET students satisfactorily in preparing them to be self-employed after their graduation, the centres need resources to prepare the appropriate learning environment.

DISCUSSION

From the information above, the researcher developed %age averages for both positive and negative perceptions of the respondents as per responses. The study found that the majority of respondents (90.5%) perceived positively that the VET centres in Tanzania should use a practical-oriented approach to instruct the students in order to instil in them with ability to employ themselves and create opportunities for others to be employed. On the other hand, a few (6.2%) perceived negatively that the VET centres in Tanzania should not be practically oriented in their instruction to students. Since the majority perceived positively on the practical instructions for the VET centres, the study concludes that there is a need for practical instructions that will enable the graduates not to wait to be employed by to use their skills to create and manage their own employment effectively and to create opportunities to employ others.

The findings are supported by Majogoro and Mgabo (2012), that noted that self-employment is likely possible for graduates who are trained in the business norms. The implication here is that the trainees who are trained practically, trained to do practically rather than class theories, are far better than those who are trained theoretically in the classroom. Moreover, Bjornali and Støren (2012) emphasised practical learning where they noted that the graduates in engineering who are trained through doing practicals were particularly innovative with the ability to employ themselves, while the business and administration graduates were least innovative because they were trained theoretically. The central implication is that entrepreneurial competencies are learnable but when the learning is exposed to practical and observation of the successful entrepreneurial activities.

CONCLUSION

Based on the findings of the study, a number of conclusions can be drawn. Firstly, it can be concluded that the Tanzania VET curriculum needs transformation to make it relevant to the current business environment. The curriculum needs to include the appropriate competencies and skills that allow the graduates to be themselves by thinking critically and bringing the solution to the prevailing problems. Second, it is concluded that instructors of the VET centres are important individuals in the VET centres to provide guidance to the students as they prepare them to be problem solvers. The VET instructors are the ones who teach the students to identify the problems and solutions to them. Thirdly, it is concluded that evaluation strategies of the VET students determine the students’ ability to self-employment. When inappropriate strategies are used to evaluate the students, they are not expected to produce students who can stand on their feet but be dependent.

Based on the conclusions, the following recommendations are given; in the first place, it was found that written examination was an ineffective method for evaluation of the VET students, but it was still used to evaluate. It is therefore recommended to the VET centres to change the evaluation methods that are effective to prepare the independent students that fit into a world that is full of competition.
Moreover, it was found that those entrepreneurial skills were hardly included in the VET curriculum. It is therefore recommended to the VET centres to include the courses that prepare the students for self-employment and the ability to create employment opportunities for others. Furthermore, it was found that the VET centres needed to embrace practical teaching more than theoretical in order to build competencies in their students. It is, therefore, recommended to VET centres increase the number of practicals in their class timetable in order to produce graduates who are qualified for the current market. The study found that students’ readiness to learn new ideas and how to bring them into concrete products was an important step toward success. It is therefore, recommended to VET students to always be ready to learn if they want to be important people in society.

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