The European Commission Mutual Learning Programme for Public Employment Services

DG Employment, Social Affairs and Inclusion

YOUTH GUARANTEES:
PES APPROACHES AND MEASURES FOR LOW SKILLED YOUNG PEOPLE

Thematic Synthesis Paper

May 2011
This publication is supported under the European Community Programme for Employment and Social Solidarity (2007-2013). This programme is managed by the Directorate-General for Employment, social affairs and equal opportunities of the European Commission. It was established to financially support the implementation of the objectives of the European Union in the employment and social affairs area, as set out in the Social Agenda, and thereby contribute to the achievement of the Lisbon Strategy goals in these fields.

The seven-year Programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA-EEA and EU candidate and pre-candidate countries.

PROGRESS mission is to strengthen the EU contribution in support of Member States' commitments and efforts to create more and better jobs and to build a more cohesive society. To that effect, PROGRESS will be instrumental in:

- providing analysis and policy advice on PROGRESS policy areas;
- monitoring and reporting on the implementation of EU legislation and policies in PROGRESS policy areas;
- promoting policy transfer, learning and support among Member States on EU objectives and priorities; and
- relaying the views of the stakeholders and society at large

For more information see:

http://ec.europa.eu/social/main.jsp?langId=en&catId=327

European Commission:

DG Employment, Social Affairs and Inclusion, Unit C.3 Skills, Mobility and Employment Services

Authors: Agota Scharle, Budapest Institute; Tina Weber, GHK Consulting Limited.

The information contained in this publication does not necessarily reflect the position or opinion of the European Commission
CONTENTS

1. BACKGROUND: PROVIDING IMPULSES FOR PES TO HELP IMPLEMENT YOUTH GUARANTEES

2. IMPROVING THE LABOUR MARKET SITUATION OF LOW SKILLED YOUNG PEOPLE IS A KEY GOAL FOR THE EU

3. ENSURING EARLY ACCESS TO PES SERVICES

3.1. Ensuring early contact calls for a proactive approach by the PES

3.2. Increasing use of social and other web-based media

4. STRUCTURING CORE AND YOUTH ORIENTATED PES SERVICES: THE ROLE OF SPECIALIST ADVICE AND POSITIVE BUY-IN FROM EMPLOYERS

4.1. Ensuring early access to services – guarantees for activation

4.2. Innovative approaches highlight the contribution of the PES to implementing different types of youth guarantees

4.3. PES approaches for young people: importance of specialist advice

4.4. Developing contacts with employers: close personal contacts are key

5. EFFECTIVE PES MEASURES: THE IMPORTANCE OF “REAL LIFE” WORK EXPERIENCE AND EVIDENCE-BASED PLANNING

5.1. Work first or train first: training works but is best combined with real life work experience

5.2. Use of targeted subsidies

5.3. Monitoring and evaluation needs to be improved

REFERENCES

REFERENCES
1. BACKGROUND: PROVIDING IMPULSES FOR PES TO HELP IMPLEMENT YOUTH GUARANTEES

Young people have been particularly hard hit by the recent economic crisis. This is particularly true for low skilled individuals and early school leavers. Long spells of unemployment in the early part of working life have been shown to have a significant effect on future career and earnings potential. This concern significantly shaped the priorities of the EU2020 strategy and the Youth on the Move flagship programme, and it was therefore agreed with the networks of Heads of Employment Services (HOPES) that Public Employment Services (PES) provision for low skilled unemployed should be at the heart of the first Peer Review and analytical paper of the new mutual learning programme for PES, the so called PES to PES Dialogue.

By identifying core elements of good practice, the Peer Review aimed to give impulses for the further development of PES services and in doing so, contribute to the implementation of youth guarantees for activation, enhance the provision of youth guarantees for training (through Active Labour Market Policy measures) and the new, refocused, more preventative youth guarantee in order to reduce early school leaving. This is enshrined in the Youth on the Move initiative, which emphasises the need for early intervention to prevent the scarring effects of unemployment and recommends that Member States "ensure that all young people are in a job, further education or activation measures within four months of leaving school".

This thematic paper summarises the main findings of the state of the art review of PES policies and practices provided in the analytical paper on the Role of Public Employment Services in Youth Integration; the comparative paper prepared for the recent Peer Review and papers prepared by national PES experts for the Peer Review (all available on the PES to PES website) and discussions at the Peer Review itself. Based on these sources, this paper summarises lessons in three areas: ensuring early access to PES services, structuring youth oriented PES services and improving the effectiveness of PES measures for young people.
2. IMPROVING THE LABOUR MARKET SITUATION OF LOW SKILLED YOUNG PEOPLE IS A KEY GOAL FOR THE EU

Over the last decade there have been considerable improvements in youth integration at least until the financial crisis wiped out much of the progress made. Up until 2008, the shares of persons who dropped out from school and who are not in education, employment or in training (NEETs) declined particularly in those countries which had severe deficits in this regard. There has been a common move towards better youth integration which can be linked to the activities of the European Commission and the strong efforts in the Member States, as well as the generally improved economic position in most Member States up until the financial crisis triggered a recession.

During the recent global economic crisis young people, particularly those with low levels of education, have been hit particularly hard. By the third quarter of 2010 the total unemployment rate for young people aged 15 to 24 in EU-27 countries rose to 20.5 per cent and thus it was almost twice as high as the total unemployment rate of 9.3 per cent (figure 1). The figure below shows data for the countries participating in a recent PES to PES Dialogue Programme Peer Review on Youth Guarantees. Among these peer review countries, Lithuania and Greece had the highest youth unemployment rates, while Norway and the Netherlands had the lowest rates. With the exception of Greece, the unemployment rate of low educated youth was considerably higher, up to twice as high as for youth with secondary (ISCED 3-4) education.

