

2.2 EFFECTIVENESS

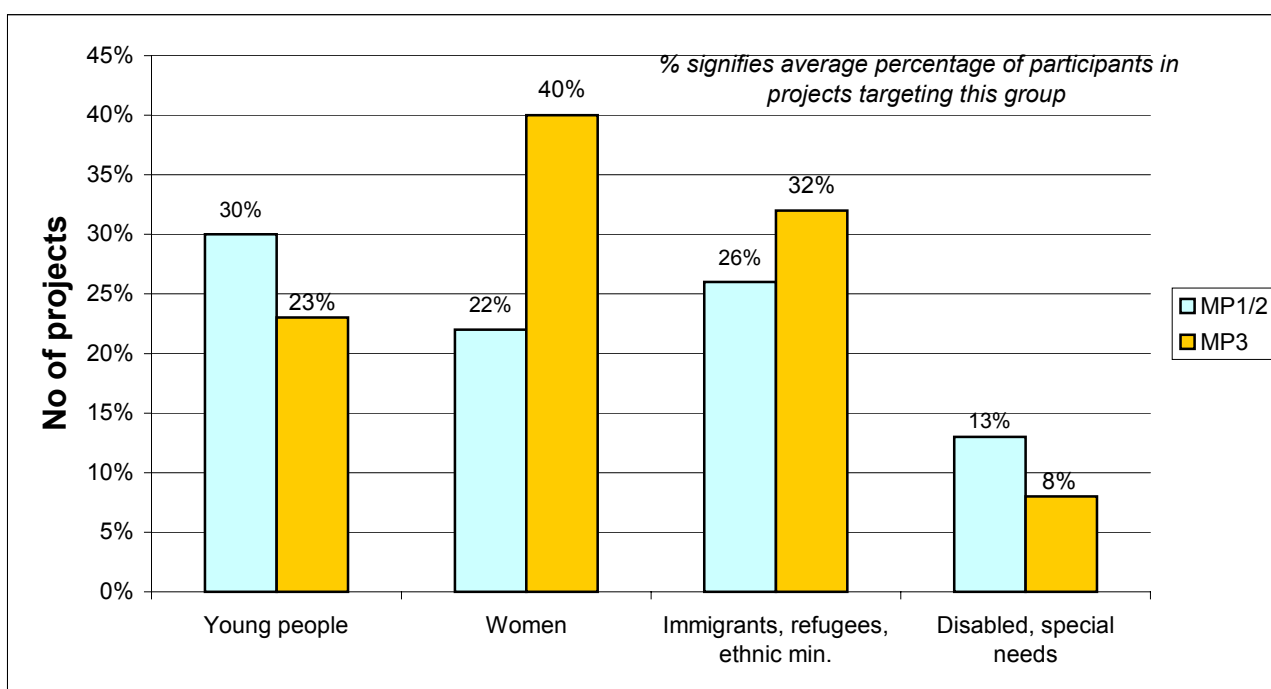
The evaluation examined the effectiveness of the Pilot, using information on a number of core indicators, focusing on the following key aspects:

- whether the LSC projects reached priority (in ESF terms) groups, and especially most excluded sub-groups which are not usually reached by main programmes; and
- whether these groups and sub-groups achieved positive outcomes, i.e. made progress towards inclusion and employment.

2.2.1 Priority groups reached

Information on target groups reached by the projects was obtained from the IBs using evaluation Checklist 1 and interviews conducted as part of the assessment visits. The picture from the whole Pilot depicts high participation especially of **women, young people and immigrants/refugees/ethnic minorities** in projects targeting these groups. This picture is summarised in *Chart 4*.

Chart 4: Priority Groups reached by LSC projects



Note: Percentages were used for this analysis (instead of absolute figures) for consistency and aggregation purposes, as some projects reported number of MPs and some reported number of individual participants.

More specifically, the analysis of participants in **social cohesion type micro-projects (MP1/2)** by target group, based on the responses of 26¹ projects shows the following:

- the main groups addressed by the LSC projects are:
 - **young people** (targeted by 21 projects, with participants ranging from 8% to 61% of the total – an average of 30% participants)
 - **immigrants/refugees/ethnic minorities** (targeted by 17 projects, with participants ranging from 8% to 69% of the total – an average of 26% participants)
 - **women** (targeted by 18 projects, with participants ranging from 6% to 100% of the total – an average of 22% participants)

¹ Out of the 30 projects, 4 projects have only MP3 micro-projects.

