



2018 ANNUAL  
REPORT  
*Generation*

a career-launching job  
for every young person,  
anywhere in the world.

Generation

# A MESSAGE FROM THE CEO.

Youth employment is a two-sided problem. More than 75 million young people are unemployed globally and three times as many are underemployed. At the same time, 40% of employers say they can't find people to fill even entry-level jobs.


Generation offers a two-sided solution. We have a dual mission: to empower young people to build thriving, sustainable careers and to provide employers the highly skilled, motivated talent they need.

Just over four years ago, we launched our first Generation classes. By the end of 2018, we had nearly 25,000 graduates in nine countries.

No one organization can solve a problem of this magnitude alone, and our success is shared with our partners. Generation is an approach, a methodology. We work hand-in-hand with others to bring the program to life.

We have learned a great deal in the last four years, and are committed to sharing what we learn with others. This report captures some of those lessons, paints a picture of Generation globally, and outlines our impact, all alongside the stories of just a few of our incredible graduates.

It's been a remarkable journey so far, and we've only just begun. I hope you'll want to join us on it.



Mona Mourshed, CEO

## Seema | Delhi, India

Seema was 25 years old when her husband, the sole breadwinner of the family, died of complications from typhoid. She was widowed with three young children. With no means of paying for basics like food, clothing, and school fees—and no previous work experience—Seema's loss had profound implications.

She learned of Generation's general duty assistant program, and saw a window of opportunity. Today, Seema has a full-time job at Max Super Speciality Hospital, Saket, and her income enables her to sustain her growing family and invest in her children's education. She says, "If I had not gone through the Generation program, I could never have gotten a job like this at such a reputable hospital."



# GLOBAL REACH.

original five countries:  
India | Kenya | Mexico  
Spain | United States

new countries in 2018:  
Hong Kong | Italy  
Pakistan | Singapore



# GLOBAL REACH.

CITIES

90

DEPENDENTS

42%

Graduates with children,  
parents, or siblings

GRADUATES

24600

Graduates since launch in 2015

7886

New graduates in 2018

# GLOBAL REACH.

## GENDER

44%

Male graduates

56%

Female graduates

## EMPLOYERS

1074

New employers in 2018

2651

Employers since launch in 2015



IMPACT.

83%

Employers would hire from  
Generation again

84%

Employers say Generation graduates  
outperform peers





IMPACT.

GRADUATES

84% 81% 66%

Graduation rate

Job placement rate at 3 months  
after graduation

Continued employment at 1 year  
after job placement

Wage levels

2-6x \$100m

pre-Generation

Cumulative graduate salaries (US\$)

## Thomas | Hong Kong

Thomas was at a crossroads. Painful issues in his family further complicated the mounting academic pressures he was facing in high school, and at 17, he made the difficult decision to drop out, with the support of his family.

A school counselor told him about Generation and he applied. He says, "I had been feeling really pessimistic. Really unhappy." But through Generation's mindset and behavior curriculum, and the support of mentors, he experienced a profound personal transformation. Today, he is extremely happy and proud to serve as a Customer Service Representative at AsiaWorld-Expo and sees tremendous opportunity for growth.



# NEW WAYS WE THINK ABOUT OUR EFFECTIVENESS: COSTS

## Cost per Employed Day

We have developed a new metric to measure the cost effectiveness of workforce programs, called cost per employed day (CPED). It combines the cost per graduate, job attainment rate, and the length of time graduates stay in their job, yielding a measure of the value you get from investing in the program.

COUNTRY*	COST PER EMPLOYED DAY (CPED)
INDIA	\$ 4.49
KENYA	\$ 2.94
MEXICO	\$ 3.04
SPAIN	\$ 29.59
UNITED STATES	\$ 27.66

## Wage-Cost Ratio

Another way we consider program value is to compare average wages for the first six months after graduating Generation with the cost per student to understand how quickly the program essentially "pays for itself."

