

► Public employment services that work for young people

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►► Instilling resilience, adaptability and sustainability in the making and delivery of labour market services may be a more promising way forward...

Worldwide, far too many jobseekers aged 15–24 face a precarious transition to stable employment as they embark into working life. But looking for work should not be complicated, expensive or inefficient. Increasing available public support when they are prospecting for employers, applying for jobs and even making decisions on job and career paths can give young people a better start in the labour market.

Employment services are one of the most cost-effective active labour market interventions to match jobseekers with vacant positions. Assisting young people successfully, however, requires a different approach than for adults: a combination of mainstream services and targeted approaches for their transition into employment. There are many labour market services and programmes that are moving young people into jobs, self-employment or entrepreneurship. Available evidence shows delivery works when services are tailored to an individual's readiness for employment and the local context.

Youth are struggling to find a solid foothold in today's job market

In 2019, 67.5 million youth around the world were unemployed, and many of them were actively looking for job opportunities (ILO 2020).²¹⁶ Connecting young jobseekers to their first job and ensuring quality employment poses different challenges from what older adult workers encounter. Available data reveal that too many young people face an

uneasy transition to stable employment. Estimates also indicate that the first contact with the labour market for more than seven in ten persons aged 15–24 worldwide is through informal employment (figure 1).

Although with strong variations across countries, such transition patterns place a large portion of these young workers in vulnerability, with many of them working in digital labour platforms, on-call positions, temporary work or part-time contracts. While these types of jobs offer young people an opportunity to gain work experience, they do not systematically function as a “stepping stone” towards regular work. Moving to the next job and the risk of becoming jobless with no social benefits, sick pay, pension credits or rights at work is greater for young workers in non-standard forms of work, including the gig and sharing economies.

In contrast, the biggest challenge for employers of all sizes is to reach potential job candidates with their match-required profile for vacancies. Survey findings repeatedly highlight that employers cannot find the skilled workers they need. For instance, McKinsey has reported since 2012 that about six in ten employers, in different emerging markets and developed economies, are struggling to fill more entry-level positions and fear not finding enough skilled candidates. Employers also reported that high turnover is adding pressure to their recruitment costs and time needed for identifying potential candidates, including for filling and maintaining workers in low-skill positions.

A poor transition into employment, followed by a series of low-quality jobs, could negatively affect

²¹⁶ “Youth” refers to people aged 15–24 unless otherwise specified.

► **Figure 1. Young people's first transition into the labour market**

77% of all 15- to 4-years-olds working worldwide start working in informal employment



Source: Author, based on figures from Bonnet, Chacaltana and Leung 2019.

► **Figure 2. Employers having difficulty filling entry-level positions**

60% of employers from different countries and industries fear not being able to fill entry-level positions



Source: Author, based on Bughin et al. 2018.

a young person's long-term career and income and, most problematically, results in labour market exclusion and inequality. The difficulties young people are experiencing to find a job and employers are having in recruiting reflect the critical need for cost-effective policy interventions to connect labour supply and demand through a more transparent job market.

An evolving job-search market

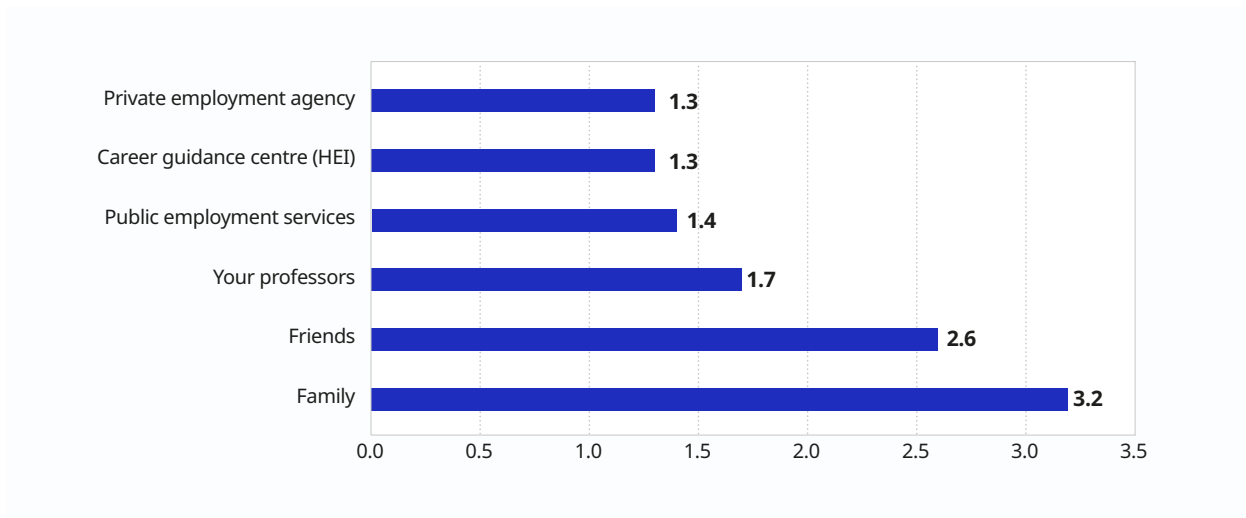
A variety of job-search channels

Young people are hunting for jobs in a mixed context of declining routine-intensive occupations, additional demand for new skills, increasing job losses and task profiles becoming more technology-oriented. In the era of internet and smart phones, young jobseekers have at hand many job-searching channels, ranging from newspaper advertisements, direct enquires with employers, internet job sites (job aggregators, job forums, job posting sites), private recruitment agencies and government-run employment services to referrals by family and social networks.

Many young jobseekers, however, might not be aware of the support that is available to them and thus face a harder time finding a job. Increasing the

assistance available to young persons when they are deciding on their career path, prospecting for employers and applying for jobs can give them a better start in the labour market.

When searching for jobs, young people are still heavily reliant on family and personal networks and make little use of formal job-search methods through job intermediaries. While plenty of job matches occur (as they should) without the intervention of employment service providers, an over-reliance on personal networks for job hunting stresses the inequalities in entering the labour market. This practice is even more evident in labour markets where job-search services are limited in scope or perform poorly. For example, social and family networks remain the most popular method for job searching among young people in Arab countries: Less than 5 per cent of employed youth in Algeria and 9 per cent in Jordan declared public employment services helped them to land a job (Lassassi and Alhawarin 2018). A study on transitions from higher education systems to the labour market in the Western Balkans also found that young graduates received little support from career guidance centres and job intermediaries; in contrast, their social networks typically helped them the most with job-searching (figure 3).

► **Figure 3. Job-search sources used by young graduates in Western Balkans, 2015**

Note: HEI=higher education institutions. Data from a cross-country survey carried out from March to August 2015. Respondents were higher-education graduates (at 4,602) who had completed their studies since 2010. Answers were scored on a scale of 1–5, with 1 = “no help at all” and 5 = “very much helped”.

Source: Taken from Bartlett and Uvalić 2019.

In Finland, where public employment services are better resourced, unemployed youth in rural areas in 2004 had the reflex to first contact the public job centres when seeking work or information on training and education. Young jobseekers in urban areas, however, mainly used personal networks for their job searching (Jentshc and Shucksmith 2004). This might be indicative that individuals with different job profiles and locations use different job-searching strategies, thus reflecting how labour markets work in practice in a given socio-cultural environment. It could also signal that accessibility to effective job-search support makes a difference for improving early labour market entrance.

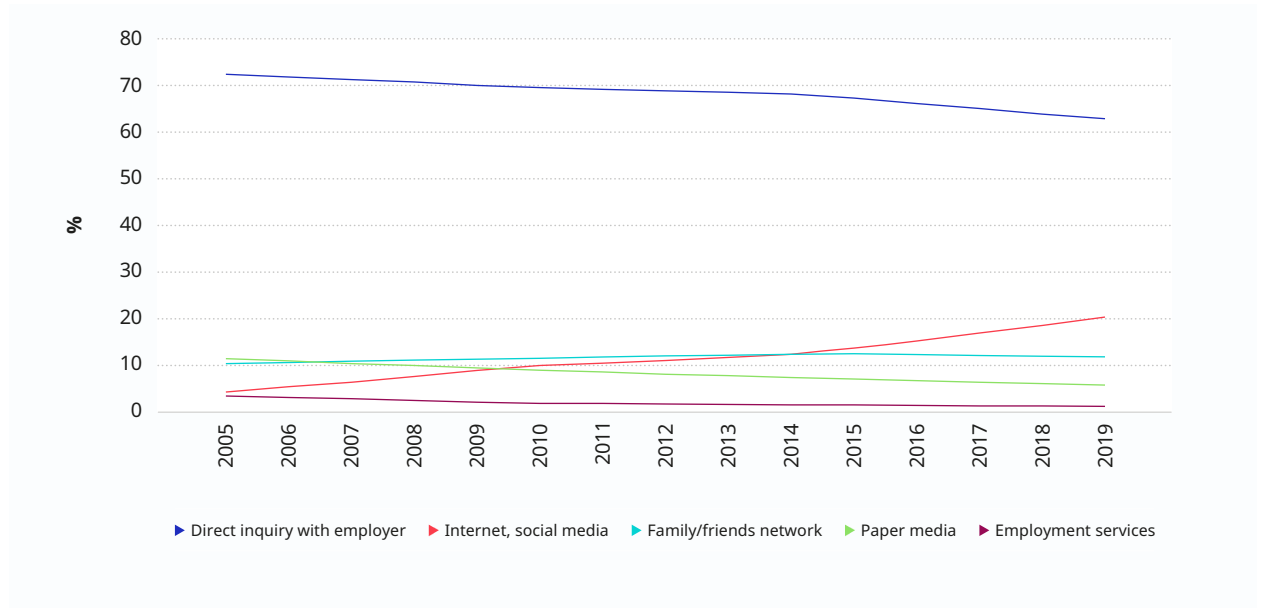
Family, professional and institutional networks around young people strongly influence their job-searching experience and results. This seems to be particularly the case for young people with little social capital or nascent professional networks. In Spain, for instance, evidence shows that formal job-search methods provide a better foothold in the labour market for disadvantaged groups, including young people. The fact remains, however, that individuals at risk of poverty tend to be disconnected from formal job-search channels and are not systematically aware of services offered by public employment offices or other private and third-sector providers (Gómez-Torres and Santero and Flores 2019).

