



International  
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- ▶ **Performance monitoring  
of the active labour  
market programmes  
implemented by the  
Employment Agency of  
Montenegro**



# Performance monitoring of the active labour market programmes implemented by the Employment Agency of Montenegro

## Key findings

December  
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### Note

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Valli Corbanese and Ines Pajović provided extensive comments and suggestions on the draft report.

## ► 1. Executive Summary

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This report presents key findings from the first attempt by the Employment Agency of Montenegro (EAM) to conduct a performance monitoring exercise on its active labour market programmes (ALMPs), in line with established good practices. Following a technical review by the International Labour Organization (ILO) in October 2018, the Government of Montenegro and the social partners agreed, through the Decent Work Country Programme (DWCP) signed with the ILO, that yearly performance measurements of programmes would be conducted, starting in 2019. Subsequently, the ILO offered concrete recommendations on how to improve monitoring and evaluation functions in the 2019 report, entitled “Functional Assessment of the Employment Agency of Montenegro”. Thanks to the financial contribution of the United Kingdom’s Good Governance Fund, a bespoke staff training programme was delivered in early 2021.

Montenegro’s Economic Reform Programme (ERP, 2021–2023) also places special emphasis on enhancing the performance of the EAM, particularly with regard to the design of active labour market measures (ALMMs) and training for their evaluation.

Thus, in April and May 2019, the EAM conducted its first ever follow-up survey among beneficiaries of the 2018 ALMPs. This report presents the findings from the analysis of the survey questionnaires. In a nutshell, the average gross and net employment outcomes of participants in the programmes under review are 38.5 and 30.4 per cent, respectively, driven down by the disproportionately worse performance of ALMPs for women and the poor results of a pilot programme for the activation of welfare beneficiaries. Of particular concern is the lack of effectiveness of training programmes, whose employment rates at follow-up are extremely low and point to fundamental design flaws.

More significantly, the ILO has drawn a number of important considerations from the analysis of the meta-data around this report. Key recommendations are related to improving monitoring and evaluation protocols, including through a better management information system and enhancing the analytical competences of staff in the EAM sectors responsible for ALMPs and statistics. Some elements of digitalization and outsourcing could help to improve the quality of data, but strong analytical capacities within the Agency remain the priority, lest the institution be unable to use evidence for policy and strategic planning.

Unfortunately, the Covid-19 pandemic did not allow the EAM to pursue the implementation of a proper ALMP portfolio, nor its performance monitoring, throughout 2020 and 2021. It is hoped that this practice may start again in 2022, based on this report’s findings with regard to specific programmes and the recommendations emerging from the ILO’s meta-analysis of the performance monitoring process. These elements will contribute to shaping the overall performance monitoring system, including for the Youth Guarantee, which is an important and challenging policy commitment for the Government of Montenegro and will require ALMPs to be continuously adjusted and rendered fit for purpose by taking into consideration the results of routine performance monitoring and evaluation.

## ► 2. Introduction

Monitoring and evaluation of active labour market programmes (ALMPs) delivered by the public employment agencies are at the core of their mandate, as they can provide relevant information on whether the programmes work, for whom, and what are their outcomes are. In this respect, encouraging performance monitoring and the use of resulting data to improve ALMPs' design and fitness for purpose is a key lever for enhancing the efficiency of public employment services.

Montenegro's Economic Reform Programme (ERP, 2021–2023), for instance, puts special emphasis on enhancing the performance of the Employment Agency of Montenegro (EAM), particularly with regard to the design of active labour market measures (ALMMs) and training for their evaluation.<sup>1</sup> By the same token, following a technical review by the International Labour Organization (ILO) in October 2018, the Government of Montenegro and the social partners agreed, through the Decent Work Country Programme (DWCP) signed with the ILO, that yearly performance measurements of programmes would be conducted, starting in 2019.<sup>2</sup>

The ALMP portfolio of the EAM has evolved over time to include different types of measures: (i) adult education and training programmes (off- and on-the-job); (ii) employment subsidies; (iii) public works; and (iv) entrepreneurship subsidies. The participation of unemployed clients in active labour market programmes is determined by their individual employment plan (IEP)<sup>3</sup> and by the funding envelope available annually. In the *Functional Assessment of the Employment Agency of Montenegro* (EAM),<sup>4</sup> completed in 2019, the ILO noted that regular performance monitoring of the programmes implemented by the EAM was carried out through the data collected by the Tax Revenue Office, which registers the work activity of individuals for tax collection and social security contribution purposes. Based on the agreement between the Tax Revenue Office and EAM, caseworkers are routinely informed in writing when a client of the EAM is employed. This information is manually entered into the EAM's IT platform and used to compute the employment rate of participants at follow-up. This modality limits the range of information disclosed and delays the dispatch of records to the EAM, often resulting in incorrect reporting.

Based on the findings of the *Functional Assessment*, the ILO has recommended that EAM draw data from the Pension Insurance Fund, as it would widen the scope of information obtained and ensure automatised collection of reliable data.<sup>5</sup> In addition, it was suggested to conduct regular follow-up surveys of ALMP beneficiaries to collect additional data. These surveys would allow the EAM to verify: (i) the reliability of the "employment at follow-up" rate, which is measured through data pooling approaches; (ii) the quality of jobs that participants get at follow-up (type of contract, duration, salary, alignment of job with own qualifications); (iii) satisfaction with

the services received; and (iv) potential leakages of employment services and programmes into the informal economy. In response to the EAM's demand for additional training and capacity development with regard to monitoring and evaluation functions, in January 2021, with the financial support of the United Kingdom's Good Governance Fund, the ILO delivered a bespoke training programme on performance monitoring. Thanks to the support of the Austrian Development Cooperation, the ILO will make the training package available also online in the local languages of Montenegro.