COUNTRY*	WAGE-COST
INDIA	1.03
KENYA	1.25
MEXICO	3.70
SPAIN	1.39
UNITED STATES	1.74

\*data for countries launched in 2018 was too early at year end

# NEW WAYS WE THINK ABOUT OUR EFFECTIVENESS: MARKET SHARE

## Vacancies Filled by Our Graduates

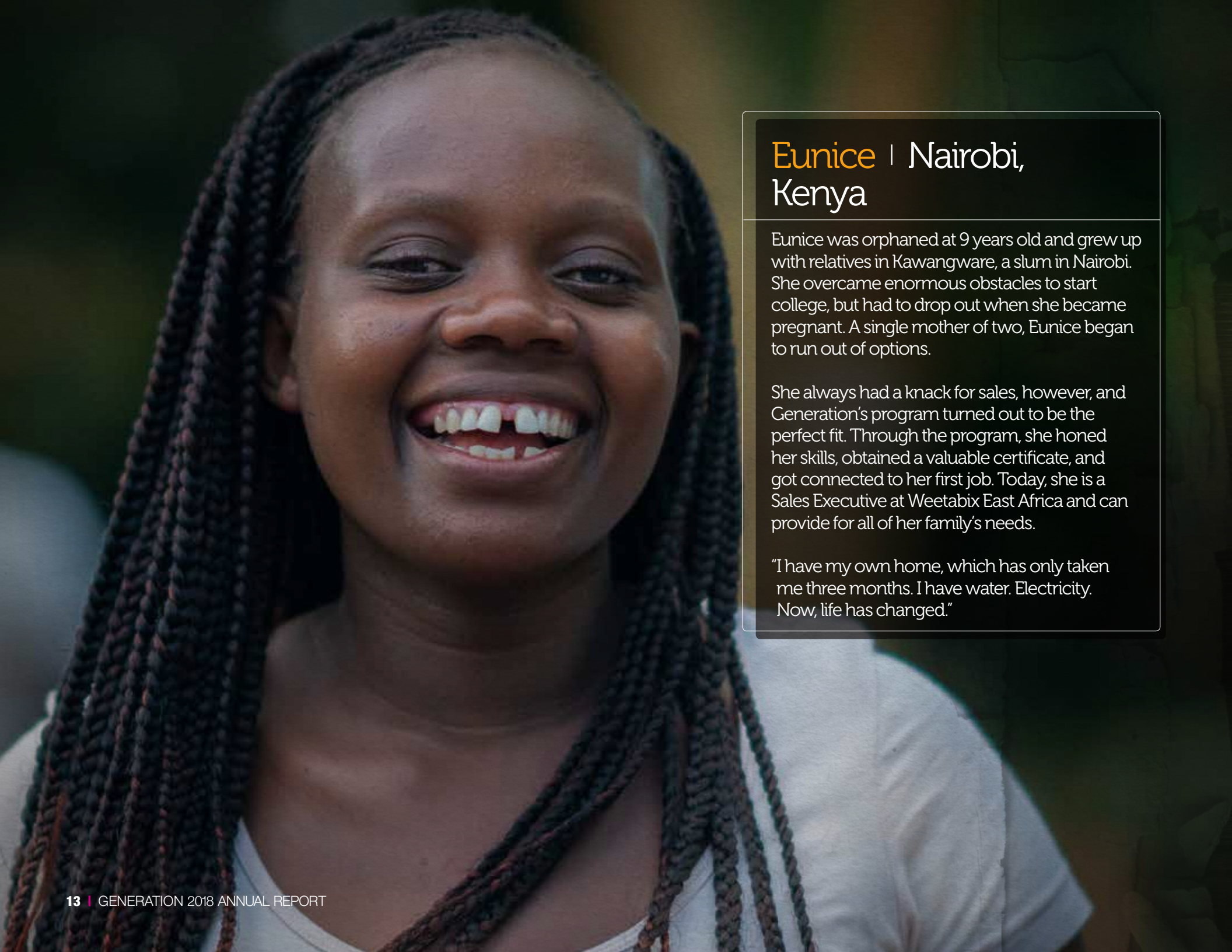
We also measure our impact by filling a large % of annual job vacancies in a single market in a specific profession. When you reach 10%+, we believe you begin to change employer mindsets about who they hire.

