



## STAD - Scheme for the Job Placement of Young Unemployed Graduates of Lower Secondary, Upper Secondary & Post-Secondary Education of up to 2 years for the Acquisition of Work Experience in Enterprises/Organisations (2014)

ΣΤΑΔ - Τοποθέτηση Ανέργων Νέων Αποφοίτων Γυμνασίων, Λυκείων, Τεχνικών Σχολών και Μεταλυκειακής Εκπαίδευσης μέχρι και Διετούς Διάρκειας για Απόκτηση Εργασιακής Πείρας σε Επιχειρήσεις / Οργανισμούς (2014)



Cyprus

### 1 DESCRIPTION

#### Timespan

2014 - 2015 Note: There were 3 separate distinct implementations of the scheme 2013-14, 2014-15 and 2015-16. Each implementation was initiated with a Call for Participation for interested employers and graduates. Each Call had a fixed duration.

#### Stage

##### NO LONGER OPERATIONAL

The 2015 scheme, which lasted until early 2016, is now completed. Since then, HRDA, the organisation fully responsible for its operation, has implemented other schemes for the unemployed.

#### Focus area



MATCHING SKILLS FOR TODAY'S JOB MARKET

### 2 FOUNDATIONS

#### Policy Area



ACTIVE LABOUR MARKET POLICIES

HRDA contributes towards minimising the effects of the economic crisis on the Cyprus labour market by tackling the unemployment issue among secondary-education and post-secondary education (up to 2 years) graduates.

## Policy Goal

The instrument addresses the problem of unemployment among young people. The aim of the Schemes is to provide young unemployed persons (below tertiary-education graduates) the opportunity to acquire work experience in order to improve their employability, at the same time, giving the opportunity to enterprises/organisations to use the services of those young persons at no financial cost to them. The scheme gives young graduates of secondary education the opportunity to enter/re-enter the labour market and improve their employability through acquiring training and work experience in companies and organisations.

## Mismatch

**PART OF BROAD POLICY MEASURE OF WHICH SKILL MISMATCH IS ONLY A MINOR PART**

As a rule, the unemployed were placed in enterprises according to their skills or educational background. The scheme was not intended to tackle mismatch, and depending on availability of suitable places, there was some mismatch in the placing of the unemployed.

## Aim of policy instrument



**MATCH SKILLS OF YOUNG GRADUATES**



**UPSKILL AND MATCH SKILLS OF UNEMPLOYED**

## Legal basis

**MINISTERIAL ORDER**

## Administrative level

**NATIONAL**

## Main responsible body

Human Resource Development Authority of Cyprus (HRDA)

## Stakeholders



**GOVERNMENT (CENTRAL & REGIONAL)**



**EMPLOYER FEDERATIONS**



**TRADE UNIONS**



**CHAMBERS OF COMMERCE AND INDUSTRY**



**SOCIAL PARTNERS**

The HRDA, in cooperation with the Ministry of Labour, Welfare and Social Insurance and the social partners, implemented this co-funded scheme by the European Social Fund and the HRDA. The Scheme was initiated by the Ministry and the HRDA, and monitored, controlled and evaluated by the latter. The authority is part of the wider public sector and governed by a tripartite Board of Directors, comprising government, employer, and trade union representatives.

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## Funding

The budgeted total expenditure of the scheme was €4.7 million. The project was co-funded from national sources drawn from the HRDA's own sources, the European Social Fund (ESF) and the Youth Employment Initiative of the EU. The HRDA source of funds is the Human Resource Levy imposed by law on the payroll of all employers, in all sectors of the economy, irrespective of size.

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## Intended beneficiaries

1. Secondary and Post-secondary (up to 2 years) unemployed graduates - the scheme offers them employment opportunities and improves their employability by giving them training and work experience opportunities . 2. Employers - the employers benefit by recruiting and utilising young graduates at no financial cost to them.

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## 3 PROCESSES

### Use of labour market intelligence



DESIGN TRAINING PROGRAMMES TO ACTIVATE UNEMPLOYED



INFORM JOB-SEARCH DECISIONS OF UNEMPLOYED

HRDA, through its Research and Planning Directorate, studies the economy and the labour market needs and decides where to place emphasis for meeting the identified urgent needs. High unemployment among young people was and still is a serious issue that requires a national concentrated effort to tackle it. The particular instrument was set up in collaboration with the Ministry of Labour, Welfare and Social Insurance as a result of the 2013 proclamation of the President of the Republic for measures to combat unemployment.

