

MUTUAL LEARNING PROGRAMME:
PEER COUNTRY COMMENTS PAPER - BELGIUM

‘THE EVALUATION OF LMPS IN BELGIUM: A META-ANALYSIS’

Peer Review on “Evaluation of labour market policies and programmes: methodology and practice”

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1 BACKGROUND: THE ORGANISATION OF LABOUR MARKET POLICIES IN BELGIUM AND ITS CONSEQUENCES FOR EVALUATION

An assessment of the nature, role, and impact of evaluation of Labour Market Policies (LMPs) in a federal country such as Belgium, requires an overview of the division of policy competences in this domain. Generally, the responsibilities for LMPs are divided between the federal and the regional level, the latter comprising regions competent for territorial matters, and communities competent for person-related matters. Successive constitutional reforms have expanded the competences of the regional levels.

The federal level remains responsible for: social security (including employment insurance), labour law (contractual arrangements, working hours, safety, etc.), and taxation (benefit payments, etc.). At the regional level, 'communities' are responsible for vocational training and 'regions' are in charge of job placement services. Regions are autonomous in developing policies that best fit the employment situation in their respective territories. In principle, communities and regions each have their own government, administration, and parliamentary assembly. Further adding to the asymmetrical nature of Belgian federalism, the institutions of the Flemish Community and the Flemish Region have been merged.

The federal structure is also reflected in evaluation practices: each government layer is in charge of evaluating its policies. Intergovernmental evaluations, i.e. joint evaluations across levels, are only conducted in limited circumstances: e.g. in the context of the European Employment Strategy and evaluations on horizontal measures². Usually, the latter type of evaluations are meta-analyses, in which existing evaluations of several governments are gathered and cross-analysed by the federal administration. It also occasionally happens that civil servants of one level are invited to participate in steering committees of evaluations conducted by other government layers.

In the present paper, we will focus on the evaluation practices conducted *within* a certain government level, leaving intergovernmental evaluations aside. We will thus focus on the Federal level and the Flemish level³.

2 IMPORTANCE OF EVALUATION AND GOVERNANCE STRUCTURES

The evaluation arenas of the Federal and Flemish level are of mixed composition. On the one hand, an array of *government entities* are active in evaluation. On the other hand, there is a tradition of university-oriented *research programmes* that often incorporate evaluation studies.

At the *Federal* level, there are four major public institutions active in policy evaluations⁴.

- Firstly, within the Belgian Federal Public Service for Employment, Labour and Social Dialogue, the Directorate for Studies, Statistics and Evaluation has the task to evaluate certain employment measures. It comprises 7-8 staff members (of whom, one works full

² E.g. the 'New system for follow-up of the unemployed'.

³ Evaluations of the Brussels Region, the French-speaking Community, the Walloon Region, and the German-speaking Community do not fall within the scope of this paper, due to time and size constraints.

⁴ Nicaise, Ides (2006), "How to govern and evaluate LMPs?" Peer Country Paper Belgium, submitted in the framework of the Mutual Learning Programme, Sweden.

time on evaluation). The annual obligatory evaluation of service vouchers claims a large part of the Directorate's annual budget of 80,000 EUR for externally commissioned evaluations, leaving little room for other large-scale evaluations. Occasionally, the Directorate issues ad hoc calls for evaluation research, with funds from, for example, the Belgian Science Policy Office (e.g. evaluations within the programme 'society and future'..), or within the framework of the European PROGRESS programme. It also occasionally participates in OECD evaluations, e.g. thematic evaluations about youth and migrants. Apart from outsourcing studies, the Directorate itself produces some ad hoc evaluation studies or the above-mentioned type of meta-evaluations. With the vast amount of longitudinal data of the 'Data Warehouse Labour Market and Social Protection'⁵ at its disposal, it is committed to conduct more internal evaluations in the future.