Figure 1 Unemployment rates for age group 15 to 24 by ISCED levels in %, Q3/2010

Source: Comparative Paper on Youth Integration 2011
Unemployment rates do not capture the full extent of the problem. In 2008, ten per cent of all young people in the EU-19 were not in employment, education, or training (NEET) and around two-thirds of them could be considered as being outside of the labour market while only one third was unemployed and looking for a job (Analytical Paper 2011; OECD 2010). Figure 2 shows that the Netherlands, Norway and Denmark had the lowest NEET rates among the peer review countries. Countries with very high shares in 1998, such as Italy, Greece, Hungary, Belgium and Poland were able to achieve considerable improvements in comparison to the situation in 1998.

**Figure 2**  NEET rate for age group 15-24 in %, 2009

Over the past decade, youth integration and especially ensuring access to vocational education and training (VET) or employment have received increased attention in many European countries. Activation strategies have become the dominant approach as part of the application of the European Employment Strategy, but with important variations across member states as regards the strictness of implementing job-search requirements, the obligation to accept a job offer or to take part in an ALMP, and the obligation of the PES to provide such job offers or places on active measures.

An increasing number of countries have defined rights for jobseekers, for example in the form of youth guarantees for activation. These rights create obligations for the PES
and local authorities to provide adequate measures for both young and adult job seekers.

The Peer Review demonstrated that a number of countries (for example Norway and the Netherlands) have already implemented the new youth guarantee and provided some indications on how to best implement the new youth guarantee and also the guarantee for activation which will be discussed below.
3. ENSURING EARLY ACCESS TO PES SERVICES

It is widely acknowledged that early activation renders an activation strategy more effective. Many EU countries have moved towards the early activation of unemployed young people during the last decade which is in line with international best practice according to the priorities of the European Employment Strategy and as recommended by the OECD (2010). This involves not only the timely provision of efficient and well targeted services but also that the PES must be in contact with young people in need of their services. It must also go hand in hand with a “prevention strategy” which seeks to ensure that young people are equipped with the right skills and capacities required for the labour market when they leave the education system. Young people should be ready for education, training or a job when they leave schools.

3.1. Ensuring early contact calls for a proactive approach by the PES

Evidence from many Member States shows that many young people who experience difficulties in gaining a foothold in the labour market only access PES services once they are already unemployed, or indeed not at all, particularly if they are not entitled to any form of benefit. This is in contradiction with the principles of the new youth guarantee set out above, which calls for early activation.

Access to income-replacement and welfare benefits allows for an easier implementation of mutual obligation approaches and eases outreach to young people. The provision of allowances for participating in an active labour market programme or for remaining in the education and training system helps to reach out to young people who would otherwise not contact the PES. In some countries financial incentives are offered to remain in training and to increase participation in post-compulsory education by offering allowances to young people from poor households if they remain in full-time education, for example in Finland and in Luxembourg (Anlytical Paper 2011; Paparella et al. 2008).

In the absence of access to such benefits, it is especially important that the PES strengthen co-operation between all key actors in the field of education and employment, as well as community groups.

As shown in the Peer Review meeting, motivating young people to contact the PES can take many other forms, the most important of which are briefly reviewed below.

Contact with schools, with PES advisors visiting schools, school classes visiting local PES offices or innovative activities for teachers

To ensure young people make use of PES services it is helpful to establish contact with schools in the final years of compulsory school, with PES advisors providing information and advice both to those who wish to stay on in education or vocational
training and to those who wish to leave the formal education system to find employment. The service provided can be through more general advice on PES services available to support labour market integration (labour market information, job/apprenticeship vacancy matching, assistance with job search etc.) or in the form of career guidance and counselling (either provided by the PES directly, or signposting to PES if offered by other providers).

**PES co-operation with schools in Austria**

Co-operation with schools, especially with lower secondary schools, has always been a cornerstone of the Austrian PES’ youth-related activities. PES local offices invite school classes into one of the 64 BerufsInfoZentren (BIZ, Career Information Centres). Good preparation by the schools themselves is a crucial part of the success of these visits. Preparatory work is done by specially trained teachers who closely co-operate with PES counselors working in the BIZ. The visits include a presentation of PES services for young people, including an emphasis on the importance of starting to think about career choices. During the visit, young people are asked to do some research on a job-related question put forward by BIZ staff and teachers. In 2010, 2,460 school classes visited the BIZ with around 50,500 students.

However, a number of PES identified the relatively high cost of visiting schools and of establishing vocational information centers in their offices and are therefore considering instead offering personal or on-line training to teachers and trainers in schools to render this process more efficient.

In Italy, for example, teachers are trained to provide vocational guidance and to provide information about relevant PES services. In Hungary, the PES also provide training for schools to make relevant form teachers aware of PES services, to allow them to pass this knowledge on to pupils before the leave school. In the context of more scarce resources, such activities can achieve an important multiplier effect.

In order to enable strong co-operation between schools and PES, it is important to determine the nature of joint working and information giving. As shown in the comparative paper, cooperation with schools can be settled through agreements at different levels: the national (e.g. Norway), regional (e.g. Norway, Germany) or local level (Netherlands, Denmark). In a number of countries, PES contacts to schools are established without formal agreements (e.g. Austria and Denmark). Contacting schools is considered to be easier in a decentralised system where schools have more autonomy.

In order to implement the new youth guarantee by ensuring that all young people are in a job, further education or activation measures within four months of leaving school, this co-operation and transfer of information is critical. A national commitment to making school leavers data available can be a significant advantage for PES as this significantly eases early contact with young people, particularly early school leavers.
### Provision of data on (early) school leavers in the Netherlands and Norway

The Netherlands and Norway have developed national level agreements which require schools to provide data on school leavers (including early school leavers) to the PES. This allows PES to make early contact with pupils in their last year of school (or upon leaving school in the case of early school leavers) to provide them with information on their rights and PES services.

However, implementation has to overcome some obstacles. In the Netherlands some issues were outlined with regard to the timeliness of the provision of data, as in some cases information is only ready when young people have already left, thus making early information giving more difficult.

### Outreach activities through links with NGOs, youth clubs, social services or other community actors

**Outreach activities beyond schools** appear to be particularly relevant for those young people who have already dropped out of school and for particular client groups such as migrant communities, or young people with additional barriers to overcome in their integration to the labour market (such as debt, drug or alcohol problems). Such links tend to benefit from an age and culturally diverse profile within the PES services themselves.

