

The Impact of the Support Offered to Young People under the Operational Programme Knowledge Education Development The First Thematic Study

Summary

The purpose of this report is to **evaluate, in terms of subjects and quality**, the support provided to young people under the Operational Programme *Knowledge, Education, and Development (OP KED)*. In 2012, in response to young people's problems with smooth transition from education to employment, the European Commission offered the idea of the *Youth Guarantee (YG)*. It means ensuring good-quality offers for a job, continued education, apprenticeship or traineeship for people under 25 within 4 months of their leaving formal education or becoming unemployed. One of the main tools for implementing YG in Poland is the priority axis I OP KED using the funds provided by the *European Social Fund* and the *Youth Employment Initiative (YEI)*. **It will include assistance for a total of approx. 742,000 young people with the total financial support amounting to approx. PLN 8.6 billion.** The support will be provided both under non-competitive projects to be implemented by public labour market institutions (**Powiat Labour Offices** and **Voluntary Labour Corps**) and under competitions organised by Province Voivodship Employment Offices and the Ministry of Family, Labour, and Social Policy.

The activities under evaluation were targeted at persons aged 15-29 who neither work nor participate in formal education. In the scope covered by this study, the support is provided by labour market institutions: Powiat Labour Offices (PLO) and Voluntary Labour Corps (VLC). PLOs reach registered unemployed aged 18-29, whereas VLCs reach youth aged 15-24 who neither work nor receive education. Moreover, within OP KED the competitive projects conducted by other (not public) labour market institutions will be also provided; however, because of preliminary stage of implementation of this type of project, the number of participants of this project group is so low that it makes impossible to consider them in this report.



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The evaluation is based on the analysis of the following data sources: (1) **support recipient database provided by PLO and VLC via the Ministry of Infrastructure and Development** (21,204 persons), (2) **computer-assisted telephone interviews with project participants** (1,150 CATIs), (3) **computer assisted web interviews with project coordinators** (422 CAWI interviews) and (4) **in-depth interviews with support coordinators** at the local and central level (10 IDs). The CATI study has been preceded by a pilot study. In order to ensure that the study results are as representative as possible, analytic weights have been assigned to adjust for differences in the sampling frame structure (project participants base) and CATI study participants in terms of age, sex, education, and residence. Invitations to CAWIs have been sent to all project coordinators at PLO and VLC. More than 60% of them have filled in the web questionnaire.

The participants' structure in the projects implemented for young people under OP KED corresponds to the structure of the target support groups. The source of financing (YEI, ESF) does not differentiate between project participants. The structure of PLO project participants corresponds to the structure of the unemployed aged 18-29 registered with employment agencies, whereas the structure of VLC project participants corresponds to that of NEETs aged below 25. **PLO projects probably experienced the so-called *creaming* phenomenon** linked with intention to achieve highest employment efficiency through selecting persons who have highest chances on the labour market regardless of their participation in the project. This is confirmed by larger share of persons with higher education among PLO project participants, even when measured against the total number of registered unemployed in the age 18 - 29. At the level of VLC, we have noted a clearly higher percentage of women among project participants when compared to NEET statistics for people aged 15-24. Another conclusion from the study is that none of the institutions and none of the projects reaches NEETs aged between 25 and 29, who are inactive, do not receive education and are not registered in employment agencies. This is the target group of competitive projects which are not covered by this evaluation as they are at an early stage of implementation. **In addition, the labour market institutions under analysis (PLO, VLC) do not have problems reaching the members of households which are distant from the labour market but they do not necessarily manage to reach persons with disabilities or those from ethnic minorities.** Providing support for these people requires a dedicated approach which can be offered under competitive projects. It seems that reaching such persons requires specially profiled support. VLCs are more effective than PLOs in reaching groups at **high risk of exclusion** due to disability or a difficult household situation.

