

## **Mutual Learning Programme**

DG Employment, Social Affairs and Inclusion

Key policy messages from the Peer Review on 'The French Guarantee for Youth' (a particular measure within the broader context of the Youth Guarantee)

Paris (France), 7-8 April 2016





## **EUROPEAN COMMISSION**

 $\label{lem:condition} \mbox{ Directorate-General for Employment, Social Affairs and Inclusion}$ 

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Luxembourg: Publications Office of the European Union, 2016

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## 1 Introduction

## 1.1 Background and purpose of the Peer Review

The Peer Review focused on the experimental 'Guarantee for Youth' (*Garantie Jeunes*) measure implemented in France to integrate NEETs aged 18-25 years into the labour market. The event was hosted by the French Government's General Delegation for Employment and Vocational Training (DGEFP). It brought together Ministry officials and independent experts from Croatia, Estonia, Finland, Germany, Ireland, Latvia, Poland, Portugal, Spain, and Slovakia, as well as representatives from the European Commission.

With a rate of youth unemployment above 23% and a share of NEETs of 12.5%<sup>1</sup>, the situation of young people in France has called for specific measures in order to help the most vulnerable of them to gain autonomy and integrate into the labour market. To address this issue, the French authorities have presented a series of specific measures as part of their Youth Guarantee scheme. Among these is the experimental Guarantee for Youth measure which combines a first professional experience with financial support for vulnerable young people.

The Peer Review gave the participants the opportunity to discuss various challenges relating to the labour market and social integration of NEETs. Based on the model of the Guarantee for Youth, the participants discussed the relevance of local-level targeting and partnership strategies as well as the best ways of incentivising NEETs and of securing the engagement of employers. Discussions also focused on innovative performance monitoring approaches to ensure that measures targeting NEETs have a lasting positive impact on the participants.

## 1.2 The Peer Review in a page: headline messages and policy implications

The key policy messages from the Peer Review are summarised below:

#### **EFFECTIVE WAYS OF SUPPORTING NEETS**

- A **combination of counselling, mentoring, advocacy and guidance** delivered by dedicated and specifically trained professionals. The role of the counsellor is essential in building trust and enabling the process.
- A **combination of training and work experience** components in a **real work environment**. Giving young people the opportunity to discover the world of work is also important for them to develop their social skills and understand their role as citizens.
- The promotion of group activities and "peer-to-peer" support to build selfesteem and new social ties as well as to give participants the opportunity to identify their "hidden" skills.
- Building on youth work approaches helps not only to reach more young people, but also to ensure that more young people are better motivated to engage successfully with public authorities. Principles such as voluntary participation, a non-judgemental approach, and mutual respect are preferred by young people, especially those from disadvantaged backgrounds. These principles empower young people to make informed choices about their future.

<sup>&</sup>lt;sup>1</sup> Farvaque, N. (2016) Host Country Discussion Paper – France. The French Guarantee for Youth: experiencing a new approach to help young vulnerable people to gain autonomy. Peer Review on 'The Guarantee for Youth (a particular measure within the broader context of the Youth Guarantee)'. Paris (France), 7 – 8 April 2016

- Developing an **understanding of how the young person learns** in order to choose the right pathway and maintain their engagement.
- Tailoring and updating training and activation programmes to the fastchanging demands of the labour market.
- Providing financial support acting as a safety net for vulnerable young NEETs taking part in a measure. A monthly allowance or other forms of financial support (social benefits, coverage of costs related to the measure – e.g. commuting costs) increases the retention rate of NEETs in ALMPs.

#### **EFFECTIVE WAYS OF IDENTIFYING AND ENGAGING EMPLOYERS**

- Proactively reaching out to small companies and local employers to better understand their needs and to explain how they might benefit from measures targeting NEETs.
- Tailored engagement strategies in relation to the different needs and characteristics of companies (size/sector/type of work), to find out what they can offer and how they can benefit.
- Alternative means of support such as regular mediation, as opposed to financial incentives only. Indeed, wage subsidies or grants sometimes entail a level of bureaucracy and may be connected to formalities and regulations that companies perceive as restrictive and burdensome.
- Testimonials from business ambassadors or champions might help change employers' common perceptions about NEETs.
- Short-term work placements offer an opportunity for the employer to get to know about young NEETs and encourage more inclusive hiring practices as a result.
- Creating links with chambers of commerce and sector organisations to facilitate engagement in the provision of offers and improve the relevance of youth training programmes to the labour market.
- It is important to **'mentor' the companies** to understand what they need and how they can support certain groups. This could for instance include:
  - ✓ Providing support and advice for employers to work with young NEETs
  - ✓ Support to in-company teachers and trainers, and close collaboration between guidance professionals and in-company teachers and trainers
  - ✓ Providing support, advice and pre-selection services for employers to gain better access to the labour pool and to improve their recruitment practices.