The simplest form of contact is **distributing printed material**, such as leaflets and brochures with information about PES services for young people at places frequented by the target group, e.g. youth centres and special youth events. In some countries this includes material in foreign languages targeted at young people with a migration background.

Fairs, such as **apprenticeship fairs** may work well to bring apprenticeship-seekers and employers together especially if participating employers are invited to offer internships or job opportunities. Girls’ day or boys’ day can help to reduce gender segregation in occupational choice. Besides organising **jobs fairs**, PES may also participate at **cultural or sports festivals** where organisations are invited to set up stands offering information or activities of interest to the audience. There can also be particular added value in involving employers in such outreach activities.

**Hard to reach young people usually require special outreach activities.** These may include cooperation with youth centres and other relevant organisations regarding the transfer of information to visitors and referring youth to the PES. Examples also include projects where participants in ALMPs are recruited through street-workers or youth centres. The PR participants have identified contacts with NGOs working with youth or disadvantaged groups (e.g. migrants, drug addicts, orphans, disabled people), actors of ethnic and religious communities, and welfare...
agencies as especially useful. In France, outreach activities to disadvantaged neighbourhoods, migrant groups and youth clubs are organised by NGOs contracted by the PES.

**Reaching out to young people with a migration background in the Austrian PES**

The local PES office for young people in Vienna, which is confronted with migration-related problems more than other local offices, has started some initiatives within a comprehensive diversity management project including:

- Cooperation with youth centres regarding the transfer of information to visitors;
- Visits to mosques on Fridays after prayers in order to get into contact with parents and youths;
- Information events in mosques and culture clubs for youths and their parents in cooperation with the Advisory centre for migrants;
- Cooperation agreements with Turkish and Serbian newspapers regarding continuous reports on PES services for youths;
- DVDs in different foreign languages containing films on training and job-related matters and PES services to be shown in clubs and private homes (as DVDs are quite popular with migrants).

**3.2. Increasing use of social and other web-based media**

**Use of modern media** which “speak the language” of young people

Most PES are offering websites or web pages and other media campaigns (e.g. via YouTube) particularly tailored for young people. These include information about PES services, careers advice and signposting to other support services.

**Special web pages or sites for young people** are used in Austria to explain and offer services (“Arbeitszimmer” -workroom or study), including information on school education, apprenticeship training, university studies, etc. The “Berufskompass” (vocational compass) offers vocational orientation by answering 83 questions within 15 minutes and a game called “crazy jobs”. Similar dedicated pages are also available in other countries including the Netherlands and Germany.

While poor IT skills seldom create a barrier in this target group, the language of the new media and self service information channels has to be attractive. The participating PES noted that information needs to be presented in an attractive format and easy to understand language to be accessible to all.

The utilisation of social media such as Facebook is still in its infancy but is increasingly being considered as a way of attracting and interacting with young people which can also be found on Facebook.
Facebook pilot in the Swedish PES

This is a new initiative launched by the Swedish PES on 21 January 2011 with an aim to create a forum for people to meet and discuss issues related to employment and job search. A Facebook account for the Swedish PES was set up to represent the organisation at the national level. It is maintained by two PES experts who initiate discussions, answer questions, and mediate debates, but who are not supposed to engage in individual counselling (if requested they refer clients to their local PES).

PES postings come roughly one a day. They are typically passing on a link to news and information but can also be just a question to provoke discussion (e.g. the most popular one so far has asked: “What is your dream profession?”)

Swedish PR participants reported that the first few weeks proved to be challenging and it took some time to get meaningful discussion. During the first three months 2300 Facebook users ‘liked’ the Facebook account of Arbetsformedlingen and there have been on average around 6-12 comments to a posting. Some concerns have been raised within the organisation about possible legal implications and the prevention of misleading or incorrect information appearing in the comments. Such concerns can be handled if the forum is only used for disseminating general information and referring clients to sources of more individualised help.

For more information visit: http://www.facebook.com/Arbetsformedlingen?v=wall
4. STRUCTURING CORE AND YOUTH ORIENTATED PES SERVICES: THE ROLE OF SPECIALIST ADVICE AND POSITIVE BUY-IN FROM EMPLOYERS

This section elaborates on lessons from the research and the Peer Review regarding the structuring of PES services. It will begin by looking at how early activation can best be achieved in the context of the framework of a new youth guarantee for access to PES services. This includes the role of regulations (e.g. with regard to training guarantees and timing of the offer of ALMP measures) as well as access to – and conditionality of – cash benefits. It will then look at PES approaches to offering advice and guidance to young people (e.g. through generalist or specialist counsellors) and shed light on effective approaches to contact with employers and support offered to them particularly in recruiting and assisting young people facing multiple disadvantage.

4.1. Ensuring early access to services – guarantees for activation

In many countries young unemployed people are already a priority group for early PES intervention which therefore calls for early individual action planning and specific service offers. Different rules and procedure apply in different countries with regard to the timing of intervention for young people, the nature and level of detail of this early intervention and the subsequent frequency of interaction and services offered, as shown by the comparative literature quoted in the analytical paper and demonstrated by examples provided in the Peer Review.

For example, in Austria a first interview has to take place within 8 days after registration, in Belgium within 7 to 14 days. In Belgium, since mid-2000, school-leavers registered at the PES have to be activated during the “waiting period” before receiving a “waiting allowance” (OECD 2010). An individual action plan has to be prepared within 3 weeks in Austria, within 1 month in Hungary and immediately after registration in Denmark. In France, after the first meeting, interviews take place usually once a month after 4 months of registration, in Denmark at least every 3 months. Luxembourg undertakes boosted follow up interviews for low skilled unemployed younger than 20 years. It is not only the timing and frequency of such interaction which differs, but also the length of the first and subsequent client interview. This often depends on whether information needs to be gathered to support the receipt of benefits, but also relates to the timing of action planning.

