



Employment Subsidy Programme for secondary and post secondary graduates

Encouraging employers to train future employees

CYPRUS

Title of the practice (in original language)

Σχέδιο Τοποθέτησης Ανέργων Νέων Αποφοίτων Γυμνασίων, Λυκείων, Τεχνικών Σχολών και Μεταλυκειακής Εκπαίδευσης μέχρι και Διετούς Διάρκειας για Απόκτηση Εργασιακής Πείρας σε Επιχειρήσεις/Οργανισμούς

Who was implementing the practice?

Ministry of Labour, Welfare and Social Insurance implemented by Human Resource Development Authority of Cyprus (HRDA)

Which other organisations were involved in the practice?

- Cyprus Public Employment Services (PES)

What were the main objectives of the practice?

The Employment Subsidy Programme aims to provide unemployed young people with limited work experience and minimal tertiary education with a placement in order to improve their skills and give them greater experience of the workplace. Placements last six months. Project target: 2 500 young unemployed.

When was the practice implemented?

2014 - 2017

Who was targeted by the practice?

The Employment Subsidy Programme targets individuals below the age of 25, who are registered with the Cypriot public employment service (PES). They must not have completed more than two years of non-compulsory education/training, and must have no more than 12 months of work experience. All types of organisation (public, private, not-for-profit) are eligible to take people on who qualify for the subsidy provided they have a suitable instructor who can supervise/train the subsidised employee.

What activities were carried out?

- Applications for the scheme are made to the Cypriot PES by young people and enterprises, and submitted online or sent via post. On the application form candidates must state their job preferences and enterprises must give specific details about the vacancies they wish to be filled (e.g. the skills and interests required for the role).
- The PES verify that applicants qualify for the programme and conduct a 'Matching Process' where candidates are offered positions they would be interested in. This means young people would gain skills relevant to their job preferences.
- The PES sets priority criteria to ensure those who would benefit most are included in the scheme e.g. if two candidates are equally suited to a position but one is long-term unemployed then this person would be the first to be offered the position.

What activities were carried out?	<ul style="list-style-type: none"> By signing up to the Employment Subsidy Programme organisations are agreeing to take on the candidate proposed by the PES from the 'Matching Process'. If the candidate accepts the offer, the placement typically lasts six months. A condition for the subsidy is that the young person will be supervised by a mentor (an employee at the host organisation). The mentor may supervise a maximum of ten people. If all conditions are met the employee will be directly allocated a weekly training allowance of EUR 125 for the duration of their placement, paid by the PES in monthly instalments. This reduces remuneration costs for the host organisation, so they are able to take on the young person.
What were the sources of funding?	<p>The Employment Subsidy Programme was jointly funded by the European Social Fund (ESF) (92 %) and the Cypriot PES (8 %). For the period 2014 to 2017 the ESF and the Cypriot PES allocated a total budget of EUR 8.5 million.</p>
What were the outputs: people reached and products?	<p>People reached</p> <ul style="list-style-type: none"> There were 2 255 applications made by unemployed young people to the Employment Subsidy Programme. 6 000 job placements were submitted by 1 198 enterprises and organisations. After the matching process, 1 150 placements started. The majority of placements were in the private or non-profit sector with only 24.3 % being in the public sector. <p>Products</p> <p>A 'Matching' software was developed taking into consideration the specialisation, if any, and employment desires of each young unemployed, as well as the specialisation/prerequisites desired by companies/organisations.</p>
What were the outcomes: medium-term results or effects?	<p>The programme's outcomes were obtained on the basis of survey conducted by telephone:</p> <ul style="list-style-type: none"> 90.7 % of the young people following the programme considered the degree to which they used the skills gained during their placement as 'good' or 'very good'. 84.4 % of the young people who undertook placements felt that their participation improved their employability. Overall, 91.1 % of participants (employers and young people) were either 'satisfied' or 'very satisfied' with the Employment Subsidy Programme and 94.5 % would recommend others to participate in similar programmes. Following completion of their placement, only 32.7 % of the participants were in employment. The employment rate was slightly higher for those whose placements were in the private sector. Within the 32.7 % who were employed after taking part in the programme, 42.9 % continued to work in the organisation in which they had completed their placement; the figure was higher (49 %) for placements in the private sector. The outcomes were also affected by constraints of opportunities for continued employment in the public sector due to a freeze on recruitment.
What were the lessons learnt and success factors?	<p>Lessons learnt:</p> <ul style="list-style-type: none"> The more detailed the matching process is, the more successful the placements are. The software application used in the matching process needs to factor in a wide range of parameters such as the targeted participants' specialisations, interests and career goals, as well as the participating employers' expectations and work placement requirements to generate the best possible outcomes.

What were the lessons learnt and success factors?

- There are no structural barriers preventing the Employment Subsidy Programme from being applied in any other labour market context if the public funding is available and the Cypriot PES is able to administrate its implementation.

Success factors:

- The 'Matching Process' means that the skills young people develop during their placements will serve them in the pursuit of their chosen professional career after the programme has finished.
- By enabling the application form to be submitted electronically, the Cypriot PES reduced the administrative burden of implementation.

What are key source(s) of information?

HRDA website: <http://www.hrdauth.org.cy/easyconsole.cfm/id/17223>