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YOUNG ENTREPRENEURS SUCCEED

# D1 Country Reports D1.3 Country Report: Poland

WP Leader: AUA

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The aim of this report series is to gather and present relevant data on NEETs in Greece, Italy, Spain and Poland with the purpose of informing decision-making in the context of the project: "YES!" funded by Iceland, Liechtenstein and Norway through the EEA and Norway Grants Fund for Youth Unemployment. Coordinated through a cooperation of eight partners, the project aims at improving the employment situation of young people neither in employment nor in education and training (NEETs) through innovative approaches and the partners' transnational cooperation on labour market issues.



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# Country report: Poland



# Joung Entrepreneurs Succeed

Implemented by:













**Autcocupació** 



The Scaling trust-based partnership models to recharge youth entrepreneurship: Supporting underserved communities with innovative entrepreneurship support instruments (TPM-RYE) project, benefits from €2,3M grant from Iceland, Liechtenstein and Norway through the EEA and Norway Grants Fund for Youth Employment. The aim of the programme is to activate unemployed youth to access the labour market and promote entrepreneurship.

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## **Country report: Poland**

### Contents

1 INTRC	DDUCTION	.3
2 Co	re themes	.5
2.2	Strong economic growth Migration Good education, low problem-solving skills	7
3 Eu	ropean perspective	11
4 NE	ETS in Poland	16
4.2	Common demographic variables Common socio-economic variables Regional distribution	18
5 Sel	lected local interventions	24
5.2   5.3 !	Reaching Lost Generation Reducing Early School Leaving in Europe Social Wolves Youth Business Poland	25 26
6 Co	nclusion and recommendations	28
Referen	nces	30

The aim of this report series is to gather and present relevant data on NEETs on Poland, Italy, Spain and Greece with the purpose of informing decision-making in the context of the project: "YES!" funded by Iceland, Liechtenstein and Norway through the EEA and Norway Grants Fund for Youth Unemployment. Coordinated through a cooperation of eight partners, the project aims at improving the employment situation of young people neither in employment nor in education and training (NEETs) through innovative approaches and the partners' transnational cooperation on labour market issues.

# **1** Introduction

## 1 Introduction

The development of opportunities for young people and their integration into the labour market is fundamental for a thriving society in current times. Young people who are neither in employment, education or training (NEETs) have a high cost for any economy and in Poland, the economic loss due to the disengagement of young people is estimated to be above 2% (Mascherini et al. 2012).

Poland has impressively transformed itself over the last 3 decades - managing to achieve high economic growth and a constant reduction in unemployment simultaneously. It has overhauled its education sector and consistently achieves PISA results above the OECD average. At the same time, Poland faces very specific challenges: many people have left the country, there are a lack of low-skilled jobs and there is a labour shortage.

Youth unemployment sits in a complicated context of labour market changes, expansion of higher education, migration and family circumstances (O'Reilly et al. 2015). These elements shall be unpacked in this report regarding Poland's situation, with an examination of its economic structure and a discussion of the labour market for the young population.<sup>1</sup>

Indeed, there are many factors in the rise of youth unemployment. Saczyńska-Sokól (2018) discusses personal and family circumstances while Breen (2005) explains how cross-national differences can be explained and sees two central institutional factors at play:

Two institutional factors play a central part: the educational system's role in matching the suitability of a job seeker for a particular job, and the degree to which employers are prevented from dismissing workers. I show that, as might be expected, relative to the level of adult unemployment, youth unemployment is high in regulated labour markets in which employers are restricted in their freedom to dismiss unsuitable workers. Conversely, it tends to be low in liberal labour markets and also in countries in which the educational system sends very clear signals about job seekers' abilities and skills. This latter can offset the tendency for higher youth unemployment in regulated labour markets.

Rokicka et al. (2018) add that "employment policies... define and shape the possibilities to (re)enter labour market through various measures, programmes, subsidies, trainings or benefits targeted at youth".

Three core themes have been identified as most important for Poland; strong economic growth, migration patterns and shortcomings of the educational system.

<sup>&</sup>lt;sup>1</sup> Only family circumstances are difficult to portray on a general country level.

# 2 Core themes

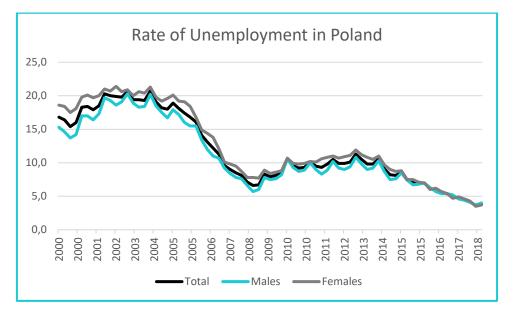
### 2 Core themes

#### 2.1 Strong economic growth

Following the end of the communist regime, Poland saw a major shift in the structure of its economy. Polakowski (2012) states that between 1990 and 2003 GDP grew by 34% and labour productivity increased 60% more than in 1989. However, 2.8 million jobs were also lost in the same time period.

