



Evaluation Summaries

Youth Employment Partnership in Serbia (YEPS)

Quick Facts

Country: Serbia

Final Evaluation: November 2010

Mode of Evaluation: Independent

ILO Technical Unit: Youth Employment

ILO Administrative Unit: ILO Budapest

Evaluation Team: Mr. Frank Kavanagh (Team Leader), Ms Galjina Ognjanov, Mr. Francesco Petrerà

Project Start: September 2007

Project End: December 2010

Project Code: SRB/07/01/ITA

Donor: Italy US\$1,200,000

Keywords: youth employment; employment policy; employment service, active labour market policies (ALMPs), skills development, vocational training

Background & Context

Summary of the project purpose, logic and structure

Against the backdrop of economic crisis and concomitant high levels of youth unemployment, particularly those who are disadvantaged and with low educational levels, the main thrust of the ILO project strategy revolved around two major components that combined the strengthening of the capacity of institutions to implement youth employment policies and programmes with demonstration programmes directed at the creation of more and better jobs for young people. The institutional development component was

geared at increasing the effectiveness of labour market institutions, including the social partners, in addressing the youth employment challenge, whereas the direct support component provided assistance for the development of targeted employment programmes for disadvantaged youth, especially those facing discrimination, poverty and social exclusion.

The Project has been managed in the period January 2008-December 2009 by an international Chief Technical Adviser (CTA), supervised by the Employment Specialist of the ILO Sub-regional office for Central and Eastern Europe.

Purpose, scope and clients of the evaluation

The purpose of this evaluation is to assess the performance of the Project in a comprehensive, systematic and objective manner in terms of relevance, effectiveness, efficiency and impact. The evaluation is designed to assess the relevance of Project objectives and approach as well as identify the extent to which: i) the project has achieved its planned objectives, ii) its strategy has proved efficient and effective, and iii) the long-term impact the Project is likely to have. The evaluation has been prepared for the benefit of policy makers, managers and practitioners of labour market and other institutions that partnered with the Project at central and local levels, as well as the social partners and the donor. In addition the clients of the evaluation include Project management, the ILO DWT/CO (formerly, Subregional Office) for Central and Eastern

Europe, the ILO Regional Office for Europe, the Youth Employment Programme, and, ultimately, the Technical Cooperation Committee of the ILO's Governing Body.

Methodology of evaluation

A pragmatic approach has been adapted to the evaluation based on both qualitative and quantitative methods. This entailed a comprehensive analysis of various sources of information including desk review of survey data and project files, including the project document, technical and policy papers produced by the project; work plans; progress reports and minutes of Steering Committees' meetings. We then undertook interviews and meetings with Ministry of Economy and Regional development (MoERD) Employment Department; National Employment Service of Serbia (NES) Management; Employment Programmes and Adult Training Divisions; Management and staff of the NES branch offices in Bor, Pozarevac, Novi Pazar, Kraljevo and Subotica, case managers as well as pilot programmes beneficiaries including visits to employment locations/companies/firms; Ministry of Youth and Sport, Youth Department; Confederation of Autonomous Trade Unions of Serbia (CATUS); Trade Union Confederation Nezavistnost; Serbian Association of Employers; Other partner agencies and institutions; Serbian Foundation for an Open Society.

Main Findings & Conclusions

The evaluation team are unanimous in their conclusion that this project has had a lasting, positive and systemic impact on policy making and operational activities in both MoERD and the NES respectively. It has also forged valuable links between those two bodies and the social partners and other donor organisations. In that regard, the project is viewed as an outstanding success and worthy of study as a best practice model of cooperation and project implementation. The initiatives present original, but also complex, features, specifically as far as the

development of coordinated action among different stakeholders with divergent organizational structures, expertise and resources is concerned. As many informants have pointed out during the interviews, the establishment of a modern adult vocational training system aligned to emerging and new labour market needs is desirable and the project has underlined this lacuna in labour market provision.

The direct provision component was innovative and entirely suitable for an environment where the VET system needs reform and where no updated framework of qualifications along EU lines, exists. The certification of competency-based training in the context of in-company work environments requires a high level of input and support from the NES and employers.

Selected highlights of the project:

- Labour market information systems have been strengthened and a bridge has been established between the NES and the National Statistics Office, to their mutual benefit. The structure of the Labour Force Survey has also been improved through the learning gained during the project.
- Monitoring and evaluation skills of NES have been developed and reinforced through the training provided.
- The whole concept of transferable skills has been introduced as a way to mediate clients towards new occupations. Allied to this is the development of the competency-based learning and job-analysis approach which allows for better matching of clients to jobs and to more focused and targeted on-the-job training.
- New approaches to skills surveys and forecasting have been instrumental in transforming the amount of Labour market information available to policy makers, both at National and Regional levels.
- The project was completely relevant to the policy formulation functions of the

MoERD and inter-alia facilitated the setting up of the Youth Employment Fund and closely assisted the development of the National Action Plan for Youth.

