Generation

Cost per Employed Day Overview

October 2017

Generation

Launched in 2015, Generation seeks to close the skills gap for young people.

Our mission is to support disconnected **young people** to build thriving, sustainable careers and to provide **employers** the highly skilled, motivated talent they need to improve business outcomes.

Our vision is to enable a career-launching job for every young person, anywhere in the world

Which program is more cost-effective?

	Students who start program	Placed into work	Average days retained (in first 6 months)	Cost per student
Program A	1,000	500	60	$1,000
Program B	1,000	800	120	$2,000

CPED compares the two programs, assuming the additional factors are controlled

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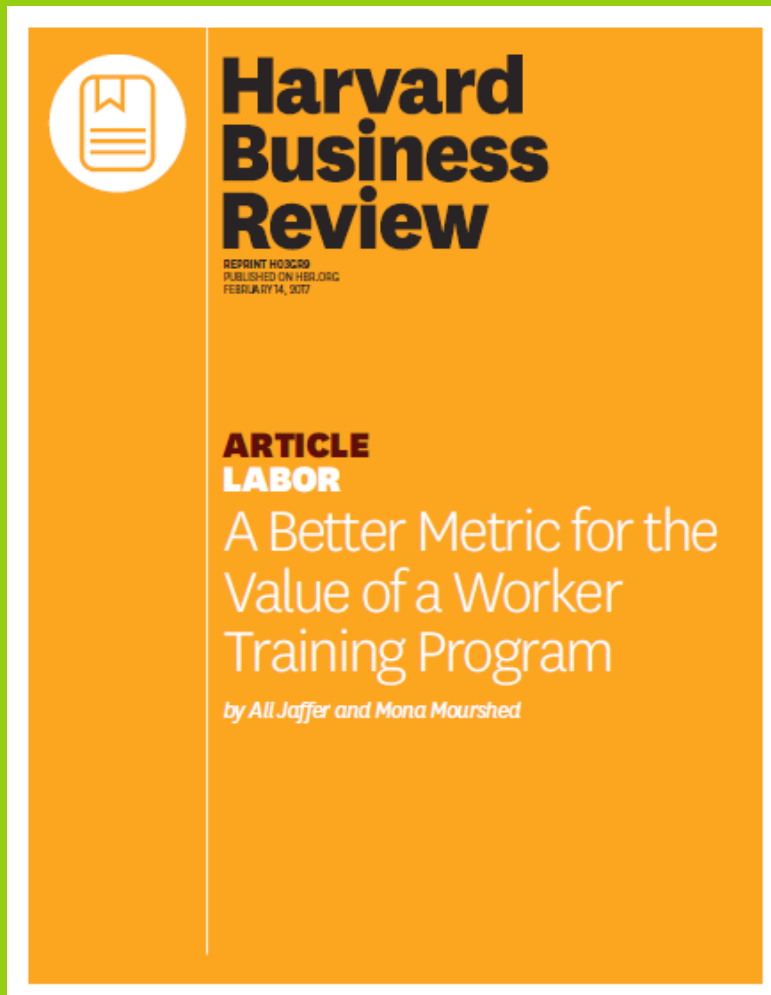|	Average employed days*	Cost per employed day
Program A	30,000	$33
Program B	**96,000**	**$21**

* [Placed into work * average days retained] / Students who started

Generation is developing a new way to think about the impact of employment programs

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ARTICLE
LABOR

A Better Metric for the Value of a Worker Training Program

by Ali Jaffer and Mona Mourshed

Cost per Employed Day (CPED) combines cost per student, employment rate, and retention rate on the job.

Our aspiration for CPED is similar to how 'total cost of ownership' changed the approach to allocating resources
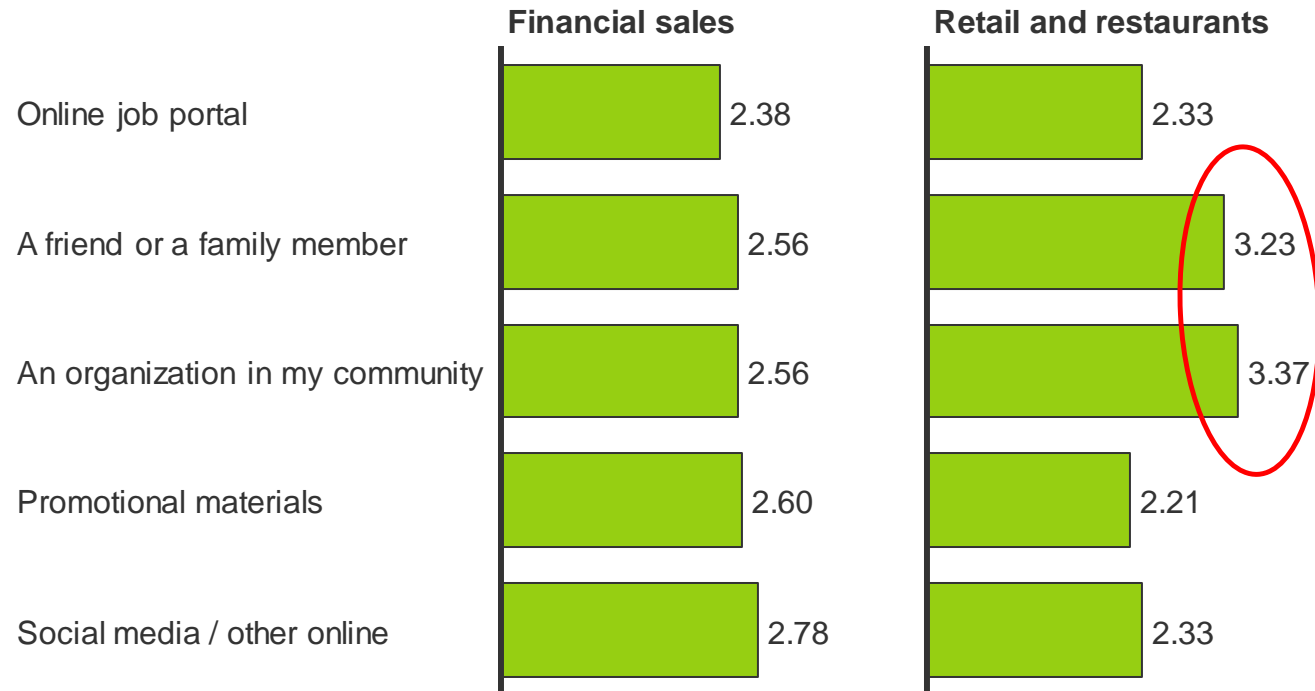
Cost per employed day

🇪🇸	**$30.31**
🇺🇸	**$25.77**
🇮🇳	**$6.46**
🇰🇪	**$2.53**
🇲🇽	**$2.47**

We can use this metric to learn about what works in our programs

Generation

Additional factors that are often considered?

- **Student situation**

- **Employment situation (role, job market context)**

- **Definitions**
  - **Cost – what is included?**
  - **Employment**

CPED by recruiting source – Kenya programs, $

	Financial sales	Retail and restaurants
Online job portal	2.38	2.33
A friend or a family member	2.56	3.23
An organization in my community	2.56	3.37
Promotional materials	2.60	2.21
Social media / other online	2.78	2.33

youth
~~un~~employed