The support effectiveness assessment based on the results of CATI study of the project participants in terms of employment, education, and self-employment shows that **the comprehensiveness of PLO support was relatively low: the average was 2 support forms per person, but it is likely to be underestimated. The respondents might not recognize the counselling, which was obligatory, as a form of support. VLC activities were much more complex: each project participant was offered on average nearly 9 forms of support.** At the time of conducting CATI study, 76% of respondents declared they worked or received school education. The percentage of those employed was 67%, but it was significantly different for the two institutions providing employment support: it was 87% for persons supported by PLOs and 35% for VLC support participants (this difference strongly correlates with the difference in the age structure of VLC and DEA participants). Among the activities offered by PLOs, those most strongly correlated with employment were: providing funds for settling in when changing one's place of residence due to undertaking employment, a traineeship voucher and a grant for starting a business. The new support forms, i.e. apprenticeship vouchers and training vouchers, have proven to be employment-effective. From among the activities offered by the Voluntary Labour Corps, the closest correlation with employment has been shown in the case of: group trainings and workshops with a

psychologist, remedial classes on school subjects, traineeships, and individual meetings with a career counsellor. It has been noticed that **the coordinators' assessment of effectiveness of specific support forms does not always correspond to quantitative analysis results**: e.g. the coordinators do not yet value the effectiveness of new support forms (vouchers).

Project participants have declared a very high level of overall satisfaction with their participation in employment support activities: 97% of respondents were definitely satisfied or rather satisfied. VLC activities which **received the highest score included: care exercised over a trainee on behalf of the employer, group classes with a career counsellor and vocational courses**. PLO activities which **received the highest score included: providing funds for settling in, courses and training and traineeship vouchers**. A tendency has been observed that activities whose immediate beneficiary is the employer rather than the person seeking employment support receive relatively lower scores. The study also covered the analysis of assessment of offers provided to employment support recipients. What must be noted is the high share (particularly in the case of PLO) of persons who declare to have received no offers at all (56% among participants of PLO projects, who did not receive the a grant for starting a business). Still, these values seem overestimated as the lack of offers was also declared by persons who started employment or continued education after the employment support activities had been completed. Offers received high overall scores from project 12 participants, although the assessment of their individual aspects varied. The aspect of employment effectiveness in the case of traineeship, apprenticeship, and vocational education was assessed lower when compared to other categories.

Worth mentioning is a **relatively high effectiveness and assessment of such instruments as apprenticeship vouchers and training vouchers when compared to their traditional equivalents, i.e. offers of traineeships and training courses**. The possibility of making a free decision and selection from the offer, as given by the vouchers, clearly translates into a higher assessment and better effectiveness. From this point of view, it is worth expanding the offer of training courses and traineeships focused on the demand side, i.e. via the voucher system. As shown by the low popularity of these new forms of support among project coordinators and by their opinions, it will take them some time to become convinced about using them. The recommended activities include providing information to facilitate this process and to fight resistance against novelty.

Large share (39%) of interviewed project coordinators from the Voluntary Labour Corps and Poviats Labour Offices admitted that their projects **experienced problems with recruitment of project participants**. The quality analysis showed that the groups which cause the largest problems in this regard are **minors** (16-17) from the NEET category (VLC projects) and **long-term unemployed young people** (PLO projects). In the case of the first category, the problem in recruitment results from the fact that reaching this target group requires a strong effort. As regards long-term unemployed, the definition applied for purposes of the projects is stricter than the one previously used in PLO activity and the percentage of long-term unemployed within the meaning of the new definition is not reported by any institution. In this respect, we recommend **expanding the employment agencies' reporting to include the number of unemployed as defined by the European Commission**, which should be possible on the basis of the data available to employment agencies, although it requires validation.

In the case of projects managed by PLOs, the biggest source of **problems in the project implementation were delays in publishing programme documentation and the ever changing interpretations and guidelines** (even during the project

implementation). This problem was reported by 35% of respondents. The Voluntary Labour Corps, in turn, struggled predominantly with project participants' low involvement (26%) and resignations (24%). The third problem reported by both PLO and VLC is related to the SL2014 central ICT system. The matters considered important to coordinators from PLO included **facilitating communication between them and the Intermediate Body**. The key issue is that PLOs should be immediately notified of any changes in guidelines, interpretations and other documents. One of the suggestions was to create a dedicated tab for project-providers from Axis I OP KED on the public employment service portal coordinated by the Ministry of Family, Labour, and Social Policy.

The support offered by VLCs was clearly more complex and comprehensive when compared to the activities performed by PLO. It seems to have contributed to a relatively better opinion on the support offered by VLCs and on its effectiveness, especially when we consider the lower age of participants and the different range of activities (e.g. the lack of grants for starting one's own business, which obviously warrant a high rate of participant employment). There were also some opinions that "soft" support forms (such as psychologists' support) addressed to VLC project participants are unnecessary and that such activities as career counselling for support recipients in PLO projects are ineffective. However, in our opinion, this does not signify actual ineffectiveness of 13 these support forms but rather results from their indirect and long-term impact. It is worth emphasising that according to experience-based reference books on active labour market policies, career counselling is clearly considered an effective (and relatively cheap) form of support for labour market participants. Therefore, we believe it is not worth resigning from additional soft forms of support; on the contrary, in the case of the PLO offer, they should be extended.