### GOOD PRACTICES IN MONITORING AND EVALUATION

- Measuring the "distance travelled" by the individual as well as reviewing the process and institutional aspects rather than purely focusing on the beneficiary's integration into the labour market.
- The design of **innovative performance indicators such as "level of autonomy"** to guard against the likelihood of NEETs re-entering support programmes and to allow for the adjustment of programmes to improve their cost-effectiveness.

#### **MESSAGES ON NEET POLICIES**

- NEET pilots should not be "watered-down" when they are mainstreamed (examples of well-funded NEET pilots of which counselling and ALMP services were considerably cut-down when the measure was realised in a national programme, with negative consequences on results, were given)
- In general terms, although youth sector actors across Europe champion crosssectoral, inter-agency collaboration, this ethos still rarely translates into concrete action at local level – a much more work is needed to make a multiagency working a reality at local level.
- There is no clear-cut distinction to be made between work-first and train-first approaches. The umbrella of Youth Guarantee initiatives may include both workfirst and train-first initiatives, although countries tend to lean in to one direction more than the other
- Concentrating low threshold youth services in one-stop-shops in local communities tends to help with the quality of information, guidance and counselling services. It can also improve NEET retention.

## 2 The French approach to integrating NEETs: the Guarantee for Youth

#### 2.1 Introduction to the Guarantee for Youth

The French Guarantee for Youth is an experimental measure providing a first professional experience and a financial resource to the participants. It is implemented by local bodies, mainly the Missions Locales (MLs) which are local-level public structures<sup>2</sup> linked to the Public Employment Service (PES), providing a range of support activities (one stop shops) to facilitate the social and professional integration of all young people aged 16-25 not in education, employment or training (NEET).

This measure is specifically targeted at young vulnerable NEETs aged 18-25 (with possible exceptions for 16-18 year-olds) and involves a one-year contract between the participant and the ML, describing their mutual agreement, renewable once. Participation in the measure is voluntary and there is also a short selection process for participation.

The Guarantee for Youth started out in 2013 as a pilot in 10 *départements* across France. It has now extended to 72 *départements* and all the remaining are expected to introduce it by the end of 2016. It is expected that 100,000 young NEETs will have joined the measure by the end of 2016.

#### 2.2 Innovative features

The experimental Guarantee for Youth complements the "mainstream" Youth Guarantee in that it targets the specific sub-group of vulnerable young NEETs. The Guarantee for Youth is also useful for finding alternative solutions which can then be worked into the "wider" Youth Guarantee.

The measure is built around two distinctive, innovative features, which are new to French NEET/school-to-work transition measures. The first one is that it explicitly targets young people identified as being in vulnerable and precarious socio-economic conditions (e.g. in poverty, no family ties, no financial support from family, criminal background)<sup>3</sup> with the aim of making them autonomous, i.e. being able to provide for themselves in society.

In practice, this means that the participant selection criteria does not only take into consideration education and labour market status (i.e. NEET) or the reasons for difficulties in accessing employment (i.e. lack of qualifications) but in addition, seeks to assess the "level" of vulnerability of participants (i.e. the financial situation of the family, the level of financial support from family if living independently, family connections or lack of, etc.). Young people are identified by the MLs through specific partnerships with municipalities, schools, social workers and outreach workers.

The second innovative aspect of this measure is that participants receive a means-tested monthly allowance which is close to the minimum income for one single person and which decreases with remuneration above a certain threshold. It is a means-tested monthly allowance of EUR 461 that can be combined with wages up to EUR 300, decreasing beyond that amount (up to a level equivalent to 80% of the gross minimum wage, i.e. EUR 1,165)<sup>4</sup>. The monthly allowance acts as a particularly important safety net for those young people with limited rights to social protection schemes.

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<sup>&</sup>lt;sup>2</sup> Financed by local authorities and the state.

<sup>&</sup>lt;sup>3</sup> It is the first time that employment or school-to-work policies for young people explicitly include a "vulnerability" criteria that partly relate to the financial resources of the young people and his/her family.

<sup>&</sup>lt;sup>4</sup> Farvaque, N. (2016) Host Country Discussion Paper – France. P6.

Figure 1. Innovative features of the Guarantee for Youth

Participant criteria going beyond education, training & employment status or difficulties in accessing such opportunities, to include socio-economic conditions such as the financial situation of the participants and family connections (social, financial and family considerations)

A **means-tested monthly allowance** combined with wages (which is of particular importance for those with limited rights to social protection)

### 2.3 Services

The implementation of the measure from the perspective of a young person focusses on two different types of activities. First, for the first six weeks, the participants attend group activities carried out by the ML centred on motivation and confidence-building. Some group sessions are more traditional while others are more innovative and test new approaches to working with this target group. This period is considered beneficial for the young person but there is also certain flexibility to reduce this period if the participants is keen on starting the 'work experience' and there is an opportunity available. During this initial period, two counsellors work in tandem by organising recreational and group-building activities to identify and develop the participants' strengths and soft skills in the work environment.