7%

of annual digital marketing vacancies in Spain are filled by Generation graduates

10%–15%

of insurance sales roles in Kenya are filled by Generation graduates



## Eunice | Nairobi, Kenya

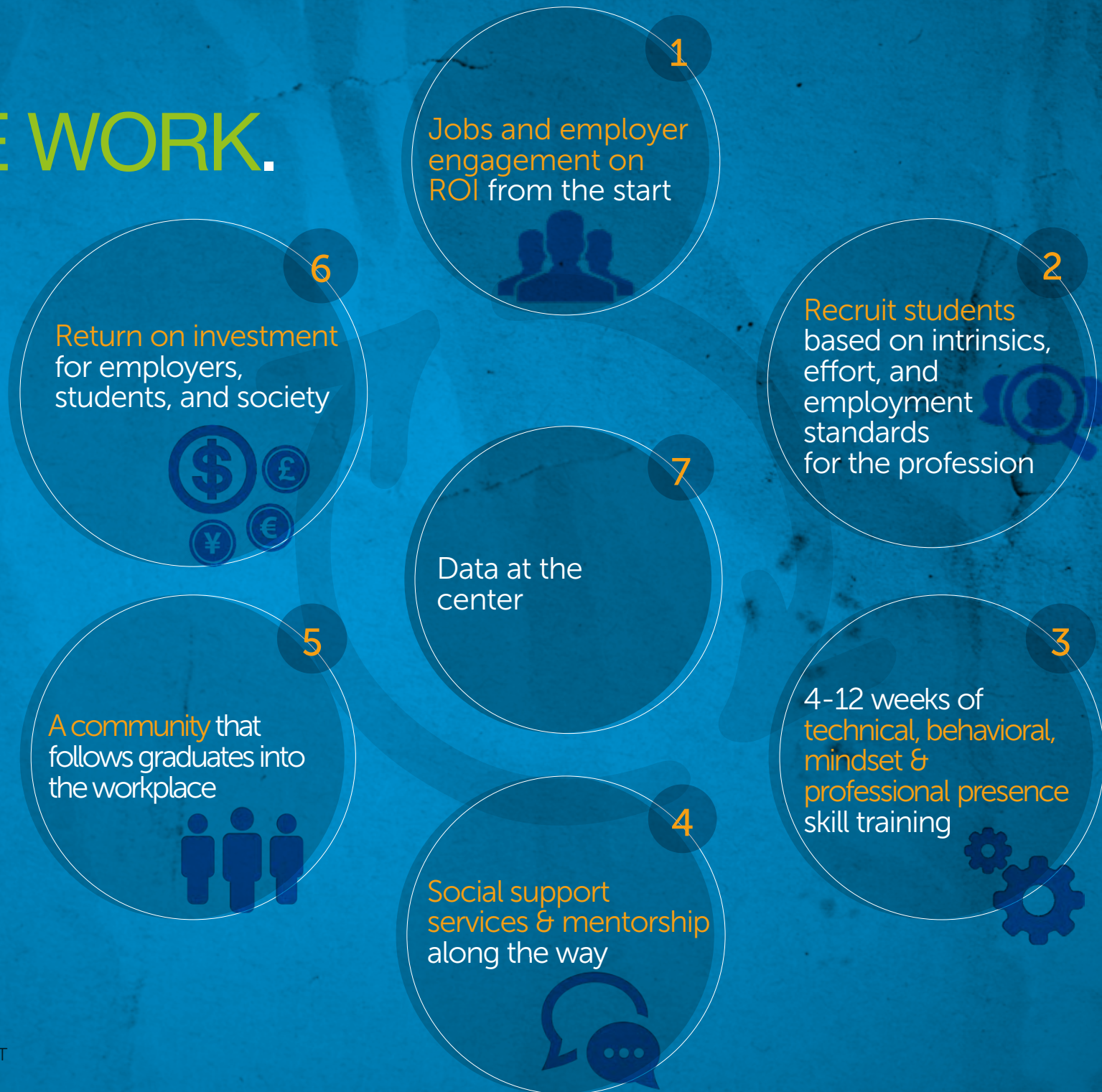
Eunice was orphaned at 9 years old and grew up with relatives in Kawangware, a slum in Nairobi. She overcame enormous obstacles to start college, but had to drop out when she became pregnant. A single mother of two, Eunice began to run out of options.

