



Mutual Learning Programme

Peer Review on "Entrepreneurship training for the unemployed: the Austrian Entrepreneurship Lab example" Vienna (Austria), 24-25 October 2019

SUMMARY TABLE OF PEER COUNTRY COMMENTS PAPERS

Situation in the peer country	Assessment of the policy measure	Assessment of success factors and transferability	Questions to the host country
Greece			
<ul style="list-style-type: none"> The entrepreneurship training element is relatively small in subsidy programmes on entrepreneurship promoted by the Greek PES. Beneficiaries are encouraged to network but the activation measures themselves do not foresee reinforcing network concepts; it is up to each beneficiary to take initiative in this respect. The use of social media and the Internet as tools for 	<ul style="list-style-type: none"> The Greek Pilot Programme supporting the business plans of young people offers a short training course to beneficiaries, followed by 6 coaching sessions to help them mature their business idea and submit a business plan on an online platform where the most mature ideas will be selected for a start-up subsidy. While the approach is promising, Greek programmes could benefit from becoming more intensive in terms of training and coaching time, as 	<ul style="list-style-type: none"> The fact that the beneficiaries worked in a co-working space is seen as an element that could be transferred to the Greek context. The co-working space serving as a platform to invite other potential network partners from start-ups and start-up networks could be applied to Greece where private sector and third sector initiatives are active in supporting entrepreneurship. The platform hosts training materials and information and manuals on business canvas models. 	<ul style="list-style-type: none"> How did cooperation with other business incubators go? Were there any challenges in bringing in other start-up initiatives? How did the Lab highlight 'Trial and error' (given that this is becoming part of the new entrepreneurship culture)? Were experienced business mentors invited to share their failures or did participants share their own? It is mentioned that a couple of the participants suffered from burnout or trauma and that symptoms improved during participation in the programme. Were the job counsellors able to help participants in this respect or was it

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<p>market analysis, product development and marketing activities is also encouraged, but again such activities are not part of the current entrepreneurship support schemes.</p> <ul style="list-style-type: none"> Preparing beneficiaries for new forms of work is not yet emphasised. 	<p>exemplified by Austria's 18-week long training programme.</p> <ul style="list-style-type: none"> The Greek start-up subsidy programme supports networking and communications activities financially as such costs are eligible for the start-up subsidy, however, it would be beneficial to also train beneficiaries in how to undertake such activities. 	<ul style="list-style-type: none"> It is also interesting for Greece, that the participants were linked digitally into a network concept. This is a relatively low-cost solution that can be implemented for the beneficiaries to support each other in their first steps into entrepreneurship. The Greek PES measure about to be launched to support youth entrepreneurship will indeed entail an electronic platform through which the participants will be supported to transform their business concept into a business plan. Interlinks also served as a platform to invite other potential network partners from start-ups, start-up networks, etc. The participants were introduced to methodologies such as design thinking, customer journeys and business canvas models. They gain skills regarding ICT, social media and the Internet as tools for e.g. market analysis, product development and marketing activities. A network concept interlinks the participants digitally, thus supporting sharing approaches. 	<p>necessary to bring in specialists such as psychologists to support the beneficiaries?</p>
Hungary			
<ul style="list-style-type: none"> Decreasing unemployment and NEET rates, but still high LTU rate among the unemployed (39.6 %). Remaining (although decreasing) gender and 	<ul style="list-style-type: none"> Entrepreneurship training programmes linked to financial incentives (combined interventions). Special targeting of young NEETs, women and disabled. 	<ul style="list-style-type: none"> Appropriate coupling of financial support with skill building. Strategic importance of follow-up work/activities (alumni network) as key to have longer term employment effects (especially in 	<ul style="list-style-type: none"> How was the risk of 'cream skimming' (targeting LTU people with best basic skills / better education) exactly minimised in the Lab? Did the personal counselling include psychological counselling/coaching?