After this initial period, individual support and follow-up is provided. The individual support provided is primarily based on the work-first approach. The participants go through a recruitment process involving the ML and local companies after which they get selected to do a short work placement(s) in a business environment (*immersion professionnelle*). The aim is to offer a plurality of professional experiences to the participants during the one-year period of support that can also be complemented with training. Indeed, while the measure emphasises the "work first" principle and "immersions" in a business environment, it does not preclude the provision of (on-the-job) training opportunities for the participants.

There are two stages to the process of company *immersions*: a first "discovery" stage which is akin to an observational period followed by a "confirmation" stage for young people who already have a professional project. The participants are coached and encouraged to find work experience placements by themselves.

Figure 2. A summary of the key features of the measures from the participant perspective

First 6 weeks: **Group activities** (recreational, motivational, soft skills) and counselling & support offered by staff in pairs

**Individual** support and guidance, follow-up actions

"Company immersions" / work placements

Up to 12 months: Additional financial support

Source: ICF on the basis of material from Farvaque, N. (2016) Host Country Discussion Paper – France.

After 12 months if participants have not found employment, placement or training, they can return to the regular ML provision or the Guarantee, but without the additional financial support.

The idea behind the Guarantee for Youth is also to help companies change their hiring practices to help those young people in difficulty. Large companies have well developed HR systems. However small companies have no recruitment strategy and hire on short notice. The idea is to work with small companies to improve their recruitment practices, encourage them to see value in recruiting young people and taking them on placements, and to work on demand and supply of labour. At the same time, the role of the ML is to help small companies mentor the young people. Assistance is provided by the ML within

the first few weeks of participation and then follow up actions take place after 3, 6 and 12 months.

Employers in the retail sector in particular have played a major role in accommodating young people in the context of the measure, and the retail sector itself can potentially help these young people identify occupations for which they want to train further.

#### 2.4 Coordination mechanisms

The Guarantee for Youth took shape following the National Conference on the fight against poverty and social exclusion of December 2012 and the Multi-annual Plan against poverty and for inclusion of January 2013. The state oversees the implementation of the Guarantee for Youth, in the context of the wider Youth Guarantee scheme.

The state decided to delegate implementation and management of the Guarantee for Youth (mainly) to the MLs<sup>5</sup> because the local level was deemed the most appropriate for reaching out to young people in need of support. As small associations, MLs have a grassroots level reach and can adapt to local situations very easily.

The state co-organised the deployment of the Guarantee for Youth by drawing up common specifications for the measure at the national level, formalised in a decree and defined in a contract. The rationale was to encourage the development of mediation practices between employers and young people for the benefit of both. This process has led to the formulation of three main policy axes which are to develop adapted services for all young people, strengthen local partnerships, and establish monitoring practices. The state takes part in the process of administering the measure, delegating certain responsibilities (including the selection of young people) to local-level prefects.

### 2.5 Outputs and results

Although it is too early to make assessments about the measure in terms of efficiency and effectiveness, some early results were discussed at the event. First of all, the measure appears to be very much appreciated by the front-line counsellors and young people. The new approach of combing group and individual actions as well as additional financial support are seen as very positive. The measure falls slightly short of the main first output target of involving 50,000 NEETs by the end of 2015: 86% of this was achieved with nearly 43,000 participant joining between November 2013 and December 2015<sup>6</sup>.

The MLs together with local partners appear to be reaching out to the members of its target group. Almost all are classified as NEET and four-fifths have no or a very low level qualification.

Monitoring data from December 2015 show that 83% of the participants have spent at least one day in a company after two months of support<sup>7</sup>. The length of time spent in company *immersions* generally varies based the young person's situation, motivation, and performance at work.

In terms of outcomes, limited evidence is available at this stage (based on the situation of 6,059 young people who had completed the 12 month programme by the end of 2015) and they indicate that 43% moved into employment or training following their

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<sup>&</sup>lt;sup>5</sup> The state has supported the development of MLs over the last 30 years and in the last 10 years MLs have developed programmes in line with EU guidelines for youth employment. MLs are now present nationwide and have contributed to strengthening local-level partnerships. The state is a partner, funding stakeholder, and facilitator for the MLs. It is involved in the design, monitoring and assessment of the MLs and their programmes. It facilitates local-level partnerships giving them a formal dimension and driving them forward.

<sup>&</sup>lt;sup>6</sup> Presentations and Farvague, N. (2016) Host Country Discussion Paper - France. P6.

http://travail-emploi.gouv.fr/actualites/presse/communiques-de-presse/article/la-garantiejeunes-s-etend-a-19-nouveaux-departements#

participation in the measure<sup>8</sup>. Further 9% gained at least 120 days of experience in companies during the programme.

An initial positive outcome is a trend of decrease in the amount of financial assistance awarded by the programme to its participants over the 12-month period. It reduced from the average of EUR 335 a month at a 6-month point to EUR 277 by the 12<sup>th</sup> month<sup>9</sup>. This indicates that more participants started to receive a salary, or a higher salary, towards the end of their time on the measure.

