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## Challenges to the Labor Market Institutions in the Area of Supporting NEETs

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**Challenges to the Labor Market Institutions in the Area of Supporting  
NEETs<sup>1</sup>**

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## Challenges to the Labor Market Institutions in the Area of Supporting NEETs<sup>2</sup>

Sylvia Saczyńska-Sokol<sup>3</sup>

### Abstract

Various and complicated reasons for belonging to the NEET category, resulting largely from young people's personal and family circumstances, cause that the activation programmes undertaken by public employment services, both in the professional and educational sphere, prove inadequate. Despite the fact that labour market instruments dedicated to young people represent a wide range of possibilities for supporting them in combating professional and educational inactivity, the background of their problems requires new actions that should be undertaken by labour market institutions and their partners.

Taking the above into consideration, the aim of this study is to identify the challenges faced by the public employment services and other labour market institutions in the area of activating youth experiencing the most difficult situation in the labour market.

The article is based partly on the results of quantitative and qualitative research, conducted in the framework of the project implemented by the Provincial Labour Office in Białystok *Podlasie open to young people*, financed by Operational Programme Knowledge Education Development (PO WER).

The results of the study have led to the identification of necessary actions which should be undertaken by labour market institutions to support young people representing the NEET generation. These actions can be classified into different categories. They include preventing inclusion into the NEET group, developing the most effective solutions in the area of getting in touch with this group of young people and supporting them as well as creating a culture of cooperation for their benefit. The study has also revealed the need to carry out in-depth research of the NEET population.

**Keywords:** *labor market, labor market institutions, public employment services, NEETs*

**JEL Classification:** R23

### Introduction

The main argument of this article is that the numerous studies related to strategies that can support NEETs, as they have been developing in recent years, have revealed many unexplored areas.

The NEET, the abbreviation of 'not in education, employment or training', was first used in the UK in the mid-1990s. It was then formally defined by the UK government as 'those 16–18 year olds who neither participate in education or training nor have a job (for at least 6 months during this period) after leaving compulsory education' (Pemberton, 2008, p.243).

The term assumes, or at least endorses, the belief that all young people who are at a given time not in education, working or receiving training can be thought of as a homogeneous group (Finlay et al., 2010, pp.853-854). However, NEETs create a fairly diverse group that include people who are unemployed, either temporarily or long term, because of difficult reasons. For those who have economic support from their parents or who are unemployed for 'legitimate' reasons (e.g. pursuing higher education), joblessness is not much of an economic

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problem. The problem, rather, is that the idleness NEETs experience makes it more difficult for them to adjust to adulthood (Chen, 2011, p.34).

Results of European Values Survey (EVS) show that there is a range of potential risk factors related to the individual and their family background that increase the chances of an individual becoming NEET (Eurofund, 2011, pp. 3-4). The risk factors prove that there are some groups of young people 'condemned' to become NEETs. Therefore, "public discussion tended to focus on motivation, with deep suspicions that this group of workless youth are feckless parasites" should be toned down (Furlong, 2008, p.320). The consequences of becoming NEET are usually very serious. One of them refers to the risk of social exclusion. Young people are particularly affected by interpersonal rejection and isolation. This may have long-term implications for different aspects of their future (Rose et al., 2012, p.258).

Taking the above into consideration, it seems necessary to take all possible actions aimed at supporting young people. Therefore, the purpose of the research conducted within this study is to identify the challenges for labour market institutions and their partners in the field of supporting NEETs.

## **Methods of the research**

This paper partly uses the results of research conducted within the project *Podlasie open to young people*, financed by Operational Programme Knowledge Education Development implemented by the Provincial Labour Office in Bialystok in partnership with the Bialystok University of Technology.

The research was conducted in two paths. First of all, the research procedure included quantitative and qualitative research aimed at analysing and diagnosing the situation of young people on the labour market with special attention to people in the NEET category in Podlaskie province. The study covered 500 young people aged 15-29 including 300 NEETs, 62 institutions and labour market partners and 346 employers. The following methods of data acquisition were used:

- expert panel with the participation of external experts;
- in-depth interviews with representatives of employers and labour market institutions from the Podlaskie province;
- paper assisted personal interviewing (PAPI) with young people including those from the NEET category;
- mixed mode survey CATI/CAWI – computer assisted telephone interviewing (CATI) and computer assisted web interviewing (CAWI) – conducted with representatives of labour market institutions and employers in Podlaskie province (Kobylińska et al., 2016, pp. 20-21).