While more and more countries are steering towards early intervention and early action planning, concerns remain about deadweight effects related to early intervention for young people who may easily find employment in the open labour market, as outlined in the analytical paper. As a result, in some countries early client meetings are brief (around 15 minutes) and primarily intended to establish existing skills and aspirations...
and the scale of the barriers a young person is likely to face in accessing the labour market. As a result of this they are subsequently channeled to differed intervention routes, but here significant differences remain between countries as to the nature and depths of profiling prior to segmentation (e.g. duration of first contact between 15-50 minutes). This remains a topic for more in-depth discussion.

**Regulations for early activation in the Danish PES**

Denmark applies very strict rules depending on the age of the unemployed: for instance for persons aged between 18 to 19 a job, education or active labour market measure has to be provided already within one month after registration for the duration of 6 months. Activation rules are strictest for young people under 25 years old without an upper secondary qualification and without children, as they will get intensive and focused guidance of between one week and one month after they have become unemployed and they are obliged to participate in an ordinary or special preparatory educational programme. The evaluation of the pilot phase of this package showed positive results (Analytical Paper 2011; OECD 2010).

Immediate activation takes place whenever a person applies for cash benefits from the municipality. If the municipality considers that the benefit recipient is fit for work, he or she is assigned to work quickly. Impact assessments of immediate activation show rather good results in terms of the transition to work or to education and training afterwards (Paparella et al. 2008). Recent policy developments also include the possibility for municipalities to stop the payment of child benefit to families not willing to cooperate with the authorities in establishing and implementing an action plan for the education of young children not in employment, education or training. However, there is no clear evaluation evidence for the impact of this type of measure (Madsen 2011).

**Cash benefits can be used to encourage early participation in ALMPs.** A passive benefit that can be (partly) suspended for a limited period of time in case of non-compliance works on the principle of ‘negative incentives’ to the beneficiaries. It has been argued however that activation benefits may have a demotivating effect on young people, and on disadvantaged young people in particular. Impact assessments of benefit sanctions indicate that they might represent an effective tool for activation, if they are not too high, as otherwise they may generate a sorting effect (Analytical Paper 2011; OECD 2007). Research carried out by Røed and Westlie (2007) shows for Norway that the severity of the sanction is less important than the mere existence of a sanction and the threat of their possible imposition (‘threat effect’). However, there is no clear evidence if benefit sanctions have a different impact on young people, especially those disconnected from the labour market. For this group sanctions might have a de-motivating effect and disconnected youth might prefer not to get the benefit and not to take part in a measure.
4.2. Innovative approaches highlight the contribution of the PES to implementing different types of youth guarantees

In several member states, rules on timing are part of a more comprehensive “youth guarantee approach”, which defines the right of young people to an education, training or a job and which set an obligation for municipalities and the PES to provide a place in education, training or the labour market. These were developed in Northern Europe in the 1980s and 1990s and have recently been reinforced. The Northern European countries place a focus on a “learn/train” first strategy. Other countries have set up similar approaches, however, not necessarily introducing a right for young people to have education and training or a job, but by ensuring training places (e.g. the National Training Pact in Germany). This is not the same as a youth guarantee but merely acts as a voluntary undertaking. Some countries have a further binding regulation for PES to ensure that young unemployed complete a certain level of schooling (e.g. Germany) or that young people complete vocational education and training (e.g. Austria).

Seven out of 14 of the countries participating in the recent Peer Review have introduced youth guarantees (Austria, Denmark, Germany, and The Netherlands, Norway, Poland and Sweden) which entitle persons younger than 25 to use the PES services. As the table below, adapted from the comparative report, shows, PES services are obliged to provide a job, an apprenticeship, or other education and training measures. Most of the countries include all young people searching for a job or training. Germany created a huge bridging system with a wide scope of preparatory measures, which range from basic education to apprenticeship-related vocational training. Employers are actively supporting this system.
<table>
<thead>
<tr>
<th>Country</th>
<th>Eligibility</th>
<th>Measures</th>
<th>Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT</td>
<td>Young registered unemployed or apprenticeship seeking persons (&gt; 3 months)</td>
<td>Job</td>
<td>10,000 additional apprenticeship places created by PES in institutions</td>
</tr>
<tr>
<td></td>
<td>50% are entitled to UB</td>
<td>Apprenticeship</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Job</td>
<td>Other VET</td>
<td></td>
</tr>
<tr>
<td>DK</td>
<td>Young people younger than 25 with completed compulsory education</td>
<td>Individual and group guidance</td>
<td></td>
</tr>
<tr>
<td></td>
<td>18-19: 1 month of registration</td>
<td>Introductory courses</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20-29: 3 months of registration</td>
<td>Bridge-building schemes</td>
<td></td>
</tr>
<tr>
<td>DE</td>
<td>Legal claim for employable persons younger than 25 (Social Code II) and obligation towards placement but no legal claim (Social Code III) immediately after being registered at the PES</td>
<td>Job and apprenticeship placements,</td>
<td>400,000 entries into bridging system per year</td>
</tr>
<tr>
<td></td>
<td>Preparatory E&amp;T,</td>
<td>Preparatory VET (whole range of measures)</td>
<td>National Training Pact: 40,000 additional entry-level qualifications</td>
</tr>
<tr>
<td></td>
<td>National Training Pact</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NL</td>
<td>Municipality has to offer a job with training after 3 months of unemployment</td>
<td>Job</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Apprenticeship</td>
<td>Workshops</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cooperation with municipalities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eligibility</td>
<td>Measures</td>
<td>Size</td>
<td></td>
</tr>
<tr>
<td>-------------</td>
<td>----------</td>
<td>------</td>
<td></td>
</tr>
<tr>
<td>NO</td>
<td>Guidance services/career guidance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Needs-assessment from PES</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Work-placement</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Labour market related training</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Facilitate getting a job by Wage-subsidies to employer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PL</td>
<td>Proposal of employment or other paid work, or instrument of activation (work practice, training, apprenticeship for adults)</td>
<td>69% of registered unemployed young people enrolled in ALMPs in 2010</td>
<td></td>
</tr>
<tr>
<td>SE</td>
<td>Job search and training guidance</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Work experience</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Employment rehabilitation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vocational training</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: PES country reports, comparative paper 2011

4.3. **PES approaches for young people: importance of specialist advice**

Reaching out to low skilled young people is a key challenge and the content of the services that need to be provided to young people are rather specific, as this group often lacks orientation about the future and their options, as well as being less secure and experienced in interacting with the authorities. Besides more need for orientation and information and often lacking in work experience and key skills, young people often have preferences and attitudes that are different from more mature job seekers. For
example, they may be less patient to wait for a service, or be less tolerant of official language they do not understand. In addition, for the PES the network of institutions they have to co-operate with is different for this target group (e.g. schools other youth authorities and services).

