

### Impact assessment of the European Social Fund under the Provence - Alpes - Côte d'Azur region 2014-2020 ERDF-ESF operational programme

Summary note

### Carif-Oref Provence - Alpes - Côte d'Azur – Céreq

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#### Context, request and methodology

#### Context

Within the framework of the ERDF-ESF operational programme adopted in 2014, the Provence -Alpes Côte d'Azur Region decided to allocate partially European Social Fund (ESF) to support its regional training policy. This is addressed to job seekers and is part of the Os5b objective of the programme: "Improve access to a first qualification and increase the level of training of people furthest from employment".

The 2014-2020 programming of the European and Structural Investment Funds focused on a greater concern for effectiveness, performance and efficiency in the use of the funds. This means that Management Authorities have stronger monitoring and assessment obligations.

In order to meet its obligations, the Region published a tender to select a service providers by mid-2019. The Carif-Oref Provence-Alpes-Côte d'Azur and Céreq joined to participate in the tender and support the Region.

#### Request

This ESF impact assessment focus on those who followed a training during 2018. It looks into their professional integration 6-months and again 18-months after the training, and aims to highlight the effectiveness of these programmes. The Region defined specific expectations for this assessment, based on an evaluation<sup>1</sup> carried out in 2015 on the regional training programme (PRF), by the Céreq in cooperation with the *Observatoire régional des métiers* (CARIF-Oref Provence - Alpes - Côte d'Azur since January 1st, 2021).

A counter-factual analysis was therefore implemented to compare the 6-months and 18-month employment situations of PRF participants who finished their training in 2018 with those of job seekers who did not receive training during the same period. This required a control sample made up of job seekers registered at the employment centre – named Pôle emploi – or at local youth associations – named Missions Locales – (main target groups receiving PRF training) and having the same characteristics as the trainees, before the start of the training. Access by name to the job seeker files held by the employment centre and Regional hub of local youth associations (ARDML) was an essential prerequisite to conducting this comparative analysis.

The expected double-difference method consisted in comparing the situation of both populations corresponding to the two given timeframes (6 and 18 months). The choice was made to interview both groups at the same time, in order to avoid the pitfalls of implementing different survey protocols and possible biases due to the economic situation.

A final expectation concerned the development of operational and strategic recommendations with the steering authorities.

#### Assessment reference system

It was developed in the spring of 2020 with the technical committee and identified three assessment questions:

<sup>&</sup>lt;sup>1</sup>Céreq, "Is diploma course vocational training successful for employment? The case of the Provence - Alpes - Côte d'Azur region", Short overview No. 352, February 2017.





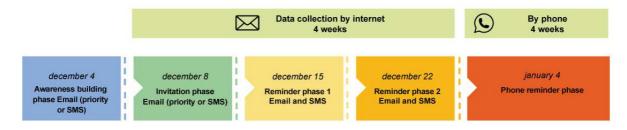
- Is the training effective? In terms of return to employment, training dynamics and impetus, training effectiveness for different types of public, and self-confidence.
- Which criteria ensure training effectiveness? In terms of employment rate, using the type of training, regular attendance and validation.
- Can training help to get a quality job? In terms of salary, permanent employment, and working hours.

#### Methodology

To assess the effectiveness of a public policy, the situation of a group of individuals having benefited from a measure had to be compared to a comparable group of individuals who have not. In this case, the individuals in question have started a training under the regional training programme (PRF) of the Provence-Alpes-Côte d'Azur Region, co-financed by the European Social Fund.

It is therefore necessary to select individuals who had not received training but had the same observable characteristics (gender, age, level of qualification, family status, dependent child, nationality, time spent unemployed, etc.) as those who had started to train. To do this, partnerships had been built with the employment centre and local youth associations, the main prescribers of the PRF training courses. This step was vital in order to access personal data of those who attended these institutions at the same time than the future trainees. The propensity score matching method was then used to find one or more "twins" for each trainee in the databases of these prescribers. These "twins" constituted the counter-factual group: 13,777 individuals were selected representing 6,398 trainees who completed the training in 2018.

All of these individuals were contacted to be interviewed, either by Email or by telephone. The interviewing process was conducted in December 2020 and January 2021, according to the following schedule:



Source: Carif-Oref Provence - Alpes - Côte d'Azur et Céreq.

The average duration of the telephone questionnaire was 11.15 minutes.