## 2.6 Experience from the Mission Locale in Calais

There are 9 MLs in the Calais district. These 9 branches work with the PES (through regular meetings every 2 or 3 months) with the aim of giving every young person the possibility to get a job or at least increase their employability. The notable role of the local PES in relation to MLs is to better organise all stakeholders involved and introduce the ML to other partners (e.g. social welfare).

Regarding the practical organisation of the Guarantee for Youth in Calais, the ML has implemented a short selection process to avoid any negative effects on the motivation of the young beneficiaries. Information meetings are organised every month in the premises of the ML, followed the week after by an individual interview to gain a better understanding of the motivation of the young person. A few days later, a selection committee decides which young persons are suitable to take part in the measure which then begins a week or two after the selection process ends. During the first six weeks, the beneficiaries take part collectively in thematic workshops to restore their confidence and work in a team. After this period, the participants go on to do short-term placements, also known as company *immersions*.

Case managers in the ML in charge of the Guarantee for Youth have received special training from the DGEFP, focusing mainly on fostering relationships between local employers and the ML. In Calais, this led to a shift from a "soft enforcement" approach to a more responsive approach to an employer's needs. Whereas a case manager used to go and ask an employer to offer a traineeship for a designated young person, the new approach involves discussions with the employer about the type of job offered and the needs of the company before the case manager puts forward a potential young candidate with a suitable profile. Besides, the ML places a strong emphasis on the need for a detailed and regular follow-up with the employer (after 3, 6 and 9 months of collaboration).

The benefits of the Guarantee for Youth were strongly acknowledged by employers, and particularly short-term placements (week-long company *immersions*) which better help them assess the suitability of a young person for a job compared to a simple interview. This also shows that employers often decide to recruit young people based on their soft skills (*savoir-être*) rather than only on their know-how (*savoir faire*).

## Box 1: Real life employer and young beneficiary experiences

The employer present at the round table discussion explained that in his company of 55 employees, 7 young people did a short-term placement under the Guarantee for Youth. Among them, 4 went on to sign a short-term contract (from 3 weeks to 9 months) with the company. According to the employer, one of the main benefits of the Guarantee for Youth is that both the on-the-job try-out phase and the initial assessment carried out by the ML counsellor give him as an employer the guarantee that the young beneficiary is a suitable and trustworthy person and this means it provides the company with a reliable source of employment. Besides, the measure provides added value to the employees of the company who have felt empowered to

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<sup>&</sup>lt;sup>8</sup> Farvague, N. (2016) Host Country Discussion Paper – France. P6.

<sup>&</sup>lt;sup>9</sup> Farvaque, N. (2016) Host Country Discussion Paper – France. P6.

contribute to the on-the-job training of the young beneficiaries, and it also benefits the young beneficiaries by helping them to acquire self-confidence.

At the round table discussion, a young person (Jordan, 21 years old) that benefited from the measure shared his experience. After a one-year training course in car bodywork repair (first year of CAP – Certificate of Professional Competence), Jordan decided to work in another sector. As he was searching the Internet for training opportunities, he came across the Guarantee for Youth. This led him to contact his ML and to then attend an information meeting. While taking part in the Guarantee for Youth, Jordan was exposed to different occupations for short periods of time. He then did a short-term placement in a logistics company. The week-long placement then turned into a one-month contract and then into a 6-month contract. This was only made possible thanks to the Guarantee for Youth as the initial short-term immersion was enough to convince the employer that Jordan would be an asset for the company.

A question was raised about the relevance of week-long company *immersions* to give beneficiaries exposure to an occupation. The Calais ML responded that what is important is not the length of the placement but the mentoring and follow-up work during and after the placement.

Another question was raised in relation to the targeted, as opposed to universal, approach of the Guarantee for Youth and to what happens for those young people that were not selected. It was recalled that the Guarantee for Youth is only one out of many measures targeting young NEETs. Those who are not selected for the Guarantee for Youth can then be redirected towards another measure. Besides, it was stated that the selection process is not stringent in that it does not test applicants' performance during the interview. Furthermore, the measure is indeed open to all vulnerable young NEETs with the concept of "vulnerability" being not just limited to a measure of economic poverty. Furthermore, the representative of Calais ML explained that attracting young people to take part in the measure requires a lot of work and the help of other partners such as youth organisations and other NGOs.

## 3 Discussion points

## 3.1 Work-first and train-first approaches<sup>10</sup>

The debate about the effectiveness of work-first vs. train-first driven youth activation strategies is linked to the Youth Guarantee and consequently this was also discussed at the peer review. This discussion stemmed from the fact that at its core, the French example of the Guarantee for Youth is based on the principle of work-first. The idea is to place young people into a work environment first; to expose them to various situations in multiple business environments so as to help the participants gain confidence and develop a realistic professional project. This approach is also seen as useful for companies who can test young people before recruiting them and possibly change their common perceptions and challenge their negative stereotypes.

This guiding principle was adopted following many policy evaluations and research assignments concluding that the low-skilled youth tend to be keener to enter the world of work than to go back to school. This is usually a result of previous negative experiences in school or as a result of need to provide for a family.