She always had a knack for sales, however, and Generation's program turned out to be the perfect fit. Through the program, she honed her skills, obtained a valuable certificate, and got connected to her first job. Today, she is a Sales Executive at Weetabix East Africa and can provide for all of her family's needs.

"I have my own home, which has only taken me three months. I have water. Electricity. Now, life has changed."

# HOW WE WORK.

Generation has a seven-step approach that is the foundation for every single program we run, regardless of sector or country. This consistency is key to how we deliver a high-quality, engaging program that graduates well-prepared employees.



# OUR PROFESSIONS.

We offer programs in 25 professions across four sectors.

## Customer Service & Sales

- Beauty therapist
- Call center operator
- Cashier
- Commercial salesperson
- Financial salesperson
- Food & beverage steward
- Front desk clerk
- Insurance salesperson
- Microfinance officer
- Pharmacy technician
- Retail associate/manager
- Retail banker

## Digital & IT

- Cloud support engineer
- Digital marketer
- IT help desk technician
- Java developer
- Robotics process automation developer
- Web developer

## Healthcare

- Certified nursing assistant
- Direct support professional
- General duty assistant
- Home nursing assistant

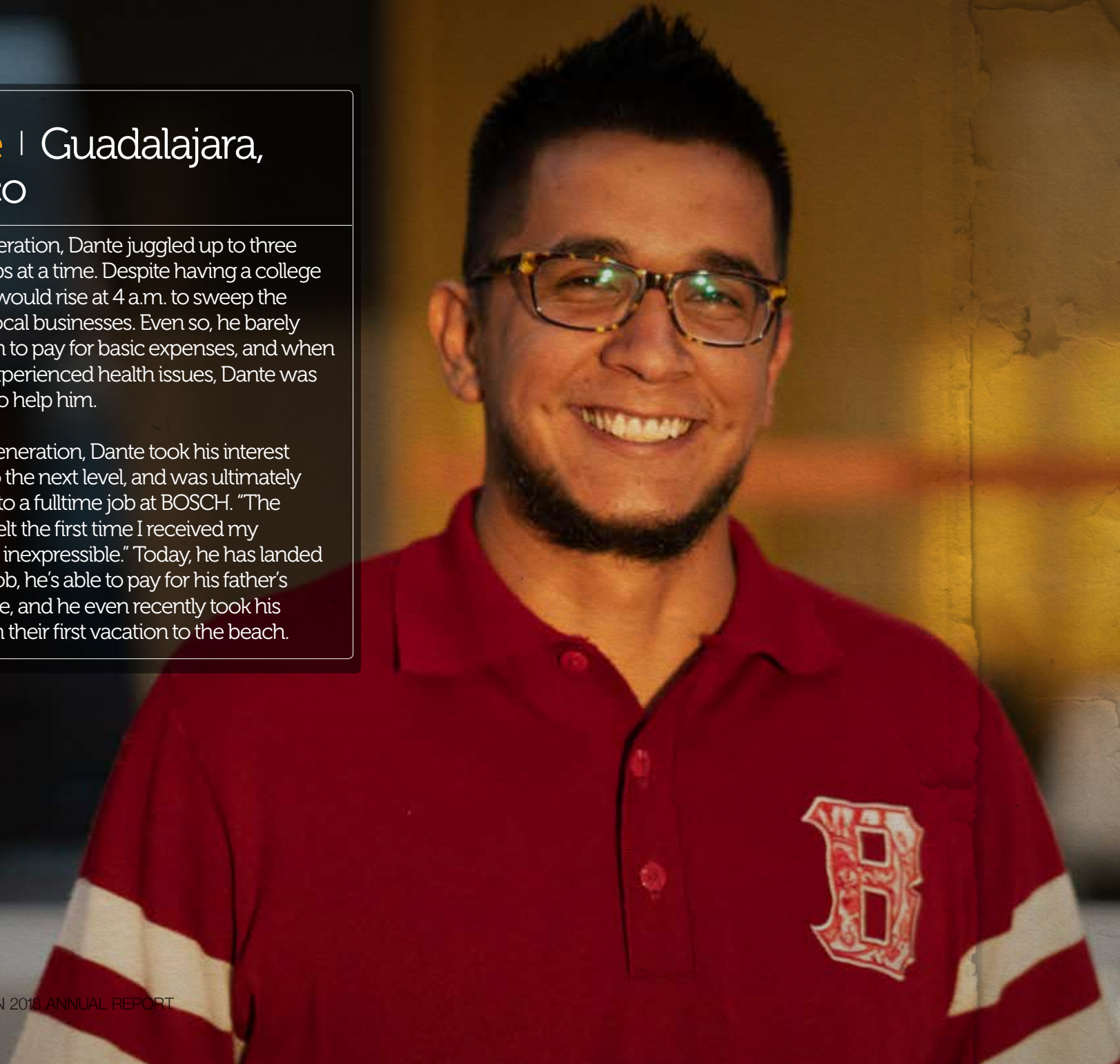
## Skilled Trades

- Construction helper
- Machine operator
- Sewing machine operator

## Dante | Guadalajara, Mexico

Before Generation, Dante juggled up to three informal jobs at a time. Despite having a college degree, he would rise at 4 a.m. to sweep the streets for local businesses. Even so, he barely had enough to pay for basic expenses, and when his father experienced health issues, Dante was powerless to help him.

Through Generation, Dante took his interest in coding to the next level, and was ultimately connected to a fulltime job at BOSCH. "The gratitude I felt the first time I received my paycheck is inexpressible." Today, he has landed his dream job, he's able to pay for his father's medical care, and he even recently took his girlfriend on their first vacation to the beach.





# WHAT WE'VE LEARNED.

Four years ago, Generation started its first pilot programs with the goal of connecting unemployed and underemployed young adults with skills and jobs. We've learned a lot since then about what works and what doesn't. Here are a few of the most important lessons.

More detail on these lessons appeared in Stanford Social Innovation Review in November 2018

## 1 Return on Investment

Proving business ROI is necessary but not sufficient to convince employers to change how they recruit and train entry-level workers