- Secondly, a share of federal evaluations is conducted by the Federal Planning Bureau. These mainly concern ex ante evaluations or forecasts of macro-economic nature.
- Thirdly, the 'High Council for Employment', supported by the National Bank of Belgium, produces evaluation reports, although the latter tend to be more monitoring studies.
- Fourthly, the National Employment Office (RVA) increasingly invests in evaluation.

It also happens that the administration signals requests for evaluation to the Belgian Science Policy Office (BELSPO). The latter co-ordinates the federal scientific research programmes, oriented at universities, including a programme of 'strategic short term policy research' covering salient priorities relating to LMPs.

Compared to the evaluation function at the Federal level, evaluation is more structurally acknowledged as part of the policy cycle at the *Flemish* regional level, especially since the implementation of the NPM-oriented government-wide reforms in 2006 (called 'Better Administrative Policy'). The Framework Decree of this reform assigned the evaluation of policy implementation (instruments used, outputs, and outcomes, etc.) to the Departments. Evaluation would hence become a tool for policy adjustment or improved steering of the autonomised agencies, which are responsible for policy delivery. Another responsibility of Departments is the development of tools for policy planning (models, scenario analysis, benchmarking...).

- As for the policy domain of Work and Social Economy, these tasks are co-ordinated by the Section 'Employment Policies' of which the team Monitoring and Support provides the largest share of input and methodological support. The entire section includes approximately 40 staff members. Roughly 15% of its time goes to policy evaluations, corresponding to two or three internally conducted evaluation studies annually. The majority of evaluations are interim or ex post, rather than ex ante. Next to these are the regulatory impact assessments (RIAs) which are systematically conducted prior to new legislation. The administration wide experience with RIA is that the tool is used too late in the legislative process, and that it fails as a tool for ex ante evaluation.
- The management of policy relevant scientific research and the utilisation of research results is mentioned as another task of the Department. Important in this regard is the Flemish Interuniversity Labour Market Research Programme (VIONA), which occasionally issues calls for policy evaluation studies resulting in two to three evaluations annually (e.g. process evaluation of one-stop job shops; etc.). The Department organises the secretariat of the programme steering committee.
- Another interuniversity research consortium is the Research Centre for Labour Market and Social Economy. It enjoys stable funding by the Flemish Government. It

⁵ The 'Data Warehouse Labour Market and Social Protection' was originally a product of the Agora Research of BELSPO (Belgian Federal Science Policy Office).

occasionally conducts evaluations as part of its 5-annual research programme. It can be considered as an external pool of evaluation capacity.

- Flemish regional agencies must provide relevant policy and managerial information for policy evaluation to departments as inputs for evaluation. However, some agencies still produce evaluations themselves. The Public Employment Service (VDAB) is especially active in this regard, producing evaluations concerning its operational tasks and services between five and ten evaluations annually).
- In the context of the European Social Fund, a framework contract for the 'ongoing evaluation' of the current ESF Operational Programme for Flanders, engages two academic research institutes, accounting for 800,000 EUR spread over approximately seven evaluations. The evaluation is followed-up by the Flemish ESF Agency and the Department.

The government wide reform in Flanders has placed evaluation more explicitly on the agenda, triggering more attention and practice, but slowly and unevenly across policy domains. LMP evaluation is considered as relatively advanced compared to other domains.

3 APPROACH TO LABOUR MARKET POLICY EVALUATION

At the Belgian *Federal* level, evaluating LMPs is predominantly organised in an ad hoc fashion. As a result, the entire evaluation process is not systematically developed. The annual evaluation of the service voucher system is somehow an exception, as it is an evaluation firmly anchored in legislation. There is no further fixed evaluation agenda. Although the demand for evaluations is growing, from an administrative perspective, the actual implementation is highly dependent upon volatile political support, and the entrepreneurial use of external funding opportunities. The comparatively large distance between civil servants and politicians, especially in comparison with the UK, does not facilitate the receipt of the administration's suggestions for evaluations.