- **disabled/special needs** (targeted by 12 projects, with participants ranging from 8% to 24% of the total, an average of 13% participants)
- a majority of projects (15 out of 26) cover a combination of three or more of the above groups. 6 projects cover a combination of two of the groups.

The equivalent analysis for *micro-enterprise type micro-projects (MP3)*, based on responses from 29² projects shows that:

- the same four groups were targeted by the LSC projects, but in this instance women are by far the largest group:
 - **women** (targeted by 25 projects, with participants ranging from 4% to 97% - average 40%)
 - **immigrants/refugees/ethnic minorities** (targeted by 15 projects, with participants ranging from 5% to 100% - average 32%)
 - **young people** (targeted by 22 projects, with participants ranging from 2% to 62%, average 23%)
 - **disabled/special needs** (targeted by 6 projects, with participants ranging from 2% to 12%, an average of 8%)
- a little less than half of the projects (13 out of 29) covered three or more of the above groups – a significant change from last year where only a minority of projects covered three or more of the target groups, which indicates **greater diversification** by the end of the Pilot in terms of the target groups engaging into business creation. A number of projects (6 out of 29) cover exclusively one group - women (in 4 cases), young people (in one case) and immigrants (in another case).

With only two exceptions (Friborsen and CeSIE), all projects followed a **targeted approach** (LEB, OATEP, Fundacion Mujeres, Federico Ozanam, Fund. E&S. Madrid, ES, FVECTA, Valencia, ES, A V Kent, Campo de Gibraltar, ES, Huhtasuo, Jyvaskyla, FIN, VAM, Manchester, UK) targeting well defined, disadvantaged group and **managed to reach groups that would not have otherwise benefited from ESF**. In case of the exceptions lack of effectiveness was either due to poor capacity of the IB (CeSIE, Friborsen) or to lack of coherence between existing public policies and LSC (Friborsen, Aarhus, DK³).

Support for highly excluded/disadvantaged sub-groups

With respect to targeting, the findings of the evaluation showed that in most areas, highly excluded, disadvantaged groups were also reached. The extent to which projects supported such high priority sub-groups was examined in detail in meetings with a sample of micro-projects. The evidence confirmed that in the case of both MP1/2 and MP3 micro-projects, within the above groups, **highly excluded, disadvantaged** groups were covered. They fall generally within the above categories and include:

- single mothers (OATEP, CRETE, EL, Fund. Mujeres, Caceres, ES, PAUL, Limerick, IRL, PCP, Plymouth, UK, CERFE, Pisa, I);
- alcohol/drug addicts (Diakonie, Sachsen, D, OATEP, CRETE, EL, Fund. E&S. Madrid, ES, Consorzio BIM N&V, Cascia, I);
- ex-offenders (ASSETIP, Brussels, B, Diakonie, Sachsen, D, OATEP, CRETE, EL, Fund. Ozanam, Zaragoza, ES, Consorzio BIM N&V, Cascia, I), and more importantly;
- **highly marginalised people with multiple disadvantages**, for example:

² 1 project (out of 30) has not provided data.

³ For example, in the case of Friborsen, concentrating on immigrants of very different nationalities in one area was the “wrong policy” for social capital (increases isolation and develops “ghettos”). In that case, the LSC approach through capacity building, etc, would hardly work (see below Part 4 on broader lessons).

- women immigrants (Friborsen, Arhus, DK, Fund. Mujeres, Caceres, ES, Fund. Ozanam, Zaragoza, ES);
- young women (A V Kent, Campo de Gibraltar, ES, Fundacion Mujeres);
- young immigrant women (A V Kent, Campo de Gibraltar, ES);
- young people with very poor skills/education (PAUL, Limerick, IRL, PCP, Plymouth, UK, OATEP, CRETE, EL, CeSIE, Kortrijk, B, NERSANT, Torres Novas, P);
- young disabled people (A V Kent, Campo de Gibraltar, ES);
- drug addicts, ex-offenders (A V Kent, Campo de Gibraltar, ES);
- drug addicts, ethnic minorities (Friborsen, Arhus, DK);
- rural women (PAUL, Limerick, IRL, OATEP, CRETE, EL, Fund. Mujeres, Caceres, ES).