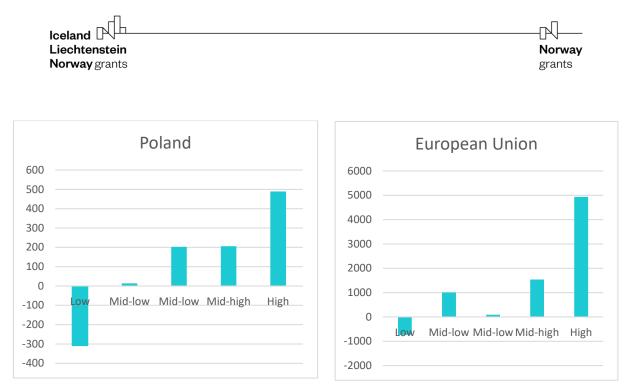
Poland has some specific advantages in comparison with other European countries. The unemployment rate fell significantly from the early 2000s onwards as a result of the transition from a state-controlled communist country to a member state of the European Union. Some suggest that Poland's economic success depended on low levels of labour costs and its production capabilities.

Today, it has one of the lowest unemployment rates in Europe, though Lewandowski and Magda (2018) note that most of the net job creation were temporary jobs and had implications for NEETs, covered below. There are no patterns when it comes to the unemployment rates of men and women. According to numbers of Statistics Poland September 2019 the unemployment rate is at 5,2%.



#### **Figure 1: Polish unemployment rate** Source: Eurostat (2019)

Poland lost 300, 000 low-skilled jobs as part of its economic transformation - this is of particular significance as these positions are often a key entry point to accessing the labour market, demonstrated in Figure 2. It seems that Poland is even responsible for a large part of all jobs lost in this segment across Europe, as shown in the following figure.



### Figure 2: Employment shifts by education quintile, 2011-2016 Source: https://www.eurofound.europa.eu/data/european-jobs-monitor?country=pl,eu&time=2011-2016

Alongside other countries such as Slovenia, Germany, Spain, Portugal and France, Poland has some of the highest rates for young people in temporary work (O'Reilly et al. 2015). A low level of regional mobility might also contribute to this high rate.

Consistent with findings in other countries, the younger generation in Poland are more affected by business cycle fluctuations than adults and also in comparison with their peers in other countries such as Germany (Dunsch 2016). Acedański (2016) writes that:

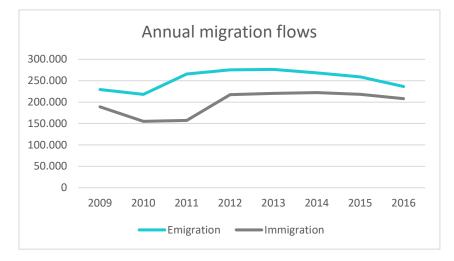
"In Poland, for example, during the period 1997-2013, the unemployment rate for the20-24 age group soared, on average, from 24% in booms to 33% in downturns. At the same time, the rates for the 25-60 group were 9% and 13%, respectively."

#### 2.2 Migration

Intra-EU migration is a possible tool to ensure an efficient labour market across the European Union. It helps to better match supply and demand of labour and to reduce regional disparities in unemployment (O'Reilly et al. 2015).

This raises the question of how Poland managed to significantly reduce its unemployment rate. The fall of unemployment appears to have no correlation to the creation of new jobs as only 600,00 jobs were created between 2008 and 2017 (from 15,4 million to 16,0 million). Although migration patterns are usually key in unemployment reduction.

Certainly, Poland's population shrunk between 2009 and 2018 from 38,135 million to 37,976 million at the same time when the European Union's population grew by roughly 10 million.



#### Figure 3: Annual migration flows Source: Eurostat (2019)

It is evident that demand for labour is high and job vacancy rates have reached a record level in Poland, and currently, Ukrainian workers make up 5% of the labour force keeping wage increases low.

#### 2.3 Good education, low problem-solving skills

Poland has comparatively low productivity levels. As the OECD (2018b) outlines there is an abundance of relatively unproductive microenterprises operating in mature sectors which employ a large share of the workforce. These need to modernise and improve their efficiency.

Additionally, Poland's population is lacking digital skills and the country spends only 0.01% of GDP on training programs within active labour market programs. Other countries such as Austria, Finland and Denmark spend more than 0.45% on those programs (OECD 2018a).

Indeed, participation in adult learning as part of life-long learning efforts remain very low. Only 5.3% of persons aged 25 to 64 participate in education or training compared to 9.1% across the European Union (Kryk 2016). This might be driven by the dominance of small enterprises which have no overall strategy to expand the skills of its workers. Vocational training remains an issue as well.

Yet Poland has excellent educational statistics. The number of citizens with below upper secondary education is at 5%, higher than Korea with 2%. Almost 60% of 25 and 34-year-old Polish people have finished upper secondary or post-secondary non-tertiary education. Although graduation from tertiary education is below OECD and EU 23 average.

Despite the positive numbers, a new system is needed in response to the changing needs of the labour market. The education system in Poland is undergoing major changes with the latest reform being implemented from September 2017. It remains to be seen how the successful the reform will be.

