### EVALUATION MODELS APPLIED TO PUBLIC POLICIES IN ROMANIA ON THE INTEGRATION OF YOUNG PEOPLE INTO THE LABOR MARKET

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#### Abstract

Due to the changes imposed by the national public institutions in the field of labor market, the public policies in the field need to be correlated with the new socio-economic context. This necessity is particularly necessary in relation to those public policies aimed at integrating young people into the labor market. The integration of young people into the labor market is a national problem, for which no solution has yet been found, concrete, effective and correlated with its causes. Since 2005, Romania has taken measures to integrate young people into the labor market, but these measures do not have the desired result in practice. An effective evaluation of public policies on the integration of young people into the labor market is necessary due to the increase of their efficiency.

Another argument for improving the quality of these policies is also the identification of a new policy that is appropriate to current economic and social requirements, but also to identify the possible problems encountered in their implementation.

The main purpose of this article is to apply the CIPP model for evaluating public policies on the integration of young people into the labor market, but also to develop it in the light of changes and requirements at national level. As main objectives, the article seeks to identify and analyze the most important public policies and programs regarding the integration of young people into the labor market, evaluating them according to a framework model and drafting an evaluation report and policy proposals.

This article presents as novelty elements: analysis of public policy assessment models at national level, evaluation of public policies on the integration of young people into the labor market and drafting an evaluation report in this area. The article presents both theoretical and practical importance - it can be used for other researches in the field, but also used for better implementation of public policies on the integration of young people into the labor market at national level.

Keywords: evaluation, public policies, young people, evaluation models, labor market integration.

#### Introduction

In order to evaluate social policies or programs on the integration of young people into the labor market, we need to clarify some key concepts such as "public policies", "public policy assessment", "evaluation model" and "labor market". In terms of defining the concept of "public policies" in 1972, Dye defined public policies as "what governments choose to do or not to do" (T. Dye, 1981, p. 91). Closely related to this definition is the one given by Howlett and Ramesh who considered that public policy was "the choice made by the Government to act or not." (Howlett, M., Ramesh, M. 1995, p. 5)

Hill and Hupe are the ones who have detailed this concept by stating that public policy "is born from a process that takes place over time, which may involve intra and inter-organizational relationships and involves the existence of a key but not exclusive role of public agencies" (M. Hill, 1997, p. 81).

Also, David Easton considered that public policies represent "an authority's assignment of values to the whole of society" (M. Zulean, p. 21). And Harold Lasswell and Alexander Kaplan say this term is based on "a program for designing goals, values, and practices." (H. Lasswell, 1951, pp. 25-27). A more succinct clarification given to the term of public policy is that of Carl Friedrich, who states that "in defining the concept of public policy it is fundamental to present a goal and more objectives" (T. Dye, 1981, p. 3).

The theories outlined above make a shift from public policies - as a key concept and two of their components considered essential: the aim and objectives proposed.

An interesting approach from this point of view is that of William Jenkins who considered that public policies refer to "a set of decisions taken together by a political actor or a set of actors on the selection of objectives and means for reaching them in a specific situation in which they should have the power to make decisions "(Howlett and Ramesh, 1995, pp. 5-6). In addition to the three components already identified: purpose, objectives, action, the fourth component, the "decision", explicitly intervenes here.

"Evaluation of Public Policies" was defined by Stufflebeam and Shinkfield in 2007 as "the set of conceptual, hypothetical, pragmatic and ethical principles that aim at forming a general framework for guiding the study and practice of program evaluation" (Stufflebeam and Shinkfield, 2007, p.64).

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# 1. Evaluation of public policies - a necessity for successful policies

At the practical level, it was concluded that the assessment of a policy or social program must take into account elements identified before its deployment, which are specific, clearly formulated and correlated with policy actions: "how it is deployed, the results, its impact in the light objectives and decision-making process. Evaluation is also a means of identifying the lessons learned from the past and present actions in order to find decisions that improve the implementation and management of future activities "( Hanberger, p. 213).