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## Financial schemes

The secondary and post-secondary education graduates participating in the scheme receive a grant of €125 per week from the Human Resource Development Authority, paid monthly, for a six-month period. The employer does not bear any financial cost.

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## Frequency of

On an annual basis.

## updates

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### Development

There were no major adjustments to the previous (2013) implementation of the scheme. The 2014 implementation was along the same lines of its predecessor, but gave more emphasis for placement in the private sector rather than the public sector, as the previous scheme covered placement of unemployed young secondary graduates in both the private and public sectors.

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### Barriers

The serious barriers to the implementation of the instrument were: 1. The reluctance of some employers to take-on the young unemployed for a period of 6-months. 2. The drop-outs of the scheme - graduates leaving the scheme before its proper completion. To a great extent, these barriers were tackled successfully by the HRDA's continuous monitoring and efforts.

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### Success factors

Due to the experience of the 2013 implementation, there was more careful and mindful placement of young people, taking into account certain factors such as geographical location, personal/family circumstances and others alike.

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### Monitoring

Three indicators were set in an evaluation study carried out by HRDA 4 months after the completion of the scheme: 1. Employability - 43% of those that were working when the study was carried out continued to be employed in the enterprise where they were placed. 2. Benefits from participating in the scheme - 91% of the participants evaluated the degree of utilisation of the knowledge and skills that were acquired through the scheme as very good to good. 3. Satisfaction of the participants - the degree of overall satisfaction for participating in the scheme was 3.4 out of 4. Progress is measured by relevant studies of HRDA on each implementation of the scheme.

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### Innovativeness

#### SLIGHTLY INNOVATIVE

The specific policy is innovative, because it caters for the needs of two important stakeholders of the economy at the same time - the unemployed secondary and post-secondary (up to 2 years) graduates on one hand, and the employers on the other. By removing the cost of remuneration from the employers, it encourages them to participate in the scheme and benefit from the input of these young unemployed to their organisation.

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## **Evidence of effectiveness**

Reported survey results carried out on behalf of the HRDA by independent organisation among the scheme participants, revealed that:

A. Impact of the scheme on employability  
Approximately 1 in 3 (32.7%) of the participants in the scheme stated that they were employed at the time of the field research (May - June 2015), approximately 4 months after the completion of their participation. The employment rate was higher for the people who were placed in enterprises/organisations in the private sector.

B. Utilisation of Knowledge and Skills & Employment Prospects  
Over 9 out of 10 of the participants (90.7%) evaluated the degree of utilisation of the knowledge and skills acquired during their participation in the scheme as very good or good. Over 8 out of 10 (84.4%) considered that their participation has improved their employment prospects.

C. Satisfaction of participants in the scheme  
Over 9 out of 10 participants (91.1%) in the scheme were either very satisfied or satisfied from their participation and would recommend others to participate in similar Schemes (94.5%).

Further results of the survey mentioned above show that the majority of the scheme participants (70%), considered that it provided good to very good chances of finding employment, and 83% believed that the degree the scheme contributed to strengthening the prospect of employability was good to very good. No unexpected benefits occurred.

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## **Engagement of stakeholders**

The main stakeholders, the employers (from the public and private sector), are represented on the Board of Governors of the Human Resource Development Authority. They approved the implementation of the scheme and allocated the relevant funds for its smooth operation. The Board was informed of the scheme's progress throughout the evaluation study that was undertaken by HRDA on the impact of the scheme on the employability of the graduates.

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## **Transferability**

### **EASILY TRANSFERABLE**

All the core features of the scheme could easily be transferred to another country, e.g. unemployed young secondary education graduates, and employers willing to train and offer them the opportunity to acquire work experience without incurring any financial cost. The employers can exploit the opportunity to retain some of those young people in their employment.

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## **Sustainability**

The instrument was implemented for the last time in 2015. Since then it has been replaced by other instruments that cater for the unemployed.

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