Further investigation into the French measure however allowed the participants to learn that no such clear-cut "label" of "work-first initiative" could be put on the measure. First, the work-first principle in the Guarantee for Youth does not preclude the provision of training and young people also learn soft skills while working. Additionally, the aim of the measure is not simply to get young people into employment. The mentoring work that goes on in the background is all the more important as it encourages young people to seek to learn new skills just as much as it encourages them to work and earn a living.

Also, articulating education and employment policy to improve school-to-work transitions is now an objective pursued by the French government in a country where these two fields have traditionally been kept separate. Progress is being made in this respect, in particular to support early school leavers, through better cooperation between the employment and education ministries. This is also the case in other countries, partly through initiatives for the recognition and validation of skills acquired through work experience (e.g. Portugal).

Similarly "blurring" boundaries between work-first and train-first approaches could be found in countries dominated by train-first driven youth policies. Traditionally, Estonia, Finland, Germany, Latvia, Poland and Portugal for example have been more focussed on "enabling" youth strategies – strategies in which employability tends to be enhanced through the provision of E&T opportunities first.

In Finland and Latvia for example, the Youth Guarantee and associated measures targeting NEETs tend to have a strong training component as they focus on the concept of "job readiness" rather than work-first. In this way they seek long-term, sustainable improvement in the employability of the most vulnerable. Following individual assessment and action planning, the focus is on tailoring a pathway, which seems most appropriate in the particular situation with a possibility for multiple interventions (e.g. rehabilitation, training, guidance, etc.). The criticism of this approach however has been that too many young people have not received real-life worklife contacts during their time on this pathway. Many also "drop out" of this path in order to enter employment. Consequently, train-first approaches have been complemented by many work-first initiatives, usually those involving wage subsidies for companies if they take on young people (e.g. Estonia, Finland, Slovakia, Spain). Poland is an example of another country

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<sup>&</sup>lt;sup>10</sup> The train-first approach is focused on investment in human capital to improve the employability of those currently claiming benefits, particularly for people with a weak position in the labour market. The work-first strategy emphasises entry into employment, with services provided to encourage integration into employment and get individuals off the welfare roll. Source: Leigh-Doyle S (2013) PES approaches for sustainable activation of low-skilled adults and youth: Work-first or train-first? European Commission.

where the Youth Guarantee includes a mix of both work and train first driven policies (see Box 2)

Countries with strong dual education and training systems, including Germany, have the integration of NEETs into the dual vocational training system as the guiding principle. While the dual systems have *enterprise-based activity* at their heart, the overall focus however is on increasing participation in VET. One of the VET focussed pre-vocational schemes in Germany (*Einstiegsqualifizierung*), which targets young people who could not find an apprenticeship training place, is illustrated below.

#### Box 2

#### Your career, your choice, Poland

In Poland, the *Twoja kariera, Twój wybór* (Your career, your choice) measure offers a variety of professional and vocational experiences for young unemployed, which are called "immersions"; some of these immersions are work-first while others are train-first focussed. Each person is allowed to take part in up to five (out of six) immersions and the PES is obliged to finance them.

## Pre-training measure (Einstiegsqualifizierung), Germany

The objective of this measure is to facilitate transitions from school to vocational training and then towards professional orientation. The rationale is to offer young people the opportunity to learn about an occupation. It was introduced in 2007 and is now a well-established measure with approx. 11,000 participants on the programme at any one time.

The measure offers long-term in-company internships (6-12 months) combining in most cases vocational on-the job training elements and school-based training, following the logic of the German dual scheme. There is the possibility to get certain modules recognised for subsequent vocational training.

Subsidies of the PES to employers include EUR 216 per month plus a lump sum contribution towards social security costs.

The measure is proving successful with more than 60% of participants getting enrolled in vocational training after participation in the measure.

Overall, the dialogue on this matter led the participants to conclude that:

- The two approaches (work-first vs. train-first) are not mutually exclusive;
- The umbrella of Youth Guarantee initiatives may include both work-first and train-first initiatives, although countries tend to lean in to one direction more than the other; and
- Both approaches come with their own strengths and weaknesses.

## 3.2 Effective ways of motivating and supporting NEETs

Many lessons about motivating and supporting NEETs were debated during the event and some of the key points are summarised below.

#### Supporting NEETs through a combination of group and individual support

The participants were impressed with the two-pronged approach to support the participants of the Guarantee for Youth, which includes both group and individual guidance. The initial six-week collective period in small groups of around 15 young people, which is the preparation phase prior to immersion in the business environment, is meant to empower isolated young people through socialisation and teamwork activities. Young people can identify their own strengths and skills within their team through peer-to-peer collaboration. The collective element of the measure is innovative and thus quite unique in that it replaces more conventional forms of training and other

support activities whereby the counsellor is usually responsible for identifying the young person's strengths and skills.

This collective approach is very much appreciated by the ML counsellors who find it quite demanding in that it is a new approach and presents some practical challenges in relation to facilities, but it has many advantages too; including a better and closer relationship between the counsellors and the participants through more intensive and frequent contact in a small group environment that one-on-one support could not allow

The six-week collective support is followed by one-on-one mentoring for the remaining time in the measure, with ML counsellors working in pairs with each young person. This working arrangement notably enables the counsellors to support and complement each other's work and exchange information on the young person enrolled in the measure.