Are the internet and social media job-search channels rapidly taking over?

In today’s fast-evolving job market, the widespread use of the internet for job searching – using smartphones and social media – influences the way young people look for work. In the Eurozone, young persons (aged 16–29) used the internet to look and apply for a job twice as often as older adult workers. Available data (2015) reveal that in the European job market, social and professional networks, such as LinkedIn, were used for job hunting by 13 per cent of young people and 10 per cent of the whole population a few years ago (Eurostat 2017). This practice is picking up in other regions of the world; LinkedIn recently started an Arabic language network for professionals, with the intention of reaching 14 million users.

The increasing importance of the internet for young jobseekers can also be observed in emerging economies. In Mexico, the percentage of unemployed youth using the internet for job searching has doubled since 2005 (figure 4). The use of direct enquiry channels with employers, by contrast, has been going down for about a decade. Family and social networks, however, are still among the most popular channels for unemployed youth looking for work. Recurrence of job intermediaries shows

► **Figure 4. Job-search channels used by unemployed youth in Mexico, 2005–2019**



Source: National Survey on Occupation and Employment (Encuesta Nacional de Ocupación y Empleo), Q.1, 2005–2019, INEGI 2020.

no significant variation over the past 15 years and continues to be the least preferred choice among unemployed youth for job searching. This is in spite of impact evaluations finding that jobseekers who used public employment offices found a job of better quality (formal sector), albeit not necessarily faster than through the other searching channels.

While widespread access to the internet makes available new sources and tools to jobseekers, disparities persist when it comes to the devices that they have at hand to look for work. A 2015 study on jobseekers' behaviour in 13 countries²¹⁷ found that the preferred channel choice is the internet, especially for younger and highly skilled persons. Surprisingly, newspaper adverts were the second most used channel for jobseekers in the countries covered by the study, followed by referrals from family and friends (Okubo and Sakurai 2015).

On the other side of the spectrum, young people without continuous access to the internet are disadvantaged when applying to jobs online, particularly in sectors and industries heavily reliant on this recruitment channel to fill entry-level and hourly positions, such as retailing, e-commerce, call centres, logistics and supermarkets. Young jobseekers without a mobile phone or fixed telephone encounter

the difficulty of not being easily reached by employers for invitation to interviews and post-interview follow-up (Avila 2018). Relatives and friends also remain an important source of information on job vacancies for youth experiencing cumulative barriers to land a quality job, including low-employability persons, early school leavers, people with disabilities and migrant workers living in relatively closed social environments. Although social acquaintance networks can be effective for these young workers in finding a job quickly, they are not likely to help them in expanding their options because their personal relationship networks remain limited to a similar socio-culture environment.

And while the use of the internet for job searching offers great potential to expand access to information on available job vacancies, wages, career and occupational trends, online job searching is not yet the most effective channel for all young people. The choice of channel depends greatly on an individual's profile, their acquaintance networks, the institutional support and the local labour market ecosystem. In India, for example, internet penetration for job searching is still developing, and referrals by relatives and social networks continue to have a stronger role. Opposite to this, average

217 Such as Australia, the G7 advanced economies of Canada, France, Germany, Italy, Japan, the United Kingdom and the United States or the BRICS: Brazil, Russian Federation, India, China and South Africa.

jobseekers in the United States extensively use print media, despite high levels of internet connectivity (Okubo and Sakurai 2015).

Local labour markets are not moving at the same pace regarding internet adoption for job searching. In 2018, 3.7 billion people – nearly half of the world's population – living and working in developing countries were still unconnected (ITU-UNESCO 2019). In addition, micro and small enterprises, which generate more than 50 per cent of employment worldwide (World Bank 2019), were not yet handling recruitment via online channels but relying on their own network's referrals. What seems to continue being effective in today's labour market for jobseekers and employers is the combination of job-searching and hiring strategies, with networking still dominating all other methods.

Levelling the field for young people to access work

Good governance for inclusive job markets

Good job matches are one of the important components for improving work transitions for young people, whether they are looking for jobs in tight labour markets where vacancies are difficult to fill or in labour markets where quality opportunities are typically in the hidden job market.

Landing a formal and stable job that matches the skills and aspirations of young people is far from a straight-line journey. Movements take place from, between and within work placement, traineeships or internships while in education, after completing education or following a period of inactivity. An entry-level job search can take an average of five months in predominantly formal job markets, such as in the United States (Randstand 2018), while the transition into a formal and full-time job might take up to seven years for higher education graduates in developing economies, where informal employment is abundant, such as Tunisia (ILO 2018b). When the criteria defining "transitions" in the labour market incorporate qualitative elements, such as feelings of personal satisfaction or identification to employer's values, findings from the International Labour Organization's (ILO) school-to-work transition surveys indicate that it takes an average of 13.8 months for youth (aged 15–29) in low- and middle-income countries to move into a satisfactory job (ILO 2017).

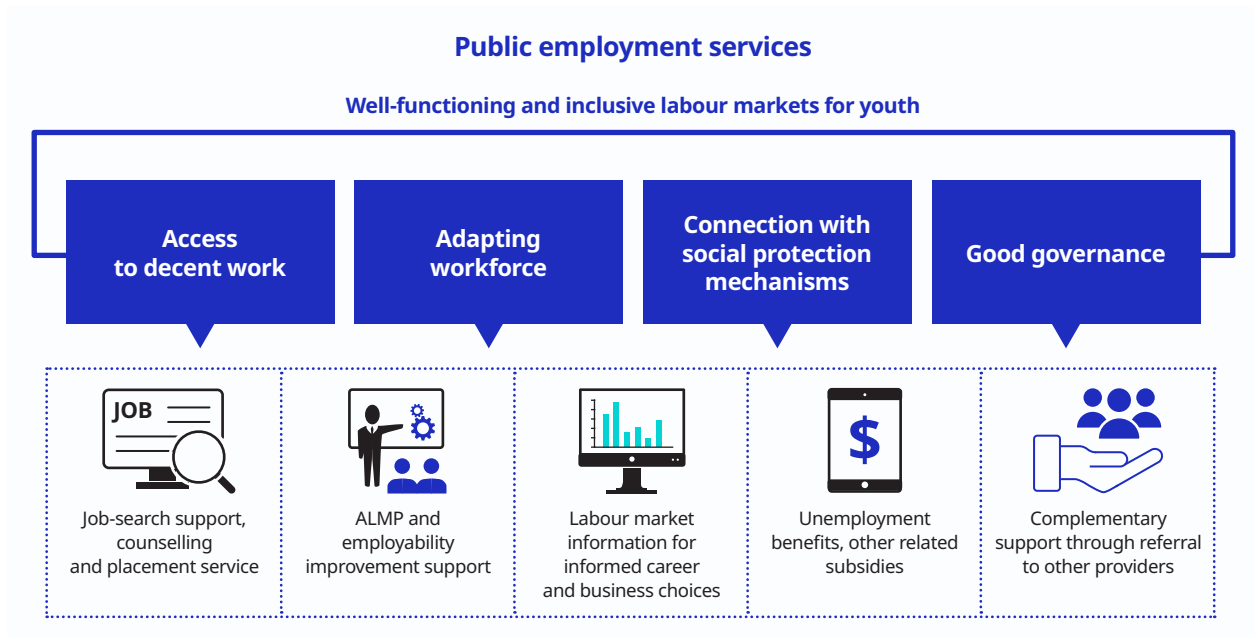
Levelling the opportunities for young people in the early stages of their productive life is paramount to their future labour market participation and the productive capacity of societies. A better understanding of the jobs and occupations that will move the economy of the future becomes immensely relevant with the rapid expansion of mobile telephone use, automation and the internet of things. Effective and inclusive policy mechanisms are needed to accommodate different kinds of young workers in the labour market, from today's media-savvy generation to youth at risk of poverty and social exclusion, who often require a wider and extended range of services.

In the face of extensive income inequality and wealth disparity, establishing fairness and equality of opportunity in employment for young people represents one avenue for shaping inclusive job markets. In promoting such an inclusive environment, employment service providers, whether public or private, become important for removing barriers to participation in the labour market and favouring a closer relationship with employers in dealing with recruitment bottlenecks.

Impact evaluations have found that well-run employment services help young jobseekers find a job that is in sync with their skills and aspirations faster and often with better quality than if they looked on their own (Mazza 2017). This impact is achieved in the short-term: a better job or a job found more quickly, while other interventions affect longer-term job prospects, such as education and skills training. Despite of their low penetration rate, government-run employment services (when compared with other job search sources and channels) are recognized and promoted as important institutions contributing towards increasing labour market participation, supporting successful transitions between jobs and careers and making the job market more transparent.

The reason that public employment services have such a large scope of influence boils down to their governance responsibilities as part of the institutional mechanisms ensuring that well-functioning labour markets remain inclusive. The provision of labour market services spills over positive policy effects, such as: (i) facilitating access to decent work; (ii) adapting workforce skills to labour market demand; (iii) connecting, through referrals, jobseekers with poverty-reduction programmes and social protection systems; and (iv) ensuring good governance when it comes to the participation of private employment agencies and third-sector providers in delivering services under partnering schemes (figure 5).