Wiliam Dunn (1981) also outlined some fundamental features of public policy assessment. The author asserts that the evaluation of public policies or programs must be centered on value, oriented to the present and past, characterized by duality, and to show interdependence between fact and value. Starting from the four elements presented above: the purpose, objectives, principles and characteristics of the evaluation, certain evaluation criteria were formulated, each with specific questions (Wiliam Dunn, 1981, pp.405-406).

| Criterion     | Specific questions                  | Illustrative reflection                         |  |
|---------------|-------------------------------------|---|--|
| Efficiency    | Has an important result been        | service delivery units                          |  |
|               | achieved?                           |   |  |
| Effectiveness | What was the effort required        | Cost units, net benefit, cost /                 |  |
|               | to get an important result?         | benefit ratio                                   |  |
| Suitability   | To what extent do the effects       | Fixed costs, predefined yield                   |  |
|               | solve the problem?                  |   |  |
| Equity        | Do the costs and benefits           | Criterion Pareto, Rawls                         |  |
|               | have a fair distribution within the | Criterion, Kaldor-Hicks Criterion               |  |
|               | groups affected by the problem?     |   |  |
| Conformity    | Are the needs and                   | Consistency with citizens                       |  |
|               | requirements of each group          | perspective                                     |  |
|               | satisfied by the effects of the     |   |  |
|               | policy?                             |   |  |
| Compliance    | The effects are worth the           | The effects are worth the Equity and efficiency |  |
|               | effort, are they important?         |   |  |

Tabel 1: Criterion for public policy evaluation. Adaptation on Wiliam Dunn, 1981.

The success of an evaluation depends on the application of the elements outlined above, but also on the observance of certain steps that have been developed both in international practice and in practice at national level.

Fig.1 Evaluation steps. Adaptation on Wiliam Dunn, 1981.



The evaluation of public policies, from the point of view of practical applicability, must be based on a model or an evaluation method. The evaluation model is the one that gives rise to the questions to which a certain type of assessment will have to respond, and it is up to him to consider the criteria on which assessment will be conducted (Hansen, 2005).

One of the public policy assessment models is the CIPP-Context, Input, Process, Product, developed by Stufflebeam. It is based on evaluating the value of a program, its aims being: improving that program and assuming resposans. The model focuses on an assessment of policies or programs based on social systems, being adapted to those programs or social policies. (Stufflebeam and Shinkfield, 2007, pp.330-333). Within this model, Stufflebeam defines the concept of evaluation as "the systematic investigation of values that represent a particular item in the set of ideals of a society, individual, or even group." (Stufflebeam and Shinkfield, 2007, p.325). This model involves assessing the context, assessing inputs, evaluating processes and evaluating products.

Contextual Assessment - is that evaluation that focuses on a real analysis of the needs, resources and opportunities that come to help define the goal and goals of those involved in the policy implementation process. Entry assessment is based on the analysis of different types of approaches, action plans, alternatives, and is used to select resource allocation plans, planning itself and human resources allocation. Process evaluation is based on an analysis of the implementation of action plans, the purpose of which is to identify certain malfunctions or errors in the formulation or implementation of policies or the program, but also to provide relevant information to facilitate the process decision making (Stufflebeam and Shinkfield, 2007, pp. 325-327). Product evaluation is based on long-term and short-term product analysis to obtain the desired product by those directly involved in the process.

It can be concluded that this model, CIPP mode developed by Stufflebeam, is based on the following steps:

- - the degree of satisfaction of needs and needs,

- - the degree of budget and formulation adequacy to the initial policy objectives,

- - the degree of compliance with the policy or program as originally formulated,

- - Identify the degree of success or not of politics and what were the reasons behind it.

The CIPP model proposed to answer the following questions: What is to be done? How should it be done? Have the implemented actions been successful?

Within this model, Guba and Lincoln identified seven steps for the good conduct of an evaluation, but did not identify their specific processes:

- 1. Identify all categories that may be affected by the evaluation
- 2. Collecting information
- 3. Organization of information
- 4. Analyzing information
- 5. Reporting information
- 6. Administration of evaluation

The evaluation of public policies in a given field is the basis for the success of the respective policy or of the future policies in this field, because it identifies the elements that need to be corrected in the present and in the future. That is why it is important to do it in a responsive, objective, transparent and respectful way.