As part of the Peer Review meeting, three key areas were identified where specialised services and processes are especially useful: specialist youth counsellors, rapid identification of youth in need of extra assistance and well developed contacts with employers.

The provision of **specialist youth counsellors** or the development of strong **interdisciplinary teams** in PES or partner providers for those with particular needs was considered to be most successful in providing services to low skilled young people, not only because of the training and skills of such counsellors, but also because of their greater knowledge of relevant networks, services and measures to support the holistic integration of young people.

The principles on which the counselling and guidance are based were identified as playing a significant role for its effectiveness, especially as PES services often have a bad reputation among young people. Person-centred, integrated approaches which try to identify not only individual barriers but also strengths seem to be more effective.

**The need for professionalisation of staff** working especially with young people most at risk is highlighted by many PES taking part in the Peer Review as a key element of good practice. In **Italy** an increasing number of PES provide professional tutors for young people. In **Hungary** 2,000 practitioners such as teachers and social workers have been trained specifically to deal with disadvantaged youths and their guidance needs. The **Netherlands** point to their investment into the training of staff regarding youth culture and youth behaviour. The Dutch PES organises “inspiration days” on these issues for its own staff and for staff from partner organisations.

### Drawing on the experience of young people: Trainee pilot in the Netherlands

In the Netherlands, the PES ran a pilot initiative of recruiting young trainees to work in their offices to contribute new ideas on how to connect and interact with young job seekers. This was in acknowledgement of the fact that the average age of job counselors is rising and the nature of communication channels with young people has changed significantly in recent years.

The experience of this initiative was very positive with many of the young people recruited (initially on a temporary basis) contributing innovative ideas on working with this client group and a significant number being retained beyond their original posting.

**Individual Action Plans** (IAP) especially if combined with case management for those with multiple problems can work well to personalise services. IAPs are written documents signed by the PES and the jobseeker which, based on the evaluation of
personal circumstances, abilities and the professional skills of the individual, determine the type and scope of assistance required by PES and the actions that need to be taken. In some countries IAPs are drawn-up for everybody who is unemployed after a defined length of unemployment, while others use this instrument only for specific target groups such as young people. In some countries intensive interviews to draw-up and follow-up IAPs are more frequent for young people (for example in Belgium and Finland, Analytical Paper 2011; OECD 2007). In general terms there is a tendency to shorten the length of the unemployment spell with IAPs.

In some countries, case management (individualised approaches to activation where the same counsellor is responsible for developing and monitoring a holistic individual action plan for each job seeker) is an established practice for providing services particularly for the more difficult target groups, (Analytical Paper 2011; Grivel et al. 2007). Case management is often sub-contracted to specialised providers. According to youth surveys and qualitative research, young people’s motivation and de-motivation relates to trust, subjective relevance, financial incentives and practical assistance.

**Holistic approaches: multidisciplinary cooperation and case management in Slovenia and Austria**

A good practice example is the Total Counselling programme in Slovenia (Analytical Paper 2011; Walther and Pohl 2005), which provides holistic counselling and guidance to early school leavers between the ages of 16 and 25 years old. The guiding principle is to take their whole life-situation into consideration by means of a platform where different types of specialised counsellors work together (e.g. guidance counsellors, financial advisors, sexual educators, social counsellors, school counsellors). Similarly, the German ‘new integration approach’ which is also strongly individualised has been evaluated as being efficient (Vogler-Ludwig et al. 2005).

In Austria, the two PES funded (and externally provided) programmes C’mon 14 and C’mon 17 provide intensive counselling and case management approaches for young people identified as facing particularly challenges in completing their education and entering the labour market. Young people facing particular difficulties in school and in their labour market integration are identified and receive a detailed needs assessment and specialised counselling and assistance by an external provider. This can also include detailed follow-up for a period of time when a young person has found employment.

The trust relationship is improved by case management, as it requires a continuous relationship with counsellors or project workers whom young people perceive as acting in their favour. This also allows for third and fourth chances in case young people drop out of a measure as a result of their complex life situation (Analytical Paper 2011; Walther and Pohl 2005, p. 115).
As indicated above, specialised services either to develop, or to implement measures set out by individual action plans require specific expertise which may not be available within the PES. In addition, strong co-operation must be achieved with other youth services. Some examples of these services are outlined below for illustration purposes.

For early school leavers or those at risk of early drop out access to education and employment services is often provided by authorities in charge of education, or by (youth) centres which are run in cooperation with different local actors. In order to cope with the problem that many young people in the NEET group are not known to the PES, a few OECD countries have created ad hoc agencies. These ‘youth agencies’ are designed to support young people specifically in their study and career orientation. Vocational guidance or career guidance centres which aim to reach out to young people already before they leave school and during their educational and vocational orientation exist in Austria, Belgium, Denmark, Germany, Hungary, Luxemburg, Norway and Poland at the local level.

Specialised youth services exist either as part of the PES (for instance Austria) or independently, but operating in close cooperation (for instance in Poland). For example in Austria so called BerufsInfoZentren (BIZ) exist which give information about professions and VET and how to apply for those. Other institutions help disadvantaged young people, as for example the "missions locales" in France which aim to prevent young people from becoming NEET and offer opportunities for those who have dropped out of school.

