English abstract

Arja Kurvinen (ed.) Local employment initiatives – Evaluation of the Labour Pool project

The project North Karelian Labour Pool, supported by the European Social Fund, was implemented in North Karelia during the years 2000-2007. The idea of a labour pool originated as a result of cooperation among researchers and labour administration authorities under conditions of economic depression and high unemployment in the open labour market. The concept and leading idea of a labour pool has some connection to the labour pools implemented in Central Europe, but the operational model implemented here was adapted to suit the conditions in Finland and North Karelia. During the programme period 1995-1999, labour pool activities had been pursued in five separate projects administered by different cities and coordinated by the University of Joensuu. In 2000, on the initiative of the North Karelia Employment and Economic Development Centre, the activities were expanded into a province-wide project dubbed North Karelian Labour Pool. This project was coordinated and administered by the North Karelia Adult Education Centre, and its research-aided development was the responsibility of the Karelian Institute of the University of Joensuu. The project comprised five regional labour pool units, which operated in the cities of Joensuu, Kitee, Lieksa, Nurmes, and Outokumpu. The main collaborators were the labour administration, the municipalities, and private enterprises. In this report, the activities and outcomes of the 2000-2007 project North Karelian Labour Pool are evaluated.

The objective of the project was to promote the employment of jobless people by combining labour market measures, individual special services, support, and counselling into service packages and processes oriented to the needs of the individual. The primary aim was to find jobs for jobless people in the open labour market and local enterprises and to steer them to training so that at least a half of the participants would be employed or in training at the end of their participation in the project. The labour pool also sought to support the creation of new jobs by helping jobless people to develop their own ideas for businesses and products. The qualitative aim was to prevent marginalization by helping the participants to become more active, supporting their life-management, and raising their self-confidence. The developmental aim was to develop operational models for an active labour policy and to strengthen regional cooperation in battling unemployment.

In the Labour Pool project, research and evaluation were carried on alongside the implementation of the project so as to obtain research-based information to back up the development of the project. The research included not only evaluation of the project activities but also analyses of the working environment and the local labour markets, charting of the resources and experiences of the participants, and monitoring the participants’ success in finding places in the labour market. A variety of data was obtained for the research, and these data are made use of in this evaluative report, which examines the implementation, activities, and results of the Labour Pool project from several points of view. The approach and research strategy adopted here is case study, which means that the phenomenon under scrutiny is examined from different points of view in its real context (Yin 2003). The manner of research in which the case to be examined is approached from different points of view and by making use of different sets of data and different methods is called methodical triangulation (Denzin 1989, Brannen 1992). Its aim here is to form an overall picture of the implementation and results of the project being evaluated.

The attainment of the quantitative goals of the project was assessed by monitoring the placement of the participants into the labour market after they ended their participation in the
The monitoring covered the data obtained on 939 participants, and the placement into the labour market of 624 persons was monitored for a year after the end of their participation. The monitoring was done as a longitudinal study by means of the statistical methods of cross-tabulation and logistical regression analysis. The attainment of the qualitative goals, such as the activation of the participants and the strengthening of their resources, was assessed by charting the ways the participants experienced the activities of the project. This assessment was done from questionnaires, feedback from the participants, and interviews. Questionnaires were answered by 350 participants, first when they started their participation in the project and then again when they ended their participation. All the participants had an opportunity to give feedback about the functioning of the project, and some of them were also interviewed. The attainment of the developmental goals of the Labour Pool project was assessed from data that included monitoring of the measures taken, project diaries, documents, reports, memos, self-assessments, discussions, and observations.

In the years 2000–2007, a total of 978 people participated in the Labour Pool project, with 69% of them women. A total of 923 people saw the project through while 55 dropped out. The average age of the participants was a little over 42 years, and the mean duration of their participation was 10.4 months. The participation started with an initiation period of 8-12 weeks, during which the starting point, the problems and the strengths of each participant were charted and a career plan aiming at employment was drawn up. In the developing of the labour pool activities, special emphasis was laid on the utilization and development of group and individual counselling, which was backed up by training the project staff, among other things. In Joensuu, so-called creative methods were developed and used for building paths to working life during the initiation period, whereas in Lieksa, counselling of the personal trainer-type was tried, with a stronger-than-before emphasis on personal counselling. The experiences gained suggest that starting the project in a group had several advantages and that the peer support offered by the groups was seen as important.