# 2. Labor market. Integration of young people from Romania into the labor market

From an economic point of view, the transition from school to work, means the process of insertion into the labor market of graduates or young people who have left the education system (the International Labor Organization). The International Labor Organization identifies as the main phases of the transition from school to work the following: the direct-case scenario where the first experience of a young man after graduation is to be engaged in a satisfactory or permanent job, intermittent, employment temporary or self-employment, intermittent unemployment with or without employment or unemployment, and other situations where, after leaving the school, the young person travels or engages in household duties.

I will approach the definition of the concept of integrating young people into the labor market based on several theories formulated: Human Capital Theory, Theory of Asymmetry of Competences, Search and Matching Theory. Starting from the individual, the factors that determine the decisions of an individual regarding the duration and the way of their schooling are enumerated. Individual decisions are based on the desire to obtain educational diplomas and practical skills.

The theory of human capital is the first approach from the economic perspective of behavior towards education and its consequence on the market. It focuses on differences in wage and training levels. This theory shows that the process of choosing individual between the present and the future will determine the continuation of studies or, on the contrary, the choice of obtaining immediate income. Emphasis on the opportunity cost of time, time spent on education and then paid time.

Asymmetry of competencies refers to the types of imbalances between skills and competences offered and those necessary for the labor market. Among these were identified: the rarity or abundance of abilities, Vertical asymmetry refers to the situation where the level of training or qualification is lower or higher than required, Horizontal asymmetry is when the field of training or abilities and skills is inappropriate for job applications, under-qualification or over-qualification, skills obsolescence.

The theory of search and matching had the greatest impact on the theory of labor economics by developing a new approach to labor market analysis. This theory emphasizes collaboration between employees and companies, the decision making process on job creation, the theory of search and matching was also used to analyze how aggregate shocks are transmitted to the labor market and lead to cyclical fluctuations in unemployment flows, job flows and employment flows.

# **3.** Evaluation of public policies on the integration of young people on the labor market in Romania

The model under which public policy assessment is conducted is an adaptation of the CIPP model,

including the following categories: purpose and objectives - their degree of indepen- dence and the manner in which they are formulated, the degree of satisfaction of needs and needs, the degree of budget adequacy, to comply with the policy or program, as originally formulated, to identify the degree of success or not of politics and what were the reasons behind it.

The proposed assessment mode is the following: each category will be assigned a score of 1-10, 1 being the lowest and 10 the highest. So far, the minimum score that can be obtained from the evaluation is 5 (being 5 categories), and the maximum score is 50. Following the final score, the following steps will be taken:

- If the policy obtained a score of 5-20 being a small score, each category, obtaining a score of 1-4 means that it was unsuccessful and the degree of achievement of the goal originally proposed is a low one - motivation for which it will have to be stagnated and replaced with another policy in the field or with another program on the integration of young people into the labor market.
- 2. If the policy obtained a score of 21-35 being an average score, each category, obtaining a score of 4-7 means that the policy or the program has reached its original objectives and goal in a degree but not entirely, which is why it will need to be improved and corrected where implementation difficulties are found. This policy will be continued, but to an improved extent, retouched, changing its course in accordance with the requirements and needs of the direct target group.
- 3. If the policy obtained a score of 36-50- being a high score, each category, getting about one score between 7-10 means that the policy or program has reached its original goals and aim at a degree very large, almost entirely, which is why it can be further implemented if the problem for which it was formulated has not yet been resolved either if it is identified that the problem has been solved to a large extent, it may be stagnant, not because it has not been successful but because it has achieved its goal and objectives almost entirely.

