Joint meeting of
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Athens, 15 May 2014

Pilot Projects to carry out ESF related Counterfactual Impact Evaluations VP/2013/015

ESF Supporting Youth in Portugal
- CIE of Vocational Training and Traineeship

Lília Melo
Pilot Projects to carry out ESF related Counterfactual Impact Evaluations
ESF Supporting Youth in Portugal
CIE of Vocational Training and Traineeship

Outline

✓ Project governance
✓ General and specific objectives of the project
✓ The design of evaluation
✓ Expected results and their use
✓ Work programme
Governance of the project

CONSORTIUM
Accordingly to the proposal
Applicant - Institute for the Management of the European Social Fund – IGFSE
Co-Applicant - NSRF Observatory

April 2014 - As a result of the integration of the three institutions (IGFSE, NSRF Observatory, IFDR)

Now
Applicant: Cohesion and Development Agency
Emilia Arroz (project manager)
Sandra Dionizio
Líia Melo
Ana Alexandrino
Anabela Rodrigues

Co-Applicant: University of Porto – FEP - School of Economics and Management
José Varejão
Mónica Dias
Research Assistant

Co-Applicant: University Institute of Lisbon (ISCTE-IUL)
Ricardo Pees Marnech
Research Assistant

Associate Organisations - Public Administration
(Administrative Data Bases suppliers; Beneficiaries from CIE training activities; Steering Committee Members)

DG for Statistics on Education and Science
Institute for Employment and Vocational Training
Institute for Informatics of Social Security
Office of Strategy and Planning in the Ministry of Solidarity, Labour and Social Security

Pilot Projects to carry out ESF related Counterfactual Impact Evaluations
ESF Supporting Youth in Portugal
CIE of Vocational Training and Traineeship
Objectives for the study

- **Objectives for the study:**
  - Evaluate the causal effects of two major public programmes funded by the ESF;
  - Raise awareness of CIE methods among policy-makers, public agencies and other stakeholders.

- **Interventions to be evaluated:**
  - Vocational courses;
  - Traineeships.
Vocational Training
Vocational Courses

✔ **Objectives:**
  - reduce early school dropouts;
  - improve the educational performance of students;
  - improve the match between the supply and demand of skills.

✔ **Motivation:**
  - Portugal has one of the highest rates of early school dropouts at the EU level;
  - low levels of educational attainment are associated with lower performances in the labour market.

✔ **Target population:**
  - secondary school students (ISCED level 3 - 15 years old +).
Vocational Courses

Main features:

• Vocational courses are one of the pathways of secondary education, focusing on the development of skills for the practice of a profession, in articulation with the local business sector.

Eligibility criteria:

• every prospective secondary school student is eligible for vocational courses.

Counterfactual:

• individuals with similar characteristics enrolled in scientific-humanistic courses at secondary school.

Outcome of interest:

• secondary school graduation;
• approval in each year of secondary schooling.
**Vocational Courses**

**Method:** coarsened exact matching

- individuals are segmented into groups according to their observable characteristics (based on discrete variables such as gender, age, socioeconomic status) and to the type of courses they enroll (vocational or scientific-humanistic);
- the average performance of students (approval, graduation) is computed for each segment;
- the average performance of students enrolled in vocational courses is compared with that of scientific-humanistic courses that have identical characteristics.
Vocational Courses

Data: MISI database, produced by the Statistics Office of the Portuguese Ministry of Education and Science

- contains information on every student enrolled in public or quasi-public school system;
- collected at the start of each academic year by each school, directly from each student.
- includes information of individual characteristics (age, gender, socioeconomic status, etc.), allowing for a longitudinal analysis of students’ trajectory in the educational system (academic progression, graduations, and dropouts).
- individuals are segmented into groups according to their observable characteristics (based on discrete variables such as gender, age, socioeconomic status) and to the type of courses they enroll (vocational or scientific-humanistic);
- the average performance of students (approval, graduation) is computed for each segment;
- the average performance of students enrolled in vocational courses is compared with that of scientific-humanistic courses that have identical characteristics.
Vocational Courses

Extensions:

• it may be possible to include in the analysis the results of an end line survey;

• such a survey would allow considering not only the impact of vocational courses on the educational performance, but also....

• their impact on the subsequent labour market performance of graduates.
Traineeships

José Varejão: varejao@fep.up.pt
Objective:

- facilitate transitions from education/vocational training to the labour market.

Motivation:

- youth unemployment has a significant skill-mismatch component.
- Traineeships provide youngsters with on-the-job training and raise employers’ awareness of the new skills.

Target population:

- job seekers below the age of 30.
Traineeships

Main features - participants are offered:

• an internship in a private or public sector institution for a period of 9-12 months;

• a monthly grant that varies with the individuals level of schooling/training.

Eligibility criteria:

• age (below 30), education (levels 2-5), registered in the public employment services (PES).
Traineeships

Counterfactual:

• individuals with similar characteristics (gender, age, schooling) that entered unemployment on the same date and were still in unemployment as of the beginning of the internship.

Outcome of interest:

• transition to employment (and duration of employment, and earnings).
Traineeships

Method:

- Matching adapted to dynamic selection processes (candidates may choose among different ALMP and select the timing of participation);
- Two steps:
  - Exact matching on crucial variables (gender, age, education), including the length of unemployment as of the beginning of participation;
  - Matching on the propensity score (location, employment office, detailed characterisation of skills and past labour market history).
Traineeships

Data:

- Extensive information obtained from combining different administrative data sets:
  - Universe of participants since 2004 (IEFP - PES);
  - Universe of registered unemployed individuals (IEFP - PES);
  - For both, past and subsequent labour market trajectories (Social Security).
- All data providers are involved in the project.
Traineeships

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• All data providers are involved in the project.
Extensions

- Some specific features of the programme and changing design of the rules will be explored as robustness tests:
  - Age cut-off – regression discontinuity design;
  - Changing age limit or traineeship duration – instrumental variables.

- Alternative identification of the counterfactual: explore the possibility of using data from the Ministry of Education.
Traineeships

Extensions

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  ✓ Age cut-off – regression discontinuity design;
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• Alternative identification of the counterfactual: explore the possibility of using data from the Ministry of Education.
Deliverables

For each programme evaluated:

• A technical report summarizing the methodological approach and results of the CIE of vocational programs;

• A research paper to be submitted to an international journal with the main results;

• A step-by-step guide for future updates of this analysis.
### Deliverables

**Dissemination and training:**

- Workshops between the project research team and the Public Administration stakeholders
- CRIE support and training
- Training sessions for public services employees (working directly with ESF), on counterfactual methods
- Online dissemination (reports and executive summaries)
- Establishment of a project team responsible for the future sustainability of the project results
- Meeting with the 2 Parliamentary Committees
- Workshop for practitioners in Porto
- Workshop for graduate students in Porto
- Conference in Lisbon
Thank you!

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