The peer country comments suggest that this combination of group and individual guidance is prevalent in many smaller initiatives but less widespread in national mainstream youth employment policies. Finland, Ireland and Spain have experience of this while countries like Germany, Latvia and Slovakia do not have the same experience at national level. In Ireland and Spain, this materialises through the Youth Guarantee. In Ireland for example, there is a group engagement within two weeks of selection for activation through the Youth Guarantee. This is followed by a one-to-one follow-up with the individual's case officer and monthly reviews up to the point of Youth Guarantee "offer".

## The "power" of empowerment

Empowerment is one of those intangible objectives which should accompany any NEET measure but which is not easy to achieve and often ignored. Empowering involves giving the participants the confidence to take charge and make the right choices for their future. Rather than doing everything for the young people through allocation of different ALMPs, the intention of the French policy to provide the participants with the necessary resources to enable them to develop their own capacities for individual and social transformation, and to take control of their own lives 11, was a principle appreciated by the peer review audience.

An empowerment focussed approach needs to run through the strategy, services and staffing decisions. Frontline staff, including counsellors and mentors, are at the forefront of this work. The policy decision to allow a manageable "case-load" for ML staff to deliver the group and individual support was a key element separating it from most comparable policies from across the EU discussed at the event. The ML staff working within the Guarantee for Youth have a case load of approximately 50 NEETs. This is a significantly lower than the case load of counsellors of other projects and NEET counsellors in other countries. The ML counsellors themselves are used to working with 100 NEETs each. Participants from other countries reported extremely high caseloads, often unmanageable and sometimes without any maximum limits.

MLs indeed have a specific budget to recruit counsellors for the Guarantee for Youth and train everyone working on the measure for five days. This has brought its own challenges in that the number of staff at some MLs has increased by 15-20% over a very short period of time and the process of recruitment and training takes time and resources.

#### One-stop-shop NEET services: clustering and specialising youth services

One of the strong points of the French measure is that the main delivery vehicle, MLs, are grassroots-level one-stop shops open to all young people aged 16-25 not in education. They have the experience of offering advice in different fields, from employment and training to health, housing and citizenship, under "one roof". They are

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<sup>&</sup>lt;sup>11</sup> Ibid.

specialised in serving unemployed and inactive youth and staff have a good understanding of the challenges faced by this target group.

Most of the participating countries (e.g. Estonia, Latvia, Portugal, Slovakia) do not have similar inter-agency structures at local level. This means that the NEETs may need to navigate by themselves from one service provider to another, increasing the risk of getting lost in the system. Ireland operated a one-stop-shop type of service for the Youth Guarantee pilot but this approach has not been mainstreamed.

In Germany however inter-institutional cooperation at local level and the provision of integrated services for disadvantaged young people have been improved in recent years. 'One-stop-shops' (e.g. *Arbeitsbündnisse Jugend und Beruf* - young people and career alliances as well as *Jugendberufsagenturen* - youth employment agencies) have been established at local level, which are offering low-threshold services for hard-to-reach groups. These projects are linked to the role of youth welfare agencies in providing labour market services (including vocational orientation) for those NEETs who are not registered with the PES.

Croatia and Finland are currently developing similar services (Finnish example in Box 3). Croatia has been developing an institution similar to the ML in France through the project Lokalne inicijative za poticanje zapošljavanja.

### Box 3: Ohjaamo one-stop guidance centres in Finland

The purpose of *Ohjaamo* one-stop guidance centres is to empower young people in relation to education, work and society at large. This measure was introduced in 2015 and is an offshoot of the "national" Youth Guarantee scheme. It is implemented through one-stop guidance centres open to all young people wishing to get advice and support to establish themselves professionally.

These centres provide personal advice and guidance, support in life management, career planning, social skills and capacity building as well as education and employment support. Furthermore, young people who get involved are actively encouraged to suggest activities for their empowerment and to review the services provided by the guidance centres.

Ohjaamo centres are located in easily-accessible areas for young people, in places where they spend time anyway, such as shopping malls. The services are offered by a range of professionals, such as youth counsellors, study/careers counsellors, social workers, youth outreach workers, psychologists, role models and nurses. Each person accessing the service is also assigned a designated counsellor.

The measure is coordinated by the Ministry of Economy and Employment but involves several stakeholders including the PES, municipalities, schools, third sector organisations, businesses etc. All these stakeholders act together under a common brand and exist both as a network and as an online platform.

#### Financial incentives can be effective but not always most cost-effective

Financial support can be an effective way of attracting many NEETs to register and then engage in different services. It can also act as a safety net for the most vulnerable NEETs who are not within the remit of national social protection schemes. Also, a monthly allowance or other forms of financial support (social benefits, coverage of costs related to the measure – e.g. commuting costs) can increase the retention rate of NEETs in activation measures.