The categorisation of micro-projects (and individual participants in micro-projects) into target groups was not straightforward, as project managers followed different approaches in project records. It was quite common for projects to define groups in a way that cuts across age and gender categorisation, e.g. immigrants/refugees, and this is justified given the focus of the LSC Pilot on excluded groups.

Box 5

Example of strategy targeting support on highly marginalised people

A V Kent, Campo de Gibraltar, ES

The project targeted well defined target groups, with emphasis on women, disabled, young people and immigrants. Within these groups there were **highly excluded sub-groups**, for example: immigrant women; young mentally disabled; young physically disabled; women prostitutes; young drug addict offenders; ill people (e.g., Alzheimer, multiple sclerosis, Aids). MP3 projects included a general group of consumers, which refers to long-term unemployed with families to support and to unemployed over 45.

Not typical ESF groups were also supported, mainly young under 16 and old people (over 65, suffering from multiple sclerosis) which is justified in the following way: There are serious drug and contraband related problems in the target area, which combined with very high unemployment levels, create social tensions and exclusion. Various associations-partners of the IB, including the IB itself, considered that in order to reduce the risk of young people engaging in drugs or contraband, there should be initiatives/projects that target children (under 16s). LSC support in this sense was seen as a **long-term social investment**.

Despite the relatively large immigrant community in this part of Spain, due to its geographical location, **LSC did not typically support immigrants**, the reason being that these groups have become more visible (the press contributes as well) and have managed therefore to receive support from other programmes.

Untargeted approach

The evaluation showed there was also a significant minority⁴ of projects that used much broader categories⁵ (e.g. “rural communities” used by SCVO, Scotland, UK, “general population”, used by Fund. CIREM, ES) and these could cover both excluded and other people. This issue was explored in detail, especially during assessment visits where the evidence illustrated that many

⁴ In the case of MP1/2, there are 8 projects with participants from the “other” category representing a majority (ranging from 51% to 91%) In the case of MP3, there are 4 projects with participants from the “other” category representing a majority (ranging from 56% to 84%).

⁵ The target groups are “indirect beneficiaries” and are referred to as “participants” in this report. In the case of the LSC Pilot, formal “beneficiaries” in accordance with ESF rules are the Intermediary Bodies.

projects⁶ followed an **untargeted approach**, addressing the needs of the whole community/target area. In those cases, **beneficiaries were considered highly excluded/marginalised by the IB for the problems of the area**. This is typical of:

- rural areas, where isolation and lack of access to opportunities is the common denominator for excluded people (IFA, AT, Diakonie, Sachsen, D, ACAFAM, La Laguna, ES, La Laguna, ES, ADIE, F, Consorzio BIM N&V, Cascia, I, PAUL, Limerick, IRL);
- areas that face multi deprivation due to years of industrial, social and economic decline (PCP, Plymouth, UK);
- urban areas where the opportunities for paid employment are very weak and where excluded groups are often victims of segregation and isolation (ASSETIP, BRUSSELS, B, ADIE, F).

The untargeted approach was also determined by the **IB's nature and experience**, for example:

- when the IB was an umbrella organization, it was important to make funding available to all its members and not discriminate on the basis of their location/characteristics (PCP, Plymouth, UK, SCVO, Scotland, UK); or
- where the IB was an association of public benefit with municipalities and other local actors being its members and committed to regional development in general (VFR, Oststeiermark, AT).