Following the ILO recommendations, in April and May 2019, the EAM conducted its first follow-up survey among participants of active labour market programmes carried out in 2018. The following measures were evaluated: acquisition of professional qualifications programme, acquisition of key skills programme, public works, 'stop the grey economy', and "empower me and I will succeed".

Although the survey was administered in 2019 and data collected accordingly, the EAM's Sector for Active Labour Market Programmes did not have the capacity to process and analyse them in a timely manner. Internal organizational factors and external challenges related to the pandemic contributed to further prolongation of the exercise, until it was brought to the attention of the ILO in early 2021, when it was agreed that the ILO would conduct an analysis of the data collected.

Therefore, this report summarizes the main findings on the effectiveness of programmes, as they emerge from the analysis of the questionnaires with a view to improving labour market outcomes and overcoming limits imposed by the level of financial resources. More detailed data, disaggregated by sex and programme, are elaborated in a separate Excel file. Contextually, some of the challenges encountered in the elaboration of the data due to qualitative issues with the dataset are noted in Annex 1. As a result, the report provides recommendations on how to advance monitoring and evaluation functions within the EAM, especially in data collection and analysis.

1 Government of Montenegro: Economic Reform Programme 2021–2023. Priority reform measure 17: Operational capacity-building at the Employment Office for the performance of services and measures through digitalisation, available at: <https://www.gov.me/en/documents/0fafc236-eba0-458f-b524-f09925037fd1>

2 Decent Country Work Programme: Montenegro (2019–2021), available at [https://www.ilo.org/wcmsp5/groups/public/-/europe/-/ro-geneva/-/sro-budapest/documents/genericdocument/wcms\\_676210.pdf](https://www.ilo.org/wcmsp5/groups/public/-/europe/-/ro-geneva/-/sro-budapest/documents/genericdocument/wcms_676210.pdf)

3 The Law on employment mediation and unemployment protection establishes the requirement to develop an individual employment plan within 45 days from registration and requires unemployed clients to re-register with their mediation counsellor every 45 days, irrespective of whether there are job vacancies or active measures available for take up.

4 International Labour Organization: Functional Assessment of the Employment Agency of Montenegro, October 2020, [https://www.ilo.org/budapest/information-resources/WCMS\\_790646/lang-en/index.htm](https://www.ilo.org/budapest/information-resources/WCMS_790646/lang-en/index.htm)

5 Ibid.

## ► 3. Main observations

### 3.1. Data collection and analysis

The follow-up survey was intended to assess the effectiveness of five EAM programmes implemented in 2018: acquisition of professional qualifications programme; acquisition of key skills programme; public works; “stop the grey economy”; and “empower me and I will succeed”. Data were collected by the EAM field staff in April and May 2019 through the Pen and Paper Personal Interview (PAPI) method, for which the questionnaire was prepared. Out of 3,745 ALMP participants, 1,487 were selected to take part in the survey, and 1,400 responded (Table 1). At 94.3 per cent, the response rate is high.

**Table 1: Overview of survey participants by programme**

ALMP	Total no. of programme participants per programme	Total no. of surveyed participants per programme	% of surveyed participants per programme
Acquisition of professional qualifications programme	554	127	22.9
Acquisition of key skills programme	741	264	35.6
Public works	1345	504	37.5
“Stop the grey economy”	180	91	50.5
“Empower me and I will succeed”	925	337	36.4
No answer concerning the programme in which they participated		77	/
<b>TOTAL</b>	<b>3.745</b>	<b>1.400</b>	

The survey was designed so that, after answering the same initial group of questions, respondents would address a set of specific queries, depending on their current status: employed, unemployed, or inactive. Annex 2 provides an overview of the number of respondents for each set of questions. The model questionnaire did not contain an introductory set of questions about the **sex, age or level of education** of programme participants. This is generally the case in contexts in which public employment service (PES) counsellors can extract this information about the client directly from the PES database, through a unique identifier. These fields are automatically filled in when the survey questionnaire is generated, or the counsellor can link this information directly to the record of the respondents when the survey is administered. However, the current EAM information management system is not capable of handling this type of data exchange and, due to lack of experience, the EAM counsellors did not think about inserting this information in each questionnaire. The lack of such information limited to a great extent the possibility of reaching stronger conclusions on programme effectiveness in relation to the personal characteristics of programme participants. This oversight was partially remedied during data processing. Data on gender were gathered indirectly, through the names of survey participants. Partial data on age were obtained through lists that were available for **some** of the questionnaires, which enabled the collection of age-related data for about 850

programme participants (60.7 per cent of the entire sample). Given that the total number of respondents was 1,400, age data were not used to disaggregate the information, as there were many missing values for this variable. Similarly, as the questionnaires could not be generated through the EAM management information system, they did not contain the **title/code of the programme** under evaluation. Information on the programme was entered by the person conducting the survey, which resulted in multiple names/titles being entered for the same programme. This mishap led to a lengthy process of sorting out questionnaires ex-post, which delayed the analysis significantly.