## 3.1. Law no. 76 of 16 January 2002 (last updated on 25 January 2017).

The first policy subject to the model of evaluation presented above is that of granting private companies benefits for the employment of young unemployed graduates, by law no. 76 of 16 January 2002 (last updated on 25 January 2017).

| Purpose                | Stimulating employment                                 |
|------------------------|--|
| Objectives             | a) to prevent unemployment and to combat its           |
|                        | social effects;  |
|                        | b) job placement or re-employment of persons           |
|                        | seeking employment;                                    |
|                        | c) supporting the employment of person                 |
|                        | belonging to disadvantaged categories of th            |
|                        | population;  |
|                        | d) ensuring equal opportunities on the labo            |
|                        | market;  |
|                        | e) stimulate the unemployed to take up a job;          |
|                        | f) stimulating employers to employ people i            |
|                        | search of a job;                                       |
|                        | g) improving the employment structure b                |
|                        | economic branches and geographical areas;              |
|                        | h) increasing the mobility of the labor force i        |
|                        | the conditions of the structural changes that occur i  |
|                        | the national economy;                                  |
|                        | i) the protection of people in the unemploymer         |
|                        | insurance system.                                      |
| Direct beneficiaries   | job-seekers, university graduates unemployed           |
| Indirect beneficiaries | Private companies                                      |
| Concrete measures      | 1.Specialized services provided by employment          |
|                        | agencies or other public or private service providers  |
|                        | 2. Stimulating employers for framing th                |
|                        | unemployed by: a) subsidizing jobs; b) granting loar   |
|                        | on favorable terms in order to create new jobs;        |
|                        | granting facilities.                                   |
|                        | 3. Subsidies for employers who employ for a            |
|                        | indefinite period graduates of educational institution |
|                        | exempted, for a period of 12 months, from the          |
|                        | payment of the contribution due to the unemployment    |
|                        | insurance budget, related to the graduates, and receiv |
|                        | monthly, during this period, for each Graduate: a)     |
|                        | gross minimum gross national salary guaranteed i       |
|                        | payment, in force at the time of employment, for       |
|                        | graduates of the lower cycle of the high school or art |
|                        |  |

Tabel 2. Exaplication for law no. 76 of 16 January 2002 (last updated on 25 January 2017

| b) 1.2 minimum basic gross wages per country           |
|--|
| for graduates of secondary education or post-          |
| secondary education; c) 1.5 basic minimum wage base    |
| salaries guaranteed in pay, in force at the time of    |
| employment, for graduates of higher education.         |
| (2) Employers employing indefinite graduates           |
| from persons with disabilities shall receive monthly,  |
| for each graduate, the amounts stipulated in para. (1) |
| for a period of 18 months.                             |

Tabel 3. Public policy evaluation- granting private companies benefits for the employment of young unemployed, law no. 76 of 16 January 2002 (last updated on 25 January 2017. Evaluation model adapted on CIPP model.

| Main categories                                | Scores | Motivation   |
|--|--------|--|
| The initial policy<br>objectives               | 5      | -Increasing the employment of young<br>unemployed aged 16-24, registered with the Public<br>Employment Service, residing in the eligible regions<br>(Center, South-East and South Muntenia) - to achieve<br>this objective, direct collaboration of young<br>unemployed and national employment agencies, to<br>encourage them to use these institutions, to increase<br>their trust in this institution and to increase<br>transparency and visibility. |
| The degree of satisfaction of needs and needs, | 3      | Considering that the problem has been<br>aggravated since 2002, the needs and requirements of<br>the identified target group are not considered to be<br>satisfied.<br>The actions taken have only achieved for a short<br>period, partly the aim and objectives proposed by<br>facilitating private companies not by giving young<br>people benefits or stimulating them to engage.   |