There were also cases of projects which started with an untargeted approach, but then focused on most deprived groups (ReFIT, Jena, D) or where an implicit target group orientation was the result of the selection of local partners at district level (Deutsche K&J, Berlin, D). We should distinguish here projects whose untargeted approach was a **strategic decision** rather than a result of the characteristics of the area or the nature and experience of the IB, as described above (e.g., Deutsche K&J, Berlin, D, IFA, AT, MSD, Marseilles, F, CERFE, Pisa, I, Fund. CIREM, Barcelona, ES). In the case of untargeted approaches (i.e. targeting all groups, without targeting specific highly disadvantaged groups), **having a strategy allowed the project to reach highly excluded people** and people who would **not otherwise have benefited from ESF support**. Characteristics of strategies include transparency and simplicity of information distributed to all key, relevant actors (Fund. CIREM, Barcelona, ES, Deutsche K&J, Berlin, D), permanent and open dialogues with entities, professionals and institutions in the target area (Fund. CIREM, Barcelona, ES), clear, transparent eligibility criteria (Fund. CIREM, Barcelona, ES, MSD, Marseilles, F, CERFE, Pisa, I), participative approach in determining the objectives of the project (Fund. CIREM, Barcelona, ES, MSD, Marseilles, F, CERFE, Pisa, I).

Box 6

Examples of projects with untargeted approach but clear strategies

Deutsche K&J, Berlin, D

The idea of the MicroPolis project was **not to focus on target groups**. The "**open approach**" was not need-oriented but **activity oriented**. The IB started from the assumption that socially excluded people themselves are often not the ones able to change their situation on their own and that successful activity to reduce exclusion is often initiated by people not being extremely excluded. So the MicroPolis approach focused on the expected output and results of the projects and not so much on the target group directly involved. MicroPolis wanted to assist "**engagement instead of need**". On a territorial level, MicroPolis focused on three districts of Berlin with different profile: Kreuzberg, Prenzlauer Berg and Weißensee.

According to this "open approach", the MicroPolis project covered a wide range of target groups. One part of them (ex-drug abusers, ex prisoners, immigrants) can be seen as highly excluded. MP1/2 projects tended to reach better the highly excluded groups, MP3 focused on the youth, with a smaller share of women and immigrants.

CERFE, Pisa, I

⁶ 14 out of 30 projects followed an untargeted approach, although for many of them, this was linked to a specific strategy.

CERFE had a clear objective to “contribute to the fight against social deprivation” and to help “people at risk of exclusion or in a situation of exclusion and social marginalisation”, through mobilising all the existing resources and numerous social organisations and activating all the potential of the “civil society in action”. The target group was therefore highly marginalised people (including unemployed, people without resources, refugees and immigrants, drug addicts, single parent families, isolated people, etc). CERFE had a particular interest in socio-economic activities and collective cultural activities.

Not typical ESF groups supported

Consideration was also given to the coverage by some of the projects of groups which were **not typically within the scope of ESF**, such as children and pensioners. In general terms, the inclusion of such groups in MP1/2 social cohesion micro-projects can be justified as this type of micro-projects covers more broadly the local community and is principally focused on social development outcomes (rather than on “hard” job outcomes as in the case of MP3). More specifically, **the Pilot showed it is justified to target also not typical ESF groups**, for instance, focusing on education as a basis for building social capital or having an impact on the community from micro-projects that addressed old people. For example:

- increasing awareness amongst children with regard to the environment and the local culture (Fund. Mujeres, Caceres, ES);
- in areas with serious contraband and drug problems educating children on those issues prevents the risk of them engaging into drugs or contraband in the future (A V Kent, Campo de Gibraltar, ES);
- addressing young people still at school but at risk of not doing well at school or leaving early is justified on the basis of prevention of social exclusion and creating a supportive environment (family) for disadvantaged people in the labour market (Huhtasuo, FI).

LSC support towards children in the above examples, can be justified **as a long-term social investment**. In the case of elderly people, support was justified in that this is an area where there were needs and a lack of a work force providing services to elderly people – i.e. there were opportunities for employment generation. Possibilities for setting up businesses/services run by disadvantaged people in the area of elderly care were identified (Huhtasuo, FI), while in other cases elderly people were involved in MP1/2 projects either as socially marginalised or because of the diversity of beneficiaries of some projects (Fund. Ozanam, Zaragoza, ES, Consorzio BIM N&V, Cascia, I).

Conclusion

The evidence obtained from evaluation checklists, assessment visits and other sources of information, shows that the LSC project was effective in reaching a wide range of excluded people who would not otherwise have benefited from other types of support.

The typical groups supported include immigrants/refugees, women, young people and disabled/special needs people. These categories include highly marginalised sub-groups and people with multiple disadvantage, as well as some not typical ESF groups, support for whom was seen as a long term investment or as an opportunity for employment generation.