The control of the entry process was done on about 10 per cent of the total number of questionnaires. The personal identification number was used to control the data entry clerk. Keeping in mind that there was no information about age or any other unique value for each respondent, merging datasets by unique ID was impossible.<sup>6</sup> There was also a not so small number of **missing values** (questions not answered), which varied between 0.20 to 24.60 per cent for each question, with very high values – above 20 per cent – for questions related to EAM services and the usefulness of programmes that participants attended.

Noting all these shortcomings, the analysis presented in the following sections does provide some insight into the observed programmes’ effectiveness. Table 2 summarizes the key features of the active labour market programmes reviewed in this report.

**Table 2: Main features of active labour market programmes under review**

Active labour market programmes	
Programme for the acquisition of professional qualifications	This programme aims to increase the employability of unemployed persons through training, leading to a recognized vocational qualification. The duration of the training is three–four months on average and is delivered by accredited training providers (vocational schools, training centres and other private providers), selected by the EAM. The training allowance for participants amounts to 15 per cent of the average wage determined annually by the Statistical Office of Montenegro. The scheme targets mostly individuals at risk of labour market exclusion (older workers, unemployed registered for six months and over, low-skilled individuals, young graduates within two years of graduation, ethnic minority groups and so on).
Programme for the acquisition of skills	This scheme aims to increase the employability of unemployed persons through training, leading to the acquisition of skills relevant for employment. The duration of the training is three–four months on average and is delivered by accredited training providers (vocational schools, training centres and other private providers), selected by the EAM. The training allowance for participants amounts to 15 per cent of the average wage detected annually by the Statistical Office of Montenegro. The scheme targets mostly individuals at risk of labour market exclusion (older workers, unemployed registered for six months or more, low-skilled people, young graduates within two years of graduation, ethnic minority groups and so on). Typical training provided included language, computer and driving courses.

<sup>6</sup> In theory, merging can be done by name and surname of respondents, but in the datasets that were analysed the number of people with identical names and surnames but different activity statuses was 32. Because merging was not an option, a unique dataset was prepared that contains variables from all questionnaires.

Public works	The goal of the programme is to preserve and improve the working abilities of unemployed persons. They are organized in the fields of education, culture, environmental protection, protection of people with disabilities, assistance to the elderly, combating addiction, as well as in other areas of public interest. Unemployed persons are provided with an employment contract for a period of four months.
Stop the grey economy	The goal of the programme is to improve the competences of young unemployed people in selected occupations. They are placed in the Tax Administration, the Directorate for Inspection Affairs, and the Police Directorate for a period of seven months, helping government institutions to fight the informal economy. The net monthly compensation for programme participants is about 300 euros (€). The programme targets young unemployed people up to 30 years of age with prior work experience at the level of education, the shortest duration being nine months. At the end of the programme, participants receive a certificate of competency.
Empower me and I will succeed	This was a pilot programme intended for preparation and activation of hard-to-employ individuals. It was implemented in cooperation with private employment agencies. The programme primarily targeted social welfare beneficiaries with three or more children, as well as other recipients of social welfare support. The programme included the provision of psycho-social support, identification and recommendations for inclusion in other ALMPs and support in job search. It was implemented only in 2018.

### 3.2 Gross employment outcomes

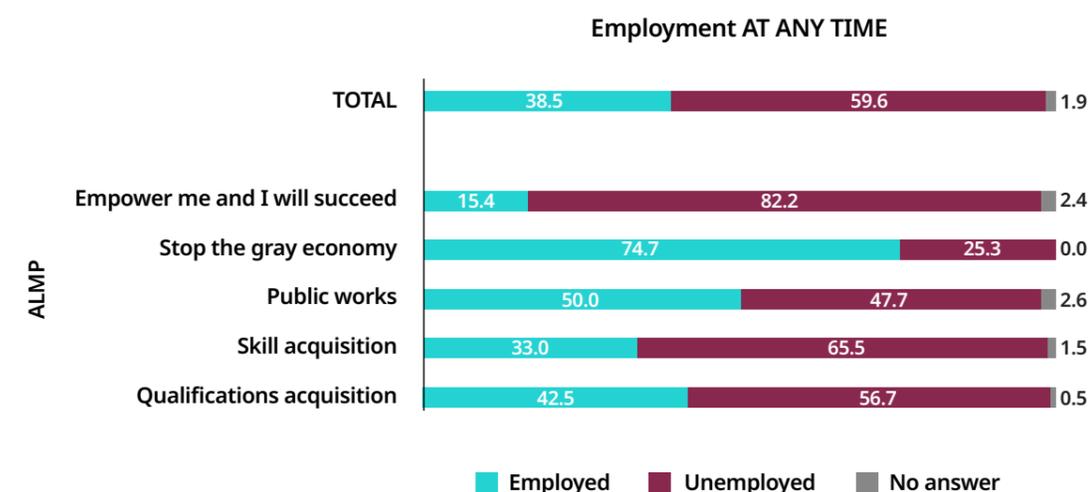
With regard to gross **employment outcomes** (that is, being employed at any time after the end of the programme, see Table 3), the survey data reveal that, among respondents, almost 60 per cent **could not find a job** at any time after their participation in the ALMPs. This result is driven by the disproportionately negative outcomes of ALMPs for women, within the framework of which only about one in three were employed after participating in the programmes.

