

# Research Knowledge Sharing Session

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  - Concept and Design
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# About me

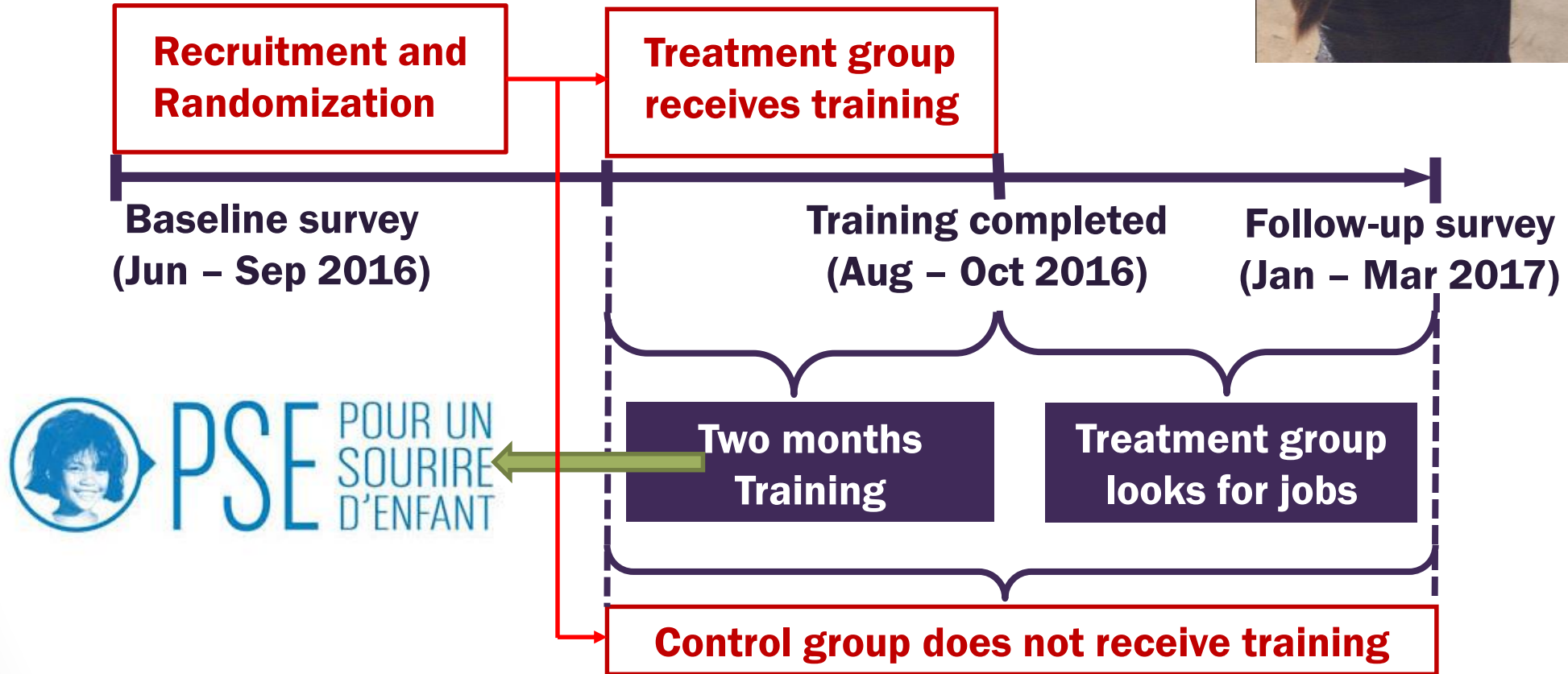
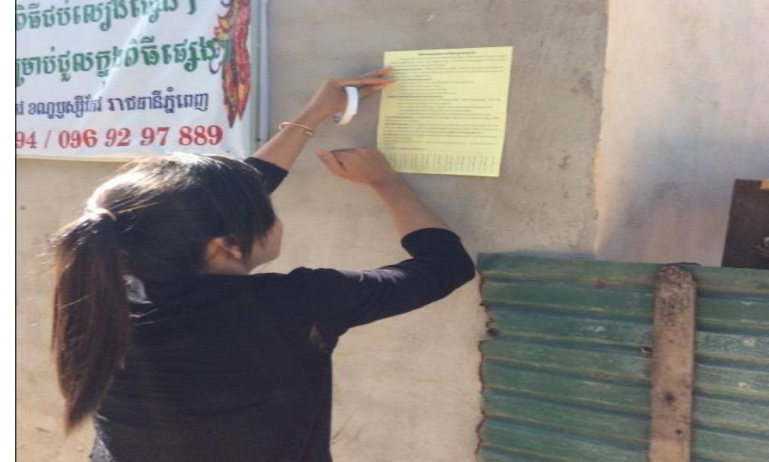
- Research Fellow and Head of Economics Unit at CDRI
- PhD in Economics, Monash University, Australia
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# Vocational Training and Labour Market Transition: A Randomized Experiment Among Cambodian Disadvantaged Young Adults