The results of the conducted research have allowed the author of this paper to identify the problems faced by young people in the most difficult labour market situation in Podlaskie province.

The identified problems concerning the situation of young people in the NEET category have become the basis for qualitative research conducted within the framework of the parallel second path. Their aim was to identify the actions that institutions and labour market partners should take to support the most disadvantaged young people in the labour market in Podlaskie province.

The starting point for this procedure was the establishment of Partnership. More than 40 institutions and labour market partners from the Podlaskie province joined the group. A number of meetings took place within the Partnership work, including thematic meetings on unemployed young people, the most disadvantaged young people in the labour market and young people from rural areas as well as consultative and summary meetings. Apart from that

the work was also to participate in study visits to institutions dealing with providing the daily help to the young. Among the research methods applied in this phase of research were the following:

- expert panel with the participation of external experts;
- in-depth interviews with selected representatives of labour market institutions (5 district labour offices, 3 volunteer work groups)
- group survey with the use of brainstorm and role play techniques;
- observation serving as an additional, complementary measure.

The applied research methods allowed to fulfil the research objectives. Firstly, an analysis and diagnosis of the situation of NEETs in the Podlaskie province was carried out. Secondly, the challenges faced by institutions and labour market partners in promoting this category of youth have been identified.

### **Areas of challenges facing institutions and labour market partners - an empirical assessment**

Research conducted within the framework of the project allowed to formulate the key areas of challenges in supporting young people of NEET category by institutions and labour market partners.

The first area concerns the prevention of entry of young people at risk of ending their formal education early, including disabled people, into the NEET group. European evidence shows that preventive strategies or “first chance” programmes that focus on young people before they become unemployed may be more effective than remedial strategies (Kolev and Saget, p.182). Work and educational passiveness have, to a large degree, a personal, family, environmental or existential character, which leads to a situation in which the people closest to the at-risk subject are not aware of the fact that they are entering the NEET category, or are not able, or even willing, to prevent this from happening, which is why early intervention from the institutional surroundings is necessary. This preventative role should be fulfilled in principle by educational institutions and institutions that provide social assistance, however as a result of the complexity of the problems of young people at risk of entering the NEET group and the lack of permanent cooperation between institutions of the labour market and local authorities and the educational system, it seems necessary to create a joint action plan. To this end it is necessary to take steps to establish real cooperation between the aforementioned institutions.

The prevention of entry into the NEET group should be realised through:

- working with the families of young people at risk from entering the NEET group;
- working with pupils through schools by providing early careers advice;
- working with pupils through schools by promoting an active work and educational life.

The second area in which challenges for institutions and partners of the labour market were identified is the possibility of fully recognising the NEET society not only in the Podlaskie province, but in the whole of Poland. Currently, data on this group of young people are very limited. Despite a range of studies, the difficulties, or even the lack of possibility of reaching this category of young people make it difficult to determine full and representative numbers, structures and determinants of remaining outside the educational system and labour market in various areas of the country (at the level of individual municipalities and counties). Hence in order to be able to talk about working out the most effective ways of reaching and activating this group of young people, its full recognition through carrying out complex studies aiming to identify the scale of this phenomenon, its age structure and the factors conditioning

professional and educational inactivity of the young person, is necessary. This is an incredibly difficult task since it requires unique knowledge of the NEET society. It should be remembered that NEETs very often do not feature in the registers of county job centres. It is estimated that around 60% of people in this group do not ask for help from public employment services. Knowledge about these people is therefore possessed solely by local active organisations which, because of the character of their tasks, work on a daily basis with young people who find themselves in a difficult situation on the labour market. These include most importantly social welfare centres, since it is to them that young people or their families turn to for support – mainly financial – in which they are most interested..