**2 Pain Points** Employers' pace in altering recruiting and training practices varies by profession type (e.g., high scarcity vs. churn)

**3 Value** Although funders often focus on cost per student, cost per employed day is a more effective metric because it takes employment and retention into account

**4 Speed** Focusing on activities, rather than skills, is central to shortening program length and enabling rapid learning

**5 Motivation** The most critical determinant of student/graduate success is their hunger to change their life

## 6 Training ≠ Employment

Training is only one of seven components that are necessary to result in high job placement and retention

# COUNTRY SPOTLIGHT.

No. of cities 33  
No. of graduates 6,457  
No. of employer partners 461  
Job placement rate at 90 days 78%  
Main programs: beauty & wellness, healthcare, hospitality

No. of cities 24  
No. of graduates 11,954  
No. of employer partners 372  
Job placement rate at 90 days 84%  
Main programs: distributed sales, financial services sales, retail & restaurant, sewing machine operator

No. of cities 4  
No. of graduates 2,230  
No. of employer partners 169  
Job placement rate at 90 days 83%  
Main programs: Java full stack developer, retail sales & customer service, financial services sales

INDIA KENYA MEXICO  
SPAIN UNITED STATES

No. of cities 7  
No. of graduates 1,558  
No. of employer partners 830  
Job placement rate at 90 days 71%  
Main programs: digital marketing, excellence at point of sale (retail), robotic process automation

No. of cities 16  
No. of graduates 2,097  
No. of employer partners 870  
Job placement rate at 90 days 74%  
Main programs: construction, hospitality, restaurant services, machine operator, universal banker, customer service, IT help desk

# COUNTRY SPOTLIGHT.

- No. of cities 1
- No. of graduates 92
- No. of employer partners 41
- Job placement rate at 90 days 86%
- Main programs: customer service, digital marketing

- No. of cities 1
- No. of graduates 49
- No. of employer partners 9
- Job placement rate at 90 days 63%
- Main programs: excellence at point of sale (retail)

HONGKONG ITALY  
PAKISTAN SINGAPORE

- No. of cities 1
- First graduates were in early 2019
- Main programs: microfinance officer

- No. of cities 1
- No. of graduates 109
- No. of employer partners 27
- Job placement rate at 90 days 72%
- Main programs: digital marketing



## Martin | Birmingham, Alabama

When he was only 19, Martin was diagnosed with a life-threatening form of cancer. He had a hip replacement at the age of 23, and an invasive bone marrow transplant at 25. As he says, "Cancer was my full-time job. I didn't have time for anything else." Without a college education, and having taken time off work, he struggled to make ends meet.

