

Development of a Labour Market needs anticipation instrument

Instrument the anticipate a evoluțiilor pietei muncii
(Flexicoverly)

 **Romania**

1 Description

Timespan 2012-2017

Stage **NO LONGER OPERATIONAL**

The instrument has been used for five years and has been the basis for methodological development of several other studies, projects, analyses and research initiatives of the National Labour Research Institute. After five years of operation, however, the instrument has been considered obsolete and therefore its use discontinued, although the experience gained remains invaluable and it has proven to have a strong multiplier effect.

Focus area



MATCHING SKILLS FOR TODAY'S JOB MARKET



MATCHING SKILLS FOR THE FUTURE OF WORK

2 Foundations

Policy area



ACTIVE LABOUR MARKET POLICIES

The instrument was used generally for the impact assessment of labour market policies. Its results and methodological gains have been used in the elaboration of impact assessment studies for the Ministry of Labour, regarding the implementation of active employment policies under the Unemployment Insurance Act.

Policy goal

Identification of future skills shortages and needs/demands, labour market trends, which is useful for the design and assessment of active labour market policies. This instrument uses a more sophisticated methodology (dynamic general equilibrium) and implies a macro-economic forecasting tool to indicate all macro-economic aggregates in an autonomous process. It was recently designed by INCSMPS and Fondazione G. Brodolini Italy in an ESF-financed project. Two models of the project has been merged to enable the National Labour Research Institute to anticipate future skills needs, so as to enable decision-makers to use it for tailoring and targeting LM interventions.

Mismatch**OTHER**

This instrument has been designed to monitor skills demands and supply as part of VET related claims of particular labour market stakeholders. Although skills mismatches are not truly at the core if it, it could also be used for that, and in fact it has served as the assessment of active employment measures relating to this side of labour market policies and initiatives.

Aim of policy instrument

UPSKILL AND MATCH SKILLS OF UNEMPLOYED



UPSKILL EMPLOYED ADULTS



MATCH SKILLS OF YOUNG GRADUATES



FACILITATE JOB/CAREER TRANSITIONS

Legal basis**OTHER****Administrative level****NATIONAL****Main responsible body**

The National Research Institute for Labour and Social Protection of Romania - INCSMPS

Stakeholders

RESEARCH CENTRES AND UNIVERSITIES

Fondazione Giacomo Brodolini -IT had a main role in designing and testing the instrument, as well as during the early phase of the implementation of the instrument. It has supplied the

original mathematical model of the instrument and the set of forecasting equations incorporated into the model. It has also supplied the documentation of the instrument.

Funding

The instrument was originally developed with ESF financing under the SOP HRD 2007-13. After the termination of the project in 2012, the instrument has been financed by the INCSMSP from its own generated resources.

Intended beneficiaries

Mainly research centres and universities. The system has been designed for use by specialised users and researchers so as to enable them to provide forecasts, analyses, assessment and impact studies etc. Therefore, the instrument mainly supports research and policy development and decisions. The product has been intended to also enhance the capacity of the INCSMPS to provide forecasts, analyses and other products to labour market actors, including national policy making bodies, enterprises and social partners.

3 Processes

Use of labour market intelligence



DESIGN TRAINING PROGRAMMES TO ACTIVATE UNEMPLOYED



INFORM DECISIONS ON COURSE FUNDING/PROVISION



ENABLE STRATEGIC BUSINESS DECISIONS



INFORM THE DESIGN OF NATIONAL QUALIFICATION FRAMEWORKS (NQFS)

National data have been used as inputs to the model. The model made use of a dynamic general equilibrium econometric model that allowed for the impact assessment of new interventions, such as labour market policies. Therefore, it has been relevant for the assessment of national policies, as well as for strategic business decision at the sectoral level.

Financial schemes

The initiative has been financed via an ESF project. There are no other financial schemes or instruments involved. Its functioning after 2012 has been sustained by the INCSMPS using own resources.

Frequency of updates

The instrument has now been discontinued. Before that, there were updates on an ad-hoc basis.

Development

The partner FGB made several modifications to the model to adjust it to Romanian realities and data availability. However, the main model has not been changed. Equations have been tested and adjusted for Romanian data.

Barriers

Not particularly. The two partners have been smoothly cooperating during and after the project period.

Success factors

The good cooperation between the two partners, as well as the fact that the two organizations involved share the same goals and have a commonality of interests and preoccupations.

Monitoring

The progress has been assessed by the number of successive projects that have been developed following its implementation (the so-called multiplier effects in the economy and society, as it has been called in the initial project proposal).

Innovativeness**VERY INNOVATIVE**

Very innovative as it is introducing a novel method of econometric modelling that is capable of assessing the impact of "exogenous shocks" on an already functioning system, i.e. the newly introduced active labour market policies are to be assimilated to "shocks" to an existing and functioning system and therefore their "impact" can be assessed against a state where they would not have existed (the shock would not have taken place actually).

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Sustainability

Evidence of effectiveness

The National Institute produced a set of studies for the Ministry of Labour (2014-15) that assessed the performance of the active labour market measures, active ageing measures, vocational education and training incentives for enterprises and activation measures for the rural areas. Benefits have been in line with expectations. The instrument has been useful for the further development of the Institute's capacity to provide professional support for decision making in the area of labour market, employment and skills' development policies. The instrument has also been useful for active ageing measures' assessment, as well as being considered as an alternative to the more traditional instrument CEDEFOP is using for the forecasting of the demand and supply for skills at Pan European level.

Engagement of stakeholders

The engagement with stakeholders has been on an ad-hoc basis, i.e. when projects have been contracted with the various beneficiaries, and a need to use outputs or methodological elements of the instrument has arisen.

Transferability**NOT EASILY TRANSFERABLE**

Not easily transferable even though elements of the instruments have already been used in Italy by Fondazione G. Brodolini Italy.

Sustainability

The instrument has been discontinued, but the experience gained has been capitalized in other projects, as well as in the construction of other instruments.