**Table 3: Programme participants employed at any time (percentage)**

Employed at any time	Yes	No	No answer
Total	38.5	59.6	1.9
<b>Sex</b>			
Men	48.1	49.4	2.5
Women	34.0	64.3	1.7
<b>Age group</b>			
No data on age group	33.2	64.3	2.6
15-24	48.8	48.8	2.3
25-49	43.3	54.9	1.8
50+	27.2	71.2	1.6

Better employment outcomes are recorded for participants in the “Stop the grey economy” programme (74.7 per cent) and in the “Public works” programme (50 per cent), because the design of these programme envisages the establishment of an employment relationship with partner employers, while the “Empower me and I will succeed” programme has the worst employment outcomes (15.4 per cent) (Figure 1).

**Figure 1: Employed at any time, by programme (percentage)**



### 3.3 Labour market status at the time of the survey

The most relevant data is typically the share of ALMP participants **employed at the time of the survey** (this was defined as employment in the two weeks preceding the survey). Data indicate that **69.4 per cent** of programme participants were **unemployed** and **30.4 per cent** were employed at follow-up. The difference between the rate of employment at follow-up and employment at any time may be explained by the short duration of work contracts for many programme participants, possibly pointing to a problem with the quality of the employment offers gained through the participation in ALMPs. This drop is more significant for male than for female participants.

**Table 4: Comparison of the employment status of survey participants (percentage)**

	Total	Men	Women
Employed at any time	38.5	48.1	34.0
Employed at follow-up	30.4	37.6	27.0

Survey data indicate that 69.4 per cent of programme participants who did not work in the two weeks before the survey encompassed 55.1 per cent who were unemployed and actively looking for work, 13.4 per cent who were inactive, and 0.9 who were in education or training.

**Table 5: Labour market status at the time of the survey (percentage)**

Labour market status	Total	Men	Women
In school/training	0.9	0.4	1.1
Unemployed	55.1	49.4	57.7
Wage employee	29.6	36.9	26.2
Self-employed	0.7	0.7	0.7
Inactive	13.4	12.1	14.1
No answer	0.2	0.4	0.1

The **lowest employment outcomes** at the time of the survey are recorded for participants of the pilot project “Empower me and I will succeed” (11 per cent), followed by those that participated in the “Acquisition of key skills” and “Acquisition of professional qualifications” schemes (26.5 per cent and 36.2 per cent, respectively).

Among those who were unemployed, 83.5 per cent had been looking for a job for more than six months at the time of the survey (71.9 per cent of women and 28.1 per cent of men). When asked to assess the **main obstacle in finding a job**, respondents indicated the limited number of jobs available (29.8 per cent), followed by (their perception of) discrimination (18.9 per cent); 13.9 per cent considered their education/qualification unsuitable. For 12.7 per cent of respondents, the main obstacle was the lack of work experience.

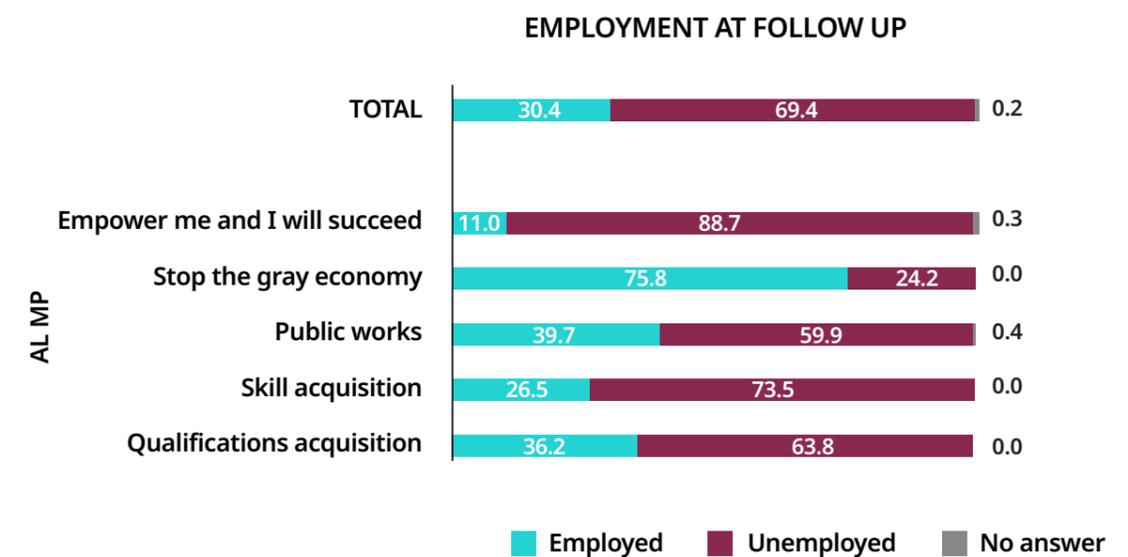
The most common approach to **searching for a job** was through the EAM (44.6 per cent), friends and relatives (23.9 per cent) and advertisements (22.6 per cent). About 6.1 per cent of respondents searched for a job through a training/education institution and 0.9 per cent searched through a private employment agency.

Despite the modest employment outcomes, the usefulness of EAM programmes for future job prospects was assessed positively by most unemployed respondents: 58.7 per cent rated the programmes as useful or very useful, 23.6 per cent considered them somewhat useful, and only 9.9 per cent rated them as not useful. The highest satisfaction is noted among participants in the “Acquisition of key skills” programme (68.1 per cent) and the “Stop the grey economy” programme (61 per cent), while for other programmes the satisfaction rate is above 50 per cent.