Co-operation between PES and a specialised youth agency in the UK

In the UK, Connexions services have been set up to provide services for young people aged between 13 and 19 years and for up to 25 years and for young people with learning difficulties or disabilities who need advice on planning their lives. The service is managed by local Connexion services. They act as a job brokerage and offer services to give young people information on jobs and training and adult courses for their chosen career paths. They are notified by the Young People’s Learning Agency when young people leave the education system so that finding an alternative provision can begin as early as possible. From 2010, the PES (Job Centre Plus) that deals with young people aged 18 and above share basic details on 18-19 year old benefit-claimants with Connexions to allow for closer co-operation.

Another promising example for coordinated services comes from the Netherlands, where youth desks are established within Regional Mobility Centres to bring together the assistance of local and education authorities, the PES, employers and other support agencies.

By contrast, the Local Employment Services in Ireland are an example for outsourcing: these are managed by a company linked to the Community Partnership Board which provides intensive mediation and guidance to young early school-leavers.
as well as an outreach service in certain areas. There are around 100 “Youth reach centres” around the country. They exist alongside the FÁS Employment Services, but using the same computer system makes information sharing possible (Analytical Paper 2011; Grubb et al. 2009).

4.4. Developing contacts with employers: close personal contacts are key

Equally important to the delivery of effective services for young people are well developed contacts with employers, particularly to open job opportunities for disadvantaged young people who would not be the first choice in a normal process of recruitment. According to participants at the Peer Review, personal relationships with employers have to be built up in a longer-term process. Similarly valuable was the use of innovative events which could bring employers and job seekers together in a more informal environment (e.g. speed dating events, assessment days with team building activities, job fairs etc.). Ongoing support to employers willing to recruit young people facing multiple disadvantage must not be underestimated and subsidies continue to play an important role in making up for “productivity deficits” among low skilled client groups.

Contacts are also important to inform employers about support, existing subsidies, check for targeted use of subsidies. Placement of disadvantaged young people in workplaces is part of regular placement services of PES in all countries. In Austria about one sixth of PES staff is dealing with employers, operating in specific units; they are also concerned with the acquisition of jobs and apprenticeships for young people. The PES may in turn offer specific, social-pedagogical guidance for the employment of disadvantaged young people, training, follow-up assistance and wage subsidies (see analytical report). Special employer services operate with specialised teams, and one third of the PES staff is dealing with employers

**Bringing together young and employers (UWV WERKbedrijf Netherlands)**

In the Netherlands, PES activities are largely planned at the local level and it is here that a number of offices used specific activities to bring together employers and young people in a setting which makes it easier for both sides to interact and overcome potential prejudices. Activities include “speed dating” for employers and job seekers and activity days bringing both sides together in team building activities and games as well as other events in a less formal setting. Results from such events show that high placement rates are achieved as a result and both sides consider such innovative approaches to be beneficial.

In France and the Netherlands, specific agreements have been reached with companies and employers’ organisations to achieve commitments to employ more low skilled young people.
National pact on vocational education and training in Germany

In Germany a National Training Pact on offering training opportunities for young people was concluded in 2004. This initiative includes commitments by employers, the Federal Government and the PES. The Pact contains the commitment of employers to offer a certain number of additional apprenticeship places and to implement specified PES measures for young people, while the PES agreed to implement a certain volume of ALMPs for young people. This includes apprenticeship subsidies and preparatory measures for vocational training (Vogler-Ludwig, Stock, EEO Review on youth measures 2011).

<table>
<thead>
<tr>
<th></th>
<th>Cooperation agreements and networking activities with employers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Agreements with employers</td>
</tr>
<tr>
<td>AT</td>
<td>Apprenticeship fairs in cooperation with the Chambers of Commerce and with single large employers</td>
</tr>
<tr>
<td>DK</td>
<td>Organise events in cooperation with the social partners with the objective to bring young people into employment or education</td>
</tr>
<tr>
<td>GE</td>
<td>National Training Pact for the expansion of the number of apprenticeship places</td>
</tr>
<tr>
<td>GR</td>
<td>Joint organisation of events: PES and the social partners</td>
</tr>
<tr>
<td>HU</td>
<td>Involvement of HR managers in networks</td>
</tr>
<tr>
<td>FR</td>
<td>Company agreements to facilitate youth employment</td>
</tr>
<tr>
<td>NL</td>
<td>Covenants with employer organisations in order to place young people in (working-learning) jobs, often co-financed through employer organisations’ own training funds</td>
</tr>
<tr>
<td>Agreements with employers</td>
<td>Networking activities</td>
</tr>
<tr>
<td>--------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>NO</td>
<td>Agreement on Inclusive working life (IW)</td>
</tr>
</tbody>
</table>
5. EFFECTIVE PES MEASURES: THE IMPORTANCE OF “REAL LIFE” WORK EXPERIENCE AND EVIDENCE-BASED PLANNING

Though a growing body of academic and policy papers have reflected on youth integration in recent years, few have specifically addressed the role of the PES.

There is little rigorous evaluation of the effectiveness of the way services are delivered to low-skilled young people, the organisation of the PES, and on individual active labour market policy measures for young people (Analytical Paper 2011; OECD 2010). Review papers of evaluation studies on ALMPs (Analytical Paper 2011; see Kluve 2006, Martin and Grubb 2001) provide some useful information on youth measures and the Commission recently provided an overview of measures of how to cope with the problem (European Commission 2010) but there is little or no evaluation literature focusing on successful approaches or otherwise in relation to PES service organisation for young people and PES provision.

A few evaluation results of measures for low-skilled young people indicate that they often show poor results, linked to the target groups’ particularly difficult position on the labour market. Nevertheless, the literature contains evidence that some measures perform well and there are qualitative assessments of researchers and international organisations. This section relies on the findings of the analytical and comparative reports, country reports, and discussions at the PR conference to assess what works for efficiently assisting young job seekers.

5.1. Work first or train first: training works but is best combined with real life work experience

The majority of PES participating in the Peer Review prefer the train-first approach for low-skilled young persons. This does not exclude work-based learning, but measures have to include a substantial training part, even if is provided at the workplace. This is all the more important in countries where formal education and training certificates play an important role in recruitment procedures. Denmark, Greece and Poland underline the importance of work experience even without a substantial training component. In Poland, one out of five young ALMP participants was enrolled in the ‘Work Practice’ programme in 2010. The PES has contracts with employers to continuously place young trainees in the companies for a maximum period of twelve months. After completion the participants receive a confirmation letter from the employer and the PES but no formal training certificate. Luxembourg has preferences for both approaches, depending on the target group.