2.2.2 Positive outcomes

Different “scales” of positive outcomes were used as core indicators. These comprise:

- “soft” preparatory outcomes reflected in personal development and social development, oriented to inclusion;

- “soft” employability outcomes which include improved skills and motivation which improve prospects of labour market integration;
- “hard” labour market outcomes in terms of (a) access to training and/or qualification and (b) employment and business start-up, the latter in the case of MP3; and
- improved sustainability reflected in continuation of the micro-project in the case of MP1/2 and survival of the business and/or additional employment creation in the case of MP3.

The analysis of positive outcomes shows that participants in *social cohesion type micro-projects (MP1/2)* made significant progress towards inclusion and employability:

- 74% of participants achieved personal development outcomes, such as improved motivation and self-confidence;
- 66% achieved social development, e.g. community involvement, volunteering;
- 46% achieved “soft” employability outcomes such as interview skills, CV/application writing, job seeking;
- 43% achieved “hard” employability outcomes such as training and qualifications and a slightly lower percentage (38%) actually got a job or became self-employed / started in business;
- 63% will continue with funding from other sources.

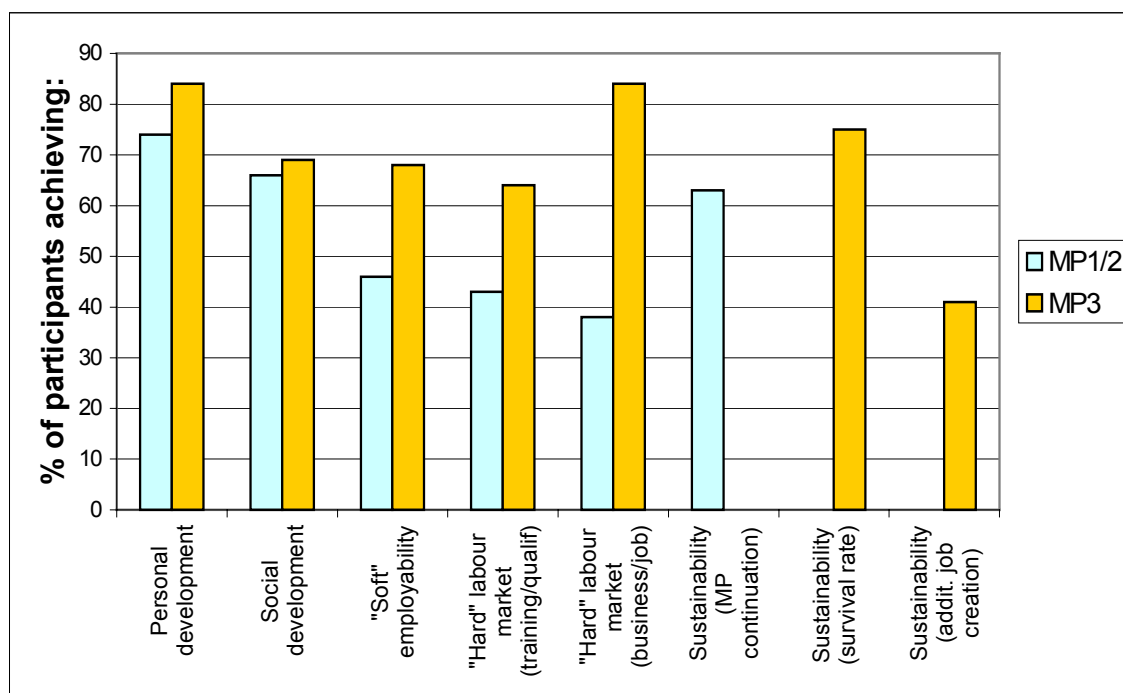
The percentage of participants achieving positive outcomes is higher in the case of *micro-enterprise type micro-projects (MP3)*, reflecting their employment focus and individual-centred support:

- 84% personal development outcomes;
- 69% social development outcomes;
- 68% “soft” employability outcomes;
- 64% “hard” labour market outcomes, such as training and qualifications;
- 84% “hard” labour market outcomes, i.e. starting in business/ self-employment or getting a job⁷;
- 75% are sustainable and 41% managed to create additional jobs.