At the end of the survey, 4,289 individuals responded, with an overall participation rate of 22%.

#### Sample base

	I	Number of individuals invited to respond	Number of respondents	Response rate
Trained in	2018	6,369	2,013	32 %
Control	employment centre	10,508	1,862	18 %





This study is co-financed by the European Union with the European Social Fund

group Local	local youth associations	2,887	414	14 %
Combined		19,764	4,289	22 %

Source: Provence - Alpes - Côte d'Azur Regional Council — Impact assessment of vocational training 2021 — Carif-Oref Provence - Alpes - Côte d'Azur and Céreq processing.

Weighting has been implemented to ensure the representativeness of respondents in terms of the trainees and the control group, and thus to allow the generalisation of results obtained.

#### **Results**

#### Is the training effective?

#### → Training has a beneficial effect on the employment rate of trainees 18 months on

6 months after having completed the training, 53% of trainees had found a job, compared to 50 % of the control group, i.e. a similar proportion. At this stage, training has no significant effect on the professional background of trainees.

After 18 months, the employment rate of trainees increases to 59%, while that of the counterfactual group remains stagnant (51%). In the medium term, training does become beneficial in the professional background of trainees, as the employment rate is 8 points higher than in the control group.



Changes in the employment rate of the various groups month-to-month

Source: Provence - Alpes - Côte d'Azur Regional Council — Impact assessment of vocational training 2021 — Carif-Oref Provence - Alpes - Côte d'Azur and Céreq processing.

### The employment rate of trainees shows greater resilience to the effects of the health crisis

Not originally foreseen in the assessment framework, the questionnaire also asked people about their employment situation at the time of the survey (December 2020 - January 2021). The





employment rate thus observed can be seen as an indicator of resilience to the economic crisis linked to COVID-19.

The employment rate of trainees remains significantly higher than in the control group (56% compared to 44%). The employment rate, for both groups, is lower compared to the situation at 18 months, but to a lesser extent in the group of trainees (-3 points and -7 points respectively).

Individuals who have completed certification training maintain a much higher employment rate (66%). Beneficiaries who have received vocational training continue to have an employment rate similar to the control group.

In the medium term, training has had a protective effect against the adverse effects of the crisis.

#### → Training had a positive effect on the training impetus of trainees

During the period observed, the fact of taking another training concerned a small proportion of the individuals. At 6 months, this concerned 9% of the PRF-trained individuals and 6% of the control group. At 18 months, 8% and 5% respectively.

Individuals who received PRF training were significantly more anchored in training impetus at both dates than those in the control group.

Both groups aim for trainings leading to a qualification in 90% of cases. But their motivations are different. In following a new training, the trainees aim above all to improve their professional skills (33%) and to obtain a diploma (22%), at first sight as an extension of the followed training, since only 17% of them stated they wanted to change career paths.

In the control group, obtaining a diploma is the most common motivation (36%), but it is combined with the fact that they want to change job (29%).

## Contribution of training is most immediate and highest for the lower level of qualifications

The contribution of training to the employment rate differs depending on the characteristics of the people.

Among these, the level of qualification upon starting the training is an important factor.

#### Employment rate according to the group characteristics before beginning training

Reference system indicators	PRF	Control group	Course added value			
Employment rates of individuals with low level qualifications (level V and infra)						
At 6 months	50 %	44 %	+ 6 points			
At 18 months	55 %	45 %	+ 10 points			
Employment rates for individuals with an intermediate level qualification ("Bac" equivalent of GCE A-Levels)						
At 6 months	53 %	52 %	Insignificant deviation			
At 18 months	61 %	54 %	+ 7 points			

Employment rates for individua	ls with high level qualification	s (Bac +2years of t	ertiary study and above)
At 6 months	59 %	54 %	Insignificant deviation





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At 18 months	69 %	61 %	+ 8 points
Employment rates for individuals w	ho receive basic social b	enefits	
At 6 months	40 %	37 %	Insignificant deviation
At 18 months	46 %	37 %	+ 9 points
Employment rates of foreign origin			
At 6 months	49 %	51 %	Insignificant deviation
At 18 months	54 %	45 %	+ 9 points

Source: Provence - Alpes - Côte d'Azur Regional Council — Impact assessment of vocational training 2021 — Carif-Oref Provence - Alpes - Côte d'Azur and Céreq processing.

