Joint action

Evaluation of the Youth Unemployment Action Plan

Summary
A study commissioned by the Ministry of Social Affairs and Employment

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This summary reviews the most important findings and conclusions from the evaluation of the Youth Unemployment Action Plan. The summary begins with a review of the reasons for the evaluation and the design of the evaluation, continues with a description with the features of the Youth Unemployment Action Plan and then discusses the implementation of the Plan and the results. The concluding paragraphs discuss the active mechanisms and the manner in which elements of the Action Plan can be retained for future use.

Reasons for and design of the evaluation
The Netherlands was confronted with an economic crisis in 2009. Experience with previous recessions such as at the beginning of the nineteen-eighties had revealed that young people are more vulnerable in times of crisis and that this vulnerability can result in a tremendous increase in the youth unemployment rate. In an endeavour to avoid the recurrence of situations such as those in the nineteen-eighties the previous Government [Balkenende IV] decided to implement short-term measures designed to prevent many young people from being left on the sidelines of society without a job or with incomplete or inadequate qualifications. This decision resulted in the preparation of the National Youth Unemployment Action Plan, which was completed in May 2009. This Action Plan was one of the temporary measures that the previous Government implemented at the beginning of 2009 to absorb the consequences of the economic crisis.

The impetus imparted by the Youth Unemployment Action Plan ends in 2011. The Ministry of Social Affairs and Employment requested Research voor Beleid to carry out an evaluation of the Action Plan as a means of giving account for the Action Plan as well as reviewing the future and examining the lessons that can be learnt from the approach to youth unemployment. The evaluation was carried out on the basis of a ‘theoretical’ approach to the evaluation of
complex policy programmes, namely realistic evaluation, a form of evaluation in which a distinction is made between context, mechanism and results. The evaluation focuses less on the (quantitative) results achieved by an action and more on the active mechanisms of an approach: what is effective, and in which circumstances?

The evaluation does not extend to a quantitative measurement of the effects or a cost-benefit analysis since these would not yield any meaningful conclusions due to the specific nature of the Youth Unemployment Action Plan:

- The Action Plan is a temporary crisis measure. Consequently, in principle the Government has decided not to issue instructions for the implementation of the Action Plan or to specify quantitative targets serving as benchmarks for a subsequent review of the implementation of the policy in accordance with the instructions and assessment of the achievement of the targets.
- The large majority of the funds was made available to municipalities who were granted a great deal of discretion in deciding how they would allocate the funds. For this reason the municipalities do not need to give account for their allocation of the funds other than for the number of the number of job places that were created in their territory.
- The Action Plan’s influence on youth unemployment cannot be isolated from other policy endeavours such as the Youth Investment Act.
- Some projects developed within the scope of the Action Plan will continue for a number of years. For this reason a conclusive statement of the quantitative results achieved by the Action Plan cannot be formulated at present.

Features of the Youth Unemployment Action Plan

As indicated above, the Youth Unemployment Action Plan was not a standard policy programme but rather a crisis-response approach and, consequently, a temporary impetus. Since this was a crisis-response approach the Action Plan called for rapid and effective measures. For this reason the Action Plan stated that it was not intended to express a viewpoint but rather to lay down ‘a plan with specific measures that can yield rapid results if we all jointly set our shoulders to the wheel’.

This joint action, working together in setting the shoulders to the wheel, is the Action Plan’s second distinctive feature. The Action Plan lays down a joint
approach and calls on all parties who can help alleviate youth unemployment: employers, municipalities, young people, their parents and schools, all of whom are explicitly referred to as important parties. This joint approach was not limited to the parties implementing the Action Plan and other parties directly involved: policy-makers were also expected to work together in managing and coordinating the implementation plan. This latter expectation was fulfilled, as was revealed by the management of the Action Plan in cooperation between the Ministry of Social Affairs and Employment, Ministry of Education, Culture and Science, Ministry for Youth and Family (now the Ministry of Health, Welfare and Sport] and Ministry of Residence, Neighbourhoods and Integration [now the Ministry of the Interior and Kingdom Relations] together with the Association of Netherlands Municipalities, UWV social security administration organisation, Netherlands Association of Vocational Education and Training and Adult Education Colleges and Association of National Centres of Expertise on Vocational Education.