► Figure 5. Public employment services for well-functioning and inclusive labour markets for youth



Note: ALMP=active labour market programmes.

Source: Author.

There are many different providers of employability, job matching and placement services operating on the local and cross-country levels. Ensuring accessibility, gratuity and inclusiveness continues to be a fundamental challenge in countries with weak national laws and social protection systems. Provision of job-search support and placement services in fair labour markets must respond to international labour standards regarding the right to equal opportunity in employment for everyone and non-discriminatory access to related services free of charge for all jobseekers and employers.²¹⁸ Good labour market governance is rooted in international labour standards and works to improve job-matching and hiring practices by making information about job markets more accessible, for example, on salaries, working conditions and employers' values, which help in making informed decisions.

Digital technology for job matching: Equal treatment?

With the rapid emergence of online talent platforms and online social networks offering job advertisements on boards for jobseekers and employers,

international labour standards governing the provision of job search, recruitment and placement services are of particular relevance. A growing practice among some of these networks is the charging of fees for access to premium or advanced jobseeker services. Premium or advanced services differ from the advertising notices because they effectively connect potential candidates with other recruiters or the employer directly. In such cases, social networking for facilitating job advertising becomes borderline with job-matching services, which should be provided free of charge according to international labour standards (De Stefano and Wouters 2019).

The possibilities that technology offers for job matching also involve the use of machine learning, artificial intelligence and advanced automation tools to screen candidates and evaluate whether or not someone is fit for a job before setting up an interview. Many online job boards are exploring the possibilities to integrate job-searching services with automated recruitment. While these new tools can bring efficiencies to the pre-screening tasks, they also open up the possibility to discriminatory practices. Amazon, one of the bigger recruitment

²¹⁸ See the Employment Service Convention, 1948 (No. 88) and the Private Employment Agencies Convention, 1997 (No. 181).

companies in the United Kingdom, stopped using an artificial intelligence recruitment prototype after its algorithm failed to short-list job applicants in a gender-neutral way (Paterson and Maker 2018).

Good governance and regulation of job-matching and recruitment service providers are paramount for promoting equality of opportunity and treatment in access to the labour market. The processing and protection of personal data is another fundamental area that needs to be properly regulated by a public authority to ensure respect for workers' privacy, which should be limited to matters related to the qualifications and professional experience required for the position. Countries with more advanced ICT-oriented labour markets are also more likely to be concerned with the higher risk of cyberattacks and data fraud.

What works in responding to young people's needs

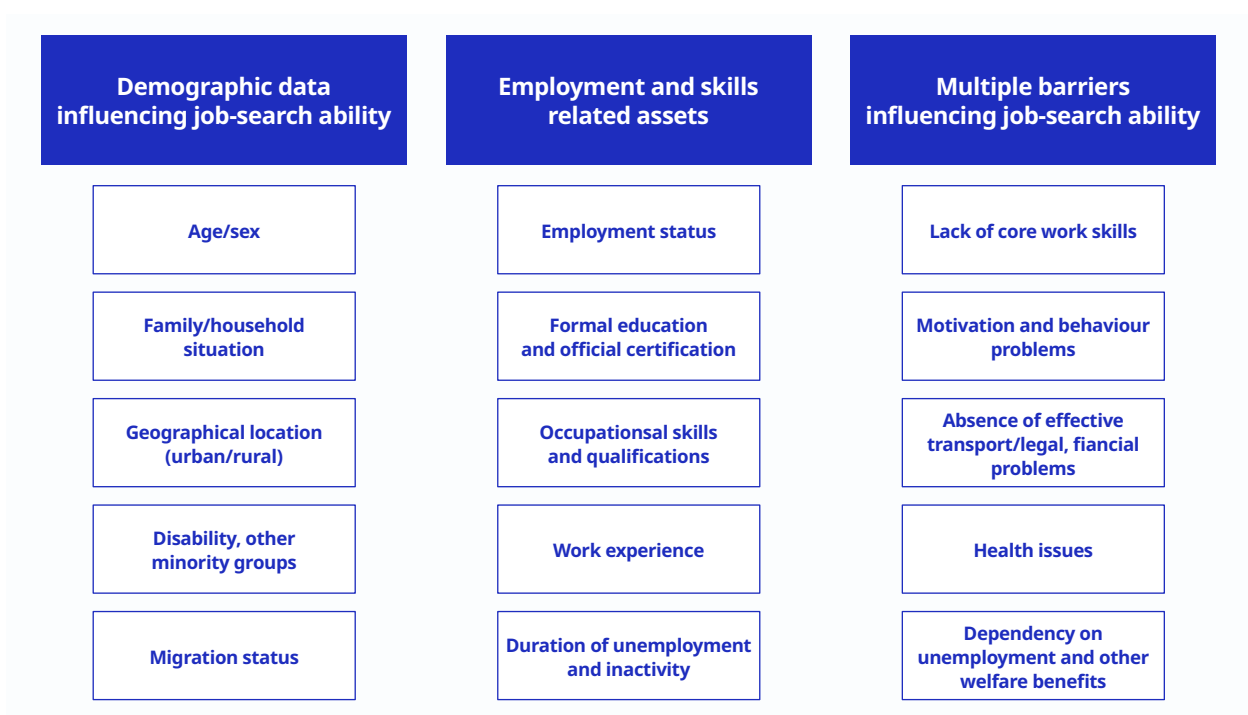
Young people's profiles vary considerably in terms of age, sex, place of residence, civil status, income, skills and occupation, education and culture. The young generation making their transition in today's labour market are likely to become prime-

age workers experiencing more frequent job and occupational changes; later in life, they will prepare for retirement in a technology-dominated labour market. Public employment services need to be more agile, making services accessible and readily available to young jobseekers with different needs and throughout the working life cycle. Youth diversity has resulted in labour market interventions that combine mainstream services and targeted approaches that support a successful set of transitions into jobs, self-employment or entrepreneurship.

A targeted approach using segmentation and profiling methods

When supporting youth transition patterns into employment, targeting matters. Given the declining resources in many public employment services, it is vital to deliver in such a way that young persons are connected with the labour market while avoiding duplication and waste. The quantity and intensity of services provided to different categories of young jobseekers strongly depends on the needs of the population groups requiring them,

► Figure 7. Assessment of assets and potential barriers to employment



Source: Author.

individual circumstances and available resources (the number and skill mix of staff, funds, equipment and infrastructure).

Assessing the distance of jobseekers from the labour market has proven productive in directing resources to a particular group, in this case, young persons. Current practice indicates that public employment services working with profiling and segmentation methods can diagnose how close a jobseeker (young or not) is fitting into the current job market. This can either be a sophisticated data-driven (quantitative) system using predictive statistical models or a computer-based inventory conducted by trained counsellors. It can also be a relatively rough (qualitative) approximation from a short interview or a combination of methods. The methods of profiling jobseekers differ greatly across countries, but the objective is the same: to identify the assets and barriers to employment and segment clients according to the type of support they need for a successful transition into the labour market (figure 7).

The younger generations of jobseekers expect a personalized experience when approaching public employment services. Profiling and segmentation allow these employment services to better understand the needs of young people and provide the services they require the most for success in the labour market. These methods help providers improve job matching and tailoring their offer of services as close as possible to individual needs. They act as a filter, feeding information into various levels of decision-making, including: (i) a job-searching plan or transition journey that takes into account personal aspirations and responds to real-demand and job market trends; (ii) planning of mainstream and targeted services and defining of target populations; and (iii) improving a cost-effective allocation of scant resources on jobseekers requiring a more intense level of support for removing the barriers to employment. Tracking and monitoring jobseekers through different service circuits is a way of minimizing possible misclassification that might result from segmentation and profiling.

Packing employment services to assist successful job and career transitions

Readiness for the labour market

Profiling and segmentation provide the basis to tailor and sequence the type, intensity and timing of employment services and other complementary

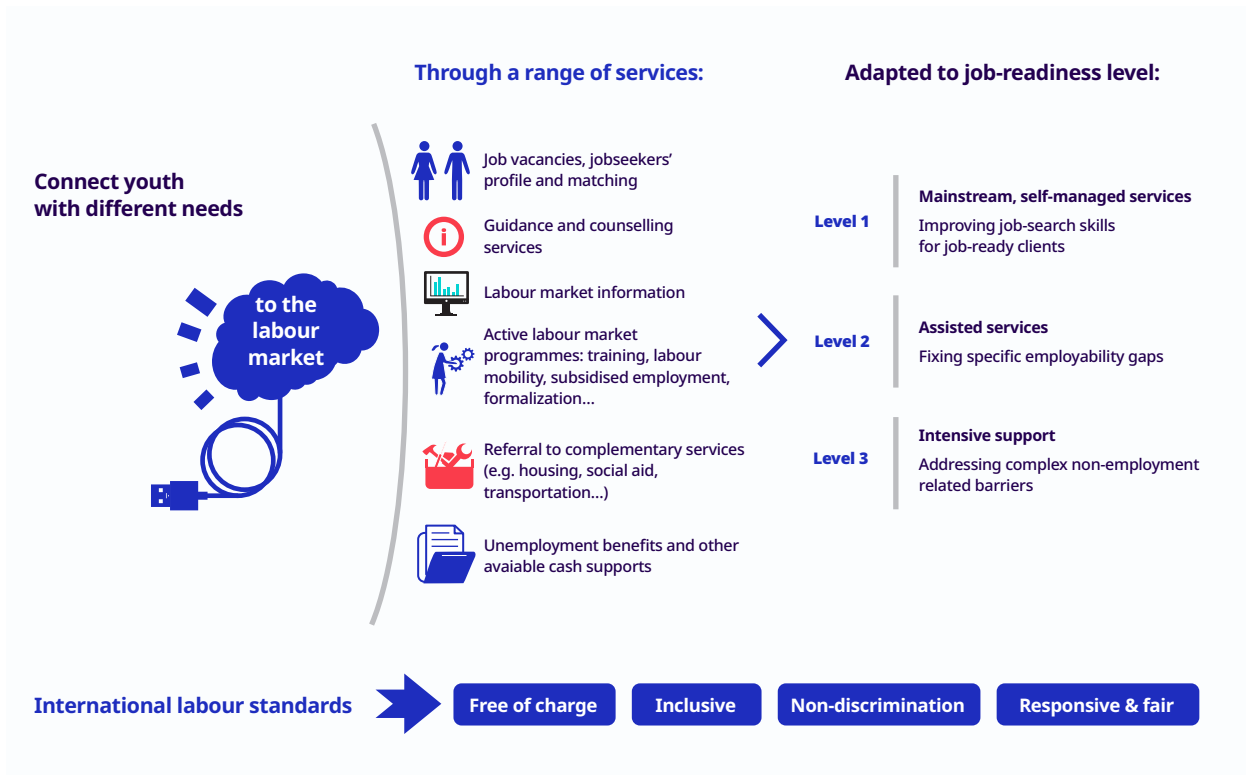
assistance that young people need for success in the labour market. Available evidence stresses the importance of first determining young people's readiness for the labour market before deciding the mix of services needed to help them. Tailoring and sequencing services in relation to the readiness of jobseekers for employment has proven to be a more customer-driven approach that considers individual and local labour market factors.