Thus, it appears that the efficiency on training is the strongest and fastest for those with a **low level of qualification** (CAP (high school vocational training certificate) and infra level) upon beginning the training. Their employment rate at 6 months is the only one that is significantly different and higher than in the control group for the same level of qualification. After 18 months, it is also at this level of qualification that the gap between trainees and the control group is the greatest. The contribution of training is therefore the most important for this type of public, even if these individuals do not have the highest employment rate. Indeed, individuals with intermediate (baccalaureate level) or high (baccalaureate + 2 level) level qualifications have higher employment rates, but this is only partly linked to the training taken under the regional training programme.

In addition, at 18 months, training has a significant contribution for people receiving basic social benefits before the training begins, or those of foreign nationality, compared to their counterparts in the control group.

On the other hand, training has no significant effect, at 6 months or 18 months, on the employment rate of people **over 54 years of age**; or belonging to a single parent family; or **acknowledged as disabled workers**; or who have claimed a **housing** problem.

#### ➔ Training is also associated to a slight feeling of "well-being"

Finally, the effectiveness of the training was assessed from a more qualitative and societal perspective. At the time of the survey, the PRF participants reported:

- being satisfied in their daily lives: 72%; +7 points;
- feeling healthy: 89%; +2 points;
- having self-confidence: 87%; +5 points;
- trusting others: **84%**; +5 points.

In a previous follow-up of the PRF trained participants<sup>2</sup>, interviews were conducted. They showed that the training contributed positively to various aspects of trainees life , both on a professional level (skills acquisition, knowledge, confirmation of a career plan, particularly for the younger ones), and on a personal level. Training is described as an important step, a springboard, a moment for oneself, a way to re-position oneself on the labour market, a personal challenge, or an opportunity

<sup>&</sup>lt;sup>2</sup> ORM, Survey on the fate of trainees who finish qualifying vocational training, results from the second post-training interview, "Wide Angle", No.24, March 2015.





to obtain one's first diploma. The training also enabled them to overcome certain personal difficulties (health, papers, language, etc.), to be proud to have completed it, to have more self-confidence, to open up to others or to resume a rhythm of life.

#### What criteria ensure training effectiveness?

There are three types of training implemented under the regional training programme:

- **Qualifying**: 82% of trainings implemented in 2018, lasting an average of 7 months. They aimed at acquiring a diploma or a title registered in the RNCP (National Directory of Professional Certification) and validate a level of training.
- **Certification**: 8% of those implemented, lasting an average of 3.5 months. They prepared to validate an accreditation or a professional qualification certificate (CQP). These are certifications awarded by professional branches.
- **Other**: 10% of those implemented, lasting an average of 2.5 months. They are intended to professionalise trainees or to enable them to improve their skills in a particular area. They lead to a certificate of completion of the training and are therefore neither qualifying nor certifying.

In addition to the type of training followed, regular attendance and validation of the training also influenced the employment rate.

## → Certification training is associated to a higher employment rate in the short and medium term, with qualifying training revealing its effectiveness at 18 months

Overall, at 6 months, the employment rates of trainees and the control group are similar. However, when considering the type of training followed, one of them distinguishes itself as providing a benefit in terms of employment rate for this period. These are certification trainings, whose employment rate at 6 months (62%) is 12 point higher than the control group (50%). At 18 months, the positive effect of this type of training on the employment rate increases further: +19 points. The employment rate then reached 70% for the trainees, whereas it was 51% for the control group.

Reference system indicators		Employment rate at 6 months	Employment rate at 18 months	Employment rate at the time of the survey
PRF — all <b>trainees</b>		52 %	59 %	56 %
PRP — all traillees		Insignificant deviation	+ 8 points	+ 12 points
Qualifying training		53 %	60 %	57 %
Qualitying training		Insignificant deviation	+ 9 points	+ 13 points
	Level II and III	46 %	64 %	64 %
		Insignificant deviation	+ 13 points	+ 20 points
	Level IV	53 %	60 %	55 %
		Insignificant deviation	+ 9 points	+ 11 points
	Level V	54 %	58 %	55 %
		Insignificant deviation	+ 7 points	+ 11 points
Certification training		62 %	70 %	66 %
		+ 12 points	+ 19 points	+ 22 points
"Other training"		44 %	50 %	45 %
		Insignificant deviation	Insignificant deviation	Insignificant deviation