The above are summarised in *Chart 5*.

⁷ A percentage below 100% in the case of MP3 type micro-projects can be explained by the fact that some MP3s concern seasonal job placements for young people as a path to labour market inclusion, as in the case of LEB (D).

Chart 5: Positive Outcomes at the end of the Pilot



These results⁸ are particularly encouraging compared to year 2, if one takes into account the following:

- although the **personal and social development** are the **highest**, the other indicators for **MP1/2** micro-projects were also significant, more specifically:
 - MP1/2 micro-projects were successful in **improving employability** (an increase in hard labour market outcomes with respect to training/qualifications, bringing the average percentage of participants to 46%);
 - they also achieved **significant job creation** (an increase in hard labour market outcomes with respect to finding a job/starting self employment, bringing the average percentage of participants up to 43%). These results show that, compared to year 2, participants in MP1/2 projects benefited from the activities they got involved in terms of better networking, increased employability, etc, and were able to transform these benefits into concrete outcomes (getting a job, self-employment);
 - despite fears that many MP1/2 micro-projects would finish their activities once the LSC grant was over, **sustainability** reached 63% by the end of the Pilot, indicating that a significant number of MPs will continue after the end of the Pilot using various sources of finance (other grants or local/regional support, sometimes combined with self-finance);

⁸ Although the LSC Pilot did not use a unique method for assessing progress towards social inclusion and employability (standardised “stages” or “milestones” in a “pathway to employment”) the above findings, based on these broadly defined stages, represent a sound assessment of progress towards inclusion and employability, since for both MP1/2 and MP3 the **results are based mainly on sample analyses**. More specifically, the responses on MP3 micro-projects (with only 1 exception) are based on sample analyses of micro-projects (in the majority of cases 100% sample or a sample of more than 50%, and only 4 cases with a combination of a sample analysis and managers’ estimates based on project records). In the case of MP1/2 micro-projects the majority of results are based on sample analyses of micro-projects (18 of 26 projects using a sample from around 30% to 100%) and the others based on a combination of sample analysis and managers’ estimates (with only two exceptions where estimates only are used).

- **MP3** micro-projects achieved similar good results, more specifically:
 - **MP3 indicators** are **well above those for MP1/2** micro-projects, showing the significant impact these type of micro-projects have had on individuals and job creation in general;
 - **personal development outcomes** fell slightly from Year 2 as the majority of MP3s were well under way and individuals involved in them have overcome the “illusion stage” of “doing something on their own” and were confronted with the management difficulties of running a business (it is important to stress that many of them came from target groups characterised by severe exclusion or multiple disadvantage). Despite this, the indicators are **well above 80%**;
 - social development, soft employability and hard labour market outcomes (training/qualifications) were well above 60%, with job creation being the highest (84%). Together with personal development, **job creation was one of the most important outcomes** of the Pilot for the groups supported
 - the **sustainability indicators** fell slightly from year 2 as some MPs stopped operating after the grant was spent, due to lack of capacity to continue or other external factors (business location, local economic conditions, lack of sources of finance). However, the indicators are **significantly high** with 75% of micro-enterprises continuing/surviving beyond the first 6 months of operation, while 41% already created additional jobs.

A comparison between years 2 and 3 of the Pilot is provided in *Charts 6 a & b*, below.