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<p>generation gaps among the unemployed.</p> <ul style="list-style-type: none"> Abundance of entrepreneurship skill and finance-focused government measures. Considerable delays in implementation of the relevant measures. 	<ul style="list-style-type: none"> Slow progress of the relevant schemes. Lack of publicly available monitoring and evaluation reports. Good cooperation with non-governmental organisations. Severe challenges in outreach to NEETs and those unemployed for a longer period than 3-4 months. 	<p>case of youth, women, and ethnic minorities).</p>	<p>(c.f. reference in the paper to the lack of self-confidence on the part of the most participants)</p> <ul style="list-style-type: none"> The Lab refers to individual and group empowerment – how exactly was this done? Does the cost of EUR 50 000 relate to overall training costs for group 1 and 2? If yes, the unit cost (cost per accomplished participant) is approx. EUR 1 000 – why is this considered too high? What are the reference figures, like (proportional) cost per participants for other training programmes offered to LTU? Do these other programmes provide better result indicators (more than 26 % in employment status after exit)? Did the participants receive social transfers (e.g. unemployment benefit) during the 18-week training period? What kind of “welfare bridge” did the local PES provide to them to survive during the business registration/start-up period? (Note: LTU people usually do not have any savings to overcome liquidity crisis).
Italy			
<ul style="list-style-type: none"> High and persistent unemployment. Unemployment concentrated among young people (Italy has the highest in EU incidence of NEET among the 20-34 year olds), women, people living in Southern Italy. 	<ul style="list-style-type: none"> PES have to provide advice and information on available opportunities for self-employment, with support from national and local public and private agencies. There are many national and regional (overlapping) programmes to support self-employment and business 	<ul style="list-style-type: none"> The Lab provides important learning inputs for Italian national and regional programmes, especially for the use of innovative forms of training through co-working, use of new technologies, contacts with companies, and the attention to social capital and resilience. 	<ul style="list-style-type: none"> Is there any follow-up information available? How many businesses were created, in which sectors? What are the success rates in the first two years of activity? What are the main factors of success/failure? Are there tutoring programmes for newly created business by the unemployed?

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<ul style="list-style-type: none"> High share of self-employed and entrepreneurs compared to EU average. Large share of self-employed out of necessity, especially among young people. Main barriers to self-employment/entrepreneurship are: the difficult access to credit, the complexity and costs of starting and running a business due to red tape, the lack of opportunities, the lack of entrepreneurial skills and the fear of failure. 	<p>creation through training and tutoring services and financial support (including microcredit). Most measures are co-financed by ESF, YEI, and ERDF.</p> <ul style="list-style-type: none"> Besides PES, other national agencies provide specialised support. At the regional/local level support is provided by regions and local authorities, chambers of commerce and other regional and local agencies (including training institutions) operating in this field. The main weaknesses of the Italian system is the heterogeneity and lack of coordination of regional interventions with the risk of overlapping and crowding out of national measures, as well as difficult access to credit and red tape. Most national measures are targeted to young people in Southern Italy. There are specific measures for NEETs in the framework of the Youth Guarantee combining entrepreneurship class-based training and tutoring with financial support. 	<ul style="list-style-type: none"> The success factors that could be considered transferable for Italy are: the strong reliance on co-working (also in terms of space), internal and external networking, and use of digital tools and social platforms; the capacity to involve and motivate long-term middle aged unemployed in a successful way; the public-private partnership involving PES, private companies, and skilled trainers able to adapt their training to the specific needs of their pupils; the attention to the participants' social capital, empowerment and resilience; the training contents and testing in the "real" world; the experimental approach and the use of monitoring and on-going evaluation tools to assess the pilot and eventually revise it in order to design a feasible methodology for its potential general implementation. Conversely, the Italian experience targeted to NEETs could be of interest for Austria for its linking entrepreneurship training with financial support. 	<ul style="list-style-type: none"> Do the financial costs indicated (EUR 50 000) cover only training costs or also other costs (use of co-working space, visits, etc.?) and is it overall or per-capita? How sustainable is the adoption of this approach for all the unemployed willing to set up a business? Was the training accompanied by financial support for business start-up? How can the difficult relation with PES officers be addressed? Is the measure likely to be adopted in ordinary policy making? Why yes/no?
Latvia			
<ul style="list-style-type: none"> Entrepreneurship, in particular innovative business, is highly regarded as a driver of economic growth and 	<ul style="list-style-type: none"> The "Measure for Commencing Commercial Activity or Self-employment" is key in Latvia to support unemployed people 	<ul style="list-style-type: none"> Both the Latvian and Austrian projects can be considered as successful in meeting their respective aims. Both projects deserve to be scaled up, but this 	<ul style="list-style-type: none"> How was information about the training activities disseminated to reach potential target groups? Who were the trainers and what methods were used to train the