But the evidence from the peer review suggests that financial support needs to be accessible (over-complicated paperwork and delay in receiving payments can be off-putting) and may not always be the cheapest option. The approach of the French measure which combines salaries with additional benefits – and which can be tapered off with increases in salaries – was seen by the participants as a new and innovative

approach. But it also an approach which is not (easily) transferable to other countries/contexts due to regulatory or system-specific barriers.

Instead, most countries rely on financial incentives for employers or financial support for completing or attending ALMPs assigned to them. In Estonia for example, the "My first job" measure introduced in 2015 provides a year-long wage subsidy and covers the training expenses of young NEETs registered with the PES for up to two years.

## 3.3 Effective ways of involving employers

As already explained above, the Guarantee for Youth seeks to change the role of MLs and their counsellors from a "passive mediator" between young people and employers to an "active" one. In relation to employers, this means proactively reaching out to small companies and local employers to better understand their needs and to explain how they might benefit from taking on NEETs on a placement or recruiting them. Instead of waiting for job advertisements from companies, the measure expects ML counsellors to contact and visit employers and encourage them to create new positions and make existing positions available to this target group. In this way employer are informed about the initiative, the financial assistance available and the benefits of potential participation (i.e. able to take on young people at no cost and test their suitability to a job in the company). The measure is also complemented with the CIE Starter initiative which subsidises employers to hire NEETs.

Demonstrating a good understanding of the business and the market environment is also a way of securing the engagement of employers. It is also a way to make sure that the young person put forward by the ML counsellor is actually suitable both for the job on offer and the particular business environment of the company. This pre-selection work done by the MLs is attractive for employers who have jobs to purvey but who might not have the resources or the time to interview a high number of candidates.

Indeed, many employers value practical, process-related support (i.e. candidate screening through pre-interviews, dealing with bureaucracy related to subsidy schemes, teaching soft skills and workplace "rules", etc.) more than subsidies. In fact, wage subsidies or grants sometimes entail a level of bureaucracy and may be connected to formalities and regulations that companies perceive as restrictive and burdensome. In order to work, subsidy schemes need to be targeted and well-designed, combined with activation measures.

ML counsellors also seek to change employers' perception of young people, especially NEETs. The lack of work experience or social skills and, in some cases, the low relevance of school education to the world of work are some of the reasons which make some employers generally reluctant to hire young people, NEETs in particular.

Overall, this change in the approach from passive to active represents a significant cultural and organisational change for counsellors working for MLs. Subsequently the pace of change on the ground is slow and varied. However, the advantage for the counsellors to work with both groups (employers and NEETs) in a proactive manner is that they have a better understanding of expectations on both sides, hence are in a better position to reconcile them.

While ML counsellors in France aim to respond to this challenge, various other approaches exist in other countries. For example,

- Engaging business champions or ambassadors within the business community to make a positive case for young people is a strategy that is being explored in Ireland. In many countries, chambers of commerce play an important role in mediating with employers to change their perceptions about young people while giving them a platform to communicate their needs and expectations.
- Tailored information campaigns to different types of companies, according to size/sector/type of work.

In Spain, chambers of commerce work closely with employers under the Youth Guarantee's Integral Programme for Qualification and Employment (PICE) to adapt training programmes to the changing demands on the labour market. In Germany, chambers of commerce are very active in defining the content of training programmes through their links with the business community. This also allows them to raise awareness among employers about the importance of investing in young people for the future.

Approaching employers at the local level is best achieved through network-based approaches involving a multitude of local stakeholders. This bottom-up approach has proved successful in Spain in the context of a Youth Guarantee preparatory action which brought together regional business federations and public authorities.

## Box 4: Pilot project in Gijón, Spain - "Youth Employment and Activation Agency" (YEAA)

The YEAA is a service hub for NEETs aged 15 to 30 years with a focus on the provision of personalised advice.

The success of the YEAA relies on a strong multi-stakeholder partnership to engage employers in the Asturias region. The YEEA also involves street counsellors (dinamizadores de barrio) in charge of reaching out to young people at high risk of exclusion and disseminating information about the project's benefits.

A unique aspect of this pilot project relates to its communication strategy with employers. This has involved the creation of a label entitled "Companies with our Youth" which companies taking part in the YEAA proudly use and display as part of their corporate social responsibility strategies.

The latest impact evaluation of the YEAA showed that the employment rate among its participants was more than three times higher compared to the control group.

The Guarantee for Youth and the other examples described here show that incentives for employers are therefore not just limited to subsidies or other forms of financial support in the context of youth activation programmes. Public authorities that successfully engage the business community work closely with employers to get a sense of their needs and expectations. The involvement of chambers of commerce or sectoral organisations in this mediation process is also particularly relevant.

## 3.4 Monitoring and achievement of sustainable outcomes

The Guarantee for Youth's performance is measured on the basis of a comprehensive and innovative set of indicators. Some are "traditional" (e.g. number of participants, number of drop-outs, number of days spent in companies) while others are new and thereby more "innovative" (e.g. time taken for the participant to reach the company; skills acquired through on-the-job training; NEET integration into the professional environment; autonomy of the young person; changes in the amount of financial assistance for the participants).