When he heard about Generation, it sounded too good to be true. But he applied, he focused during the program, and when he graduated, he got a full time job as an IT specialist with Blue Cross/Blue Shield—and it came with health benefits. "My life is stable now, I have a future, and it's thanks to Generation."

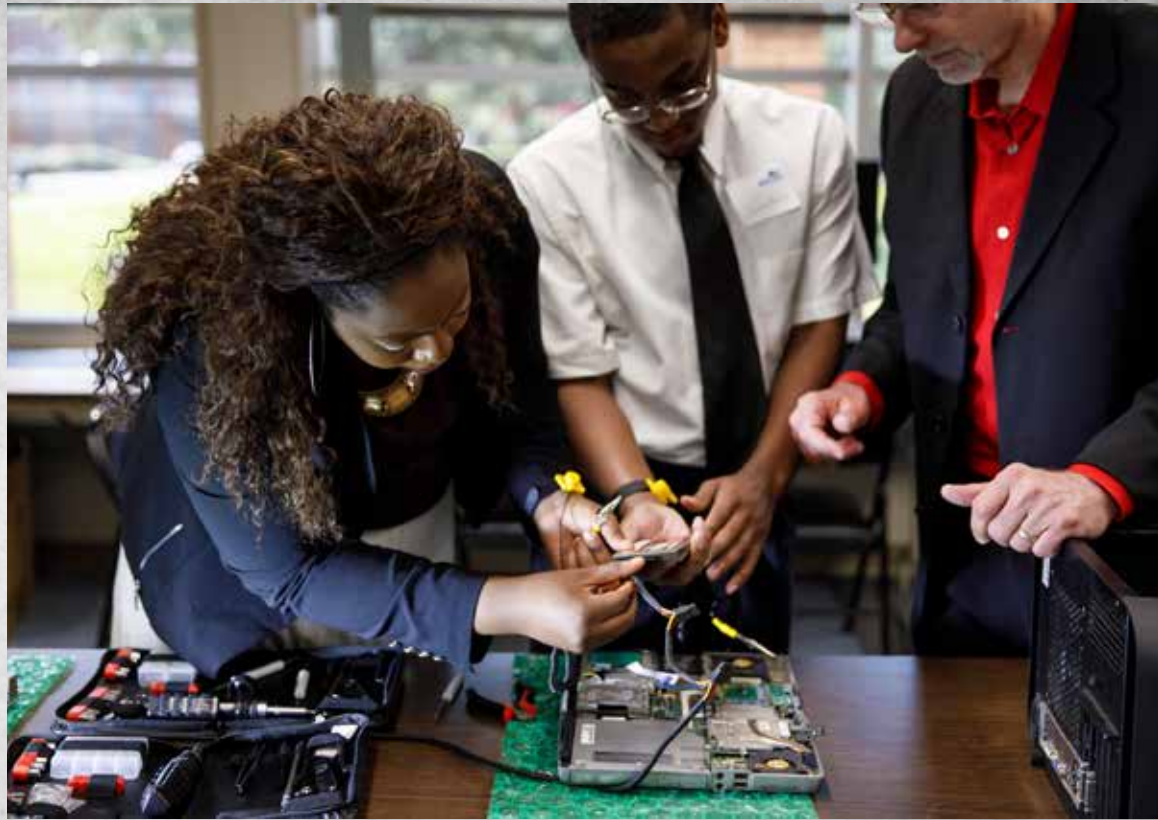
# RECOGNITION.

We were honored to receive a 2018 WISE Award.

Generation was selected by WISE (the World Innovation Summit for Education) as one of 6 winners out of 413 global education programs.