Service readiness becomes fundamental to serve jobseekers in general and, in particular, to empower young clients to make decisions on a menu of options. Such an approach also entails a rational use of available services, broadly ranging from job-search support, counselling and placement services to labour market information that facilitates informed career and job choices. Another level of service comprises active labour market programmes and support for improving employability, such as training for employment, self-employment or entrepreneurship. A third layer of support involves complementary services by specialist providers, whether public, private or third sector, through referral before focusing on job placement. This can include unemployment benefits and/or other related subsidies for job searching and transitions into the labour market become accessible through the public employment service (figure 8).

Young jobseekers are typically channelled towards three levels of support. This segmentation is admittedly highly generalized; in many countries, particularly the low- and middle-income economies, a three-level division has served as a framework on how to best adapt employment services for young people and apportion interventions for better success. Organizing services in terms of labour market readiness allows employment services to allocate resources to young people according to their specific needs for support. This ranges from improving job-searching skills and fixing employability gaps to tackling complex non-employment-related barriers.

Young jobseekers can transit across different levels of provision without this being a linear process. It is more of a continuum in-service provision targeting the individual needs. When packing services based on segmentation by readiness to employment, smart investments in service delivery, time and resources are concentrated on targeted groups of young people who otherwise would find it difficult to get support from other sources or providers to navigate the job market. The dotted triangle

► Figure 8. Employment services adapted to young persons' readiness for the labour market



Source: Author.

Packing employment services to support successful job transitions

Mainstream provision for improving job-searching skills

This is best suited for individuals who are most ready to be matched to existing vacancies; in other words, those closest to the labour market. For example, young people who have all the required technical, core work skills and experience but have insufficient information on the labour market conditions and available job vacancies may be easily referred to self-service facilities and basic services, including job-search support and targeted recruitment. Oftentimes, this group includes young people who have not considered relocation. There are also those who cannot afford inactivity and are ready to start in an entry-level role. These jobseekers, in particular, can be matched faster because there tends to be fewer barriers to fit in such positions, but access to assisted service can be sequenced for supporting transitions into a medium-term perspective.

Typically, the menu of basic and self-managed services includes:

- access to free job-searching tools and job banks;
- improving job-search skills: writing a resume, applying for jobs and tracking applications;
- preparation for interviews and advice on how to handle the recruitment process;
- information on how to start a new job and keep it;
- counselling and advice (apps, chat boots, workshops);
- referral to specialized services on entrepreneurship and self-employment;
- access to free massive open online courses; and
- online self-assessment tools.

Assisted services for fixing specific employability gaps

Assisted services are for young people in need of fixing specific employability barriers. This group would benefit from a combination of basic employment services, counselling and career exploration services as well as participa-

tion in targeted programmes ranging from upskilling and retraining to gaining meaningful work experience to relocating in more dynamic job markets. Evidence shows that collaboration with local employers to target vacancies that are more difficult to fill or in expanding sectors and industries improves job-matching rates.

The offer of services includes basic support in a mixture of the following:

- ▶ job counselling, career guidance and vocational advice on occupational trends;
- ▶ support for early interventions in schools before young people's deficits become entrenched;
- ▶ help to develop an action plan;
- ▶ access to mentorships, apprenticeships and youth guarantees; and
- ▶ participation in active labour market programmes
 - various modalities of training and re-training
 - mobility and relocation
 - wage subsidies
 - temporary employment
 - public work programmes
 - entrepreneurship and self-employment
 - access to mentorships, apprenticeships and youth guarantees.

Intense support for addressing complex non-employment-related barriers

A dedicated level of support is advised for young people who do not have the required skill sets to get hired and maintain a job. In such cases, intense support and specialized services from providers other than employment services might be sequenced first or simultaneously to tackle the non-employment-related barriers before basic employment services can result in effective job placement. Many public employment services have progressively increased their links with other public sector agencies and with the private sector, non-profit bodies and non-government organizations to leverage capacity, knowledge and networks in such a way as to improve service provision and meet the needs of specific groups with complex barriers to employment (Powers 2017).

The delivery modality often involves the following possible streams of services to return to work, depending on the individual situation of clients.

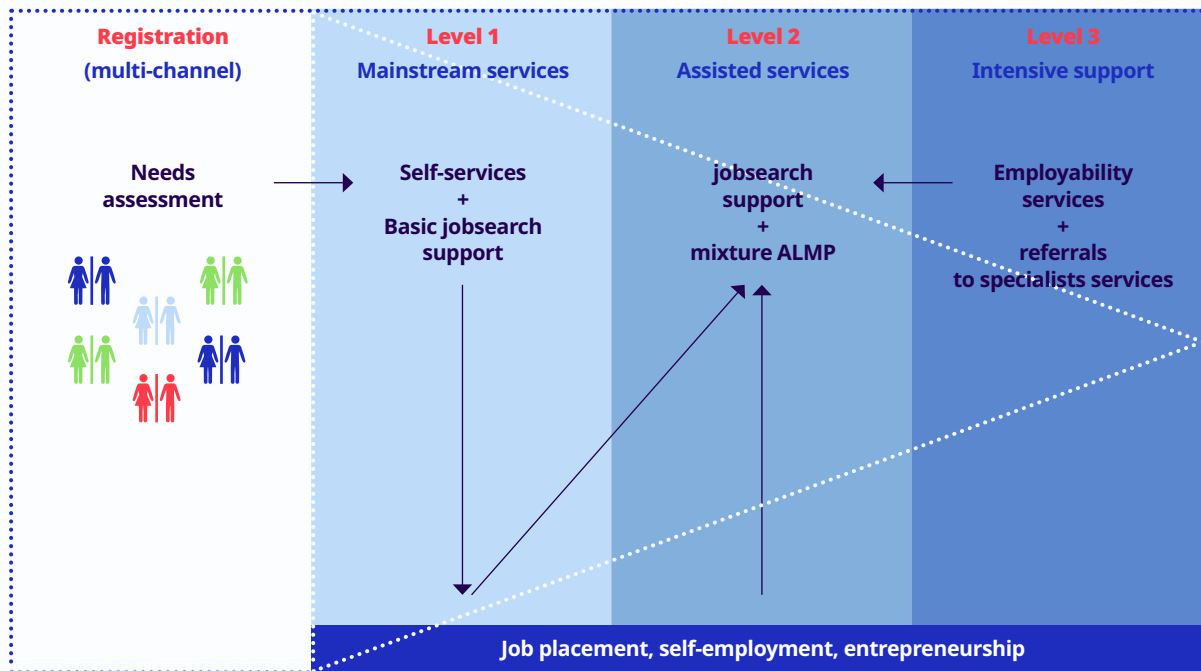
(a) Employability services and referrals to social services and specialist providers. The delivery of services is led by the public employment service for clients who have greater chances to return to work if supported by specialized employability services and the simultaneous mobilization of specific mechanisms of social aid, as listed.

- ▶ Specialized employability services:
 - structured individual counselling;
 - individual and regular follow-ups;
 - life and core-work skills training;
 - placement in voluntary work, part-time work, and mentoring at the workplace; and
 - self-esteem programmes for young people.
- ▶ Social aid mechanisms:
 - welfare benefits (housing and subsidies for child care);
 - microfinancing and non-refunded seed funds;
 - literacy and numeracy workshops and night schools; and
 - conditional cash transfer programmes, family interventions and clinical supervision of clients.

(b) Enabling services and inclusion strategies led by social services and specialist providers. For clients facing complex non-employment-related barriers, before-employment services might be effective, such as drug and substance abuse treatment and rehabilitation; back-to-school support and skills building; mentoring and peer modalities; and homeless assistance programmes. These types of interventions work better when building on the strengths of the person and are adapted to a client's individual circumstances to help them acquire new attitudes and behaviours to limit recidivism.

Source: Author.

► Figure 9. Segmentation of support services, by readiness to employment



Note: ALMP=active labour market programmes.
 Source: Author.

(figure 9) illustrates how the volume of clients is likely to concentrate in each of the different levels of available support.

to other categories of young jobseekers in need of tackling employability and non-employment related barriers. The timing and sequencing in tailoring these services makes a difference.