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<p>generator of employment in Latvia.</p> <p>The Ministry of Economics is overall responsible for the supporting the business environment, which involves entrepreneurship programmes with a clear focus on innovation. The Ministry of Regions focus on supporting business start-ups in the regions whereas the Ministry of Wealth primarily targets the involvement of unemployed people in entrepreneurship activities and employment in general.</p> <ul style="list-style-type: none"> • A wide support system to promote business start-ups exist, also with the involvement of the Ministry of Education, as well as of municipalities and NGOs. • Some financial schemes are available to promote the regional mobility of unemployed people – to cover their travelling and accommodation expenses while they undertake professional training. 	<p>looking to start a business or to acquire employability skills.</p> <ul style="list-style-type: none"> • 2 286 unregistered unemployed people participated in the programme during 2008-2019; among them, 704 received support to start their own business. • An appropriate selection process is implemented for unemployed people interested in starting their own business: evaluation of business plan, paying particular attention to whether a business idea contains innovative features. • Adequate support is provided by the measure with regards to training, consultancy and funds. • It would be suggested to scale up the initiative as well as consider more emphasis on innovative training methods and on creative, technology-based and innovative business models. • It is recommended to continue working with those that received support and are in business for at least one year – to help develop the businesses further especially targeting potential for internationalisation. 	<p>might be associated with various challenges.</p> <ul style="list-style-type: none"> • One of the success factors of the Lab that could be transferred to Latvia is the selection process: less strict criteria prior to the involvement of the unemployed with the opportunity for them to develop their business idea in a business idea incubator. • The Lab's training approach and methods also have great potential for transferability to the Latvian project. • More focus on innovative methods that have been found effective in training for entrepreneurship might be applied in the Latvian project: co-working space, group work, focus on innovative business models, Internet as a tool for doing various activities that are crucial for business development as well as development of soft skills. • More focus on the training registered unemployed people in the Latvian project, taking into consideration the challenges of the upcoming Fourth Industrial Revolution, will potentially also mean the need to secure more funding. 	<p>unemployed? Was there any involvement of regional universities?</p> <ul style="list-style-type: none"> • Did the training have any focus on specific groups such as senior people, young people, young mothers? • Is there any information on how those participants who started business funded their start-ups? Were there any funding schemes provided during or after the training? • Please kindly elaborate on the participant selection process – was this one of the key determinants for the success of this pilot programme in Austria?
Netherlands			
<ul style="list-style-type: none"> • A strong increase in self-employment (mostly own 	<ul style="list-style-type: none"> • Municipalities are autonomous in making policies to support 	<ul style="list-style-type: none"> • Always link training programmes to an entrepreneurial eco-system 	<ul style="list-style-type: none"> • Many first-time entrepreneurs go out of business after a few years. How are