The Action Plan was comprised of five lines of action:
• School Ex
• Covenants with 30 regions
• Matching offensive
• Extra apprenticeships, work/education workplaces, traineeships and voluntary work
• Opportunities for vulnerable young people

The lines of action were implemented simultaneously at national, sectoral and regional level, whereby the focus of the implementation structures pivoted on the regions as the regions have an insight into the scope of the problem and the specific measures needed to alleviate the problem. The Action Plan also states that the Government intends to promote and enhance the regional network structure for the labour market. The diversity of the youth unemployment problem between the regions was a further reason for the adoption of a regional approach. The [central] municipalities in each region were assigned a directive role, thereby creating a link between the regional labour markets and the municipalities’ administration of the Work and Social Assistance Act and Youth Investment Act.
Although the Action Plan includes specifications of each line of action it also grants the regions a great deal of discretion in deciding the details of the implementation of the lines of action in the region, an approach apparently adopted in view of the regional differences between both the labour market and youth unemployment and the resultant need for customisation. One example of this discretion was the deintegration of the budget: the parties were allowed to decide how they would allocate the funds within the Action Plan’s framework. This large amount of discretion also required the national government to play a more supportive than directive role.

Implementation

The crisis approach to the Action Plan encouraged the parties to implement rapid and effective measures. All those interviewed stated that most activities were implemented extremely rapidly at both a national and regional level. Most parties also appreciated the urgency of the problem of the increasing youth employment rate. The majority of the measures specified in the Youth Employment Action Plan were implemented and, in general, appropriate actions were taken when any measures initially failed to achieve favourable results: for example, learning cycles and ‘regional youth sessions’ for exchanges of experiences and the identification of any bottlenecks were set up and organised for the regions.

The Action Plan incorporated two assumptions that were experienced as impediments at the beginning of the implementation: firstly, it was assumed that the regional education, labour market and care infrastructures already exhibited a reasonable performance and, secondly, it was assumed that mutually-harmonised regional data systems were available. However, the arrangements for the regional collaborative arrangements made on the initiation of the implementation of the Action Plan took longer to complete in some regions because the necessary infrastructures either had not been developed or had been developed to an insufficient extent. Giving account for the results also cost the regions a great deal of time and effort because the definitions in the regional players’ data systems had not yet been harmonised to an adequate extent. In 2010, the Ministry of Social Affairs and Employment responded to this shortcoming by issuing shared working definitions, supporting the regions’ submission of data and inspecting the submitted data.
The Action Plan was implemented simultaneously at a national and regional level. Although favourable experiences were acquired with the interaction between (national) policy and regional implementation, the link between the national and regional level was (as is also discussed in the ‘Active mechanisms’ Section) found to be stronger with some lines of action than others. The regional covenants, School Ex Programme and Matching Offensive exhibited a strong link between national management and regional implementation but the Vulnerable Young People line of action penetrated to a regional level to a lesser extent: in many regions the network infrastructures for the labour market and education were not linked sufficiently to the domains of vulnerable young people, such as the (youth) care infrastructure.

The link between the regional and sectoral levels did not develop to the extent anticipated in the Action Plan, such as the link to the national sectoral arrangements that fell under the responsibility of the Association of Netherlands Municipalities and the social partners. One bottleneck was the absence of adequate agreements specifying which of the parties would implement which agreements in the regions. As a result, in some instances the directive municipality needed more time to gain an appropriate insight into the tasks that had already been assigned to national sectoral parties. However, some regions did take valuable initial steps towards cooperation with the sectors.

Results
The results achieved by the Action Plan reveal that, in general, the parties involved did heed the Government’s appeal to fulfil the ambitions. The national and regional parties have greatly increased the degree of cooperation, which has resulted in valuable labour-market infrastructures for exchanges of information, the provision of service to young people and regional cooperation. The parties have also begun to act more in the interests of smooth labour-market transitions, which has also improved the harmonisation between the various dimensions of the labour market, i.e. education and employers, mediation and rehabilitation. In addition, a large number of innovative measures have been implemented within the context of the Action Plan. The majority of the parties look back on the implementation and the results with satisfaction.
For the reasons mentioned earlier, it was not feasible to establish a quantitative link between these results and the movements in the youth unemployment rate. However, it is clear that from both a historical and a European perspective and notwithstanding the crisis, the implementation of the Action Plan has been accompanied by no more than a limited increase in the youth unemployment rate. The regions have also succeeded in providing workplaces for a total of more than 170,000 young people, of who about half (the ‘vulnerable’) young people without entrance qualifications. Figures from Colo indicate that the actions taken by the 17 cooperating centres of expertise on vocational education within the context of the Traineeship and Apprenticeship line of action have contributed to the non-materialisation of the shortage of 150,000 apprenticeships forecast at the beginning of the crisis. The student counts on 1 October 2009 and 1 October 2010 reveal that more than 10,000 additional young people each year of the two years of the operation of the School Ex Programme decided to continue their education.

**Active mechanisms**

The qualitative results achieved by the Action Plan were in part feasible due to a number of active mechanisms, i.e. underlying (and, consequently, invisible) causal mechanisms that generate specific outcomes within specific contexts. The active mechanisms that manifested themselves during the implementation of the Action Plan were in part due the specification of the Plan as a crisis approach and to the decisions made for the management and financing, as well as to the decision to promote regional network structures.