Current employment service delivery for young people

Mainstream provision for improving job-searching skills

Mainstream services for improving job-search skills seek to support young people’s autonomy and capacity to maintain an active role throughout the process. Public employment services need to ensure that service providers and delivery modalities allow jobseekers to obtain what they need when they need it. International practice on how to connect young people to these services and adapt delivery modalities to their needs indicates that multichannel approaches are more likely to improve access and capture their willingness to seek and use the available services. Mainstream provisions are likely to work as stand-alone self-services for job-ready youth. These services can also be applied

New technologies for job matching

The adoption of technology, including artificial intelligence, machine learning and advanced analytics by public employment services, have great potential to expand service provision, make information on vacancies, skills and wages more accessible while improving targeting for specific groups of clients and reducing cost per jobseeker placed in a new job. Diversifying channels to access job offers and information on the labour market through smart phone applications and geo-location technology has become an important building block in the offer of services for young people. **Estonia** is a notable example of the increasing use of new technologies in public employment services as a part of an “e-government” environment that relies on the secure internet-based exchange of data (X-Road) across all government agencies. This system makes the provision of web-based

proactive support possible by directing individuals to important information for job searching, training or similar services when they are reported as unemployed (rather than waiting for these persons to ask for this information).

Low- and middle-income countries are also modernizing their public employment services with new technologies. In 2018, **Paraguay** launched a job-matching engine called ParaEmpleo (For Employment), which uses semantic indexing and location mapping algorithms to recommend suitable vacancies to jobseekers. In **India** in 2015, the Government decided to overhaul its system and established the National Career Service based on an online job portal that brings together all players: employers, jobseekers, private employment providers, NGOs, training institutions, vocational guidance specialists, careers advisers and local artisans working in the informal economy. The Ministry of Labour in **Peru** also launched an online platform to coordinate the authentication of credentials of job applicants (aged 18–29) with a free Single Employment Certificate for Young People that covers various types of information required by employers, including identity data, education and judicial records and work experience. Geolocalization in the Peruvian labour market is also available for job searching.

The **Arab States** and **Northern Africa** have been using private and non-profit online job networks that engage young people. Rather than compete, public employment centres are adroitly combining forces with online services or making access easier through self-service centres. In some cases, new technologies are being used to look beyond qualifications in job matching. Ta3mal is an online portal supported by Microsoft and developed in collaboration with a number of stakeholders, including public agencies that provides access to employability resources, such as job searching for young people in the Arab States. Other similar examples include M-PESA: Kenya and Jobs Abu Dhabi. Souktel is an NGO and mobile service-ICT provider in the Arab States and Northern African that sponsors JobMatch, a platform for jobseekers. The World Bank studied this programme in six countries and territories and found it had particularly positive impacts on higher wage placements and better user rates for females, such as in the Occupied Palestinian Territory.²¹⁹

In emerging and developing countries, digitalization can help to improve information for labour market signalling. This transformation, however, should ensure that young people without digital skills can access the new digital services too by maintaining other delivery channels or helping to develop necessary skills. Existing job-search workshops supported by counsellors to work with young people continue to be an effective method to help young people planning a job-search strategy, using their resources smartly and keeping motivated.

North Macedonia has developed a work-readiness training programme for young people that provides 25 hours of face-to-face career guidance to secondary and university graduates seeking their first job. The programme includes modules on personal development, job-search skills, communication, workplace behaviour, teamwork, leadership as well as basic financial skills (ILO 2014). In **Rwanda**, the Kigali Employment Service Centre offers Opportunity Scouting training to graduates of technical and vocational education and training or secondary school that consists of group training, counselling and field-exploration. The aim is to match the talent of young people to labour market requirements and help them establish a market-related career pathway while developing their capacity to independently search for opportunities that meet their needs. The trainees are also put into contact with technical and vocational education and training (TVET)-related employers and training providers through expos (KESC 2014).

Labour market information gaps, career guidance and counselling services

Young people need to be well informed about labour market trends and employers' expectations. Public employment service investments in developing or providing access to timely and reliable labour market information have a positive effect on increasing accessibility concerning occupational trends, wages, working conditions and options for skills and vocational training. Solid labour market information systems help job-ready youth and other jobseekers in general to speed up and expand their access to job vacancies nationwide and sometimes abroad. Some technology-enabled platforms are able to supply up-to-date data on jobs that are highly in demand and the skills available in a local labour market. For example, **New Zealand's** public employment service has developed a sophisticated

219 See www.souktel.org.

online tool in which careers are grouped and linked to labour market trends and to available vacancies so that young people can see a direct link between current entry-level job offerings and the careers they build into.²²⁰

Career development systems built by employment services typically use a strong labour market information system to publicize national trends in employment. **Mexico** is following this sequence, developing first a strong Labour Market Observatory (Observatorio Laboral) linked to the national employment service's job portal²²¹ and, from this foundation, is building an online career development tool.

With more frequent job and career changes in today's job market, guidance is needed to enable young jobseekers to make informed career choices throughout their working life. This means greater importance for young people in an employment service's career information, in career planning and in building links with educational and training institutions. In Flanders, **Belgium**, artificial intelligence is used to match jobseekers with job vacancies on the basis of their skills, location and preferences through an app called the Digital Advisor. The app also helps school leavers improve their job-interview skills through online teleconference sessions.

Early career counselling provided in cooperation with schools can shorten or even prevent unemployment spells. Particularly for older youth, employment services are now finding greater demand for targeting job searches to building skills and careers over time and particularly on how education and training links to employment. **Sweden** developed an online tool that includes seven chapters (on dreams and goals, information on the changing labour market, rights and responsibilities at work). Role models, like a popular young entrepreneur, are part of the guidance package to attract the young age group (ILO 2014).

Also important are tech-based and digital mechanisms to deliver skills training, including online courses, mobile learning apps and remote coaching. The public employment service in **France** was one of the first to introduce free access to digital training materials and MOOCs, or massive open online courses, through its *Emploi Store*. The virtual provision of training has clear cost-effective advantages but also offers the possibility to close

the gender gap in access to skills development opportunities. Some providers of employment services are also testing new alternative models of skills certification, such as Open Badges (ITU 2014).

Job fairs, targeted outreach events and multiservice one-stop shops

Recruitment events and career job fairs oriented to entry-level positions, university graduates and sectors with high demand for young people, such as engineering and ICT, can attract both specialized employers and young jobseekers. **Benin** organizes Saturday fairs targeted to sectors in which employers were finding it difficult to hire skilled young workers. The events combined workshops and recruitment led by local employers with career advice, planning and information on local training and entrepreneurship programmes (Andersen et al. 2015). **Jamaica** is using satellite employment stations frequently visited by younger persons and mobile career fairs organized during popular events, such as football matches and music festivals. **China's** public employment service designates special months or time periods for activities for young people, for example, aligning with university graduates when they are beginning to think about their transition to employment. **Mexico** organizes online job fairs for high-demand professions on a regular basis. **Cambodia** runs recruitment events specifically for rural workers.

Employment service provisions throughout the developed and developing world have sought to combine services in multiservice centres, often called one-stop shops. These offer ripe opportunities to connect to young people who might be more reticent to walk into a traditional employment centre. The Government of **Mongolia** sponsors youth satellite centres in major universities so that students can seek assistance on a stop-in basis. Many public employment services in middle-income and developing countries, such as **Jamaica**, offer banks of computers stations for self-service in places frequently visited by young people (public libraries and training centres). These are widely used on the island. In **Germany**, youth employment agencies have been operating nationwide since 2010. These one-stop shop agencies offer several services all in one place and, importantly, ensure the active

²²⁰ See www.careersnz.com/.

²²¹ See www.empleo.mx.

participation of all relevant actors and partners in the field of youth employment. They also work with schools to reach out to young people who have left the education system prematurely (European Commission 2017).

Labour market services and programmes for fixing skills and employability gaps

Young people who exhibit skill and employability gaps, although at different degrees, have profiles typically ranging from tertiary education graduates with an incomplete transition from school to work and first-time jobseekers leaving school before graduating (either from secondary or tertiary education) to low-skilled and unskilled young people with prior work experience. This category of clients experiences more difficulties entering the labour market and are more likely to need regular contact with employment counsellors to gain the skills and experience needed before job-search support and placement services become useful. Current practice underscores that a combination of basic services and participation in active labour market programmes has proven effective to (i) adjust skills to current demand through retraining and upskilling; (ii) develop the core work skills employers are looking for; (iii) gain work experience; or (iv) consider starting their own business.

Active labour market policies are particularly helpful to prevent prolonged unemployment spells and detachment from the labour market. Public employment services have a double role, either as the executor of active labour market programmes or as one of the providers delivering components of youth-specific employment programmes. This is where country variation and institutional capacities come into play. In all cases, employment services are bringing labour market intelligence and contacts with employers to help lead youth programmes towards local labour market demand. In many other cases, public employment services supervise programmes contracted out to non-government organizations or private providers; research has generally indicated that specialist services attain higher placement results, particularly if pay-for-performance incentives are enforced. In other cases, public employment services take a referral role; they profile young people and assign them to the best-suited combination of programmes and services.

When tailoring support to young jobseekers with employability gaps, employment counsellors need to find the right mix of services that best fits their needs. This is not always straightforward, however. Fully assessing the type of services likely to suit young people who need to fix their employability gaps also involves careful examination of labour market conditions to tailor interventions that target context-specific factors and individual barriers. This is because the outcomes for labour market policies and programmes are highly dependent upon the economic cycle and the prevailing type of unemployment problems. Active labour market programmes are also part of a more comprehensive strategy to address the cyclical pressure on the labour market. In any case, it is critical to keep a strong link between active labour market programmes, job-search assistance and placement services.