In total, 13.4 per cent of programme participants **were inactive** at the time of the survey (family and care responsibilities, disability/sickness or because of an independent income). A significantly higher percentage of women were inactive because of family/care responsibilities (7.2 per cent compared with 1.6 per cent of men.), while 6.9 per cent of men could rely on rental or some other independent income compared with 2.8 per cent of women. The highest share of respondents that shifted to inactivity participated in the “Empower me and I will succeed” programme and in the “Public works” programme.

The best employment outcomes at follow-up are recorded for participants in the “Stop the grey economy” and “Public works” programmes (75.8 and 39.7 per cent, respectively), while the employment rate of participants who took part in other programmes was below 36 per cent. The share of participants employed at follow-up of the programmes “Acquisition of professional

qualifications” and “Acquisition of key skills” is below the return rates normally found at European Union and Western Balkan levels for training and upskilling schemes. Men benefited more than women from ALMPs in terms of employment outcomes at follow-up.

**Figure 2: Employed at follow-up, by programme (percentage)**

Out of total **employed respondents**, the vast majority were wage employees (94.7 per cent), while only a small share were self-employed (5.3 per cent). Approximately 38.8 per cent of employed respondents had been employed for over 6 months, 32 per cent between 3 and 6 months, and 25.7 per cent between 1 and 3 months (3.5 per cent did not provide an answer). The majority of employed programme participants (85.8 per cent) has a **temporary contract**, while 7.5 per cent had a permanent job and 3.4 per cent had a seasonal one (3.4 per cent did not answer this question). The share of temporary workers is worryingly high. On a more positive note, most are employed in full-time jobs (over 90.4 per cent). The largest percentage of employed respondents are working in a **public sector enterprise** (47.2 per cent), followed by those employed in the private sector (37.3 per cent) and in civil society organizations (9.2 per cent). Although at first glance this might come as a surprise, when data are cross-referenced with programmes that yield the best employment outcomes – “Stop the grey economy” and “Public works” – the result makes more sense, as both programmes were designed to subsidize employment in the public sector. Over 85.5 per cent of participants in the “Stop the grey economy” programme reported employment in state-owned enterprises, along with 45.7 per cent of those who participated in the “Public works” programme. On the other hand, most of those who were previously unemployed and took part in the “Acquisition of qualifications” and “Acquisition of skills” programmes ended up employed in the private sector (over 55 per cent).

More than one-third of employed respondents (34.7 per cent) were working in small enterprises (11 to 50 workers); 29.6 per cent were engaged by micro-enterprises (1–10 workers), followed by 16.1 per cent in large enterprises (over 250 employees), and 14.2 per cent in medium-size enterprises. The majority of employed respondents had an **employment contract** (89.4 per cent), while 6.2 per cent worked without a contract. Additionally, 18 individuals (4.3 per cent of total employed respondents) refused to answer this question, which may add to

the number of those employed without a contract. The formality of employment is confirmed by the answers provided to questions on health insurance, social security contributions, and paid holidays, because 89 per cent of employed respondents stated that they have these entitlements, thereby correlating with the percentage of those who have a contract.

In terms of **earnings**, 29.6 per cent of workers earned €222–300 monthly, followed by 29.4 per cent earning €300–400. Approximately 13.3 per cent earned wages below €222 and 12.8 per cent had monthly wages of €400–500. Only 6.1 per cent of employed respondents had wages higher than €500.<sup>7</sup> Among wage-employees, 39.8 per cent deem the programme they attended useful or very useful for getting a job. The satisfaction with EAM services is also highly rated (73.7 per cent rate the services provided by EAM as extremely good, very good or good).

A very small share of employed respondents were own-account workers (only 10 persons equal to 0.7 per cent of all employed respondents) and the figures relating to this group therefore need to be treated with caution. Of this group, one-third (30 per cent) had been in business for more than 6 months, while 50 per cent had been self-employed for less than 6 months. Significantly more women were self-employed than men (70 per cent and 30 per cent, respectively). It is noteworthy is that these beneficiaries had previously participated in the “Acquisition of professional qualifications/skills” programme and the “Public works” programme. Only two out of the ten operating businesses employ additional workers. Over half of respondents deem the prospects for their business to be stable (60 per cent), while 30 per cent assessed their business as growing and with positive prospects. As in the case of wage employment, most self-employed respondents (80 per cent) work in the formal economy (that is, their business is registered), while only 10 per cent had not registered their business venture (10 per cent did not answer this question and it is possible they operate informally). In terms of earnings, 40 per cent of self-employed respondents earn a monthly income up to €222, while 20 per cent earn between €222 and €300. Only 20 per cent earn incomes over €400. About one-third (30 per cent) of self-employed respondents think that the programme they attended was useful for their activity, while 20 per cent assess them as somewhat useful or not useful at all.