The first of these mechanisms was an **adequate management model** whereby the national government and the relevant parties endeavoured to conclude an alliance, based on mutual respect for each other’s identity, which was designed to achieve a specific policy result. The Action Plan called all parties to account to make use of their specific expertise and their mutual independencies in solving the problem. In general, this resulted in a great deal of enthusiasm during the implementation of the Action Plan.

The management model was accompanied by regional performance incentives in accordance with a wish expressed by the House of Representatives of the States-General. This reveals a certain degree of dualism, since although this
results-oriented management did help ensure that the attention remained focused on the control of youth unemployment it also resulted in opposing roles for the national government – a promotional role (in the form of financing and interactive policymaking) and a coercive role (in the form of incentives and monitoring).

The field discussions held with the relevant parties in the field confirmed that the national government’s management of the implementation was in conflict with the discretionary powers they had been granted by the Action Plan.

The second active mechanism can be described in terms of problem-driven policy: in essence, the parties set their personal interests aside in tackling the urgent problem of the youth unemployment rate. Opting for a crisis approach and focusing on the problem resulted in the need, as it were, to organise the national and regional implementation of the Action Plan around the problem. The parties involved stated that this resulted in their realisation of the need to coordinate their efforts if they were to ensure that young people’s labour market transitions were to be completed smoothly and effectively. The problem-driven nature of the Action Plan also resulted in increased attention to the demand side of some regional labour markets (the provision of service to employers).

The third active mechanism relates to the close interaction between policy and implementation. The implementing parties were granted a great deal of discretion in their decisions on the specific detailing of the measures, for example by means of the formulation of regional action plans. The pronounced focus on implementation was also manifested by the Ministry of Social Affairs and Employment’s project organisation, in which the regional account managers maintained close ties with the field. This cooperation between policy and implementation resulted in the parties’ great involvement, improved harmonisation and feasible interventions.

The fourth active mechanism, in conclusion, was the great amount of discretion granted to the regions, in particular, in deciding on the allocation of the substantial funds. Allocation discretion is based on the regions’ autonomy and is without prejudice to the content of the approach to youth unemployment – and makes customisation in the region feasible, promotes innovation: moreover, the substantial budget compels cooperation between the partners in the field.
All in all, the Action Plan created scope for the enhancement of regional labour market policy and removed a number of the associated bottlenecks for at least the time being. This was feasible in view of the findings from studies carried out in recent years which reveal that a number of issues can impede regional cooperation. The first of these impediments is due to the fact that parties are often called to account for their individual results, as a result of which they think and act on the basis of their individual interests or on the basis of the specific framework laid down by the prevailing legislation and regulations. The second impediment is due to the parties being governed by different financing regimes which have adopted in part conflicting principles. Virtually no earmarked funds are available for regional labour market policy. The third impediment is due to the limited role some regions were assigned as labour market players prior to the introduction of the Action Plan.

Although, for example, regional labour market policy platforms had been formed at the time the Wet SUWI (‘Work and Income Administration [Reorganisation] Act’) came into force these were subsequently abolished on the termination of a temporary incentive scheme. In fact, it is possible to state that the Youth Employment Action Plan has rediscovered the region as a labour market player.

Integration
Use can be made of the qualitative results and insights yielded by the Youth Unemployment Action Plan in the future and they integrated in regular policy when this is both desirable and feasible. Self-evidently, any such integration and the manner in which this integration is implemented is a political decision that falls outside the scope of this evaluation.

The discussions with the parties involved in the various lines of action revealed the following shared conclusions on the integration of the results:
1. Cooperation. The Action Plan has resulted in valuable collaborative arrangements at national (inter-ministerial), regional and local level that can be retained.
2. Closing the links in the chain. The Action Plan has resulted in the partners in the (vulnerable) young people chain closing the links in the chain and harmonising their approach to the issue.
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3. Employer-oriented approach. A great deal of regional and local experience has been acquired with demand-oriented approaches to employers, improvements to the integral services provided to employers and matching of demand and supply.

4. Process-based knowledge and experience. The Youth Unemployment Action Plan has resulted in the acquisition of experience with issues such as the approach to change processes (national), the management of regions and development of an appropriate accounting model (national) and the creation of support within various levels (national and regional), as well as the acquisition of practical knowledge and experience with tools and projects (regional).

Cooperation

Regional cooperation does not develop of its own accord. The Youth Unemployment Action Plan has revealed that a number of conditions are attached to successful cooperation, in particular the need to strive for the retention of cooperation structures at regional level and for the prevention of the disappearance of recently-developed infrastructures that need to be redeveloped in the future. This implies that the regional parties will need to continue to meet each other. Regional collaborative arrangements also require a specific, action-oriented theme if they are to be effective. The introduction of the Work according to Ability Act could offer a suitable theme for cooperation. In addition, since the Coalition Agreement refers to specific issues and assigns more responsibilities to municipalities the municipalities will also benefit from the development of coherent local and/or regional policy, for example policies relating to the changes in the youth care system and the measures for fitting education.