Supporting successful job matches

In emerging economies and developing countries, job mismatch is usually not just a problem of poor anticipation of market skills by education and training institutions but also poor articulation and knowledge of skill needs by employers and poor market signals sent to young people about which careers to pursue. Public employment services can provide information about changing labour demand, emerging new occupations and the skills required by the hiring industries, sectors and enterprises. A combination of information on labour market trends, vocational counselling and skills training can help young jobseekers as well as employers to adapt to such changes and improve the job-matching process. Public employment services can also better support early interventions in schools before young people's deficits become entrenched.

The inadequacy of labour supply and labour demand can be expressed in qualitative and quantitative terms: The task of the public employment service is to promote measures that improve matches between the two sides. A labour market does not function optimally if there are scant workers with the skills required by a specific sector or if there are workers equipped with the necessary technical skills but who are unwilling to take certain jobs, preferring rather to wait for better working conditions. This all creates hard-to-fill vacancies. Sometimes, there are workers who have the essential technical qualifications and are willing to apply for available vacancies but lack either relevant work experience or core skills that employers consider important.

Building core work skills for unemployed youth in Tunisia

In Tunisia, young people take an average of seven years to move from full-time schooling to full-time employment. The National Agency for Employment and Self-Employment (ANETI) offers a package of services to unemployed young people with tertiary education with the objective of facilitating the school-to-work transition while simultaneously helping employers to find candidates with core workplace skills. As a result of the joint work with employers, ANETI identified ten core work skills: self-esteem; stress management; leadership; team work; decision-making; negotiation; problem-solving; responsibility; communication and innovation. Some 88 employment counsellors were trained in four governorates to provide core work skills training to young people seeking employment through their local public employment service office.

Young people also benefit from group coaching services, entrepreneurship training and individual follow-ups in the event that referrals to complementary services are needed before placement. To best benefit from tailored support, young people should have developed a clear professional project aligned with current demand.

From January to December 2017, more than 1,200 young people had profited from the core work skills training and about 15 per cent of them had a positive outcome: They found work, took additional training or changed their career paths. In 2018, ANETI introduced “jobs clubs” in the four governorates to strengthen the support provided to young people. There are also plans to expand this modality of services nationwide.

Source: ILO 2018b.

In **Tunisia**, as in many countries in the Arab States and Northern Africa, the majority of educated young people would rather queue for formal jobs in the public sector than take jobs in the private sector or low-paid jobs (which are abundant) in the informal sector. This might seem contradictory, but employers frequently mention that it is difficult to find candidates who, while they may have the knowledge and abilities the job requires, are not able to demonstrate core work skills. The National Agency for Employment and Self-Employment set out to resolve the employability gaps that prevent unemployed youth with tertiary education from accessing jobs in the private sector.

Upskilling and in-service training

In-service training in combination with basic employment service is the modality with a more solid record of impact evaluations (Gonzalez-Velosa et al. 2012). These programmes all focus on employing young people after the successful completion of training, and measure the outcomes in terms of placement and income. However, there are often limitations on the impact of short-term training programmes for young people or employment incentives in the absence of a changed economic dynamic that generates more suitable quality employment.

Linking regional development with labour market policies and local human capital development can

significantly expand the base of local jobs available to young people. It is important to remember that in regional development, considerations for this age group are only part of a larger economic development strategy to increase employment. In these types of interventions, the public employment service and private providers of employment services can focus service delivery in direct response to the evolving skills and employment needs driven by a regional development dynamic. In Mexico, a public-private partnership led to greater opportunities for young people as part of a regional development strategy to expand into luxury tourism. This case demonstrates that the support to young people comes in identifying the specific needs and skills for the private sector for new entrants and adapting instruments and services to fit those needs accordingly.

New models and strategies are being tested to advance the goal of boosting youth employment opportunities in the growing digital economy. These new trends in service provision are taking advantage of ICT innovations, combining digital services with personal counselling and job placement services and improving the availability of labour market information (in real time) to support decision-making. For example, Coding Bootcamps are interventions to boost youth employment and create a more inclusive digital society. The bootcamps are immersive, three- to six-month intensive

Combining short-term training for unemployed youth and regional development in Mexico

Riviera Maya, a tourist destination in Mexico, did not have a public employment office when the local Hotel Association of Riviera Maya (AHRM) started planning a major competitiveness strategy to enter the luxury all-inclusive tourism industry. All-inclusive luxury tourism requires not only volume but also higher-skilled workers at entry- and mid-level positions (with adeptness in areas ranging from reservations to laundry services to air conditioning maintenance). As foreign investment was increasing, both the new and existing hotels could not hire the staff they needed locally. The AHRM felt that the younger applicants were not prepared, even though they graduated with vocational degrees in tourism. Their curricula were decades out of date, and the students did not know how to position themselves for jobs in a changing, more upscale industry. This tourist area also needed a more modern and more efficient public employment service and other private providers to handle such a big increase in hiring.

The local government worked through public-private partnerships with AHRM, schools, the Secretary of Education and the National Employment Service to increase the volume of hiring and upskilling. Two important elements of this partnership were adapting the teaching curricula to the needs of local industry and the introduction of new training modalities, both for new entrants and current workers. In just five years (2010–15), both the National Employment Service and private employment agencies instituted the following changes as part of a regional development effort. The AHRM turned its business into a full-service private employment service centre, with a range of diverse placement tools, including an industry electronic job portal encompassing a job bank, labour information observatory and descriptions of hotel career paths and e-learning platforms.

- ▶ Its job bank grew from just hundreds in 2010 to placing 3,787 jobseekers and listing 25,208 vacancies in 2015.
- ▶ It standardized 103 job profiles with sector experts to advance the hiring of young people more quickly, using standardized job positions that are now in use throughout the industry.
- ▶ It produced an annual, regional Inventory of Skill Needs and Workforce Indicators.

The National Employment Service opened an office working in partnership with the expanded private agencies. At the national level, they also:

- ▶ expanded their own new national employment portal (empleo.mx) to find workers throughout Mexico and listed the AHRM private service icon on its national portal; and
- ▶ contributed training slots financed through its national short-term training programme (Bécate) to train young people and older adults for new positions in the hotel and related industries (transport and food service).

Source: Hotel Association of Riviera Maya, <http://empleosenrivieramaya.com>.

courses that equip young people with demand-driven advanced digital and soft skills. By working with employers, the bootcamps ensure relevance in content and secure placement opportunities in such jobs as junior web, app and blockchain development. The programme entails: (i) project team approaches that build soft skills and mirror the workplace environment; (ii) students developing their own coding portfolios to demonstrate their skills to employers; (iii) on-the-job training; and (iv) pair-programming interview tests. In some countries, these training models are graduating more women than university computer science programmes and are attracting students who may not have a technical background. In addition to coding bootcamps, other non-formal training programmes are also providing one- to two-year advanced digital skills training courses for jobs in the Internet of

things, cybersecurity and big data. Some of these growth areas include “new collar” jobs for which a university degree is not necessary (ITU 2016).

Multi-service interventions

The impact of the 2008–09 financial crisis on young people and the resulting cuts in national budgets affecting labour market interventions led to the adoption of the Youth Guarantee Programme by European Union Member States in 2013. This policy guarantees that within four months of unemployment or leaving formal education, all young people residing in the European Union who are aged 25 or younger will have a good-quality work offer equal to their skills and experience or a chance to continue their studies or undertake an apprenticeship or professional traineeship. The public employment

service has a central role in executing these guarantees. Between 2013 and 2017, 18 million young people registered with their respective national public employment service in the European Union, and 11 million of them had pursued an offer of employment, education, traineeship or apprenticeship (European Commission 2017). The ILO, together with the European Commission, launched a two-year project in some of the countries with high youth unemployment rates to support the scheme. The lessons learned and conclusions from that project emphasized the need for inter-institutional coordination and partnerships, including among public employment service providers; coherence between the schemes and other employment and labour market policies to ensure better sustainability; and a balance between the quantitative and qualitative targets of offers of employment, education, traineeship and apprenticeships.

Wage subsidies and public works

There are other active labour market policy instruments benefiting young people. Two typical ones are wage subsidies and public works offering temporary jobs, both of which are sometimes administered by a public employment service. These tend to be single-service rather than multiservice programmes, and, in general, the impact evaluation record for disadvantaged young people is not as strong as it is for multiservice interventions, which have more programme oversight and are more specifically designed to lead to job placement at the end of service delivery (Gonzalez-Velosa, Ripani and Rosas-Shady 2012.) These active labour market policy instruments are typically addressing a different type of employment problem: a crisis intervention, when large groups of young people are unemployed and a large-scale volume of delivery is called for.

Wage subsidies work by covering a percentage of a young person's (or adult's) salary for a given period, usually between three and six months, although some programmes can go up to a year. Many programmes require employers (who benefit from the subsidy) to offer a contract to participants demonstrating good performance. Ideally, the programmes measure whether the young people who took part in the programme are placed in employment after the wage subsidy period ends. Wage subsidies require further research in terms of effectiveness for placement; one danger is whether they aid young people's placement by displacing adult workers (Kluve et al. 2016). Public

employment services that manage wage subsidy programmes for young people should be careful to monitor and evaluate the placement effectiveness of the subsidies because they are typically expensive instruments when compared with multiservice interventions and may not develop basic workplace skills (if this is needed). In South Africa, a country with high youth unemployment, a wage subsidy programme was set up to test its potential benefits. Employers who hired young people (aged 20–24) were refunded 50 per cent of the wages for a period of up to six months. When evaluators traced people who had benefited from the programme a year later, they found a 25 per cent increase in employment probability. But it declined to 10 per cent two years after the programme (ILO 2016).