Particularly innovative indicators include the last two: the "autonomy" concept (i.e. ability for the young person to enrol in training or to find employment after taking part in the programme) and the calculation of allowance tapering based on the young person's participation in work-related activities under the measure.

#### **Box 5: Measuring autonomy**

The first particularity of the measure is that once the young person signs an employment contract, support continues to be provided. Even those who sign a permanent employment contract stay in the measure. After 12 months, the counsellors assess the young person's ability to be autonomous. If the assessment

shows that the young person can work and find work autonomously, then he/she is taken out of the measure.

The basis for assessing autonomy is the young person's ability to no longer need support or to know where to find support. The idea is to assess the extent to which young people can cope with life circumstances, in a professional context and beyond. How an individual might improve more generally without necessarily improving their labour market situation first is an aspect which is taken into account in the concept of "autonomy".

There are four indicators for measuring a young person's level of autonomy:

- social competency (getting accommodation, managing finances, and social skills);
- key competences (reading, writing, counting, communication clearly, and with IT);
- professional competences (transversal competences, work skills rigour, seriousness); and
- general maturity (knowing where to find support/resources when needed, a positive and engaging attitude).

The evaluation mechanism of the Guarantee for Youth has a strong qualitative dimension since mentoring is an important part of the measure. The favoured method is cohort evaluation whereby the characteristics and trajectories of the participants are compared against those of a control group. Such evaluation can have a major impact on a NEET measure. For example, in Ireland, a counterfactual evaluation of the "Back to education" programme (second chance education programme) produced negative results with participants having 48% less chance of going into employment than non-participants. This led to a radical overhaul of the programme's processes and content.

The participants concluded that there needs to be a shift from simply considering "employment situation at the end of the programme" as the main indicator determining the success of a programme, especially for programmes targeting young people as their entry into the labour market today happens through short-term contracts. (In France, only 15% of employment contracts are permanent.) Statistically, there is no way of knowing the exact stage at which a short-term contract is transformed into a permanent contract. Therefore indicators measuring "distance travelled" need to be strengthened. At the same time, evaluation methods also need to take into account the processes and institutional aspects of programmes so that they can be regularly improved on.

## 4 Lessons learned and priorities for the future

The Paris peer review provided an interesting and insightful opportunity to learn about a national, dedicated approach to support for the most vulnerable NEETs. The discussions and comparisons with initiatives from other countries revealed that the Guarantee for Youth employs many of the same ingredients than other similar, successful policies across Europe (e.g. proactive work with employers, local multiagency collaboration, one-on-one mentoring/counselling, work placements, etc.). There was agreement that particularly distinctive features of the French measure include:

- Strong ethos of "empowerment" and "autonomy",
- Commitment political and financial to ensure a low caseload for frontline staff,
- Strong work-first principle (albeit opportunities for education and training are not ruled out) with a means-tested allowance,
- Combination of group (for peer learning and trust building) and individualised guidance and support,
- New mechanisms for assessing vulnerability, and
- Innovative monitoring framework.

In terms of priorities for future, two issues were brought up. First, NEET pilots should not be "watered-down" when they are mainstreamed. Participants gave examples of well-funded NEET pilots of which counselling and ALMP services were considerably cut-down when the measure was realised in a national programme, with negative consequences on results. Public sector restructuring can also hamper the mainstreaming of successful NEET pilots. These are worth bearing in mind as the Guarantee for Youth is mainstreamed: financial stability fosters innovation.

Second, partnership work gathering stakeholders from the public, private as well as the third sector is critical to the success of youth policies. Although all actors champion cross-sectoral, inter-agency collaboration, this ethos rarely translates into concrete action at local level – a much more work is needed to make a multi-agency working a reality at local level.

The peer review also yielded several lessons. Starting with financial ones, employer subsidies can be effective but it is important to remember that many employers value practical, process-related support (i.e. candidate screening through pre-interviews, dealing with bureaucracy, teaching soft skills and workplace "rules", etc.) more than subsidies. Work placement measures for NEETs should take this into consideration, together with considerations for the quality of placements (not only quantity) and safeguards against exploitation. Furthermore, granting means-tested benefits for programme participation for NEETs can have a stronger motivational effect than the sanctioning of non-participation.

Second, there is no clear-cut distinction to be made between work-first and train-first approaches. As far as measures targeting NEETs with low or no qualifications are concerned, there is a common understanding that preparation for the world of work should involve a mix of education/training, guidance and counselling/mentoring, and on-the-job experience<sup>12</sup>.

Third, the French example together with German, Finnish and Spanish experiences demonstrated the value of concentrating low threshold youth services in one-stop-shops in local communities. Such concentration tends to help with the quality of information, guidance and counselling services. It can also improve retention when the participants are able to access most services in one place, rather than being sent off to access services in different offices.

<sup>&</sup>lt;sup>12</sup> And other services as/when needed.