	Ро	land	OECD	average	EU 23 average			
	% Men	% Women	% Men	% Women	% Men	% Women		
Below upper secondary	7%	4%	17%	14%	16%	12%		
Upper secondary or post- secondary non-tertiary	<b>59</b> %	42%	46%	37%	48%	<b>39</b> %		
Tertiary	34%	54%	38%	50%	36%	<b>49</b> %		

#### Table 1: Educational attainment of 25-34 year-olds by gender

Source: OECD (2018a)

The country has a slightly higher percentage of students enrolled in vocational education than an average of countries according to numbers from the OECD.

	Poland	OECD average	EU 23 average
All vocational programs	51%	44%	47%
Combined school- and work-based	8%	11%	11%
programs			

# Table 2: Percentage of upper secondary students enrolled in vocational education, 2016Source: OECD (2018a)

Poland has outstanding educational performance statistics and Polish pupils outperform their peers in other OECD countries in mathematics, reading and science as shown in Figure 4.

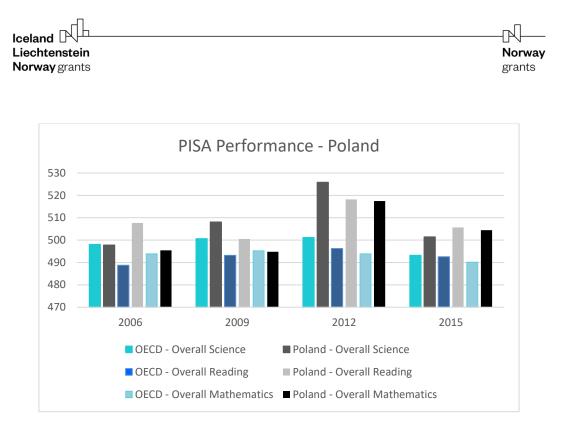


Figure 4: PISA results for Poland (2006, 2009, 2012, 2015) Source: OECD (2019)

However, adult skills tested by the OECD show that young adults lack experience in solving problems in technology-rich environments.<sup>2</sup> The following table shows the proficiency level in problem solving in technology-rich environments for two age groups. Poles underperform the OECD average significantly: this is a core policy recommendation for the Polish government.

	No experience/ failed core test	Below Level 1	Level 1	Level 2	Level 3	Opted out of computer- based assessment or missing
Poland (16-24 years)	7,6	11,4	30,6	30,3	7,6	12,4
OECD average (16-24 years)	4,7	10,3	33,3	38,1	8,0	6,0
Poland (25-34 years)	9,6	15,1	26,1	22,8	7,2	19,3
OECD average (25-34 years)	7,1	11,2	28,9	35,0	9,8	7,9

Table 3: Percentage of adults at each proficiency level in problem solving in technology-rich environments, by age groups Source: OECD (2019)

<sup>&</sup>lt;sup>2</sup> Entrepreneurship education is part of the general education in Poland. Some see the development of entrepreneurial competencies as a necessity (Kilar et al. 2017).

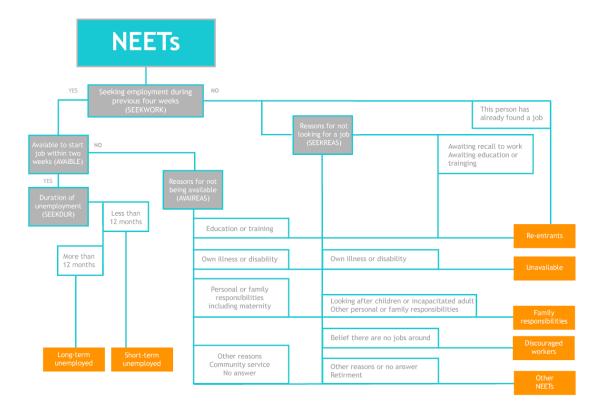
# **3 European perspective**

#### 3 European perspective

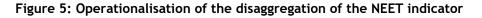
NEET stands for those young persons who are "not in employment, education or training". There is no official age category and it is usually measured for different age categories. When young persons are not in employment, education or training it is also associated with significant costs (loss for economic growth and societal costs).

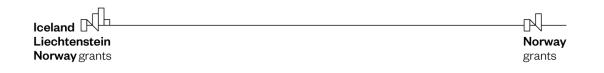
Five subgroups can be identified (Mascherini and Ledermaier 2016):

- the conventionally unemployed, the largest subgroup, which can be further subdivided into long-term and short-term unemployed;
- the unavailable, which includes young carers, young people with family responsibilities and young people who are sick or disabled;
- the disengaged, those young people who are not seeking jobs or education and are not constrained from doing so by other obligations or incapacities, and takes in discouraged workers as well as other young people who are pursuing dangerous and asocial lifestyles;
- the opportunity-seekers, young people who are actively seeking work or training, but are holding out for opportunities that they see as befitting their skills and status;
- the voluntary NEETs, those young people who are travelling and those constructively engaged in other activities such as art, music and self-directed learning.



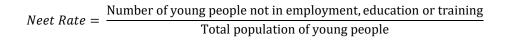
The following figure shows a classifications scheme for NEETs.