| The adequacy of the            | 1            | The implemented policy was one proposed,                   |
|--------------------------------|--------------|--|
| budget                         |              | initially for 1 year. This policy still exists in Romania. |
|                                |              | The initial budget was exceeded 14 times for so many       |
|                                |              | years after this policy had to be completed.               |
|                                |              | As long as a policy has been implemented for 14            |
|                                |              | years and a law has been implemented that has not          |
|                                |              | reached its goal and objectives, at the same time,         |
|                                |              | financial costs can not be objectively and realistically   |
|                                |              | justified. This law has continued to exist for 15 years    |
|                                |              | without any positive results. On the contrary, youth       |
|                                |              | unemployment is 4% higher than when it was                 |
|                                |              | implemented.   |
|                                |              |  |
|                                |              |  |
|                                |              |  |
| The degree of                  | 3            | Time has been over 14 years, which also involves           |
| compliance with the policy or  | U            | overcoming the proposed initial budget.                    |
| program as originally          |              | Most benefits, according to the initial formulation        |
| formulated,                    |              | of the policy, were and have their private companies       |
|                                |              | involved   |
| identifying the degree of      | 2            | The results of this policy so far are limited to a         |
| success or not, by policy, and |              | worsening of the problem.                                  |
| the reasons behind it.         |              | During the 15 years of this policy there have been         |
|                                |              | small decreases in unemployment among young people         |
|                                |              | in Romania   |
|                                |              | As long as the results do not match the purpose            |
|                                |              | and objectives proposed, they can not be measured          |
|                                |              | objectively and fairly.                                    |
|                                |              |  |
|                                |              |  |
|                                |              |  |
|                                |              |  |
|                                |              |  |
|                                | total points |  |
|                                | = 14         |  |
|                                | - 14         |  |

According to the above-mentioned model, it is in the first category - according to which the implemented policy was not successful - the objectives and the aim have been achieved to a very small extent and measures are needed to replace it completely with another solution. Following the proposed evaluation model it is found that this policy exceeded the initial proposed time, and the objectives were not reached, and the proposed budget was exceeded. Tabel 4. Exaplication for "Future for Young NEETs" program (www.fonduri-ue.ro)

| The next program evaluated according to the | increasing the employment of young                    |
|---|---|
| previous model is the "Future for Young     | unemployed aged 16-24.                                |
| NEETs"Purpose                               |   |
| Objectives                                  | a) financing projects aimed at increasing the         |
|   | integration of young people aged 16-24 on the labor   |
|   | market, between 15.11.2017-17.01.2018                 |
|   | b) Improving the skills level of young                |
|   | unemployed aged 16-24,                                |
|   | c) evaluation and certification of skills acquired    |
|   | in a non-formal and informal system of young          |
|   | unemployed aged 16-24                                 |
|   | d) encouraging entrepreneurship                       |
| Direct beneficiaries                        | Young unemployed aged 16-24                           |
| Indirect beneficiaries                      | Private companies                                     |
| Concrete measures                           | Allocation of 57.673.377,50 million euros from        |
|   | U.E. and national funds to fund those projects aimed  |
|   | at integrating young people aged 16-24 into the labor |
|   | market, especially from less developed regions        |
|   | (Center, South-East, South-Muntenia).                 |

Tabel 5. "Future for Young NEETs" program evaluation. Evaluation model adapted on CIPP model.

| Main categories           | Scores | Motivation   |
|---------------------------|--------|--|
| The initial objectives of | 8      | -Increasing the employment of young                    |
| the program               |        | unemployed aged 16-24, registered with the Public      |
|                           |        | Employment Service, residing in the eligible regions   |
|                           |        | (Center, South-East and South Muntenia) -160,000       |
|                           |        | young people benefited from professional information   |
|                           |        | and counseling, profiling, and have been guided by     |
|                           |        | other active measures to integrate them into the labor |
|                           |        | market   |
|                           |        |  |
|                           |        |  |