# Research objective and questions

- Examine the impact of a short-term vocational training program in hospitality on employment
- Focus on youth (aged 15-30) from low-income households in Phnom Penh
- Answer the following questions:
  - Does training help individuals obtain a job?
  - What are the barriers to take-up training and to complete it?

# Research design



# Intervention

- Four rounds of trainings and participants received:

Recruitment round	School fee, study materials, uniform and lunch	Rice allowance: 3.5 kilograms per week	Free shuttle bus service	Transportation allowance
Round 1	Yes	Yes	Yes	No
Round 2	Yes	Yes	Yes	No
Round 3	Yes	Yes	Yes	\$1 per training attendance
Round 4	Yes	Yes	Yes	\$1 per training attendance

- Participants completed the training received a certificate from PSE.

# Two-month training program (full-time)



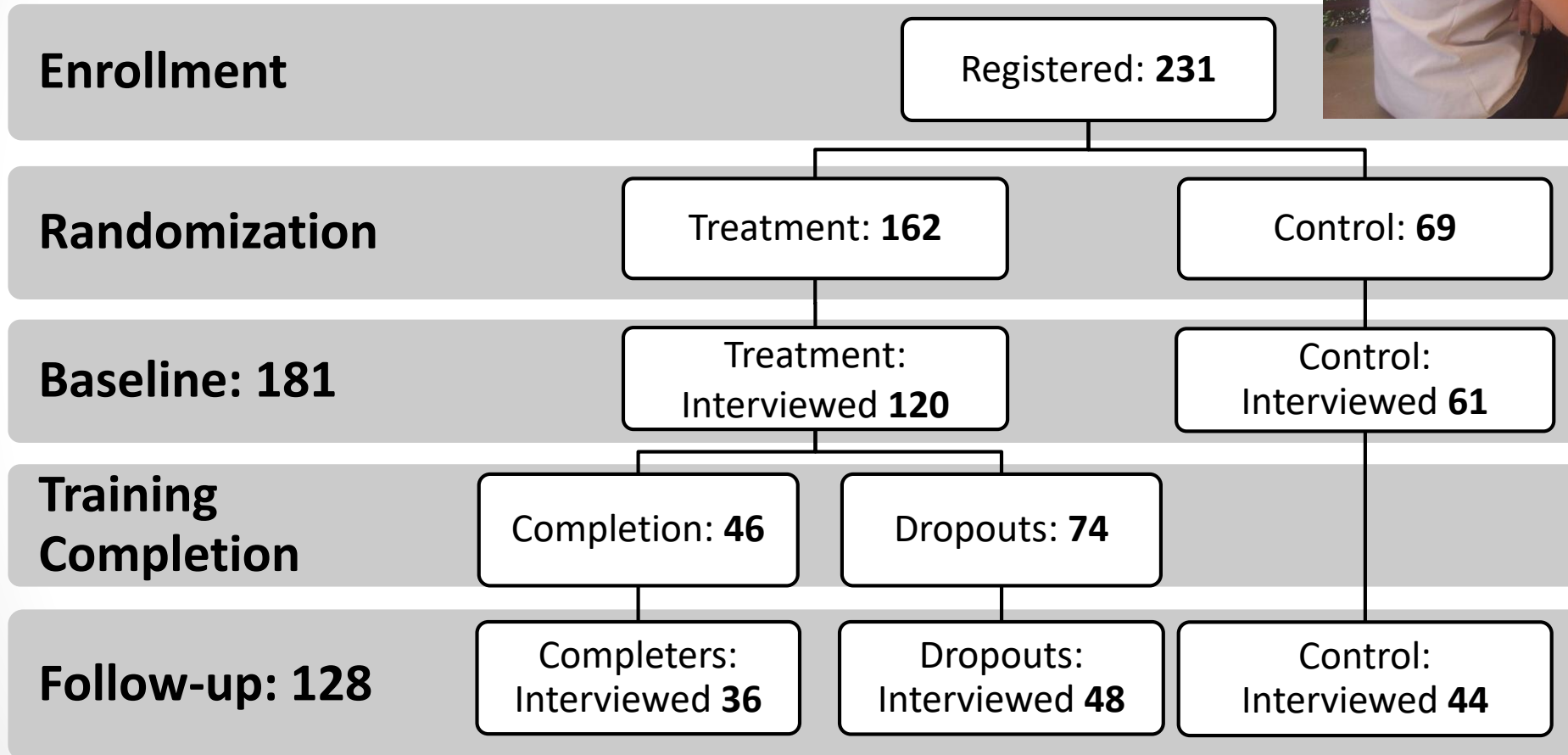
One-month classroom  
lecture (180hrs)