Regardless of their status at the time of the survey and the outcome of the programme, over 90 per cent of respondents rated the services of the EAM as extremely good, very good or good.<sup>8</sup>

**Table 6: Programme participants employed at follow-up (percentage)**

	Acquisition of professional qualifications	Acquisition of skills	Public works	Stop the grey economy	Empower me and I will succeed
Employed at follow-up	36.2	26.5	39.7	75.8	11.0
Employment duration > 6 months	52.3	49.3	37.1	21.7	45.9
Type of job					
Permanent	11.4	9.0	6.6	4.3	10.8

<sup>7</sup> According to the Statistical Office of Montenegro, at the time of the survey (April and May) the average wage in MNE was €511 and €513, respectively. The minimum wage was €193.

<sup>8</sup> It should be noted that respondents were answering the question(s) directly to EAM staff in person or over the phone, and a high percentage of them were still seeking support from EAM. It is safe to assume that anonymous responses to this type of question may yield slightly different results.

Temporary	72.7	86.6	85.3	95.7	83.8
Seasonal	11.4	3.0	3.0	0.0	2.7
Type of enterprise					
State-owned	27.3	40.3	45.7	85.5	21.6
Private	61.4	55.2	28.9	13.0	67.6
CSO	2.3	3.0	15.7	1.4	5.4
Working hours					
Full-time	88.6	91.0	88.8	100.0	81.1
Part-time	6.8	9.0	3.6	0.0	16.2
Income (in €)					
Do 222	11.4	11.9	16.2	1.4	24.3
222-300	11.4	20.9	34.5	21.7	54.1
300-400	25.0	28.4	25.9	55.1	8.1
400-500	27.3	14.9	10.2	14.5	2.7
500-600	4.5	9.0	1.5	4.3	0.0
> 600	4.5	6.0	2.0	1.4	0.0

## ► 4. Conclusions and recommendations

This report analyses data and meta-information from the follow-up survey conducted by the EAM among beneficiaries of active labour market programmes in 2018. Although the EAM conducted the data gathering in 2019, methodological challenges, process pitfalls, and limited capacity for data analysis pushed the EAM to ask for the ILO’s technical guidance in processing the data in 2021. Several observations stemmed from this data analysis, primarily on the methodology used for data collection. Therefore, the EAM may consider the following pointers to enhance its monitoring:

- 1. Improve the survey management protocol**, either by ensuring that information related to participants’ sex, age, level of education and periods of unemployment is automatically filled in through the information management system or compiled manually by enumerators. This will allow additional insights on targeting and effectiveness in relation to the programme participants’ individual characteristics. In addition, each programme that is monitored should be adequately coded/labelled to ensure knowledge management and record-keeping over time, uniformity and easy sorting or categorisation of questionnaires by programme type.
- 2. Improve data quality and analytical capacity** by investing in EAM staff. This can be done both through training and recruitment, as well as through closer collaboration between the EAM sector in charge of active labour market measures and the sector responsible for records, employment analysis, and the information system. Given the deficiencies that were identified, EAM staff, and primarily those responsible for statisti-

cal analysis, should receive training on the use and production of descriptive and inferential statistics, questionnaire creation, data collection methods and data presentation, as well as the importance of using the information generated for strategic planning and decision-making. An additional challenge concerning data quality concerns the use of EAM staff for the interviews. Particularly in small catchment areas, this may introduce a bias, as respondents may be keen to provide socially acceptable answers (for example, about their satisfaction with EAM's services), particularly if they know their interviewer personally or may still be dependent on EAM services. For future surveys, consideration should be given either to hiring an external service provider to administer the questionnaire and carry out some data cleaning, or to ensuring that EAM staff do not interview programme participants from the same municipality in which they work/live.

As regards the design and implementation of active labour market measures, the EAM may consider the following:

3. Increase the relevance of the "Acquisition of professional qualifications" programme to the labour market. This programme should yield better employment outcomes than the current 36.2 per cent at follow-up. As already recommended in the Functional Assessment conducted by the ILO, the EAM could identify shortage/in-demand occupational profiles and require the Centre for Vocational Education to develop relevant qualification pathways as a matter of priority to respond adequately to emerging labour market needs. Pending the establishment of a fully-fledged labour market information system, the identification of shortage/in-demand occupations may be carried out through a pooling of the figures of the Employers' Survey run by the EAM, the data on employment by occupation collected by MONSTAT (four-digits, annual basis) and the information stemming from the EAM job vacancy database.
4. **Reconsider the offer of the "Acquisition of core skills" programme.** This scheme offers language, computer and driving classes, which do not lead to a recognised qualification, and has very low employment outcome (26.5 per cent).
5. **Introduce effective activation measures.** The "Empower me and I will succeed" programme did not yield the expected results and was discontinued after one year of implementation. However, activation measures are of the essence to tackle the large number of social welfare beneficiaries currently on the EAM registry. These may comprise intensive individualized counselling, combined with on-the-job training and/or subsidised employment.
6. **Strengthen relationships with private sector employers** with a view to involving them in the implementation of active measures. The fact that the largest percentage of programme participants work in public sector enterprises (47.2 per cent) is a worrying trend, because incentives are currently relatively high with no additional obligations in terms of contract duration. Rather, a service-oriented approach, geared to offering employers support in meeting their human resource needs could represent a winning strategy for long-lasting private sector employment for programme participants.

## ► Annexes

### Annex 1 – Notes on data collection and analytical challenges

Out of 3,745 participants in active measures, 1,487 were selected to take part in the survey, of whom 1,400 were reached. Data were collected by the EAM field staff in April and May 2019 through the Pen and Paper Personal Interview (PAPI method) for which the questionnaire was prepared. The survey was designed so that all respondents were asked an initial set of questions and then, depending on the status of their economic activity, were asked to provide answers to a group of questions intended for the category to which they belong. Table 7 provides a more detailed overview of the number of respondents per set of questions.