| The degree of                 | 9                                       | Considering that the program has operated for 2         |
|-------------------------------|---|---|
| satisfaction of needs         |   | months and in the 2 months, for 160,000 young           |
|                               |   | unemployed in less developed areas, active measures     |
|                               |   | were taken regarding their integration into the labor   |
|                               |   | market, it is considered that the program responded to  |
|                               |   |   |
|                               |   | - a very large measure of the needs of the identified   |
|                               |   | target grou   |
|                               |   |   |
|                               |   |   |
|                               |   |   |
| The adequacy of the           | 8                                       | In the two months of the implementation of the          |
| budget                        |   | program, projects worth 57,673,377.5 million euros      |
|                               |   | were financed privind integration of young              |
|                               |   | unemployed aged 16-24 on the labor market. The initial  |
|                               |   | budget was fully respected. The allocated budget        |
|                               |   | served to achieve the objectives originally proposed.   |
|                               |   | Following its allocation, 160,000 young people          |
|                               |   | benefited from active measures to reduce                |
|                               |   | unemployment. In this case, approximately € 360.46      |
|                               |   | was allocated for each young unemployed person.         |
| The degree of                 | 9                                       | Implementation time has not been exceeded, nor          |
| compliance with the program   | , i i i i i i i i i i i i i i i i i i i | the initial budget proposed has been deposited.         |
| as originally formulated,     |   | The program responded to the needs identified           |
| as originary formulated,      |   | initially and respected the problems identified within  |
|                               |   | the target group.                                       |
|                               |   | the target group.                                       |
|                               |   |   |
| Identifying the degree of     | 8                                       | The results of the program corresponded to the          |
| success the program had or    |   | originally proposed goal. 160,000 young people          |
| not and what were the reasons |   | benefited from the program's actions. Projects worth    |
| behind it.                    |   | 57,673,377.5 million euros were funded. One             |
|                               |   | observation may be that it might be envisaged to take   |
|                               |   | measures for the integration into the labor market of a |
|                               |   | larger number of young unemployed, given that the       |
|                               |   | budget for the two months of the program was quite      |
|                               |   | large.  |
|                               |   | 5   |
|                               |   |   |
|                               |   |   |
|                               | Total points                            |   |
|                               | = 42                                    |   |
|                               | - 72                                    |   |

According to the above-mentioned model, based on the score obtained within it, it falls in the third category - according to which the program has reached its original objectives and the aim to a very high degree, almost entirely, which is why can still be implemented.

It is intended to further implement the program, not because it did not achieve the objectives for which it was initiated but only because the problem is a lasting one that persists. And in the two months of implementation of this program, no measures could be taken to combat youth unemployment and integrate them into the long-term labor market. According to EUROSTAT data, in 2012, the total number of young Romanian unemployed aged 15-24 was 16.8%, compared to 13.2% at European level. In 2015, 18.1% of all young people with this age aggravated, while in the European Union the percentage dropped to 12.1%. Following the "Youth NEETs" program, 160,000 young people benefited from active measures to integrate into the labor market, but this figure is not enough to reduce youth unemployment below the level of the EU. For this reason, the program can be further enforced, provided it respects the proposed measures and achieves the same goals.

### Conclusions

Following the evaluation of the policies and social programs on the integration of young people into the labor market, the difficulties encountered during their implementation, the degree of attainment of the objectives initially set, and the degree of solving the social problem for which they were implemented can be considered. Following the evaluation, some observations may be made to improve that policy or program.

Based on the assessment made in this article, it is noted that the policy and program for the integration of young people into the labor market fall into two main categories: the policy of granting private companies benefits for young graduates is part of that unsuccessful policy category have not achieved their intended purpose and objectives initially. Recommendations on this policy, through which it can improve, would be its stagnation and its replacement with another policy.

The main problem identified by the evaluation is that the causes of youth unemployment have not been correctly identified. The main measure was to provide companies with benefits for the employment of young unemployed without taking into account: motivation and motivation of young people to engage, their professional training, youth education, socio-cultural values, after which they are guided in their careers and on the educational level, the education received, but also the availability of places within the private companies, the requirements of their posts, the degree of proportionality between the curricular area at the level of the higher education institutions and the requirements on the labor market.

In order to motivate private companies to hire young graduates, unemployed, it is also necessary to consider their training in educational institutions based on the requirements of the labor market, but also the need of private companies to create or not new jobs for young people without experience. Another observation is that according to which private legislation can be implemented in order to recapture the practice of young people during the years of study, to the requirements of the higher, or even professional, higher education institutions.

The program under evaluation is part of the successful programme, succeeding, even in a short time, to achieve its goals. An observation made following the assessment is that integration into the labor market and taking active measures for this could be envisaged for a larger number of young people, given that the allocated budget was quite large, out of EU funds , but also national funds. Also, it may be considered a continuation of the program until the problem has been diminished.

Evaluating policies and programs on the integration of young people into the labor market is an important step towards their success, but also the success of future policies and programs, taking into account the observations made following the evaluation of those already implemented.

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