The criteria:

- 1 established, innovative educational projects that have demonstrated a transformative impact on individuals, communities, and society of their context;
- 2 financial stability; and,
- 3 scalable and replicable.



wise|awards

# OUR FINANCIALS.

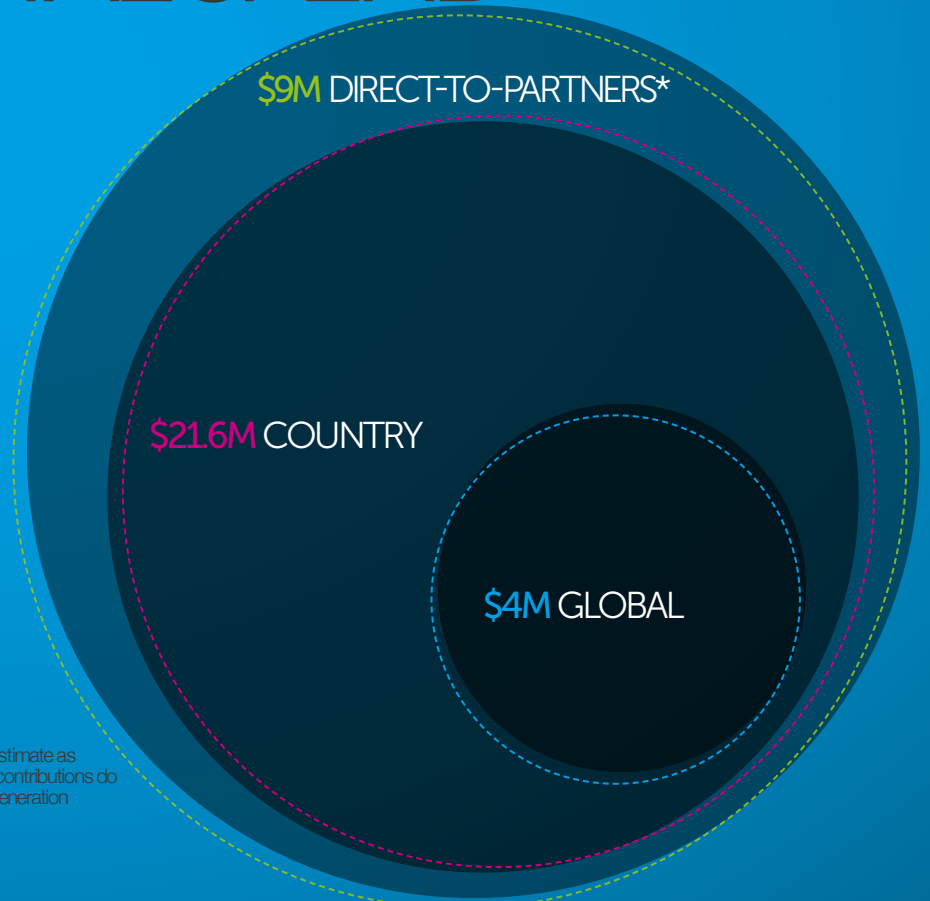
Generation's budget reflects worldwide operations. Generation total spend can be considered in three categories: 1) global spend, 2) country spend (spend through local entities that manage Generation in each country), and 3) direct to implementation partner spend (spend of contributions that go directly to partners for use in the Generation program). Over time, our goal is to achieve 100% sustainable funding, defined as funding from employers, governments, or students.

## BUDGET

REVENUE \$25,640,456  
EXPENSES \$23,642,309

## TOTAL SPEND

## SUSTAINABLE FUNDING



\*this number is an estimate as direct-to-partner contributions do not flow through Generation

# OUR LEADERSHIP

## GLOBAL LEADERSHIP

**Mona Mourshed** President and CEO  
**Seto Akinjiola** Global Director of HR  
**Kelly Cassaro** Global Director of Curriculum & Instruction  
**Alex Hay-Plumb** Global Director of Partnerships  
**Ali Jaffer** Global COO  
**Kat Kelley** Global Director of Learner Engagement  
**Christian Lilley** CTO  
**Patrick Morton** Deputy COO  
**Christina Powers** Global Director of Data & Impact  
**Guli Ruzmetova** Global Director of Finance  
**Jennifer Sikes** Global Director of Communications  
**Lola Stevens** Global Director of Operations  
**Bonni Theriault** Global Director of Business Development

