The contribution of the ESF to ameliorating employment and social inclusion situation in Lithuania 2007-2013

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• The presentation is about different ways of thinking about the effects of ESF interventions in the employment and social fields and

• The practical implications for (a) improving the process of evidence collection and (b) making good policy decisions
Funding for OPs in LT 2007-2013, mEUR

Planned public expenditure in LT 2013, mEUR

Funding for employment and social policy, OPs 2007-2013, mEUR

EU-supported investment in the employment/social field is significant but not sufficient to make an impact at the macro level.
Making difference as...

- Achievement of targets
- Doing better than in the doing nothing scenario (counterfactual approach)
- Following a reasonable intervention logic (theory-based evaluation)
- Creating ground for change and experimentation that would not be possible without the SF
Will the indicators be achieved?

Yes, they will
Targets increased
Targets stable
Targets decreased
New targets
The key issue is not the achievement of targets...

• ...but the huge pressure to achieve them

Without proper consideration of their initial rationale and changes in the external environment

Indicators are used for accountability and reassurance rather than management and policy learning
The counterfactual approach

- *Tried in LT (on a small scale)*

Compare the effect of the intervention on the target group to control group (which ideally is similar to the target group in all aspects except for the treatment status)

**Why not:** compare the effect of intervention to what would have happened if we distributed money equally to everyone
Project "Social inclusion of people with disabilities" (days at work/ year)

Project "Social inclusion of people with disabilities" (av. earnings per year)

Project "Implementation of active labour market measures for ex-offenders" (in employment)

Project "Implementation of active labour market measures for ex-offenders" (av. earnings)
Evidence base is still extremely limited

- There is a lot of learning to do

- Learning how to integrate evaluation when designing the Measures

- Mustering the courage to try out an experiment

- Formulating the ToR (internal or external) asking a limited number of focused questions

- Harvesting the huge potential provided the admin data
The intervention logic has changed

• As reflected in changes of funding and targets

2005/2006

The country needs labour force which is adaptable, qualified and productive

Growth

Social welfare

2009

There is huge unemployment which needs to be cushioned

People are kept busy

Somewhat less poverty and exclusion
At the general level the changes made sense

- *Political, pragmatic, based on intuition (if not evidence)*

At the **operational level** – many questions
- What works?
- What is a better management model?
- Is it sustainable?

Yet the **essential question** is ages **old and simple**

*(Google thinks it comes from China)*
Aiming for a systematic change

- Change at the personal vs. change at the institutional level

At the institutional level we aim to change the entrenched and sub-optimal balance

Reconciling family and work (mEUR)
There are a few crucial ingredients

- The talk about the pre-conditions and external conditions downgrades some of the crucial decisions

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<thead>
<tr>
<th>Funding follows policy and not <em>vice versa</em></th>
<th>Acceptance that not everything will work as expected</th>
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<td>Regulatory change is implemented in parallel</td>
<td>Long term sustainability as the key criterion for success</td>
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• Why do not we turn the theory of change into the practice of decision making
Thank you!

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