After the initiation period, the participants went on to implement their own employment-oriented career plans by making use of the available labour market measures in various combinations (training, on-the-job training, working-life studies, subsidized employment, supervised job-seeking, work experiments, apprenticeship training, start-up assistance, etc.). The labour pool offered support, individual counselling, coaching and consultation, and tailored training in support of employment. The individual counselling and the support coming from the project tied the diverse measures into an employment-promoting process. The project coordinated the services, functioned as a mediator amongst the job-seeker, the authorities, the employers and the instructors, and kept the job-finding process going. In finding employment for the participants, the labour pool directed its efforts to the open labour market, especially to private enterprises. The project collaborated with 473 businesses.

A year after ending their participation in the project, 35.4% of the participants were employed (for at least 6 months), 23.8% were in training, 36.5% were unemployed job-seekers, and 4.3% were outside the labour force and training. A total of 15 new businesses were founded by people who had participated in the labour pool.

The findings of the longitudinal monitoring indicated that the strongest explaining factors for the participants’ placement in the labour market were a limitation hindering employment, age, and the time elapsed from previous employment in the open labour market; the explanatory power of these factors was even stronger than that of the labour market measures taken. As many as 40% of the participants in the project had physical, mental, or social limitations hindering employment. According to the longitudinal monitoring, the participants with limitations were four times as likely to end up jobless after the project as those without limitations hindering employment.

The probability of ending up jobless, outside the labour force, or subject to alternative measures after the end of the project seemed to be higher if the participant had turned 50.
Placement in a job or in training after the project was almost twice as likely with participants under 50 as with older participants. The longitudinal monitoring revealed that the probability of placement in the labour market was better explained by the time elapsed from previous employment in the open labour market than the duration of uninterrupted unemployment. The risk of becoming unemployed again after the project was 1.7 times as high with those who had last been employed in the open labour market or been in training over three years ago, as opposed to those who had been employed in the open labour market less than three years ago. For those who had been absent from the open labour market a long time, it was easier to find placement in training than to find employment after the project.

Among the project’s measures, it was subsidized employment in the private sector, training aimed at a vocational degree, and employment in the open labour market while still participating in the project that seemed to be the best pathways to employment in the open labour market after the project. In contrast, subsidized employment in the public sector or the third sector predicted unemployment again after the project. Judging by the selection of participants for the various measures and their placement after the project, one can safely say that subsidized employment in the private sector was a successful path to employment for the less-educated participants as well. Regardless of their level of education, all participants benefited from the measures, but those who lacked a vocational degree hardly found employment in the open labour market at all without the support measures mentioned.

The findings obtained in the monitoring were mainly as expected, but the special measures offered by the project do seem to even out the participants’ chances of finding places in the labour market. Through the counselling, support, and individually tailored services provided, the project was able to help participant groups who would otherwise have found difficulty in finding employment, such as less-educated, ageing, immigrant and long-term unemployed participants, not only in finding employment but also in finding places in training.

According to the participant questionnaires filled and the feedback received, the participants felt that what the labour pool had advanced most was job-seeking skills, preparedness for training, and expanded networks conducive to employment. In addition, the labour pool was felt to have been beneficial especially because of its strengthening the participants’ social relationships, courage and self-confidence and increasing their activeness. In the labour-pool model of operation, the significance of the initiation period for kicking off the career-planning process was emphasized, and the support of the initiation-period instructor and the peer support from the rest of the group were also felt to have been particularly important. Those respondents who assessed their chances of employment and their resources as weak at the beginning of the project felt they had benefited from the project even more than the others. The results of the participant questionnaire showed that one’s subjective evaluation of one’s own resources is not immutable but that the perception of one’s resources can be strengthened and supported through project activities. In this respect the services, support, counselling and opportunities offered by the employment project clearly served a need.

The research and assessment carried out within the Labour Pool project provided us with information about the factors affecting the employment of jobless people and about the best ways of facilitating the job-finding by means of project activities. On the strength of experiences obtained from the labour pool, the project made suggestions to the Ministry of Labour towards removing the hindrances in the way of jobless people pursuing studies. The project reached, and partly exceeded, the goals set to it as regards the number of participants and their rate of employment. The participants found the labour pool beneficial, especially regarding the support it provided for their activation and empowering. The quality of the services offered by the project was continuously monitored and improved. Good paths to employment were found in private enterprises in particular, and a combination of subsidized employment and precision training enabled many a job-seeker to return to the open labour market. The most important yield of the project, however, was the individual counselling and support, which carried the
participants’ job-seeking process forward. The modes of operation developed within the Labour Pool project could be made use of in developing the services of employment offices. The project made some good openings in the direction of individually tailored measures and employer contacts, which may prove beneficial when new solutions are sought to the problems in the incidence of supply and demand in the changing labour market.