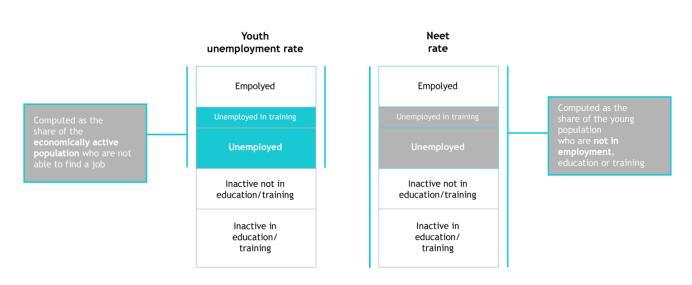




Source: Mascherini and Ledermaier (2016)

The NEET rate is different to the youth unemployment rate. The formula and the figure below illustrate the calculation and highlight the differences.

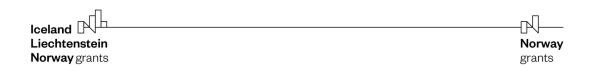


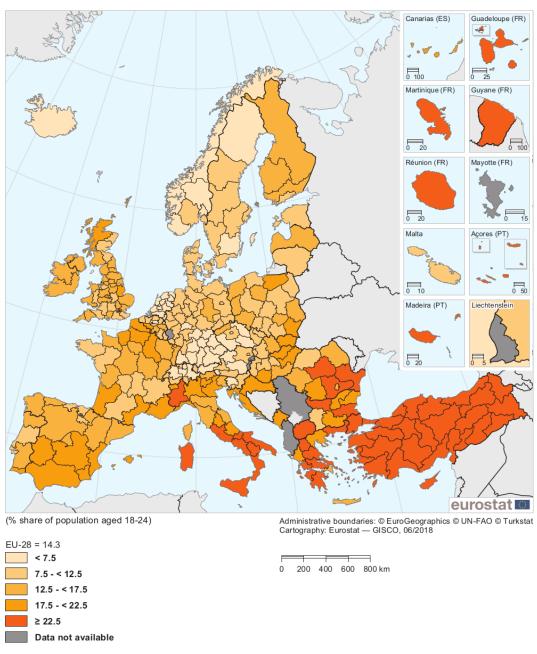


#### **Figure 6: Differences between the youth unemployment rate and the NEET rate** Source: Mascherini et al. (2012)

The following figure shows the NEET rate of those between 18 and 24 years old across Europe. The patterns show higher rates on the islands of some of the Mediterranean countries.<sup>3</sup> It is evident that general unemployment rates, economic opportunities and the labour market regulations are important drivers of the regional NEET rate.

<sup>&</sup>lt;sup>3</sup> The registration with public employment services remains a challenge (Mascherini and Ledermaier 2016).





Young people neither in employment nor in education or training (NEETs), by NUTS 2 regions, 2017 (% share of population aged 18-24)

Note: includes data of low reliability for some regions. Niederbayern (DE22), Oberpfalz (DE23), Kassel (DE73), Valle d'Aosta/Vallée d'Aoste (ITC2), Zeeland (NL34), Kärnten (AT21), Salzburg (AT32), Algarve (PT15), Região Autónoma da Madeira (PT30), Cumbria (UKD1) and Highlands and Islands (UKM6): 2016. Vorarlberg (AT34): 2014. Source: Eurostat (online data code: edat\_lfse\_22)

#### Figure 7: European NEET rates

Source: Education and Training Statistics at Regional Level - Statistics Explained (n.d.)

European countries can also be clustered into four types. The countries have different characteristics when it comes to the NEET rate, the background of the NEETs and the skill levels.



Cluster 1	Cluster 2
AT, DE, DK, FI, NL, SE, UK	BG, GR, HU, IT, PL, RO, SK
<ul> <li>low NEET rate</li> <li>Inactive</li> <li>with work experience</li> <li>low skilled</li> <li>no discouraged workers</li> </ul>	<ul> <li>high NEET rate</li> <li>female</li> <li>inactive</li> <li>without work experience</li> <li>high skilled</li> <li>discouraged workers</li> </ul>
Cluster 4	Cluster 3
BE, CY, CZ, FR, LU, SI	EE, ES, IE, LT, LV, PT
<ul> <li>below average NEET rate</li> <li>unemployed</li> <li>with work experience</li> <li>no discouraged workers</li> <li>medium skilled</li> </ul>	<ul> <li>high NEET rate</li> <li>male</li> <li>unemployed</li> <li>with work experience</li> <li>discourage workers</li> <li>high skilled</li> </ul>

**Figure 8: Characteristics of four NEET clusters in Europe** Source: Mascherini et al. (2012)

# **4 NEETS in Poland**

### 4 NEETS in Poland

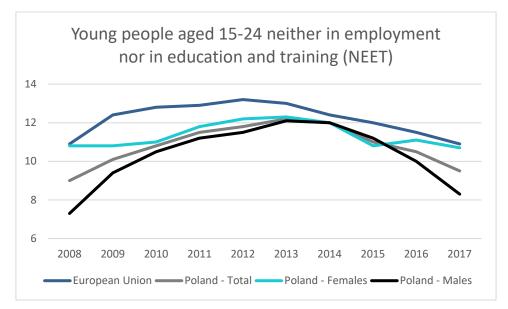
Section 3 outlined the bigger picture showing developments in education, economic structure and migration patterns, while this section shows the characteristics of Polish NEETs.