The intensified interministerial cooperation also needs to be maintained to enable the government to continue to harmonise the substance of national youth policy. This cooperation can be continued by means including the formulation of a joint long-term agenda for the various ministries and national players, as well as by the assignment of the directive role in cooperation to one of the national players: this can provide an incentive to other layers (both national and regional) to continue their cooperation.
Closing the links in the chain
The Youth Unemployment Action Plan has made a national and regional contribution to the improvement of cooperation between the links in the care-education-labour market chain. Maintaining the contacts between links in the chain developed for the implementation of the Action Plan is of importance to both the regions and to national policy-making. Structural chain consultations can assist in the development of permanent contacts. In addition, the tools which the parties developed on the interface between education and the labour market need to continue to be used and developed further: examples of these tools are cited in the ‘Successful approaches to the youth unemployment problem’ Relay Race.

Employer-oriented approach
The implementation of the Youth Unemployment Action Plan was in part the reason for many regions’ decision to assign one contact point to employers for youth issues. The platforms – or think tanks – that employers and regional parties developed for meetings to give consideration to effective labour market policy also need to be retained since they can be beneficial to future labour market policy. Sectoral cooperation has proven to be of great value to appropriate matching in the regions: this could be given permanent form by means of sector points.

The retention of the employer-oriented approach adopted for the Action Plan will be feasible only when the current regional collaborative partners make the requisite efforts in the form of time, energy and funds and succeed in finding administrative support. The retention of the regional employer-oriented approach will also require efforts on the part of the national government. Although the regional collaborative partners can take the lead – as they have demonstrated during the implementation of the Action Plan – the national government can ensure that the preconditions attached to regional cooperation are fulfilled, for example by specifying themes, explicitly assigning the regions a pivotal role in future labour market policy, decompartmentalising budgets and/or rewarding regional results.
Process-based knowledge and experience

The experiences acquired with the Youth Unemployment Action Plan have revealed that results of this nature can be achieved with a new form of management in which the parties carry out their work primarily on the basis of partnership, individual responsibility, transfers of viewpoints of the future and a shared ambition.

One issue requiring attention with this form of management, in which the regions and other stakeholders bear the responsibility for the policy and implementation, is the need for the national government to take an evident step back from the process. In addition, a shared viewpoint of accountability is required, whereby discretionary policy powers and mutual dependency need to be accompanied by accountability for the main elements.

In addition, a large number of stakeholders involved in the implementation of the Action Plan have acquired a great deal of knowledge and experience with methods, interventions and approaches. This knowledge of and experience with interventions, cooperation and employer-oriented approaches can continue to be utilised solely in the event of appropriate exchanges of knowledge and the retention of contacts. This has already been given shape in the form of the specification of examples of appropriate tools (including tools for vulnerable young people) and the preparation of the Relay Race approach to youth unemployment document that enabled project managers to become acquainted with successful approaches and tools used in other regions.

In conclusion

The Action Plan has yielded a wealth of results and insights that can be utilised in the future and integrated in regular policy. The Coalition Agreement specifies a number of plans based on the transfer, decentralisation and decompartmentalisation of flows of funds. This offers municipalities opportunities to develop coherent policy, whereby it will be necessary for the municipalities, in particular, to feel the need take initiatives to achieve the necessary integration. The benefits integration offers as a more effective solution for the labour market issue will also need to be evident at macro level. Consequently, when viewed from this perspective the responsibility for solving the problem is not limited to the municipalities and other regional parties but is also shared by the national government.
Virtually all the organisations that cooperated in the implementation of the Youth Unemployment Action Plan will be confronted with substantial spending cuts from 2011 onwards. The parties are of the opinion that these spending cuts will complicate the necessary integration, whereby it should be noted that experience acquired with labour market policy has revealed that cooperation in a care-education-labour market chain often founders due the differences between funding regimes, legislation and regulations that result in organisations turning their attention inwards and giving preference to their individual preferences.

Although cooperation can increase efficiency in the longer term and, consequently, achieve savings, the continuation of cooperation gives cause to a structural cost item that is still all too often scrapped on assigning priority to other issues. For this reason all the parties shall need to fully appreciate that many elements of the Action Plan can be retained with relatively little effort and with relatively small funds: this is the major challenge confronting all stakeholders in the Youth Unemployment Action Plan.
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This summary is a publication of Research voor Beleid on the request of the Ministry of Social Affairs and Employment