Chart 6a: Positive Outcomes (MP1/2): Years 2 and 3

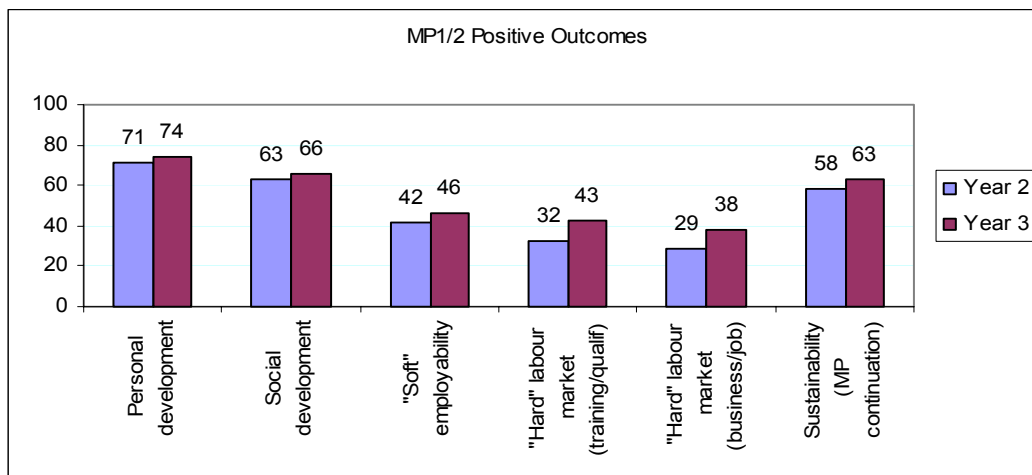
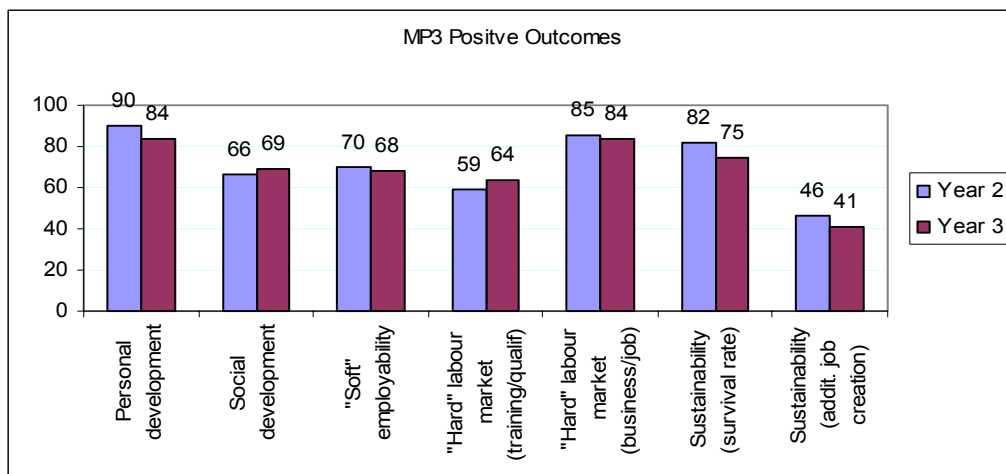


Chart 6b: Positive Outcomes (MP3): Years 2 and 3



Evidence on positive outcomes from assessment visits to MPs

The above quantitative data was enriched with qualitative data from the assessment visits to a sample of MPs, which highlighted that **most significant results for MP1/2s were related to social inclusion** rather than employment: personal/social development and better skills, as shown below:

- **personal development outcomes** were confirmed through:
 - increased motivation and self confidence, respect for oneself and the others (all);
 - increased confidence to work with EC projects (IFA, AT);
 - better attitude towards school for young ones (Friborsen, Aarhus, DK);
 - sense of belonging (Friborsen, Aarhus, DK, OATEP, CRETE, EL, Fund. Mujeres, Caceres, ES);
 - creativity (Fund. Ozanam, Zaragoza, ES);
 - intellectual motivation for people with low educational background (A V Kent, Campo de Gibraltar, ES);
- **social development outcomes** include:
 - improved social skills (most of those interviewed);
 - increased awareness on social/local problems and access to information (CeSIE, Kortrijk, B, Friborsen, Aarhus, DK, OATEP, CRETE, EL, Fund. Mujeres, Caceres, ES, Fund. Ozanam, Zaragoza, ES, Huhtasuo, FI, PCP, Plymouth, UK);
 - increased/better contacts/networking with people/organisations in the target areas (CeSIE, Kortrijk, B, IFA, Kärnten, AT, LEB, WESER EMS, D, Friborsen, Aarhus, DK, OATEP, CRETE, EL, A V Kent, Campo de Gibraltar, ES, Huhtasuo, FI, PCP, Plymouth, UK);
 - increased knowledge of the society they are in (especially relevant for immigrants/refugees as in the cases of CeSIE, Kortrijk, B, Friborsen, Aarhus, DK, Huhtasuo, FI);
 - increased ability to deal with local problems (LEB, WESER EMS, D);
 - reduction of crime rates/alcoholism (Friborsen, Aarhus, DK, A V Kent, Campo de Gibraltar, ES, PCP, Plymouth, UK);
 - increased trust towards institutions (e.g., trust towards project managers in the case of Friborsen, Aarhus, DK);
 - improved ability of beneficiaries to express their needs (A V Kent, Campo de Gibraltar, ES);
- **“soft” employability skills** of people interviewed include:
 - improved links with potential employers (CeSIE, Kortrijk, B);
 - improved image of participants in the local authority (CeSIE, Kortrijk, B);
 - access to counselling services (IFA, AT);
 - application writing skills improved (IFA, AT);
 - improved language skills (LEB, WESER EMS, D);
 - improved skills for people with disabilities (Fund. Mujeres, Caceres, ES);
 - increased ability of young people to contribute ideas and services to the local community (Huhtasuo, FI);
- **“hard” labour market outcomes related to training and qualifications** include:
 - improved computer skills (CeSIE, Kortrijk, B, IFA, AT);
 - better knowledge of environmental issues (Fund. Mujeres, Caceres, ES);
- **“hard” labour market outcomes related to getting a job** include:
 - those who found employment following career orientation or training offered in the context of LSC (CeSIE, Kortrijk, B, A V Kent, Campo de Gibraltar, ES);