Overall, the picture is incomplete as the only reliable data comes from Eurostat. The analysis of the situation of NEETs in Poland is complex for several reasons. Some research papers use rather small samples making it difficult to generalise (e.g. Kumpikaite-Valiūniene, Rollnik-Sadowska, and Glińska (2016) what is more, 60% of NEETs do not contact their local employment services (Saczyńska-Sokól 2018).Mascherini et al. (2012) define Poland as part of a cluster together with Greece, Italy, Bulgaria, Hungary, Romania and Poland. They share a higher proportion of inactive NEETS, but aside from this they do not share many other characteristics.

#### 4.1 Common demographic variables

The number of young NEETs in Poland is below the European average and this has remained consistent from 2008 to 2017, shown in the figure below. <sup>4</sup>

There is a gender gap between the female and the male NEET rate, with the NEET rate among the female population higher than among the male population.



## Figure 9: Young people aged 15-25 neither in employment nor in education and training Source: Eurostat (2019)

The next table shows the NEET rate over different age groups. Given that there is mandatory schooling up to 18, the first age bracket should not be taken into consideration.

<sup>&</sup>lt;sup>4</sup> The Polish average was above the European average from 2000 to 2007.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Poland Total 15-17	0,7	0,6	0,7	0,7	0,6	0,6	0,6	0,5	0,5	:
European Union Total 15-17	3,3	3,2	3,0	3,1	3,0	2,7	2,7	2,8	2,7	2,9
Poland Total 18-24	12,3	13,8	14,5	15,4	15,9	16,4	16,0	14,7	14,1	12,8
European Union Total 18-24	14,0	16,1	16,6	16,8	17,2	17,1	16,4	15,8	15,2	14,3
Poland Total 25-29	19,3	20,5	21,6	21,4	22,1	22,7	21,2	20,5	18,9	18,0
European Union Total 25-29	17,0	18,9	19,7	19,9	20,7	21,0	20,4	19,7	18,8	17,7
Poland Total 30-34	18,6	18,3	19,2	19,7	20,1	20,5	19,7	18,4	18,2	17,6
European Union Total 30-34	17,3	18,9	19,6	19,8	20,3	20,5	19,8	19,4	19,1	18,1

Poland has a NEET rate which is roughly in line with the European average.

Table 4: Young people neither in employment nor in education and training by sex, age and labour status (NEET rates) [edat\_lfse\_20]

Source: https://ec.europa.eu/eurostat/web/lfs/data/database

The table below shows the NEET rate by educational attainment level.<sup>5</sup> In general, young people with high educational attainment are protected against unemployment. Poland seems to be a statistical outlier because those with low educational attainment levels are still protected from unemployment, even despite the loss of many jobs that require little-to-no qualifications.

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
European Union - 28 countries - 0-2	15,6	15,1	15,4	16,9	17,5	18,5	18,8	18,7	17,3	16,7	16,3	15,7
Poland - 0-2	10,2	8,7	7,8	8,2	9,3	9,3	9,3	9,9	9,8	9,8	9,4	8,5
European Union - 28 countries - 3-4	13,9	12,9	12,5	14,4	14,9	15,1	15,7	15,9	15,4	14,9	14,2	13,3
Poland - 3-4	21,0	18,6	16,2	18,2	19,0	20,1	20,7	21,3	20,7	19,2	18,0	16,9
European Union - 28 countries 5- 8	9,7	9,1	8,7	10,5	11,0	11,2	11,8	11,9	11,6	11,1	10,4	9,6
Poland -5-8	13,8	11,7	11,2	11,7	12,3	12,4	13,3	13,6	12,1	11,2	10,2	9,5

Table 5: Young people neither in employment nor in education and training by sex, age and educational attainment level (NEET rates) [yth\_empl\_160] Source: <u>http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do</u>

The following table shows the percentage of NEETs depending on their country of birth. Poland has a small foreign-born population and the NEET rate is the same for the native-born population.

<sup>&</sup>lt;sup>5</sup> ISCED is the abbreviation for International Standard Classification of Education; The categories are ISCED 0-2 = pre-primary to lower secondary; ISCED 3-4 = upper secondary to post-secondary; ISCED 5-6 = tertiary.