One-month practice  
sessions at PSE (180hrs)



# Data



# Variable definition

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<b>Outcome variables</b>	<b>Definition</b>
<b>Employed</b>	= 1 if the participant is employed (full-time, casual or self-employed), 0 otherwise
<b>Full-time/ casual employment</b>	= 1 if the participant is employed full-time or for casual wage, 0 otherwise
<b>Self-employment</b>	= 1 if the participant is self-employed/ own-account worker
<b>Hour worked</b>	Number of hours worked during the last week
<b>Monthly earnings (0000 riels)</b>	Total monthly earnings during the last month

# Estimation methods

- Effects of offering the program: Intent-to-treat effects (ITT)

$$Y_{ijt} = \beta_0 + \beta_1 TRAINING_i + \beta_2 t + \beta_3 TRAINING_i * t + \beta_4 X_i + \tau_j + \varepsilon_{ijt} \quad (1)$$

- Effects of receiving/completing the program: Treated-on-treated effects (TOT)

$$R_i = \gamma_0 + \gamma_1 TRAINING_i * t + \gamma_2 t + \gamma_3 X_i + \delta_i + \tau_j + u_{ijt} \quad (2a)$$

$$Y_{ijt} = \alpha_0 + \alpha_1 \tilde{R}_i + \alpha_2 X_i + \tau_j + v_{ijt} \quad (2b)$$

# Summary of Results

<b>Outcome variables</b>	<b>Result</b>	<b>Statistical significance</b>
<b>Employed</b>	+	no
<b>Full-time/ casual employment</b>	+	no
<b>Self-employment</b>	+	no
<b>Hour worked</b>	+	no
<b>Monthly earnings (0000 riels)</b>	-	no

# Dropout behaviour – Reasons

Reasons	% of Total Dropout Sample		
	Total	Female	Male
Household/family obligation (including taking care children/family members)	31.9	35.0	29.6
Had no transportation to training institute	23.4	10.0	33.3
Found work opportunities	17.0	30.0	7.4
No monetary incentive for participating in the training	8.5	10.0	7.4
Lost interest in training/ Dissatisfied with training	6.4	0.0	11.1
Others (got married, migration, sick)	12.8	15.0	11.1
<b>Observations</b>	<b>47</b>	<b>20</b>	<b>27</b>

# Conclusion and lessons learned

- No effects of training program on employment outcomes
- Training alone is not enough for disadvantaged young people to break into the labour market
  - Job-readiness training, job placement assistance, career guidance and counselling
- Preventing dropouts:
  - Including saving or income generation activities during the training
  - Providing transportation assistance

# Roles of RCT

- RCT is a new way to bring more evidence and **tools** to development programs and policy makers
  - Test the effectiveness of programs
    - What works and what doesn't work => improve aid and development programs for the future
  - “The best use of international aid/government money should be to generate evidence and lessons for national governments”
  - Generate data and give governments tools to promote development, relieve poverty and focus money on things that work.

# Roles of RCT

- It brings researchers, development agencies and policy makers together in a policy design methodology that works to identify the policy problem, design policy innovations, implement and test those designs, and then refine them for continuous policy improvement.



# THANK FOR YOUR ATTENTION!