- those who found jobs in social services projects initiated by LSC (CeSIE, Kortrijk, B, OATEP, CRETE, EL, Huhtasuo, FI);
- or in culture/art projects (OATEP, CRETE, EL, Fund. Ozanam, Zaragoza, ES);
- or as a result of contacts made during their MP1/2 (Huhtasuo, FI). In the case of Huhtasuo, FI, the IB itself offered jobs to support workers from the target groups assisted;
- there are a few MP1/2 that will **continue** after the LSC grant in all projects interviewed, with some being successful in transforming into larger projects (e.g., an MP focusing on new care concepts for elderly people led to a 5€ million project with the MP in a leading role, IFA, AT).

Similar examination of MP3 projects during the assessment visits to a sample of MPs highlights that **MP3s have had positive results related to both social inclusion and employment:**

- **personal development outcomes** include:
 - increased motivation and self confidence (all);
 - self fulfilment (OATEP, CRETE, EL, Fund. Ozanam, Zaragoza, ES, FVECTA, Valencia, ES, NERSANT, Torres Novas, P);
 - feeling listened to and respected (OATEP, CRETE, EL);
 - being able to build on previous knowledge (Fund. Mujeres, Caceres, ES);
 - feeling useful (Fund. Ozanam, Zaragoza, ES);
 - recognition (FVECTA, Valencia, ES);
- **social development** includes networking between MPs (Fund. Mujeres, Caceres, ES), improved family situation (Huhtasuo, FI);
- **“soft” employability**, although not explicitly mentioned by direct beneficiaries is evident as a result of their improved capacity to apply for the grant (even if they were supported by the IB, they now know better how to apply or how to express their ideas);
- **“hard” labour market outcomes related to training and qualifications**, through summer placements for young people (LEB, WESER EMS, D);
- all MP3s visited have had **clear “hard” labour market outcomes**, as they offered self employment and in some cases an additional job to a partner or other members of the business in the case of cooperatives;
- **sustainability** related to survival of the micro-business is expected in the cases of CeSIE, Kortrijk, B, Fund. Mujeres, Caceres, ES, Fund. Ozanam, Zaragoza, ES, FVECTA, Valencia, ES, A V Kent, Campo de Gibraltar, ES, Huhtasuo, FI, MSD, Marseilles, F, ADIE, F;
- **additional jobs** (sustainability indicator) were created in only a few cases, like Fund. Mujeres, Caceres, ES.

Conclusion

The evidence obtained from evaluation checklists, assessment visits and other sources of information, shows that the LSC Pilot was effective in generating positive outcomes that were related both to social inclusion (personal and social development, soft employability) and to employment (hard labour market outcomes, sustainability of jobs/businesses and additional job creation).

While quantitative results demonstrate much higher positive outcomes for MP3 type projects, qualitative data shows that MP1/2 type projects were very effective in dealing

with serious social problems and achieving significant results in terms of social cohesion and networking, whilst often acting also as a path towards employment.

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