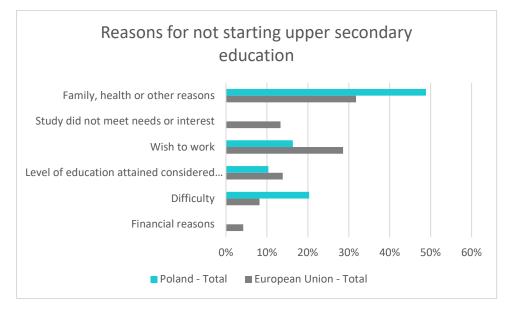
Iceland	
Liechtenstein	Norway
Norway grants	grants

	Poland	OECD average	EU 23 average
Native-born	13%	13%	12%
Foreign-born	13%	18%	1 <b>9</b> %

Table 6: Percentage of 15-29 year-olds NEETs by country of birth, 2017Source: OECD (2018a)

#### 4.2 Common socio-economic variables

Reasons to leave education are illustrated in the following table. It seems that the Polish younger population is more often asked to support the family and drop out of school than the European average.



## Figure 10: Early leavers from education and training who never started upper secondary education

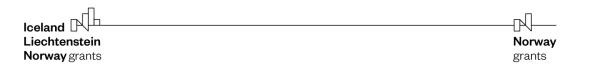
Source: <a href="http://appsso.eurostat.ec.europa.eu/nui/setupDownloads.do">http://appsso.eurostat.ec.europa.eu/nui/setupDownloads.do</a>

Table 8 shows an interesting distribution of how young people from 20 to 34 years old generally find jobs given their previous work experience. The main methods to find employment are relatives, friends or acquaintances, advertisements and direct contacts. It matches well with the small-scale enterprise structure of the Polish economy.

#### 4.3 Regional distribution

There are large differences between the different parts of Poland as shown in

Table 7. NEET rates vary significantly across the country from 9% to almost 20%.



GEO/TIME <sup>6</sup>	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Poland	17,1	17,5	16,7	15,0	13,9	12,6	10,6	9,0	10,1	10,8	11,5	11,8	12,2	12,0	11,0	10,5	9,5
Region Centralny (NUTS 2013)	14,1	15,2	14,9	12,4	12,1	10,1	9,6	8,3	8,6	9,8	11,9	12,2	11,2	11,1	11,0	10,1	9,5
Lódzkie (NUTS 2013)	15,6	16,0	16,6	13,0	12,5	10,7	9,1	7,7	8,3	8,5	10,9	12,3	10,4	10,5	9,8	8,2	8,0
Mazowieckie (NUTS 2013)	13,2	14,8	13,9	12,1	11,8	9,7	:	:	:	:	:	8,8	8,9	9,3	7,3	7,4	8,8
Makroregion Poludniowy	16,5	16,3	17,4	15,5	13,4	12,5	9,5	8,7	8,7	9,9	9,8	10,4	11,4	10,8	9,5	10,0	7,8
Malopolskie	14,9	16,4	17,0	15,2	12,9	12,0	10,0	9,1	9,3	9,3	9,6	11,1	12,1	11,2	10,3	9,8	8,3
Slaskie	17,6	16,2	17,8	15,7	13,8	12,8	9,2	8,4	8,2	10,4	10,1	9,8	10,9	10,5	8,9	10,2	7,3
Region Wschodni (NUTS 2013)	16,8	16,2	14,2	13,5	12,7	12,8	10,8	9,4	10,8	11,3	12,5	12,5	13,6	14,2	12,3	12,7	11,8
Lubelskie (NUTS 2013)	14,9	15,7	14,0	12,9	11,2	12,7	11,1	10,0	10,5	10,1	12,8	11,8	12,2	13,7	11,3	10,9	11,7
Podkarpackie (NUTS 2013)	20,1	17,5	13,2	14,3	14,9	13,8	11,3	10,1	13,2	13,8	13,7	15,2	17,1	16,9	15,6	15,6	13,6
Swietokrzyskie (NUTS 2013)	18,0	18,7	16,7	13,8	13,6	13,2	10,8	9,6	9,1	12,0	13,6	12,0	12,8	12,3	13,1	13,7	12,3
Podlaskie (NUTS 2013)	13,7	12,0	13,4	12,9	10,3	10,1	9,2	7,2	6,9	9,2	9,5	9,1	9,7	10,0	8,4	10,3	8,6
Makroregion Pólnocno- Zachodni	18,4	19,2	18,4	16,7	15,9	13,7	11,9	10,0	11,8	11,9	12,9	13,2	13,5	13,1	12,1	10,6	9,6
Wielkopolskie	17,5	17,5	17,1	15,4	15,1	12,9	10,8	8,1	10,5	10,9	11,8	12,0	11,9	11,7	11,1	8,2	7,9
Zachodniopomorskie	18,7	21,7	20,5	17,7	17,6	15,7	14,1	12,7	12,3	13,0	15,3	15,4	15,3	14,2	14,4	14,6	11,7
Lubuskie	20,8	20,7	19,1	19,4	15,6	13,2	12,9	12,3	15,2	13,5	13,2	14,9	16,7	16,0	12,1	13,0	12,6

<sup>6</sup> Some regional boundaries have been changed over this time period.