When outsourcing evaluations, the Directorate for Studies, Statistics and Evaluation gives applicants the opportunity to be creative in the use of methodologies, within a loosely determined framework by the administration. Generally, quantitative methods are preferred above qualitative methods, although this depends on the specific evaluand⁶.

That said, the Directorate for Studies, Statistics and Evaluation is itself committed to intensifying its evaluation activities. The growth of the Directorate should enable more internal evaluations, mainly on the basis of the Data Warehouse System. The evaluation culture, at least within the administration, is thus steadily growing. The publication of the evaluation reports on the website is illustrative of this commitment.

As to evaluation criteria, these usually relate to assessing the net-employment effect or cost-efficiency. This complies with the administration's interest in policy learning and policy improvement as primary evaluation purposes.

As far as the use of the evaluation results is concerned, there are no systematic structures as in the UK, which would ensure that findings are considered. Again, the actual influence will highly depend on political will, and will be mediated by –among others - the content of evaluation results (do they imply a strong break with the existing policy?), and other available sources of evidence apart from evaluations, etc. Evaluation reports are not always immediately used instrumentally at a micro-level, but they can nevertheless trigger usage in the long run⁷. The evaluation of service vouchers is an interesting example of the impact of

⁶ An example of a qualitative methods evaluation is the evaluation of the different systems of follow-up for unemployment benefit recipients and welfare recipients.

⁷ Weiss, Carol H. (1979). The many meanings of research utilization. *Public Administration Review*, Vol. 39, Issue 5 (September/October), p. 426-431

repetition. The repetitive effect of this measure's annual evaluation increases the chances of the conclusions being picked up in actual policy development.

The evaluation process at the *Flemish* level runs more systematically, but not to the extent of the UK experience. The strong commitment to evaluation by the former Minister of Work and Education, was significant in structuring the process. At the beginning of each year, the major evaluation priorities are scheduled, yet leaving space for ad hoc evaluations.

For the ESF ongoing evaluation, the commissioning authorities use a set of criteria to determine which actions are eligible for evaluation. Part of these criteria are determined by European directives (i.e. monitoring data differ significantly from target values; lack of monitoring data on the action; and ex ante evaluation when the Operational Programme is subject to change). The other guiding criteria used in Flanders to determine ESF evaluation priorities are: the action's share in the OP budget; whether the action demonstrates a high level of ambition; the innovative character of an action; the lack of insight in critical success or fail factors; whether the action is subject to frequent stakeholder critique; and whether it is eligible for transnational, national or Flemish benchmarking. In principle a possible evaluand is scored on each criterion, but in practice the judgement is made on a more qualitative basis.

The ratio of internal and external evaluations conducted at the Flemish level shows a slight dominance of internally conducted studies. The active recruitment of researchers has reinforced the capacity of the administration in this regard. Large-scale studies and very technical research (e.g. requiring econometric analyses; control groups; etc.) are reserved for external parties.

There is an increasing, although not systematic, trend to anticipate evaluations at the start of new measures or programmes. Evaluation clauses are accordingly written in government decisions (e.g. on workplace mediation...). The social partners (employers and employees organisations), along with the Flemish Economic and Social Consultative Committee (VESOC), are considered as relatively important actors for initiating evaluations. With their support all major agreements are evaluated (e.g. "employment agreements"; "multi-jobs plan"; "skills and competences agenda"; etc.). And through their membership of the above-mentioned VIONA research programme steering committee, they can put their research and evaluation priorities on the agenda. Obviously, the minister's (and his or her ministerial cabinet's) support is essential for all these type of evaluations. Decisions on less salient issues are much less systematically evaluated.

Evaluations are usually initiated for purposes of (ad interim and ex post) policy learning, policy improvement or accountability. Evaluations with a view to policy planning are much less developed. Methodologies used cover a wide array of techniques, ranging from quasi-experiments to econometric analyses and qualitative designs, and are usually the result of negotiation among commissioner and evaluator. In general, also at the Flemish level, there is a preference for quantitative above qualitative methods within the domain of employment policies.

