



# Training Insertion Plan

## Plan Formation-Insertion (PFI)



Belgium

### 1 DESCRIPTION

**Timespan**

1998 - present

**Stage****FULLY OPERATIONAL****Focus area****MATCHING SKILLS FOR TODAY'S JOB MARKET**

### 2 FOUNDATIONS

**Policy Area****ACTIVE LABOUR MARKET POLICIES**

The instrument aims to help the job seeker develop the specific competences required by a given employer, in order for the employer to be able to hire the job seeker in question.

**Policy Goal**

The instrument is set to address needs of the employer through an internship, where the job seeker gets the skills required by the employer. The internship duration is between 4 and 26 weeks for people under 25 (over 25s and lower educated adults can intern for up to 52 weeks). There is a trial period of 2 to 8 weeks. After the formation-insertion contract, the employer has to offer a working contract to the intern with a length equal to the previous one. The rationale is to give job seekers professional experience and the opportunity to get hired in a company, while the Walloon employers get the best matching intern in terms of competence required by the vacancy. The programme targets, although not exclusively, young job seekers and long term unemployed.

**Mismatch****EXPLICITLY DESIGNED TO ADDRESS SKILL MISMATCH**

The instrument allows employers to adapt the interns' skills to the ones they need for the enterprises at which they work. It also provides working experience and skills for a given job area which make an individual more employable on the labour market.

**Aim of policy instrument****MATCH SKILLS OF YOUNG GRADUATES****UPSKILL AND MATCH SKILLS OF UNEMPLOYED****Legal basis****LAW****Administrative level****REGIONAL****Main responsible body**

Le Forem (Service Public Wallon de l'Emploi et de la Formation)

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## Stakeholders



GOVERNMENT (CENTRAL & REGIONAL)



OTHER

The Forem implements the programme, helps in the recruitment process (to match job seekers and employers), pays part of the travel expenses, creates an individual training plan and is in charge on monitoring. The evaluation of the instrument is carried out by a commission that annually offers a report to the ministers.

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## Funding

In 2002, the costs of the instrument were €8.86 million. 99% of the costs are covered by the Region of Wallonia.

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## Intended beneficiaries

Job seekers (interns) are offered the possibility to get trained according to a specific training in a real working environment. Employers receive and train interns according to their own needs.

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## 3 PROCESSES

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### Use of labour market intelligence



DESIGN TRAINING PROGRAMMES TO ACTIVATE UNEMPLOYED



INFORM JOB-SEARCH DECISIONS OF UNEMPLOYED

The Forem receives the job vacancies through the employers of the region interested in participating in the programme. According to the description of the vacancy, the Forem then matches the competences required for the job with the unemployed and registered job seekers at the Forem.

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### Financial schemes

The employer receives economic incentives that allow him to train the intern at lower cost and prepare him to a future formal working contract in the company that will be mutually beneficial. During the training process, the employer pays a monetary incentive to the intern based on the reference wage of the job minus the social benefit received by the intern. Therefore, the intern receives his social benefit plus the monetary incentive. The intern gets a payment from the employer (exempt of social charges), receives a payment equivalent to the transport costs and keeps receiving social benefits.

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### Frequency of updates

There is a continuous analysis referring to the request of the employers in terms of competences in the pool of job seekers.

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### Development

In 2007, the accessibility of young and lower educated people to the programme was promoted. The adjustment was mainly due to high unemployment rate among the young people in the Wallonia.

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### Barriers

The main barriers are the competition among the different instruments offered by FOREM, and the digitalisation process. It is unclear at this stage whether and how these barriers have been overcome.

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### Success factors

Firstly, the formation is made by the employer, who also gives the agreement for hiring the employee. Secondly, there is great diffusion of the information between employers and job seekers.

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### Monitoring

The number of beneficiaries and insertion rate (employment rate among the participants) are monitored.

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### Innovativeness

#### SLIGHTLY INNOVATIVE

It is innovative in the sense that employers are strongly incentivised to offer internships to job seekers and to give them on-the-job training from which they will also benefit later when they hire them.

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## 4 SUSTAINABILITY

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### Evidence of effectiveness

In 2010, 75% of participants followed the complete process. The insertion rate after 6 months was 94% (Forem report 2011). Even if the instrument a priori gives special attention to young job seekers and long-term unemployed, when the match between employers and interns is made, those conditions are not relevant for the decision. So, all job seekers benefit.

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### Engagement of stakeholders

Employers willing to participate in the programme send the job vacancies to the Forem which evaluates the requirements and offers the opportunity to the registered job seekers. Interns, employers and the Forem sign the contract together.

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### Transferability

#### **EASILY TRANSFERABLE**

Since all the parts seem to benefit from the instrument, it seems quite adaptable to other countries. The incentives of the employer and job seeker are clear, but there has to also be political willingness and administrative capacity through the public employment office (i.e. the Forem for Wallonia). Funding is not high (mainly administrative costs and transport costs) so the instrument is achievable in this sense.

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### Sustainability

It seems an effective measure to match and develop skills in the labour market, which gives incentives to both employers and job seekers to participate, and it does not have a high cost from a financial point of view.

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