School-based training, in contrast, is less efficient in this regard. However, it may have more sustainable effects on the improvement of generic skills and the acquisition of labour market oriented competences. School-based training is particularly important
for young people who missed to achieve a school-leaving certificate, and for ethnic groups without sufficient language skills.

In the **Netherlands** – a country with a school-based vocational training system – schooling plays a major role: ‘For young people without qualifications our aim is to send them back to school, either fulltime or in combination with work’ (Peer Country Paper The Netherlands, page 14, available [here](#)). In response to the crisis, the country ran a ‘School Extension Campaign’ in order to keep young people in school training rather than letting them search for an apprenticeship or a job.

The **Norwegian report** makes this even more explicit: ‘It is questionable whether the work-experience really gives the necessary experience required from the employees on the labour market, even if the common opinion is that work experience helps them to get ordinary jobs afterwards and also helps young people to make up their mind of which type of work is suitable for them.’ (Peer Country Report PES Norway, page 11 available [here](#)).

**Work-based training** includes internships and apprenticeships in companies. The ‘real life’ context appears to be essential both for the acquisition of job-relevant competences and the individuals’ self-evaluation of their capacities. It also provides the opportunity to employers to better assess the competences of young workers. In general, transition rates to employment are higher for work-based training.

**Apprenticeship programmes** provide an approach which generally combines real life work experience (or work experience in a simulated environment) with school based vocational education. Countries with a strong tradition of apprenticeship programmes (Germany, Austria and the Netherlands for example) tended to have fared better in relation to curbing the rise in youth unemployment during the recent recession and tend to provide smoother transitions to the labour market to this target group. However, identifying sufficient numbers of employers to provide high quality apprenticeships remains a challenge. Where insufficient apprenticeship places are available on the open market, such systems often provide financial encouragement to employers to take on apprentices, or create apprenticeship programmes with work experience based essentially inside vocational training institutions. While still more successful than many other ALMP approaches, such schemes tend to have lower placement outcomes than employer based apprenticeships, highlighting the importance to real life work experience and direct contact with employers.

### 5.2 Use of targeted subsidies

**Employer subsidies** are evaluated as indispensable for getting the employers into the boat. This appears important even in countries with a long tradition in dual training (Austria, Germany). Wage subsidies are given to compensate the disadvantages of the target group (e.g. low skilled young people) against other young people, and employers
seem to react positively. The Austrian example shows that a generous wage subsidy of two thirds of labour costs (including non-wage labour costs) for the maximum duration of two years helps to bridge the ‘crisis period’ of young people and to re-orient them towards working life.

The evaluation literature on wage subsidies shows that only a few employment subsidy programmes yield positive returns for young people, but tend to perform poorly in terms of their net impact on the future employment prospects of participants. Disadvantaged young people are not normally considered as a separate group, but the authors indicate in general terms that ALMPs for very disadvantaged groups tend to show poor results (Analytical Paper 2011; Quintini et al. 2007).

Moreover, most academic studies assessing employment incentives focusing on firm behaviour find large deadweight and substitution effects. The evaluation of job subsidies in Australia, Belgium, Ireland and the Netherlands estimate combined deadweight and substitution effects of around 90%, which could, however, be reduced to 70-80% with the correct method of targeting and monitoring (Analytical Paper 2011; Martin and Grubb 2001).

5.3 Monitoring and evaluation needs to be improved

A close monitoring and conducting of quantitative and qualitative evaluation studies as well as coordinating the results of studies on single measures and services help to well design and target services and measures. This underlines the pressing need for a better knowledge base of what works to better target ALMP measures and resources. Implementation by local actors other than the PES of some of the measures for integrating young people adds to the difficulty of relying on evaluations, as these are often not carried out by local actors or because information on such studies is not systematically collected.

Monitoring is more advanced in the few countries that implement an approach of “management by objectives” (for example Austria and France), where incentives to perform well are set through performance pay schemes and through career incentives (Analytical Paper 2011; Mosley et al. 2001). The experience of other countries (for example Australia and Switzerland) suggests that performance management can play an important role (see for Switzerland Duell et al. 2010). However, as in the case of Switzerland, performance indicators may not include indicators on the integration of young people or more precisely low-skilled young people.

The OECD (2010, see Analytical Paper 2011), recommends monitoring the performance of the activation programmes for young people. The new approach taken in Denmark in the context of the youth package seems therefore worth highlighting: A special bonus will be paid out to job-centers that are successful in getting long-term unemployed young people into employer-based training (Madsen 2011).
At the Peer Review the **specific monitoring systems** in place in **Austria** were discussed in detail. These allow the tracking of beneficiaries, providing information on their status before entering an ALMP measure as well as at certain intervals after their completion (up to 6 months). This could provide valuable information not only on the effectiveness of different measures but also about their respective costs, thus giving the potential for cost benefit assessment. The ability to collect this detailed information is reliant on the allocation of a social security number to each individual from birth and the linking of relevant data collection systems.

PES experts at the PR conference agreed that the Austrian case and examples from other countries such as France demonstrated the possibilities of monitoring beneficiaries before and after entry into a measure. This allows not only an assessment of the outcomes of measures, but can also help to identify the most cost effective initiatives.

However, **some potential obstacles were identified**. The collection of data on this scale was considered to be impossible in many countries in the light of data protection requirements, thus highlighting the need for more targeted evaluation studies or controlled trials. In addition, even in countries with existing evaluation or monitoring systems, a stronger link is still to be made between the evidence base and how to use the findings for organisational learning and (future) policy design.

**Costs of data collection can be reduced** by linking PES records to data from other administrative bodies, such as the social security system which (in most countries) records employment spells. This is used in Denmark and Austria, but may run into difficulties in other countries where personal data protection legislation limits the transfer of personal data between government institutions.