## COUNTRY LEADERSHIP

**Carlos Bertrán** Generation Spain, CEO  
**Leonardo Caetano** Generation Brazil, COO  
**Brian Cheng** Generation Hong Kong, COO  
**Jeremy Fox** Asia-Pacific, CEO  
**Nicolas Goudy** Generation France, COO  
**Ramakrishnan Hariharan** Generation Kenya, CEO  
**Michael Houlihan** Generation UK, COO  
**Laura Moodey** Generation Mexico, COO  
**Oscar Pasquali** Generation Italy, COO  
**Sadaf Rehman** Generation Pakistan, COO  
**Sean Segal** Generation USA, COO  
**Arunesh Kumar Singh** Generation India, CEO

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# OUR FUNDERS.

We are incredibly grateful for the philanthropic funders who provide us catalytic support that helps us launch new programs, expand into new demographics, and build out programs that would not be possible otherwise. Thank you

## McKinsey & Company | Founder

- Amazon Web Services
- Atlanta CareerRise
- Barclays
- BB&T Bank
- Bécalos
- Bill & Melinda Gates Foundation
- Boys and Girls Club of Puerto Rico
- CareerSource of Northeast Florida
- Charlotte Executive Leadership Council
- Charlotte Works
- Citicorp
- Community Foundation of Northeast Florida
- District of Columbia Department of Employment Services
- The East Africa Trade and Investment Hub
- La Fundación INCYDE
- Lagardère Travel Retail
- Fondo Social Europeo
- Fundación Nacional de Monte de Piedad
- Google.org
- Gruppo Fresia
- Health Education England
- Hong Kong Jockey Club Charities Trust
- IHG Foundation
- Intel
- Intesa Sanpaolo
- Klépierre
- Longwood Foundation
- Manchester Health & Care Commissioning Group
- McKinsey Global Services India Pvt. Ltd
- McKinsey Knowledge Center
- MetLife Foundation
- Microsoft
- Ministerio de Trabajo, Migraciones y Seguridad Social
- Punjab Skills Development Fund (PSDF)
- The Ralph C. Wilson Jr. Foundation
- The Rockefeller Foundation
- Safaricom Foundation
- Secretaría de Innovación, Ciencia y Tecnología del Estado de Jalisco
- Skills Future Singapore (SSG)
- Sodexo
- Starbucks Foundation
- Svicom
- Swedish International Development Cooperation Agency (SIDA)
- Temasek Holdings Advisors India Private Limited
- Unibail-Rodamco Westfield
- Unión Europea
- United Way of Greater Atlanta Opportunity Youth Fund
- United Way India
- United Way of Northeast Florida
- United Way of Southeastern Michigan
- United Way Spain
- United Way Worldwide
- United States Agency for International Development (USAID)
- United States Department of Labor Employment Training Administration
- Wadhvani Foundation
- Walmart National Giving
- Wells Fargo Foundation
- Wilmington Leaders Alliance
- WorkSource DeKalb



# A LOOK FORWARD.

The year ahead brings opportunities for continued success, ongoing growth, and new experiments.

## New learners

We believe our approach could help anyone of any age who is seeking to gain new skills to begin a new profession. We are making our program available to new demographics, including midcareer workers who find themselves displaced from their jobs due to automation or digitization through a pilot we call ReGeneration.

## New countries

We plan to continue expansion into additional geographies in 2019. In fact, since the end of 2018 we already have launched in Brazil, France, and the United Kingdom, and are in the “pre-launch” stage in Australia.

## New methods

We will experiment with programs that blend online and in-person learning that may increase flexibility, cost effectiveness, and scalability.

Our goal is not only to serve our graduates and employers well, but to ultimately change the entire workforce system. We invite you to participate.



## Isabel | Madrid, Spain

Isabel's expectations for her future were upended when she graduated college with a degree in tourism at the height of Spain's unemployment crisis.

After years of unemployment and low-paid part time jobs, she saw a ray of hope when she found out about Generation's Robotic Process Automation course. "I had no idea what RPA was, but I knew that Generation was a reputable program that offered a real career pathway, so I signed up." Through Generation, she landed a full-time position at Prosegur, one of Spain's largest companies. She says, "If I could have dreamed up the best-case scenario, this would have topped it."