The dissemination of evaluation results is not so strictly defined. Whether or not the results of evaluations are published depends largely on the content of results. Studies conducted in the framework of the university research programmes, however, are by default publicly accessible after a certain period. For internal evaluations, all depends on the specific evaluand.

As with the Federal level, there are no standard measures which should ensure the consideration of evaluation findings. Yet, when both the social partners and the ministerial cabinet are very strongly involved in deciding on the specific evaluanda, there is at least a guarantee that the studies are considered relevant. The close contact of the administration with the ministerial cabinet is an extra vehicle in this respect.

As for external evaluations, there is a tradition of requesting policy recommendations from the evaluators. Whether the final findings or recommendations are actually used will again depend on the political will. A common complaint is that the timing of the outsourcing and evaluation process often mismatch with the rhythm of the policy cycle. There are both examples of evaluation (mis)usage as well as counter-examples of non-usage (cfr. Nicaise, 2006).

Where the UK administration can rely on a large evaluation market, in Belgium there are only a handful of players active in the field of employment policies: research (university) centres as well as private consulting firms. This has important repercussions for evaluation practice: only a limited number of applicants usually respond to evaluation calls and inevitably the same evaluators are repeatedly evaluating the same policies time and again. Methodologically, the pool of techniques used is also restricted. Peer reviews are also hard to implement, as everybody knows each other. To date, however, external evaluations are considered more independent than internal evaluations, even when a small domestic market makes commissioners and evaluators mutually dependent.

4 ASSESSMENT OF THE SUCCESS FACTORS AND TRANSFERABILITY

Commitment to evaluation and evidence based policy development at all levels:

In Belgium, commitment to evaluation is growing but the evaluation culture is spread unevenly across policy domains and policy-makers. An evaluation culture can be engendered by transferring good practices such as, e.g., the UK's evaluation project management practices, or the action planning following formative and summative evaluations. There also seems to be an important role for Europe, as an acknowledged driver of policy evaluation culture. If the European Employment Strategy held Member States to account on policy results rather than on policy intentions, the awareness of the value of evaluation amongst domestic decision-makers at all levels could be strengthened.

Resources:

The size of resources committed to evaluation in the host country cannot be transferred to the Belgian case. Belgium can draw, however, from the UK entrepreneurialism of policy teams and analysts, who seek to strengthen internal evaluation capacity. There is some conversion here, in that UK evaluation practices are challenged to do more with less, and Belgium is challenged to do more with little.

The location of analysts within policy teams:

While it seems important to locate analysts in departmental policy units for evaluation to be considered early on in policy development, it seems advisable in the Belgian context to promote separate evaluation units, as fostering evaluation culture needs clearly identifiable and responsible champions.

Commitment to dissemination

The internal diffusion of evidence may support direct instrumental impact, whereas external diffusion may lead to broader enlightenment and debate, with likely impacts in the longer run. It seems advisable though, to eventually publish all evaluation research, and for government services to have a clear dissemination strategy in this respect. The UK strategy can serve as a model. Next to the publication of all evaluation research reports, also the use of short evidence papers is transferable practice, as these help customise policy relevant information to potential users.

Independence:

Considering the small domestic evaluation market in Belgium, it is a point of debate whether the UK advanced experience with independence through competition can be transferred to the Belgian case. In small domestic markets, the transaction costs of competitive tendering are time-consuming for both parties, and a handful of experienced private evaluation firms can easily build up competitive advantages. It seems more interesting to invest in stable knowledge institutions with a role in evaluation, or in (inter)university research programmes with a mission to evaluate. At the same time, it would be interesting to investigate how bigger and smaller states can exchange experiences with internationalising their evaluation markets.