#### Employment rate by type of course





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Control group	50 %	51 %	44 %

Source: Provence - Alpes - Côte d'Azur Regional Council — Impact assessment of vocational training 2021 — Carif-Oref Provence - Alpes - Côte d'Azur and Céreq processing. ns: Insignificant deviation

**Reading note:** At 6 months, 52% of those having followed a PRF training were in employment, compared to 50% of the control group. The difference at this date is not significant between the 2 groups. At 18 months, this rate reached 59% for trainees, compared to 51% for the control group. With a difference of 8 points, the difference is statistically significant. At the time of the survey, the employment rate of trainees was 56%, compared to 44% for the control group. The 12-point difference between the 2 groups is statistically significant.

For those having completed **qualifying training**, the benefit in terms of employment rate was only visible at 18 months. It varied according to the level of training followed:

- +13 points for Level II and III qualification training Employment rate: 64%;
- +9 points for Level IV qualifying training Employment rate: 60%;
- +7 points for Level V qualifying training Employment rate: 58%.

At the time of the survey, the differences between the employment rate of trainees and the control group had increased further. Training therefore seems to play a protective role in the professional situation of trainees against the effects of the health crisis.

Regardless of the observation period, for those who followed **"other trainings"** (professionalisation and advanced training), their employment rate was indistinguishable from that of the control group.

#### > Validating the followed training increases the employment rate

The employment rate is also impacted by the fact of having completed the training in full and having validated it.

The fact of having **obtained a diploma**, title, certificate or accreditation (83% of 2018 trainees) increases the positive contribution of the training in terms of employment rate. It becomes significant from 6 months (55%; +5 points compared to the control group), and very significant at 18 months (62%; +11 points compared to the control group).

When **training is interrupted** (7% of trainees), the employment rate is negatively impacted at 6 months: -11 points compared to the control group (39% compared to 50%). At 18 months, however, the concerned trainees caught up with the employment rate of the control group (51%).

Finally, the last case involves those who have completed the training in full, but without validating it (9% of those who finished in 2018). Here, the employment rate reaches only 36% at 6 months, a difference of -14 points in relation to the control group. Over time, the effect of non-validation persists. At 18 months, the employment rate is only 38% (-13 points compared to the control group). Non-validation of the training has a very negative effect in terms of professional integration.

Does the training guarantee better employment conditions?





#### → Lower paying jobs than the control group

At 6 and 18 months, the median full-time equivalent salaries of trainees were significantly lower than those of the control group. On both dates, their salary was  $\leq 1,400$ , compared to  $\leq 1,500$  for the control group at 6 months and  $\leq 1,470$  at 18 months. Only trainees who have completed levels II and III trainings had similar salaries to those of the control group.

The fact that the training has been validated or interrupted does not a priori have a short-term effect on the median salary.

For trainees who have completed the training in full without validating it, the median salary is the lowest of all at 6 months (€1,300), before increasing at 18 months.

In all cases, the median salary of trainees never exceed those of the control group. The benefits of training are not reflected in terms of salary.

#### Stable employment pathway for those having followed PRF training

90% both trainees and the control group are employed, at 6 and 18 months. The share of selfemployed persons (including family caregivers) was 10%, regardless of the population and time frame observed. By comparison, this proportion is 13% in the total working population in the region.

At 6 months, the share of permanent jobs (EDI — permanent employment contract or as a civil servant) was 41% among trainees, proportionally 12 points lower than the control group (53%).

At 18 months, this proportion increased among trainees to 50%, while it hardly changed (54%) for the control group. The differences between the two groups become insignificant. Here we can observe that for the trainees, the pathway to stable employment takes place over a longer period of time: few employers hire new staff on permanent contracts directly.

It should be noted that the share of permanent employment contracts is higher for those having completed qualifying trainings, including those who have prepared a title or a level II or III diploma. At 6 months, this proportion is 63%, then 65% at 18 months.

Conversely, certification trainings are associated with a very low share of permanent employments: 34% at 6 months and 41% at 18 months. These are the lowest proportions among trainees and they are the only ones that remain significantly lower than the control group rate over the whole period. Those completing "Other trainings" have higher permanent employment rates (37% and 48%).

At 6 and 18 months, the share of permanent employments varies little in relation to whether trainings were validated or interrupted. However, it is much lower for those who did not validate their training: 29% at 6 months and 36% at 18 months.