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<p>account work) in a very flexible labour market.</p> <ul style="list-style-type: none"> • Support for starting a business has thus become an important reintegration aspect of labour market policy. • There are two legal regimes for supporting the unemployed who want to start their own business. 	<p>unemployed people who want to start a business. There are therefore differences in approach across municipalities.</p> <ul style="list-style-type: none"> • The national unemployment insurance agency offers online training and webinars for unemployed people who want to start a business. • More and more municipalities are offering training programmes for part-time entrepreneurs who retain their unemployment benefit. 	<p>through the deployment of incubators, coaches, companies and educational institutions.</p> <ul style="list-style-type: none"> • Entrepreneurship training programmes with mixed groups prove to be effective. • It is important that first-time entrepreneurs on benefits are provided with an integral and long offer of support with follow-up support. • While entrepreneurship training for migrants requires a specific approach, it has great potential to help them integrate into the labour market. • Investing in a good monitoring system and conducting a social cost-benefit analysis of the training. 	<p>first-time entrepreneurs monitored in the Lab? Are there any follow-up measures?</p> <ul style="list-style-type: none"> • Given that the Austrian project has a majority of participants who are LTU and aged 45 and above, is it more geared towards skills training in preparation for Work 4.0 or towards high-tech/digital business creation? What does it mean for the project's future development? • Given that there are many private capital investors who are active in the high-tech and digital sectors, are they at all involved in the Lab or are they willing to co-finance it?
Norway			
<ul style="list-style-type: none"> • Low unemployment rate (3.4 %). • Generous unemployment benefit system. The unemployment benefit constitutes 62 % of previous gross salary and can be provided for up to 104 weeks. • The unemployed must be an "active job seeker". 	<ul style="list-style-type: none"> • In the last three years, there has been an overall focus on individual entrepreneurship training programmes. • People who receive unemployment benefits can continue to receive them while setting up their own business and having income from the new company. • The government has taken actions to increase the number of women entrepreneurs. 	<ul style="list-style-type: none"> • A shift from traditional business ideas to innovative ones. • Provision of support through an online platform, allows to tailor support to individual needs by matching participants with most relevant mentors, not only those who are available in close proximity. • A better system for ex-post evaluation and follow-up after end of the programmes could be transferred to Norwegian practice. 	<ul style="list-style-type: none"> • How to motivate more women to participate in the entrepreneurship programmes? • How to create more innovative business ideas in the programmes? • How to ensure a good system for mentoring and follow-up before, during and after the programmes? • How to ensure a good ex-post evaluation after the programmes? • How to ensure "group effect" in individually based programmes?
Slovakia			
<ul style="list-style-type: none"> • Boom of start-ups in Slovakia, however people registered at PES are not 	<ul style="list-style-type: none"> • The entrepreneurial potential of job seekers in Slovakia is supported by measure called 	<ul style="list-style-type: none"> • There are fundamental differences in the primary focus of the Austrian and the Slovak 	<ul style="list-style-type: none"> • The success of the Lab is largely based on the proper selection of the participants of the program. How

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<p>perceived as a relevant group of potential entrepreneurs.</p> <ul style="list-style-type: none"> Conservative approach to active labour market policies focused primarily on measures providing direct job subsidies, at the expense of measures aimed at improving the capacities of job seekers. Presence of large-scale entrepreneurial skills support structure in Slovakia (National Business Centre), however, with no specialised activities for people who are registered at the PES or are outside of the labour market. Absence of a solid structure focused on improving the entrepreneurial skills of job seekers. 	<p>"Contribution to a self-employed activity", under which 2 123 job seekers were supported in 2018.</p> <ul style="list-style-type: none"> The core of the support is a financial subsidy. Other forms of support provided under the programme are limited. The selection of the participants is made solely based on the quality of a mandatory business plan. No other assessment of the applicants is done. There has been an increase in the number of participants who are classified as disadvantaged. 	<p>programme. In Austria, the emphasis is on the process of strengthening the capacity of the participants. In Slovakia, the focus is on financial contribution. More focus on the earlier stage of developing business idea should be paid in Slovakia.</p> <ul style="list-style-type: none"> The selection of supported business and the process of selecting participants seems to have a fundamental impact on the overall success of the program. An overall assessment of job seekers' skills and a profiling system should be introduced also in Slovakia. The emphasis on adapting to the demands of the Industry 4.0 is an important inspiration. Activities aimed at adapting to the new conditions brought about by Industry 4.0 are almost entirely absent in active labour market policies in Slovakia. 	<p>exactly is the selection process conducted, what specific aspects are examined, which methods/techniques are used?</p> <ul style="list-style-type: none"> Is it possible to identify moments, which are risky from the point of view of a loss of interest in the program on the participants' side in an 18 week long program? What is the approach in situations when the participants lose interest in cooperating? To what extent does the participation in the Lab program facilitate access to start-up capital; alternatively, is participation in the Lab linked to any form of financial aid?
Slovenia			
<ul style="list-style-type: none"> Entrepreneurship support has long been a key measure of active labour market policy in Slovenia and start-up incentive programs were one of the largest in terms of funding used during the 2008-2014 economic crisis. Entrepreneurship training per se was never an autonomous ALMP; it was 	<ul style="list-style-type: none"> The Promoting Self-Employment measure has had a positive impact on the labour market, especially in the self-employment segment, also with lasting economic effects on the development of entrepreneurship in Slovenia. The evaluation of the Promoting Self-Employment measure showed the importance of the 	<ul style="list-style-type: none"> How to gear the measure more towards "Work 4.0" and highly value added work and businesses? Integration of social network capital build-up into the Promoting Self-Employment measure in Slovenia. Pre-selection of participants or/and strict business idea assessment? 	<ul style="list-style-type: none"> What are other innovative practices on how to attract companies to engage in business relations within measures promoting the self-employment? How to activate LTU to participate in these measures? What are other systemic solutions (integration in LLL, national qualifications, talent centres, etc.) that could be linked to the self-employment promotion measures and