**Table 7: Number of survey respondents per set of questions**

Total number of ALMP participants	3.745
Total number of participants selected to take part in the survey	1.487
Total number of participants who took part in the survey	1.400
Total number of those not reached	87
Answered questionnaire A (A1 and A2)	1400
Answered questionnaire A (A3)	201
Answered questionnaire B	771
Answered questionnaire C	415
Answered questionnaire D	10
No answer to question about status	3

During the data entry process and data analysis, several critical problems were encountered. The questionnaire did not contain questions about programme participants' **sex, age and level of education**. In order to remedy this, data on gender were gathered indirectly, through survey participants' names. Partial data on age were obtained through lists that were available for **some** of the questionnaires, which enabled the collection of age-related data for about 850 programme participants (60.7 per cent of the entire sample). Additionally, the data about age, although provided by the EAM, were not sorted by programme. Instead, EAM provided a list of all unemployed in their databases, which may indicate that EAM does not maintain a database for programme participants codified by programme. Given that the total number of respondents was 1,400, age was not used to disaggregate the data, as there were many missing values for this variable.

Another shortcoming was that the questionnaires did not contain the title/code of the programme being monitored. Information on the programme under monitoring was entered by the staff who conducted the interview. This resulted in multiple names/titles being entered for a programme. ILO consultants contacted the EAM employees on several occasions to obtain information on programmes in order to be able to properly group responses.

The control of the entry process was done on about 10 per cent of the total number of questionnaires. The personal identification number was used to this end. Keeping in mind that there was no information about age or any other unique value per respondent, merging datasets by unique ID was impossible.<sup>9</sup> Prior to the data entry process, a unique ID was assigned to every questionnaire.

There was also a significant number of **missing values** (questions not answered) that varied between 0.20 to 24.60 per cent for each question, with very high values (above 20 per cent) for questions related to EAM services and the usefulness of programmes that participants attended.

Inconsistency, as well as inaccurate data entry, was also noted, especially in relation to the title of the programme and the completion of certain fields, predominantly in questionnaires C and D on questions related to the sector of activity in which the company operates, as well as the respondent's occupation. In most cases, the code of occupation/activity or name was missing. In addition, the answers were often inaccurate; for example, when asked about occupation, the enumerator wrote "lawyer", "economist", "technical support", "assistant worker", and so on. Concerning activity, the enumerators often entered answers such as "service activity" or just the company's name. The answers inserted lead to the conclusion that the interviewers did not have adequate training in data collection. Particularly worrying is the fact that enumerators were EAM staff, who, given the nature of their work, are expected to be able to distinguish between level of education, acquired profession, and occupation, as well as precisely to define the sector of activity in accordance with NACE. As a consequence of incorrect data recording, information on the sector of activity and occupation could not be used in the analysis.

An additional challenge observed concerns the fact that in small towns programme participants might be friends/acquaintances of the enumerators (EAM staff), which can introduce a bias in the answers, and especially those related to satisfaction with EAM services. Future surveys should consider either outsourcing the data gathering process to external service providers, or requiring that EAM staff interview participants in another catchment area, not their own.

The challenges reported above (lack of personal information about the respondents, poor recording of economic activity and occupation) negatively affected the quality of the survey. However, these challenges could easily be overcome with appropriate training and support.

<sup>9</sup> In theory, merging can be done by name and surname of respondents, but in the dataset analysed the number of people with identical names and surnames but different activity statuses was 32. Because merging was not an option, a unique dataset that contains variables from all questionnaires was prepared.

## Annex 2 - Example of the Questionnaire used by the EAM for performance monitoring

### Public works

Hello *name of participant*. I am *name of interviewer* and I'm calling on behalf of the Public Employment Service (PES). Some time ago you participated to **a public work** supported by the PES. I would like to ask you a few questions about the services you received and your employment success since. The objective is to improve the services the PES is providing. Your responses are confidential and will only be used for research. Please, answer the questions **honestly**.

Q	SECTION A	Circle	
A1	Did you get a job, at any time, after you attended the PES programme?	Yes	No
A2	What has been your situation in the last two weeks? (Read out all options, only one status is possible)		
	Available for work and actively looking for a job	1	→ Go to Section B
	Work for a salary/wage with an employer	2	→ Go to Section C
	Work as self-employed/own account worker	3	→ Go to Section D
	Enrolled in/attending education/training	4	→ Go to A3
	Engaged in home duties (including child care)	5	→ Go to A3
	Unable to work because of sickness or disability	6	→ Go to A3
	Rentier (independent, own-income)	7	→ Go to A3
A3	How would you rate the services provided by the PES? Choose one of the following: 1) very bad    2) bad    3) good    4) very good    5) extremely good		
A4	Any other comment?		

Thank you for your cooperation.