Public works programmes have an important role in income support during a period of employment crisis and in keeping people connected to the labour market. But it should be stressed that placement results are poor once participants have exited a programme, and this impacts early career stages (Gonzalez-Velosa, Ripani and Rosas-Shady 2012). However, if the ultimate policy objective of these types of interventions is clear, their outcomes can have an immediate positive effect to activate unemployed persons and help them to remain connected with the labour market. In **Cameroon**, a public work programme was initiated in 2013 with the aim of reducing youth unemployment by improving urban infrastructure. By the end of 2017, the project had employed 1,387 young people, 91 of whom were hired by private companies after exiting the programme. They all received job search training, and they were given the chance to access a loan to start their own business, if they were interested – 1,003 of them took the opportunity. They also received support to develop their business plans and a short training on business management (Ngompe Mambou 2017).

Geographical mobility

The main objective of policy interventions that support geographical mobility of workers is to address labour supply and labour demand imbalances between regional areas within a country. This type of active labour market programme reduces information gaps and the costs of relocating workers for a job by providing moving subsidies and facilitating skills adaptation and job matching. Geographical mobility programmes are often targeted to specific groups of workers (such as farm workers) or some economic sectors or industries that are challenged

in finding qualified workers yet are making an important contribution to local development. As a general rule, the new location must have a lower unemployment rate than the one in which the job-seeker currently lives.

Relocating to find work should not only take into account labour market conditions but also the individual situation of jobseekers. Some of them might be less willing to move, such as single parents with children. Young people, however, might have more flexibility to relocate to a labour market offering better job prospects. Tianjin is one of the four most populated cities in **China**. This municipality has become a new growth pole and a hub of advanced industry and financial activity. In recent years, however, some emerging and labour-intensive industries have exhibited a significant increase in worker shortages, especially semi-skilled workers (assembly line workers, turners, fitters and electric welders) because they cannot recruit enough people locally. To address the recruitment challenges, the local public employment service mobilized partners of different kinds, including employment offices in neighbouring provinces and private employment agencies. The collaboration of vocational training institutions and colleges also helped to adjust the skills of their unemployed graduates to job vacancies and employers' medium-term needs. Together with the local employers, the training providers jointly managed internships and short-term training programmes for workers and unemployed graduates from neighbouring municipalities (Avila and Tian 2018).

Self-employment and entrepreneurship for young people

Self-employment and entrepreneurship for young people is gaining greater attention. This is because informal employment is reaching up to 90 per cent in some low-income countries, and the services and manufacturing sector is taking on new roles in home work and informality (ILO 2018c). Much still needs to be learned. Particularly in the case of poorly educated young people, there is a danger in seeing self-employment as an alternative to the lack of qualifications for formal work. For the public employment service, it is important to point out that successful entrepreneurship programmes need even more multiple services working together than for formal employment: access to credit, financial support and literacy, technical and market assistance, often for as long as two years. It is crucial for the public employment service to work

in cooperation with service providers specialized in entrepreneurship and to refer candidates interested in pursuing this activation path. In **Uruguay**, the National Employment Agency, together with local governments, runs the Productive Investment Programme to help micro and small enterprises whose activities are connected with local development strategies through forgivable loans. Rural areas absorb 45 per cent of the total budget. Projects have been financed in such vocations as dressmaking, carpentry, blacksmithing, gastronomy, horticulture, cheese production, beekeeping, maintenance of green areas and automotive workshops. Men and women participate as entrepreneurs in equal numbers.

Addressing complex non-employment-related barriers

Unemployed young people who are severely affected by precariousness and exclusion are likely to accumulate several barriers to employment. Even if willing to work, the young people in this group might have experienced repeated past job-search failures or become discouraged and stopped searching. In most cases, they are likely to be inactive and – when not registered with a public employment service – partner NGOs or specialist providers in other government agencies may refer them to the employment office. The time investment and flexibility required to work with this group are far more consequential than what is needed for other categories of jobseekers. Closing the gaps in hiring outcomes for young people profiled at this level requires the provision of dedicated employment services in combination with services from other government agencies or specialist providers to tackle the non-employment-related barriers. These barriers can range from literacy and basic workplace skills to family responsibilities, long-term illness, substance abuse, housing and financial constraints (ILO 2018a).

The key is to ensure that jobseekers receive the necessary continuum of support from public employment services and that they are referred to other government initiatives or specialist providers offering complementary services and support. Helping young people in need of an intense level of support requires multiple coordinated services or joined-up services that are sequenced over a period longer than a year. There are a variety of arrangements to connect services, but this delivery modality is largely dependent on the institutional

Improving job prospects for poor at-risk youth in the Dominican Republic

The Youth and Employment Programme run by the National Employment Service of the Ministry of Labour of the Dominican Republic has been active since 2012. The main objective of this intervention is to improve the employability of poor young people (aged 16–29) who are out of school and lack a stable job. To better identify beneficiaries, the public employment service is using pre-screening mechanisms, such as the vulnerability index, which improves targeting and helps employment officers assess the level of support required by potential beneficiaries. The programme provides 75 hours of life skills training, including basic mathematics, communication skills, teamwork, conflict resolution, planning and customized services. It also provides structured individual counselling and regular coaching for young people who might have been neglected or abused to develop self-esteem and socio-emotional skills for their personal and professional development. The participants spend 240 hours in an internship with one of the 1,500 local enterprises that partner with the programme in expanding sectors and industries, including commercial services, hotels and restaurants, agro-industry, manufacturing, energy and mining. Following an impact evaluation of the programme, the number of hours of life skills training was doubled; and the participation of young women was actively promoted. Participation in the programme has demonstrated a reduction in the number of young women (aged 16–19) who become pregnant by 20 per cent due to their changed expectations regarding going back to school along with skills training for job placement and, consequently, consideration of a professional career (the country has the highest rate of teenage pregnancy in Latin America and the Caribbean).

Source: IADB 2016; ILO 2015.

capacities, resources and services at the local level (ILO 2018a). The capacity to establish common or sequenced protocols for clients' referral between public employment services and partner agencies is essential to reach inactive or disaffected young people and to keep them engaged and motivated throughout the intervention to reduce recidivism.

The type of services that public employment services offer to young jobseekers with employability and non-employment-related barriers require tailoring to develop needed core work skills, create regular work habits that contribute to keeping a job and removing the non-employment-related barriers. The objective is to prepare young clients to access mainstream employment services. Alignment of policy objectives within partnerships and referral protocols of clients to specialized providers can improve the experience of clients and the outcomes of the public employment service.

Partnerships to support poor at-risk youth

Demands are increasing on employment services to support vulnerable young people with employability and non-employment-related barriers. Integrated approaches, however, are still an area of development for many public employment services and other government agencies serving these groups of the population. Existing practices range from bridge programmes aimed at rebuilding

self-esteem and developing literacy and life skills to social, health and reintegration interventions. They typically last more than a year, even if subsequent years are only to ensure follow-up support and programme monitoring.

Partnerships are the most feasible way to implement comprehensive interventions for young people, whether they are between public employment services and other government agencies, multilateral development organizations or NGOs. An element of success for such comprehensive interventions is the involvement of employers as a partner and the empowerment of targeted populations as agents of change (ILO 2018a). Employment services continue to be an important source of labour market and job-vacancy information, even for comprehensive youth programmes. In the **Dominican Republic**, the public employment service takes part in the Youth and Employment Programme, which targets vulnerable youth. This constituency is not only affected by high unemployment rates but they have dropped out of secondary school and are likely to live in low-income households where basic needs may be unmet.

Programmes contracted out to social services and specialist providers

Specialist providers are able to do more direct supervision of young people and seem to deliver

Nepal Employment Fund for young people

In 2007, following its devastating 10-year civil war, Nepal instituted a training programme for young people on a mass scale. The training was strictly conditioned on trainees being employed at the end of the programme. Placement rates were impressive, particularly given the scale of the initiative: 75,000 out of 100,000 participants were working post-training.

Features of the model included:

- ▶ **Contracting out:** Training is contracted out, and providers are paid based on their success in training that leads to job placement.
- ▶ **Pay for performance:** Training providers receive a first payment based on the graduation of the trainees, typically after six months of training. The larger share of the payment is provided only after graduates are placed in jobs and earn an income above a pre-defined threshold.
- ▶ **Wide range of sectors using training:** Training spans 80 occupations, including agriculture, garment, construction, electronics and hospitality.
- ▶ **Focus on disadvantaged youth and gender:** The Employment Fund particularly serves women (more than 50 per cent) and disadvantaged youth (more than 80 per cent) with both placement incentives and specialized counselling.

Source: Kluge et al. 2016.

positive results when coupled with interventions by public providers. Evidence demonstrates that interventions for individuals with weak qualifications work better for persons in their 20s than for younger people who may need more comprehensive interventions, such as further schooling (Kluge et al. 2016). Some training programmes for young people with work experience or transitions go up to age 30, even age 35, depending on the nature of the local youth unemployment problem. Particularly for low-income developing countries, the small and medium-sized enterprises that is the target of such programmes may be highly informal. Some programmes permit informal enterprises to receive young trainees and, if possible, create incentives and support to formalize. Nepal's Employment Fund programme demonstrated remarkable results for a short-term youth training programme in a difficult employment environment, which received a Good Practices Award from the ILO.

Support for displaced populations and refugees

Recent developments linked to conflict, fragile settings and natural disasters have driven public employment services to initiate or intensify support for displaced populations within their own country

and refugees who have been granted asylum in a foreign country (ILO 2018a). The Government of **Jordan**, for example, together with the ILO and the United Nations High Commissioner for Refugees, opened a job centre for refugees where they can access work permits and formal work opportunities, counselling services, information on labour rights, training opportunities and job-matching services. Although it serves all ages, it is still considered a good practice for assisting the most vulnerable groups of people.