The projects implemented by PLOs experienced two serious problems in terms of support quality. First, **the diagnosis of participants' needs** which is aimed to match the forms and scope of support to individual needs was often neglected or conducted as a mere formality. Secondly, only **more than a half of PLO project participants, who did not receive a grant for starting a business**, were offered any traineeship or job by this institution. This is a result of PLOs' problems with reaching employers and building relationships with them which could transpose into better intermediation in offering high-quality jobs and traineeships. As regards both types of problems, VLCs demonstrate a significantly higher operating effectiveness. **For these reasons, we recommend putting a strong emphasis on a real, in-depth diagnosis of participant's needs and provision of individual support in PLO projects as well as encouraging PLOs' to increase effort aimed at finding employment offers and maintaining contacts with local entrepreneurs**. In this scope, PLOs should also apply best practices developed by VLCs; this is the area for cooperation between these institutions on a local level.

As it follows from the study of PLO and VLC project coordinators from Axis I of the Operational Programme *Knowledge, Education, and Development*, the support matches the target groups' needs and reaches those who need it most, which must be considered the strength of projects. VLC project coordinators particularly value the comprehensiveness and individual aspect of support forms which is possible due to conducting an in-depth analysis of each participant's needs (e.g. through questionnaires and career counselling). **Another strong point of the projects is their management** by persons experienced in implementing projects with similar target groups in the preceding financial perspective. What can also be observed in the case of VLCs is a very high level of employees' personal involvement in project implementation, especially at the recruitment stage where they reach difficult groups, encouraging and motivating them to take part in the project. During project implementation they deploy many efforts to retain participants in the project by "keeping an eye" on them and motivating them to take advantage of all support that is offered. A support

form that is particularly valued among coordinators are vocational courses and the subsequent traineeships as they are believed to give a real chance for project participants to find a job.

One of the weaknesses of the projects which have been implemented so far is that **the recruitment time does not match the target groups' habits (e.g. relating to school year calendar)**. In the case of VLCs, this was caused by a delay in adopting the Operational Programme *Knowledge, Education, and Development*. In the case of PLO, the decisive factor was the 1-year duration of projects, within the limits of one calendar year. Accordingly, we recommend enabling the Poviats Labour Offices to implement projects lasting longer than one year, taking into account the specific habits of individual subcategories belonging to the target group. Another weakness of VLC projects is the long period that some participants have to wait for specific forms of support (prolonging the time of their participation in the project), which may cause an increase in the percentage of resignations from project participation. As the coordinators claim, some of the participants aged 18-24 become employed or leave to work abroad whilst awaiting support. We suggest to keep the intervals 14 between individual support forms in the participant support schedule as short as possible (no longer than a week, if possible).

To recapitulate, the evaluation of support offered to young people under the Operational Programme *Knowledge, Education, and Development* provides the grounds for claiming that **the support is implemented in an adequate, effective, and efficient manner**. Labour market institutions (PLO and VLC) reach the target groups with support forms suited to the participants. **The project coordinators consider the offered support adequate** to the beneficiaries' needs. This results first of all from its comprehensiveness, individual matching to participants' needs and application of the most effective support forms. Only a minor percentage of coordinators claim that there are some participants whose needs are not satisfied by the support which is currently offered, and that the application of other support forms would give better results. However, on the basis of the study results used in this report, it is possible to assess the employment efficiency of the support provided, without any reference to the situation of people from the control group, as the subjective assessment of support provided by project participants and coordinators. The cost incurred per project participant (cost-efficiency) cannot be precisely stated on the basis of the data available at present. A detailed study of the cost-efficiency of support provided will be performed in 2018. Due to the short time that lapsed between the time when the project participants under analysis completed their participation in OP KED and the time when this study was conducted, it is currently impossible to reliably assess whether the effects of intervention are permanent.

Full report is available in Polish on IBS website: Kalinowski, H., Magda, I. (red.) (2015). Badanie efektów wsparcia zrealizowanego na rzecz osób młodych w ramach Programu Operacyjnego Wiedza Edukacja Rozwój. I Raport Tematyczny. <https://ibs.org.pl/app/uploads/2021/05/I-Raport-Tematyczny.pdf>