The third area in which challenges that institutions and partners of the labour market looking to support NEETs are faced with were pointed out is determining ways of reaching this category of young people, with the aim of providing them with a wider range of information about possible ways of supporting them, undertaking activation activities and creating a better flow of information between cooperating organisations. Establishing close cooperation of public employment services and other labour market institutions with social welfare centres with the aim of elaborating and implementing local action plans based on reaching young people in the NEET category is indispensable also in this area. Experience shows us that these people often decline assistance offered to them in the form of activation, hence the importance of elaborating paths by which they can be effectively reached through strengthening cooperation between public employment and welfare services with institutions from the third sector, which in these situations would offer young people assistance with the aim of “keeping” them in a state of constant support. Moreover, non-governmental organisations working with young people make use of non-conventional ways of reaching young people at risk of social exclusion on a daily basis, and the local nature of their activities, providing them with knowledge of the local society, increases the effectiveness of their activities. They make use of local media, that is, local radio stations and local newspapers, whose effectiveness they confirm, but also make contact through rural community centres, village housewives clubs, religious entities and festivities. These often bring together active members of local society, who can make use of their personal contacts to reach young people, which is significantly more effective than official channels of communication. They also involve street workers, who try to make direct contact with the young people that are the intended recipients of the offered support.

Another area of challenges is regarding the elaboration of the most effective solutions for supporting young people in the NEET group, both on the level of already existing instruments used by labour market institutions and on the level of proposed modifications or implementations of new solutions, often of a systematic nature, serving to support young people. They are the answer to certain problems linked with the situation of young people on the labour market. The first of them is the lack of close cooperation between various labour market institutions and partners and local authorities in supporting young people. Therefore it is necessary to initiate common activities on a regional level with the aim of elaborating local activation programs for people at risk of permanent marginalisation, taking into account the complex nature given to the support of young people (social worker, psychologist, careers advisor).

A significant challenge in supporting young people is also the introduction of changes in the laws on providing social assistance through benefits. The problem of the effect of current rules regarding the provision of benefits that discourages people from entering the job market has been accented many times over the course of research. Moreover, ‘conditionality’ of social benefits is the guiding concept stressed together with the need to modernize social security systems in order to address the precarious situation of young people in whole Europe (Lahusen et al., 2013, p.307).

The last area in which labour market institutions face challenges is creating a culture of cooperation for young people, based on local partnerships of labour market institutions and other organisations, whose main purpose is to solve the problems of young people. Cooperation of labour market institutions with local councils in municipalities and counties is a necessary condition to implement the aforementioned solutions.

## Conclusions

This article presents conclusions on actions to be taken by institutions and labour market partners to support people in the NEET category. The traditional approach of entities that deal with helping young people turns out to be insufficient for NEETs. The extremely complex background of problems in this category of youth is the cause. The nature of their problems makes it a group that requires a series of activities not only in terms of professional activation. Difficulties arise also with reaching out this category of young people. This is due to the fact that young NEETs remain out of the registries of public employment services. Another reason is the constantly negligible knowledge about the size and structure of the NEET population, especially in the spatial layout. This also applies to the population of people at risk of entering the NEET group. Insufficient cooperation between various labour market entities in supporting young people is the source of this problem.

Therefore, it is necessary to implement new measures that would be used by labour market institutions and partners. Because of their nature these activities are a kind of challenge. They cover several areas. The first is to counteract the entry into the NEET group of young people at risk of premature completion of formal education, including those with disabilities. The second area of challenges is the comprehensive identification of NEETs at the level of municipalities and counties in particular provinces. The third area - reaching out to young people in the NEET group to reintegrate them into the labour market and education - is another challenge. It is also necessary to develop effective solutions to support NEETs, both at the level of existing instruments used by labour market institutions and at the level of proposed modifications or implementation of new solutions, often of a systemic nature, to support young people. The last area of challenges for institutions and partners in the labour market is the creation of a culture of cooperation for the benefit of young people based on local partnerships of labour market institutions and other organisations with the task of solving young people's problems.

### *Future research*

Possible directions of future research should address the phenomenon of "leaving" the NEET category as a result of the measures taken for vocational and educational reintegration and the assessment of the effectiveness of activation measures used by public and non-public labour market institutions. Future research could also explore factors facilitating reintegration.

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