Alternative and residential schooling

Alternative and residential schooling can be viewed as a coordinated multiple-service intervention for youth. While some multiservice programmes targeting the youth are financed by labour ministries, public employment services are not systematically involved in delivering such full-day interventions, even with extensive public financing. However, employment services need to identify, whether by profiling or by consulting with local authorities and relevant actors, which youth populations need specialized comprehensive interventions. An important element to achieve expected outcomes is the delivery of basic employment services that will lead to placement in a job. In the **United States**, for example, the Intensive Residential Youth

Offender Programme provides young people with a residency away from their poor neighbourhood, school learning or high school completion opportunity, TVET and job placement and internships in the final years of the programme. The Galpão Aplauso Programme in Rio de Janeiro, Brazil, targets highly disadvantaged youth using creative arts or sports to build self-esteem, basic literacy and workplace skills. Young people from the poorest favelas in Rio are engaged in full-time programmes outside of their neighbourhoods and receive placement assistance afterwards in local enterprises. Impact evaluations have demonstrated high rates of job placement post-programme (Calero et al. 2016).

Insights on current practice for the future

Ensuring young people their right to access to decent work, self-employment and opportunities for training is one of the main challenges for governments and societies, given the important economic, fiscal and social costs that unemployment and inactivity entail. In many countries, public employment services continue to be one of the main entry doors for accessing a variety of services and remain highly relevant in overcoming the dysfunctions prevalent in the labour market by facilitating job matches, the relocation of the workforce and improving skills utilization.

Public employment services and their partners are constantly testing methods and approaches to stay relevant by adapting mainstream services and active labour market programmes to the specific circumstances of young people and the local ecosystem where they actually live. The following elements are systematically present in successful interventions for helping young people navigate the job market:

- Multi-channel approaches help to ensure that services are accessible and readily available to young jobseekers when they need them.
- Using digital technologies for service delivery is meaningful when combined with counsellors' support and adapted to young people's readiness for the labour market.
- A combined provision of labour market services and active measures yields higher placement rates and allows for the fixing of employability gaps.
- Providing soft skills improves youth employment prospects.

- Offering added-value services to employers has a direct effect on placement rates.
- Needs-assessment tools improve the targeting and sequencing of interventions.
- Packing and sequencing employment services for young people work best when adapted to the economic cycle and local context.
- Measuring cost-effectiveness of interventions prevents misallocation of scarce resources.
- Developing a transparent monitoring and evaluation system allows the best interventions to scale up.
- Multi-service interventions work best when guided by the availability of complementary services locally.
- Setting minimum performance standards for partners' and providers' delivery to youth reduces incentives for "creaming" of target populations.

In some countries, public employment services are adapting their working methods by taking advantage of local capacities and the jobs landscape. Policy interventions with positive multiplier effects are more likely to ensure that young people stay connected with the labour market, in particular, those struggling with vulnerabilities and at risk of exclusion. This gradual transformation touches upon critical aspects of service delivery and creates a connection between responses to current needs and emerging challenges and opportunities.

- **Supporting young people's job-searching efforts:** Public employment services, particularly in low-income countries and emerging economies, are placing a strong focus on expanding access to job information beyond personal networks and the "hidden job market". A more frequent use of web-based job-searching tools is pushing greater access to information on the job market that might previously have been out of reach or unaffordable.
- **Managing job and career transitions:** Delivery of employment services activates upon a person's registration as unemployed. Punctual service delivery is turning into support that proactively helps transitions throughout the working life by guiding young people's efforts towards jobs that build careers and skills.
- **Tailoring added-value services for employers:** The support that public employment services are providing to employers is also evolving from

job-vacancy registration and matching to providing solutions for employability enhancement and effective use of skills.

Trends reshaping employment service provision

The trends reshaping the way societies live and work are unlikely to change direction any time soon. On the contrary, change is expected to intensify in the coming years. The core ingredients making labour market services and programmes work today are not necessarily those that will respond to changes in jobs, tasks and work itself in the coming years. The impact of digital technologies in labour markets has direct implications on the way people and employers will manage job and career transitions. The following are some approaches to new realities policymakers need to start considering for future-of-work policy to deliver successful transitions to young people.

A systemic approach to support labour market transitions

Improving job matching and active labour market interventions alone will not help reduce youth unemployment nor support young people in their transition to work. Demand-side policies are also needed to expand job opportunities for young people. Disjointed interventions have led to stand-alone programmes and vertical solutions disconnected from the local context. This often results in fragmentation and poor delivery of services, with policy solutions to tackle youth employment showing limited impact. Adopting a systemic approach that considers job searching and other labour market services as components of transitioning processes offers greater potential. Youth employment interventions for the future need to take into account the different dimensions of the labour market system: from supply-side policies, such as skills development, employability services and job matching, to demand-side policies, such as the provision of incentives for job creation. In a systemic approach, building inclusive labour markets also involves a strong link with social protection mechanisms that provide workers with stability through transitions between jobs, careers and different types of contracts and working modalities.

Instilling inclusiveness in the labour market

Despite the different national dimensions, countries need to ensure that their workforce capacity in the

future will leverage inclusive economic growth and a fair society. Current approaches to help young people navigate the labour market largely focus on unemployed persons. Integrated policy interventions have the potential to cut across several policy fields to ensure that young people stay connected with the labour market throughout their working life, in particular, those whose social background puts them at high risk of exclusion. Moving away from stand-alone supply-side policies can be a way of reaching the millions of young people of working age not reported as unemployed or seeking employment, often owing to discouragement and the belief that there are no suitable jobs (ILO 2020). Adapting labour market services and programmes to the needs of young populations with no access to employment services and labour market programmes requires a combination of local resources, ranging from skills training, access to entrepreneurship and employability improvement to poverty reduction, job-creation initiatives and income-earning opportunities. Employment services need to be positioned as trusted partners in the supply circuit of services and programmes contributing to improving the employment outcomes of young people who lack the skills to take advantage of job opportunities in the digital era.

Good governance in using digital technology for service delivery

It is recognized that the digital transformation of labour markets will be disruptive. Technologies, such as the internet of things, artificial intelligence, big data and blockchain, are changing job-searching and hiring practices, with both positive consequences, such as greater and affordable outreach, and consequences that raise concern, such as discriminatory practices in automated recruitment. Employment services will need to respond to technology-driven changes in the nature of work on various fronts. One of them involves removing skills and employability barriers to enable young people find the jobs to be created in the digital era. When it comes to technology adoption for service delivery, good governance mechanisms should be in place for e-services to benefit people in a way that is ethical, equitable, safe, reliable and sustainable. Developing digital labour market services that support young people's transitions in the future will need to respond to accessibility, inclusiveness, data security and privacy of personal data criteria. With half the world still unconnected, moving fully into digital labour market services does not seem to be

achievable for countries with limited required infrastructure. Nevertheless, the significance of technology adoption in the 2030 Agenda for Sustainable Development is reflected in the request made to donor countries to make budgetary provisions of at least 0.2 per cent of gross national income as official development assistance to least developed countries.

Building resilience in increasing health and climate-related risks

Climate change is expected to have a significant impact on the global population, economies and jobs. A particular challenge still to be examined concerns climate-related risks becoming a major source of financial strain on fiscal expenditure and priority-setting for public spending. In Australia, non-government sources estimate the 2019 bushfires will wipe off between 0.25 per cent and 1 per cent of the country's gross domestic product growth in 2020 (Derwin 2020). The figures are worrisome, considering the average spending on active labour market policies, including employability services, job searching and job matching in Organisation of Economic Co-operation and Development countries represents 1.08 per cent of national gross domestic product (OECD 2019).

An interconnected world also provides a breeding ground for the rapid propagation of infectious diseases, with an immediate negative effect on productive capacity. In January 2020, the world is not yet certain about the magnitude of the impact that the coronavirus, which started in China, will have on the global economy, supply chains and employment levels. In the face of an increasing incidence of climate and health-related risks, the design and implementation of active labour market policies and employment services in particular will need a completely different timing and mix of policy responses and mechanisms to deliver services.

Active labour market interventions will need to be part of a triangulated design, including: (i) subsidies to preserve jobs and incomes, (ii) support to help employers adjust to a sudden drop or increase in

demand for some occupations (filling vacancies and on-the-job training) and (iii) linking clients to complementary support by specialist providers (child care support and social services). Employment services can provide effective response during a crisis and contingency situations, provided institutional capacities ensure sustainability and resilience in delivery. Sustainability is measured by the capacity to deliver over long-term horizons, while resilience involves supporting individuals, communities and employers to absorb, recover and prepare for future shocks. Resilience stresses the need for services and policies sufficiently flexible to adapt to evolving circumstances that are difficult to anticipate (climate and health-related risks). It also refers to the need for proactive spending to help people navigate in different labour market circumstances throughout their working life.

Co-design of journey maps

The relationship between government services and young citizens is changing fundamentally.

Young people are no longer passive recipients of services and beneficiaries of policies. The young generations are interested in working with public agencies to create and produce results, including involvement in policy design and evaluation. Participation is taking shape in different ways, including the delivery of employment services with a stronger focus on empowering youth to make informed choices about their job and career transitions. Employment service provision is also moving from a prescriptive approach in the formulation of action plans for job searching to the co-design of journey maps that take a lifelong perspective to removing barriers to employment and foster adaptability to changing skill demands. Some public employment services are bringing young jobseekers into their participatory process to shape policy responses, with a view to reduce the risk of dependency and to build trust and confidence in the tools and programmes available to seeking work and advancing careers.

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