#### ➔ Greater work time than the control group

6 months after completing the training, 78% of trainees were employed in full-time jobs, compared to 75% in the control group (insignificant difference). Over the following 12 months, this share increased for trainees to 80%, while it remained stable for the control group.





For this indicator, certification trainings have a much higher rate in the short and medium term for this indicator, reaching 90% of full-time jobs (+15 points compared to the control group).

For once, whether or not the training was validated or interrupted had no effect on the share of fulltime jobs.

#### **Recommendations**

Based on the results of the impact assessment, four types of recommendations were developed with the steering authorities.

#### 1. Continue investing in training and ensure its validation

- The effectiveness of training has been demonstrated, in terms of employment rate, training impetus and general "well-being".
- The positive contributions in terms of employment rate can be observed for all certification and qualification trainings, regardless of the level of training followed. It also seems relevant to maintain a varied range of trainings, preferably titles, diplomas, certificates and accreditations recognised outside the training body.
- In order to guarantee the added value of the training, it is necessary to ensure that the individuals validate the training, by providing them with the best possible support, particularly when setting up distance learning trainings, as was the case during the health crisis. The implementation of this teaching method "is more often associated with difficulties in following the training, due to a potential drop of motivation, but also to working and studying conditions that are sometimes less suitable"<sup>3</sup>.

## 2. Continue providing training, particularly for disadvantaged<sup>4</sup> and less qualified people (vocational training certificate and infra V levels)

- Given that the benefit from training has been proven 18 months on, for all trainees, only one group significantly benefited 6 months on. Namely those who, before starting the training, had the lowest level of qualification (vocational training certificate and infra level). For them, not only the positive contribution of the training is most quickly visible, but it is also the most significant at 18 months (+10 points compared to the control group).
- The positive contribution of the training at 18 months is also significant for people of foreign origin or those receiving basic social benefits upon beginning the course.

#### 3. Support post-training pathways for those who have not validated the training

• The non-validation of the training has a strong impact on the employment rate at 6 and 18 months of trainees as well as an adverse effect on their "well-being". In view of the results of

<sup>&</sup>lt;sup>3</sup> Dares, labour market monitoring during the health crisis. Impact of the autumn 2020 lock-down on training for Job Seekers, May 2021. <sup>4</sup> According to the definition of the European Commission, participants in "disadvantaged" training include persons: living in a household where no one is employed, living in a single-parent family, in a situation of disability, beneficiaries of minima, having never been to school, without a permanent home or excluded from housing, and finally, living in the Rural Revitalization Zone.





the evaluation carried out, these people find themselves in a more complex situation than those who interrupted their training. They therefore deserve special attention.

- Provide specific post-training support for these individuals, so they do not remain in a situation of failure, regardless of the cause.
- Initiate an inter-service reflection in order to analyse the reasons of the trainees' pathways (discontinuation of the course, positive completion, etc).

# 4. Develop an in-depth analysis of this impact assessment to better understand the effects of certain training

- **Certification trainings** (CQP and Accreditation) stand out throughout the assessment as having a strong capacity for professional integration. Their only negative point is that they have less access to permanent employment than other types of training: at 18 months, 41% of trainees were in this situation, compared to 50% of all trainees. This type of training is currently evolving. Indeed, in order to be financed by the apprenticeship scheme and Personal Training Account (CPF Compte personnel de formation), more and more of them are being registered in the National Directory of Professional Certifications (RNCP) and are becoming titles registered on request. There is thus a risk that they will lose visibility in terms of types of certification (CQP) because they will be merged into the many titles registered on request in the RNCP.
- The path of trainees in **"other trainings"** (professionalisation or advanced trainings) are very similar to those of the control group, in terms of 18-month employment rate, training impetus, or in terms of more qualitative indicators related to self-confidence and "well-being". Even though individuals invested up to 400 hours in training, the results of the assessment show little difference in the future of these trainees and the control group. This raises a query and it would be interesting to deepen the reflections and questioning on these results and thus possibly reconsider them in the light of conjunctural or structural factors or context not taken into account in the framework of this assessment.

Results by "Strategic Sectors" are available in the full impact assessment report. They concern only the group of trainees and are therefore outside the scope of this impact assessment, *stricto sensu*.

The impact assessment and the various materials were produced by the Carif-Oref Provence - Alpes - Côte d'Azur - Céreq consortium, and more specifically by:

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