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<p>and still is coupled with self-employment subsidies.</p> <ul style="list-style-type: none"> The main programme implemented between 2007 and 2014 was called <i>Spodbujanje samozaposlovanja</i> (Promoting Self-Employment) coupled with self-employment subsidy. In 2016, Promoting Self-Employment measure was scaled down and re-focused on specific target. The two programs developed in this process are called the <i>Mladi podjetniki</i> (Young Entrepreneurs program) (2018-2020) and the <i>Spodbujanje ženskega podjetništva</i> (Promotion of Women Entrepreneurship program) (2016-2019). The interest of MoLFSA in start-up incentives and entrepreneurship training has decreased after 2013 due to concerns over the precarious situation of self-employed. However, with the new government and the forthcoming 2021-2027 multiannual financial framework, the interest of MoLFSA in start-up incentive measures has been restored. 	<p>entrepreneurship training and the business idea assessment for later entrepreneurial success.</p> <ul style="list-style-type: none"> Although without conclusive evidence on the effectiveness, the Promotion of Women Entrepreneurship and The Young Entrepreneurs also seem to be effective and popular among the target groups. A more in-depth evaluation is required to see whether the Promoting Self-Employment active employment policy measure has been contributing to the precarisation of work – especially of self-employed. 		<ul style="list-style-type: none"> – also – financed from the ESF in the next financial perspective? How can the possible threat of generation self-employed precarious workers be avoided, especially within large scale general interventions? Can this be done at all?

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Spain			
<ul style="list-style-type: none"> • In Spain, entrepreneurship support measures have gained importance since the recent economic crisis. • National and regional PES provide a range of services and measures to support entrepreneurship. They are mainly aimed at the unemployed people, although some specific measures have been reinforced to promote youth entrepreneurship. • The initiatives are featured by the participation of diverse actors, including PES, regions and municipalities, chambers of commerce, NGOs, etc. • Existing entrepreneurship support programmes are paying more attention to new business models and new forms of work. 	<ul style="list-style-type: none"> • The Common Portfolio of Services of the National Employment System includes self-employment and entrepreneurship advisory services. It led to the coordination of services provided by regional PES in this field, and the set-up of common indicators. • The services of PES in 2019 include promoting self-employment and new job opportunities offered by the digital economy, but training is still far from responding to the needs of the companies regarding technological changes. • Among these measures, support to start-ups with incubators is offered by PES in 10 regions. They are part of new programmes and yet to be evaluated. • The option for 'capitalisation' unemployment benefits to set-up a business has fostered entrepreneurship, becoming successful in promoting self-employment. 	<ul style="list-style-type: none"> • In Spain, no practice has been identified which includes a combination of training, space for incubation and networking to foster entrepreneurship. • The continuous monitoring and improvement process developed by the Austrian Institute of Technology is far advanced compared to the Spanish programmes. • The Lab can serve as good example for a pilot project to be set up in Spain by the national and two or three regional PES. • It would be of important for the pilot project to count on the contributions of the business sector, in order to define the skills required by the labour market. • The pilot project could complement the existing local initiatives Citilab or Medialab. 	<ul style="list-style-type: none"> • Have communication activities been developed to reach out to potential participants in addition to contacts from the PES and the information day? Has a final event with citizens, other potential employers and / or investors been carried out? • Are social partners involved in the development of the practice (detection of skills to be included in the training, consulted in the evaluation process, members of the monitoring committee, etc.)? • Why was the average age around 45 (i.e. why were young people missing in the initiative)? Has the Lab had positive effects on youth unemployment? Would you recommend it as a measure specifically focused to this group? On the contrary, is it more effective with those who are older? • How have the external trainers been selected? Which background do they have? • Is there any link between the Lab and the Austrian system of social protection (unemployment benefits, minimum income schemes, etc.)?