	n
Liechtenstein	Norway
<b>Norway</b> grants	grants

Makroregion Poludniowo-Zachodni	20,1	19,7	18,5	16,4	15,4	13,5	11,2	10,1	12,4	12,1	12,1	13,4	12,8	12,0	10,0	10,3	9,3
Dolnoslaskie	20,1	19,7	18,9	16,6	15,3	13,0	10,2	9,7	12,9	12,4	12,1	13,5	13,0	11,8	9,8	10,6	9,6
Opolskie	20,0	19,5	17,4	15,8	15,5	15,3	14,1	11,1	10,8	11,2	12,1	12,8	12,2	12,3	10,4	9,6	8,3
Makroregion Pólnocny	19,2	20,2	17,9	16,6	15,4	13,9	11,9	9,8	10,7	12,2	12,6	13,6	14,2	13,9	12,6	12,1	11,2
Kujawsko-Pomorskie	20,2	19,9	19,7	18,0	17,0	14,5	12,2	9,8	12,4	13,0	11,7	12,4	14,2	14,7	12,6	11,2	10,9
Warminsko-Mazurskie	22,0	23,3	18,2	16,6	15,0	13,0	11,0	10,0	10,0	12,6	14,7	16,6	16,1	15,3	14,5	15,7	14,6
Pomorskie	16,3	18,5	15,5	15,1	13,9	13,9	12,1	9,6	9,3	11,0	12,0	12,9	13,1	12,4	11,5	10,5	9,3
Warszawski stoleczny	:	:	:	:	:	:	:	:	:	:	:	:	5,9	6,1	4,5	3,1	3,2
Mazowiecki regionalny	:	:	:	:	:	:	:	:	:	:	:	:	11,1	11,2	13,0	10,6	10,5

Table 7: Young people neither in employment nor in education and training NUTS 2 regions (NEET rates) [edat\_lfse\_22]; 15-24 years Source: <a href="https://ec.europa.eu/eurostat/web/lfs/data/database">https://ec.europa.eu/eurostat/web/lfs/data/database</a>

Liechtenstein	Norway
Norway grants	grants

Previous work experience / Method	Total	Outside curriculum	Work- based learning	Apprentice ship	Mandatory traineeship	Mandatory work-based training	Optional traineeship	No work experience	No response
European Union									
Advertisements	21%	24%	1 <b>9</b> %	22%	17%	<b>19</b> %	24%	21%	15%
Relatives, friends or acquaintances	31%	28%	<b>29</b> %	27%	32%	25%	26%	33%	24%
Public employment service	4%	4%	5%	4%	5%	-	3%	4%	-
Private employment agency	4%	5%	5%	4%	5%	<b>9</b> %	5%	4%	4%
Education or training provider	4%	4%	6%	6%	6%	16%	7%	3%	3%
Person contacted employer directly	20%	19%	22%	20%	24%	15%	18%	21%	8%
Employer contacted person directly	5%	6%	6%	7%	6%	-	7%	4%	3%
Other method	6%	6%	6%	7%	5%	-	7%	7%	8%
No response	4%	3%	2%	2%	1%	-	-	4%	32%
Poland									
Advertisements	20%	31%	18%	14%	1 <b>9</b> %	-	22%	17%	-
Relatives, friends or acquaintances	44%	36%	43%	43%	42%		47%	49%	
Public employment service	4%	5%	4%	3%	5%	-	-	3%	-
Private employment agency	1%	1%	1%	-	1%	-	-	1%	-

	lceland Liechte Norway	nstein					Norway grants		
Education or training provider	2%	2%	3%	4%	3%	-	-	1%	-
Person contacted employer directly	27%	22%	<b>29</b> %	31%	28%	-	26%	27%	-
Employer contacted person directly	1%	2%	2%	4%	1%	-	-	1%	-
Other method	0%	-	1%	-	1%	-	-	-	-
No response	-	-	-	-	-	-	-	-	-

Table 8: Employees by sex, age, educational attainment level, work experience while studying and method used for finding current job [lfso\_16findmet] Source: <u>http://appsso.eurostat.ec.europa.eu/nui/show.do</u>

# **5** Selected local interventions

#### 5 Selected local interventions

Saczyńska-Sokól (2018) suggests the following areas for interventions:

- counteracting the entry into the NEET group by young people at risk of premature end of formal education, including people with disabilities;
- comprehensive identification of NEET population at the level of communities and counties;
- reaching out to young people in the NEET group in order to reintegrate them into the labour market and education;
- developing the most effective solutions for supporting NEETs, both at the level of existing instruments used by labour market institutions and at the level of proposed modifications or implementation of new solutions, often of a systemic nature, to support young people;
- creating a culture of cooperation for the benefit of young people, based on local partnerships of labour market institutions and other actors with the task of solving young people's problems.

This shows the need for comprehensive action but also for a certain division of labour. Within this report, four projects will be featured which show the range of projects and approaches.