5 QUESTIONS

- How is mutual appreciation of time frames between civil servants and ministers fostered?
- Is the assignment of policy analysts to policy teams a government wide supported policy?
- How are civil servants trained in evaluation? How does the Department ensure their analysts are competent in evaluation research and/or evaluation commissioning?
- Why does impact assessment come after the selection of the preferred option, and not earlier in the policy cycle to support this selection?

ANNEX 1: SUMMARY TABLE

Organisation of LMPs and evaluation arenas in Belgium and Flanders
<ul style="list-style-type: none"> • The federal nature of the Belgian state is reflected in evaluation practice. Each government level is responsible for evaluating the LMPs they are in charge of. Intergovernmental evaluations are rather rare. Those that are conducted are rather meta-analyses of the results of evaluations by the separate government levels. • At the federal level, four major public institutions are active in policy evaluation: the Directorate for Studies, Statistics and Evaluation of the Federal Public Service for Employment, Labour, and Social Dialogue; the Federal Planning Bureau; the High Council for Employment; and the National Employment Office. Also the Belgian Science Policy Office plays a role: its scientific research programmes, oriented at universities, includes evaluation priorities of the Federal government services. • At the level of the Flemish government, the evaluation function is structurally embedded in the Department of Work and Social Economy. The section Employment Policies conducts internal evaluations. The Departments also makes active use of the policy relevant research and evaluations by the Flemish Interuniversity Labour Market Research Programme, and the Research Centre for Labour Market and Social Economy. Also agencies such as the Public Employment Service produce evaluations. An important share of LMPs evaluations in Flanders are executed by two academic research institutes in the context of European Social Fund, and are followed-up by the Flemish ESF Agency.
Approach to evaluation of LMPs
<ul style="list-style-type: none"> • At the Federal level, the evaluation of LMPs is predominantly organised in an ad hoc fashion. Apart for the annual evaluation of the service vouchers system, there is no fixed evaluation agenda. The demand for evaluations is growing, but the actual implementation is highly dependent upon political support and the entrepreneurial use of external funding opportunities. • At the Flemish level, the Department has recently started to work with an evaluation agenda. • In Belgium and Flanders, there is a preference for the use of quantitative methods, although, depending on the specific evaluand, qualitative methods are not excluded. • The dissemination of evaluation results is not so strictly defined in Belgium. • The mismatch between the timing of evaluations and that of the policy-cycle is a common complaint. • External evaluations are preferred over internal evaluations, although the commitment to conduct more internal evaluations is clearly present as well.

Success factors and transferability

- The commitment to evaluation is present but the evaluation culture is spread unevenly across policy domains and policy-makers in Belgium. Transferring the UK's good practices such as evaluation project management and evaluation action planning can help strengthen evaluation culture. By emphasizing results, the European Employment Strategy could also help in creating awareness of the value of evaluation amongst domestic policy-makers at all levels.
- Due to issues of scale, the size of resources committed to evaluation in the UK cannot be transferred to the Belgian case. Belgium can draw lessons, however, from the UK entrepreneurialism of policy teams and analysts, who seek to strengthen their internal evaluation capacity.
- While it is important to locate analysts in departmental policy units, it seems advisable in the Belgian context to promote separate evaluation units, as fostering evaluation culture needs clearly identifiable and responsible champions.
- The UK dissemination strategy to publish all evaluation research reports, is commendable. Also the use of evidence papers is good practice, and can be used to customize policy relevant information to a broad range of users.
- The UK's advanced experience with independence through competition is difficult to transfer to a case with a small domestic evaluation market. In the latter case, it seems more interesting to invest in stable knowledge institutions with a role in evaluation, and in (inter)university research programmes with a mission to evaluate. At the same time, it would be good for bigger and smaller states to exchange experiences with internationalizing their evaluation markets.

Questions

- How is mutual appreciation of time frames between civil servants and ministers fostered?
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- How are civil servants trained in evaluation? How does the Department ensure their analysts are competent in evaluation research and/or evaluation commissioning?
- Why does impact assessment come after the selection of the preferred option, and not earlier in the policy cycle to support this selection?