- The project has highlighted the issue of youth unemployment and has prepared the MoERD and NES in their approach to programming for youth when European Union Instrument of Pre-Accession (IPA) funds come on-stream.
- Sustainable cooperation with other donors has been achieved and this has been particularly praised by MoERD
- Expectations were high at the inception of the project and according to all interviewees met during the evaluation, resistance to new ideas engendered by the project was low because all players were introduced to the different subject matters slowly and involvement at all levels was encouraged by the CTA. Cooperation among all the stakeholders was high and maintained as such throughout the project.
- The National Employment Strategy for 2011-2020 is being formulated at present and is benefiting directly from the influence of the ideas and innovations introduced during the course of the project.
- Innovations such as the child care and mobility grants available under the OJT component are highly appreciated by the MoERD and worthy of mainstreaming subject to the removal of legal obstacles
- Targeting of disadvantaged groups was a valuable additional tool for the NES and the project allowed this to happen in a demonstration project which allowed the NES staff to test the modalities of such targeting approaches to case management in a non-pressurised way during the project.
- Employers felt to be fully involved in the project both at national and individual firm levels.

Recommendations & Lessons Learned

Main recommendations and follow-up

1. The NES service delivery system should be reinforced through the functional reorganisation of staff structures particularly in front-line services, by the introduction of profiling and case management approaches to service delivery and by the improvement of active labour market programmes design, monitoring and evaluation. The monitoring approach tested by the project to measure the performance of active labour market programmes targeting disadvantaged youth offers decision-makers a tool to appraise the labour market returns of investing public funds to fight social exclusion of the most vulnerable groups. The MoERD should continue these endeavours and commit human and financial resources to periodically verify the labour market outcomes of ALMPs.

2. The involvement of social partners can bring focus on issues that are not always on the government's agenda. To this end, it seems worthwhile that ILO continues to provide assistance to further strengthen the capacity of employers' and workers' organizations to shape the employment and labour market policy agendas.

3. The development of a follow on-project to develop labour market focused adult training would greatly improve the toolkit available to the NES to deliver VET supported interventions in an economic way such as the innovative competency based training allied to on-the-job components.

4. There is a strong case for more and better investment in NES staff development. The complex architecture of vocational education and training and of ALMPs requires sustained efforts to achieve human resource development objectives. This requires that the staff of different institutions as well as other

stakeholders is enabled to manage the system in a new way. Institutional actors need to be motivated and committed to the achievement of policy objectives, and they need to be supported to reinforce their competences to manage complex and integrated ALMP systems.

5. To improve the placement impact of on-the-job training consideration should be given to obliging employers to recruit a minimum of 50% of participants in On-the-Job-Training (OJT) and be supported with the allocation of more funds to training (extension of period of training, increasing the subvention to employers as an incentive), subject to the existence of appropriate labour demand.

6. There is a strong case to ensure that the front-line NES Mediators/Advisers be the prime managers of innovative active labour market interventions such as the OJT. This implies that the staff-client ratio in the NES be reduced to allow more time for counselling individual clients and to allow Mediators to get out and meet employers. A recent review of the NES posits some solutions to this issue such as developing a flatter staff structure in the NES to improve the staff-client ratio so that more resources are available to inter-alia, case-manage disadvantaged youth.

7. It is strongly suggested that in future, a mechanism is put in place for technical cooperation projects (both in Serbia and other Countries) implementing ALMPs to remain open after the official project end date in order to support Member States in the assessment of longitudinal net impact effects.

8. Finally, it is recommended that the best-practice demonstration direct provision component and lessons learned should be strongly considered by other countries/regions

which are engaged in programmes designed to address the needs of disadvantaged youth.

Important lessons learned

1. The provision of quality technical assistance to youth employment policy and programme development poses a number of daunting challenges. Firstly, it requires a full understanding of the economic growth dynamics and functioning of the specific labour market. Secondly, it needs to be underpinned by comprehensive knowledge on the operations of complex organisations (public administration in general, ministries and department in charge of labour and employment and Public Employment Services). Thirdly, it requires the detailed exploration of past and current public policies in very diverse areas (education, fiscal, enterprise development, social protection, poverty reduction and so on). Such work often requires that technical cooperation projects go beyond the specific outputs and activities designed in the project document to actually achieve the stated objectives. However, project resource constraints (time, expertise and funds) may limit the scope of the assistance provided.

2. Strategies that combine institutional capacity strengthening with demonstration programmes directed at the creation of more and better opportunities for youth would seem to be more effective in responding to the needs of disadvantaged youth. This is because labour market institutions often require support to deliver innovative targeting of and provision for the disadvantaged youth cohort.

3. The strategy to source co-financing and in-kind contribution to leverage the funds available to the project is an approach that could be mainstreamed in most technical cooperation projects. It also serves as a capacity building tool for national partners in

fund raising and management of project design, monitoring and evaluation.

4. Policies aimed at improving youth employment prospects should be wide in scope, while programmes need to be targeted to those who are most at risk of labour market exclusion. A correct diagnosis of the causes of unemployment among young people (mismatch between labour supply and demand, sluggish labour demand, low job search intensity or wage reservation mechanisms) is of the essence for the design and targeting of effective interventions.

5. The existence of an employment strategy is a necessary, but not sufficient condition to bring focus and coherence to labour market policies and programmes. Coordination among different ministries remains the most difficult area to be tackled – especially so during a labour market crisis – with coordination among line ministries fragmented and with too few initiatives taken in concert. Although some progress in this regard has been made during the development process of the Action Plan on Youth Employment, more assistance will be required reinforce this practice.