#### 5.1 **Reaching Lost Generation**

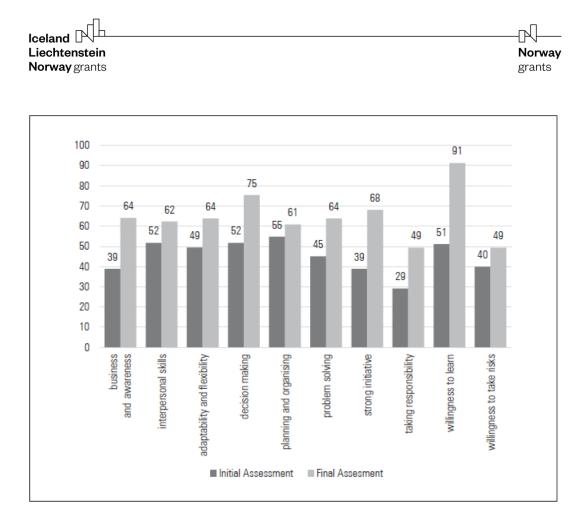
The Reaching Lost Generation (RLG) project was co-financed by the EU under the Erasmus+ program and was implemented between 2014 and 2017.<sup>7</sup> The main goal was to target low-skilled young people in four European countries. The target group were students in upper secondary schools.

They identified ten categories of entrepreneurial competencies. The main element was described by the researchers as follows:

The innovation of the developed training program also involved the selection of compelling, differentiated tasks, developing specific competencies using a variety of methods and techniques of work, which counteracted the possible lack of interest of the participants and increased their involvement in the exercises.

The ten competencies included (1) willingness to learn, (2) interpersonal skills, (3) strong initiative, (4) problem solving, (5) taking responsibility, (6) planning and organizing, (7) adaptability and flexibility, (8) business thinking and awareness, (9) willingness to take risks and (10) decision making. The following figure shows the development of competencies as a result of the workshops.

<sup>&</sup>lt;sup>7</sup> The description is based on Kilar et al. (2017).



**Figure 11: Development of competencies of the workshop participants** Source: Kilar et al. (2017)

#### 5.2 Reducing Early School Leaving in Europe

The RESL.eu is a FP7 funded project entitled "Reducing Early School Leaving in Europe".<sup>8</sup> Its objective was to find measures that reduce early school leaving, especially for vocational school students.

It was a research program which resulted in recommendations on how to improve the situation and reduce the number of early school leavers. The measures included actions such as the creation of policies involving ministries but also steps to increase the perceived value of this educational form and career counseling for the students.

<sup>&</sup>lt;sup>8</sup> The description is based on Tomaszewska-Pekala, Marchlik, and Wrona (2015)

#### 5.3 Social Wolves

Social Wolves (who launched in 2014), run the educational platform: <u>https://zwolnienizteorii.pl/</u>, for which they have received the prestigious MIT 'Innovators Under 35' award for "best social innovator in Poland" and feature on Forbes '30 Under 30' list.

The platform is based on a cutting-edge approach to learning - the Social Project Method<sup>M</sup> - which encourages the users to run their own original social action project, giving them a means to gain practical competencies that are usually impossible to learn in a standard classroom context. These concepts help students to understand the steps and the approaches to start their own business simultaneously educating social leaders and managers.

Building on a concept pioneered by Harvard Business School, they are giving high school students an unusual mission. Instead of a business project which they have to prepare and launch, they offer young people a cost-free opportunity to develop skills of the future such as teamwork, communication and leadership. <sup>9</sup> Previous projects include producing modified videos which show Warsaw without large-format advertising, linking restaurants tax-efficiently with food banks or promoting the availability of first-aid kids in cars.

#### 5.4 Youth Business Poland

Youth Business Poland (YBP) began in 2008 and is run by the Technology Incubator Foundation. Its principal aim is to develop entrepreneurship in Poland, and it is an accredited member of the Youth Business International (YBI) network.

YBP offers mentoring, training, access to funding and promotional activities for young entrepreneurs. With a network of 120 active volunteer mentors across Poland, YBP ensures the best trainers possible conduct its training modules. Through its network of funds and business angels, they offer access to finance, even helping to promote business models.

YBP are proud to have assisted the start-up of 600 companies creating 1000 jobs since its inception.

<sup>&</sup>lt;sup>9</sup> More information can be found here: <u>https://innpoland.pl/128193,robia-polski-harvard-za-grosze-social-wolves-rzucili-wyzwanie-przestarzalej-polskiej-edukacji.</u>

6 Conclusion and recommendations



### 6 Conclusion and recommendations

The previous sections have attempted a depiction of the different elements which lead to the current situation - covering migration, economic development and education as well as introducing the European context.

This country report makes the case that interventions need to be considered and managed from a systemic point of view. More specifically, suggestions that interventions should focus on are:

- 1) Productivity gains
- 2) Skill development
- 3) Reduction of information asymmetries

#### Recommendations

Productivity gains are important in knowledge economies or economies which are increasingly based on intangible value creation. They can be achieved through several measures in the political and educational system and closely relate to the development of skills.

More should be done to help young people in developing skills for the 21<sup>st</sup> century and the future, such as entrepreneurial skills. It also seems sensible to increase the budget for active labour market programs as it would have positive effects on economic growth.

In addition, Poland could reduce information asymmetries. Recruitment patterns are dependent on relationships and the low level of regional mobility suggest that the younger generation does not have the pertinent information needed to relocate for job opportunities.

Existing data could be more reliable. More data is needed to prevent researchers relying on single information sources.

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