**To enhance the evidence base for service organisation was identified as important challenge** for further development in PES: Improving the regular collection and assessment of process data as well as the preparation of programme evaluations to determine the effectiveness not only of ALMPs but also different PES approaches to delivering services poses an important challenge to ensure the future success of youth integration measures.
6. CONCLUSIONS

The European Commission has placed a focus on youth integration in its “Youth on the Move” flagship initiative. This is an important step to further promote advancements in youth integration and to cope with increasing youth unemployment problems. The Peer Review provided important information on different approaches to making youth guarantees a reality through initiatives in the education system, active labour market policies and the enhancement of PES service provision.

PES play an important role in youth integration, as it operates at the bridge between schools and labour markets. This is indispensable and needs to be strengthened in some countries. At present, however, PES work under the tightened conditions of the financial crisis, and this limits financial resources now and in future. Efficient and cost-saving solutions are therefore required.

As the problem of early school leaving and difficult labour market transitions in particular for low skilled young people is persistent and difficult to address, it demands innovative and effective approaches. This report has reviewed youth integration approaches in the EU Member States and beyond, and tried to identify successful practice.

Youth integration is a complex and multi-dimensional problem, which becomes more difficult the more complex the problems faced by young people. This rules out standard solutions, rigid education and training systems, and standard pathways from school to work. Participants at the Peer Review indicated that the PES need to develop holistic approaches. Furthermore, they need to seek innovative solutions to reach out to disadvantaged young people.

An increasing number of Member States apply an activation strategy, which sets incentives for young people to either participate in training or education, to actively search for a job or to participate in an active labour market programme. In cases where young people have access to unemployment and/or social benefits according to research an activation approach based on a mutual obligation approach is easier to implement. The moderate use of sanctions and the obligation to participate either in education, active labour market policy measures or a job are key elements of such a strategy. The access to benefits helps to reach young people, although additional outreach activities are necessary to contact those who are the most disconnected with the labour market.

Young people at risk of becoming a NEET have to be proactively contacted, identified and guided to better support the transition from school to work. In several Member States this is achieved by PES, whereas in others it is the responsibility of ‘youth agencies’, ‘missions locales’, ‘connection services’ and other forms of youth oriented
social work or integrated services in co-operation with the PES. Strong co-operation between agencies in this area is critical. The early identification of cases and the outreach of NEET is essential for the chance to return to a regular career.

Timing is crucial for the success of activation. Early intervention has been identified as an important factor, and many Member States have therefore shortened the periods in which an IAP has to be drawn-up. An intensive follow-up with frequent individual interviews as well as a follow-up of disadvantaged young people once they get a job increase the effectiveness of the activation strategy.

The success of the activation strategies also depends on offering person-centred approaches to counselling, the setting-up of individual action plans, mentoring, and case management. Young people need to be involved in the solution. The effectiveness of activation policies depends on the availability and the quality of options offered to young people as they need to be convinced of the efficiency of the actions planned. Negative motivational careers of young people need to be avoided by offering positive incentives and encouragement through experiences of success. Non-formal learning opportunities are effective and crucial in this regard.

In order to develop and implement holistic approaches, the PES need to cooperate with a variety of actors, including those of the education sectors at national and/or federal levels and at the level of the local schools and training providers. The organisational form of cooperation is less important than the determination of actors to support the common action plans.

Employers are important partners in youth integration, but are difficult to motivate. Even in countries with a long tradition in dual training not more than a quarter of companies are engaged in training. Companies’ resistance to increase the number of training places can hardly be removed without subsidies or training levies. Subsidies need to be well targeted and well designed in order to reduce dead-weight losses. Specific services to employers such as guidance and advice provided (e.g. by social workers) for companies willing to take-up disadvantaged youth are useful instruments.

A first step to reduce expenditures without losing effectiveness is the review of subsidies both to employers and trainees. The impact of subsidies will have to be checked at the national level with the target to reduce dead-weight losses and avoid distortive incentives. Subsidies may be substituted by showing employers the net-gain of well trained workers also at lower skill levels, and by appealing for their social responsibility in hard times.

A second step is the improvement of youth integration networks. All peer countries agree in stressing the importance of early interventions. This requires efforts in schools to avoid early school-leaving, and this requires well-targeted social work, which recovers the self-valuation of young people and helps them to find a place in society. All efforts at these levels avoid later expenditures for young adults.
Work-based training appears to be the preferred way to integrate disadvantaged young people. This is a cost-efficient way as employers take the cost (and the profits) from training. In times of weak labour demand however the opportunities for work-based training decline. This has to be compensated by school-based training which focuses on compensating the deficits in generic competences such as reading and mathematics. Schools have to find adequate ways to raise the learning motivation of the “difficult” target groups. They will have to address the specific talents among these young people which are far away from labour market relevant talents in many cases. Arts, sports, and social activities appear to be efficient instruments to integrate the almost “hopeless”. The Venezuelan music movement “El Sistema” is an outstanding example for such achievements.

While centralised PES approaches appear to be efficient, decentralised approaches seem to be innovative. There needs to be the right balance between efficiency and innovativeness. This means that the local level should play an important role in youth integration, in particular if the diversity of problems among young people has to be addressed. Centralised approaches may deliver the tool set for young people integration, which may not apply to all young people. Diversity of plans and methods therefore is an asset.

Very little is still known about the effectiveness of youth integration measures. Only a few countries have empirical evaluations at their disposal. A comprehensive evaluation of youth integration programmes needs a data basis which allows longitudinal analysis of participants, a well-structured description of measures, and the isolation of ALMP expenditures for the target group. This is not available in all countries and substantial efforts are needed to allow a better understanding of what works. The European Commission may help establishing the required databases and developing the adequate tools. ESF resources could probably be used for such purposes.
REFERENCES


Walther, A. and A. Pohl (2005), Thematic Study on Policy Measures concerning Disadvantaged Youth: Final Report, Volume 2 – Annexes II-VI (National Reports, Compendium of Good Practice, Validation), European Commission, DG Employment and Social Affairs and Institute for Regional Innovation and Social Research (IRIS), Tuebingen,