END

Q	SECTION B		
B1	How long have you been looking for a job?	_____months	
B2	How are you looking for a job (mark up to 2 methods only)		
	Through an education/training institution	1	
	Through the national employment service (PES)	2	
	Through advertisements (newspaper, internet, etc)	3	
	Through friends and/or relatives	4	
	Through a private employment agency	5	
	Other	6	
B3	What, in your opinion, is the main obstacle in finding a job?		
	No or unsuitable education/qualifications	1	
	Requirements for jobs are higher than qualifications I have	2	
	No work experience	3	
	Not enough jobs available	4	
	Discrimination, prejudices (sex, age, language, ethnicity)	5	
	Low wages in available jobs	6	
	Poor working conditions in available jobs	7	
	Others	8	
B4	How useful do you think the PES programme you attended will be for getting a job? 1) Not useful at all    2) somewhat useful    3) useful    4) very useful		
B5	How would you rate the services provided by the PES? Choose one of the following: 1) very bad    2) bad    3) good    4) very good    5) extremely good		
B6	Any other comment?		

Thank you for your cooperation.

END

Q	SECTION C		
C1	When did you start your current job?	_____months ago	
C2	Is your current job .....		
	1)Permanent    2) Temporary    3) Seasonal		
C3	Is your current job full-time?	Yes	No
C4	In what type of enterprise do you currently work? 1) state owned    2) government agency    3) private    4) mixed    5) cooperative farm		
C5	In what sector does the company work?	(NACE Code)	
C6	How many people work at the place where you work? (Please circle the category of firm size).	a) micro: 1-10 b) small: 11-50 c) medium: 51-250 d) large: 250+	
C7	What is your occupation in your present job?	(ISCO Code)	
C8	Do you have an employment contract?	Yes	No
C9	In your job are you entitled to health insurance, social security contributions, paid holidays?	Yes	No
C10	How much do you earn net per month at your job: a) Up to 222 EUR b) 222-300 EUR c) 300-400 EUR d) 400-500 EUR e) 500-600 EUR f) Over 600 EUR		
C11	How useful were the services provided by PES to get your current job? 1) Not useful at all    2) somewhat useful    3) useful    4) very useful		
C12	How would you rate the services provided by PES? Choose one of the following: 1) very bad    2) bad    3) good    4) very good    5) extremely good		
C13	Any other comment?		

Thank you for your cooperation.

END

Q	SECTION D		
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D1	When did you establish your business activity?	_____months ago	
D2	In which economic sector does your business operate?	(NACE Code)	
D3	Besides yourself, how many other people do you employ?		
D4	How would you judge the future prospects of your business activity? a) growing/getting better      b) stable      c) declining/getting worse		
D5	Is your self-employment activity registered/do you have a trading license?	Yes	No
D6	How much do you earn net per month: a) Up to 222 EUR b) 222-300 EUR c) 300-400 EUR d) 400-500 EUR e) 500-600 EUR f) Over 600 EUR		
D7	How useful were the services provided by the PES for your current activity? 1) Not useful at all      2) somewhat useful      3) useful      4) very useful		
D8	How would you rate the services received by the PES? Choose one of the following: 1) very bad      2) bad      3) good      4) very good      5) extremely good		
D9	Any other comment?		

Thank you for your cooperation.

END

## Annex 3 - List of training provided as part of ALMPs

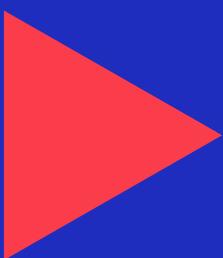
### Training for acquiring professional qualifications

- ✓ Administrative technicians – 20 participants;
- ✓ Accounting technicians – 127 participants (**note:** titles of this programme in the survey questionnaire are: accountant and accounting);
- ✓ Security workers for protection of property and persons – 77 participants (**note:** the titles of this programme in the questionnaire are: training for the profession of security guard and training for security guards);
- ✓ Cosmetologist for face and body treatments – 40 participants (**note:** the title of this programme in the survey questionnaire is training for cosmetologists);
- ✓ Hairdresser – 42 participants (**note:** the title of this programme in the questionnaire is training for hairdressers);
- ✓ Waiter – 17 participants (**note:** the title of this programme in the questionnaire is training for waiters);
- ✓ Chefs and assistant cooks – 60 participants, of which 26 for assistant cooks (**note:** the title of this programme in the questionnaire is training for cooks);
- ✓ Confectioner – 1 participant (**note:** the title of this programme in the questionnaire is training for confectioners);
- ✓ Receptionist – 9 participants;
- ✓ Tourist guide – 14 participants (**note:** the title of this programme in the questionnaire is a tourist guide, and perhaps work in tourism);
- ✓ Construction machinery operator – excavator and loader – 103 participants (**note:** the titles of this programme in the survey questionnaire are: training for excavator operator and construction machinery operator);
- ✓ Locomotive operator – 24 participants;
- ✓ Railcar mover – 4 participants (**note:** the title of this programme in the questionnaire is training for railcar movers);
- ✓ Artisans producing decorative items and jewellery – 10 participants;
- ✓ Assistant carpenter – 5 participants;
- ✓ Seamstress – 1 participant.

### Training for acquiring key skills

- ✓ English language – 293 participants;
- ✓ German language – 44 participants;
- ✓ Russian language – 36 students;
- ✓ Course on computer use – 156 participants (**note:** the titles of this programme in the questionnaire are: computer course, computer training and work on computer);
- ✓ Entrepreneurial knowledge and skills – 10 participants (**note:** the name of this programme in the questionnaire is start a business);
- ✓ Training for drivers “B” category – 30 participants;
- ✓ Training for drivers “C” category – 82 participants;
- ✓ Training for drivers “D” category – 50 participants;
- ✓ Training for drivers “E” category – 50 participants;





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