



SYNCLUSIVE



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Policy brief #1

SYNCLUSIVE INITIAL FINDINGS AND POLICY IMPLICATIONS

SYNCLUSIVE: System approach to close the employment gap and create a more inclusive labour market for vulnerable groups

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Introducing SYNCLUSIVE Policy Briefs: Enhancing labour market inclusion of vulnerable groups

This is the first policy brief of the SYNCLUSIVE research consortium, intended for EU, national, and regional stakeholders engaged in the inclusion of vulnerable groups into the labour market. This brief aims to:

- introduce the project and its main goals;
- connect our initial findings and strategies to the broader policy context, demonstrating how SYNCLUSIVE can align with and potentially enhance existing policies by providing actionable, evidence-based recommendations;
- explain the ENGINE approach and regional coalitions as innovative strategies designed to enhance the recruitment, retention, and career progression of vulnerable groups in the labour market, highlighting their policy relevance;
- update insights into the challenges vulnerable groups encounter in the labour market.

In the upcoming two policy briefs, the SYNCLUSIVE consortium will offer comprehensive insights and detailed recommendations at the regional, national, and EU levels, based on the findings of SYNCLUSIVE in four EU countries and based on reflections of policy level stakeholders in other EU-countries. These documents will address the persistent challenges in the labour market and introduce innovative strategies to enhance the inflow, retention, and career advancement of vulnerable groups. We focus on a diverse group of vulnerable workers facing significant disparities in employment access and conditions. This includes those with limited education and skills and those facing prolonged unemployment, health issues, disabilities, and discrimination.

System approach to close the employment gap

Promoting the labour market inclusion of vulnerable groups is a vital and multifaceted challenge. It is not merely about integrating those people currently outside the labour market; it also involves supporting vulnerable workers within the labour market, who are at risk of job loss or have limited career advancement opportunities. Our vision is that a system-oriented approach is required to enhance the labour market mobility of vulnerable workers and job seekers, achieved by forming a coalition of key regional stakeholders. Ideally, the labour market positions of current employees and job seekers are enhanced simultaneously, in an integrated way. Promoting the mobility of existing employees fosters an inclusive work environment. It may also create space in, for example, lower-skilled positions, which can then facilitate the integration of vulnerable job seekers into the workforce.

The cornerstone of this project is the "ENGINE" approach, which orchestrates, designs, and implements a customised set of interventions at various labour market levels. These interventions are designed to assist a variety of stakeholders, encompassing organisational training for supervisors to promote talent development and cultivate an inclusive work culture, measures focused on minimising recruitment and promotion discrimination but also strategies, such as adopting educational programs and offering subsidies for customised training programs.

Link with current policy

The goals of SYNCLUSIVE are closely aligned with the EU commitments to integrating vulnerable groups into the labour market through policies like the European Pillar of Social Rights and the European Disability Strategy. The goals of these EU policies, along with those of SYNCLUSIVE, include increasing employment rates, reducing gender disparities, decreasing youth unemployment, and enhancing skill development.

Council Decisions on Employment Policies shape EU strategies for labour market inclusion, covering measures such as taxation, wage-setting, skills development, and addressing work disincentives. Efforts to detect and combat discrimination, alongside offering guidance and support, aim to foster equal opportunities. Research primarily focuses on Active Labour Market Policies, including training programs, incentives, direct employment initiatives, and job search services. While such individual-level interventions are widespread, innovative approaches at the employer and system levels are also crucial. These require regional collaboration to foster a truly inclusive labour market. In SYNCLUSIVE, we aim to identify and address challenges associated with implementing these employer and system-level strategies, focusing on promoting integration through the collaborative efforts of regional coalitions. This approach will yield fresh perspectives for enhancing policies and their execution, ensuring more cohesive integration.

SYNCLUSIVE's initial activities suggest that adopting a systemic approach can lead to new programs or initiatives that significantly improve the labour market positioning of vulnerable job seekers and employees. This underscores the imperative to expand and integrate existing policies that currently focus on isolated initiatives, fostering cohesive strategies at a regional level. An analysis of regional challenges essential to the success of this systemic approach has highlighted the need for policies enhancing regional collaboration. These policies should simultaneously aim to:

- eliminate age and gender discrimination,
- align education and skills with market needs,
- enhance employer engagement and support,
- improve the integration and coordination of employment services.

Additionally, there is a need to foster environments that motivate vulnerable employees' skill development by:

- expanding opportunities for reskilling and upskilling,
- increasing the accessibility of support services for professional growth offered by companies and other stakeholders.

Finally, we acknowledge regional differences in legislation, social security, and culture, making it challenging to generalise regional insights to broader levels. By selecting diverse EU regions, the project facilitates comparative analysis and context-specific findings. Reflecting partners from Italy, Ireland and Estonia, are chosen to assess scalability and transferability across the EU. SYNCLUSIVE aims to derive generalised insights and best practices to inform EU policy, focusing on labour market mobility and the inclusion of vulnerable job seekers and employees.

Adopting regional collaboration as a universal strategy to improve inclusion of vulnerable groups

We envision that the SYNCLUSIVE approach can stimulate the inclusion of a diverse range of vulnerable groups across countries and regions in the EU, since it is a process-oriented approach. A major issue for the inclusion of vulnerable groups is the often insufficient collaboration and employer commitment, hindering the advancement of vulnerable workers and the inflow of new job seekers. Coordination typically falls to municipalities or public bodies, yet employers play a crucial role in fostering social inclusion, talent development, and hiring personnel. However, employers may not view it as their responsibility, lack the right resources, or face systemic obstacles beyond their control, including governmental and legislative barriers. SYNCLUSIVE aims to achieve a breakthrough by actively engaging with all regional stakeholders—including employers, municipalities, educational institutions, third sector and social security organisations.

Box 1: Living Labs

A Living Lab is an environment where the white lab coat are replaced by ordinary people who can test and improve innovations in the 'real', much more complex, world. Living labs are user-centred and “carried by the users”, permitting formulation, prototyping and validation of complex solutions in a multifaceted real-life environment (Doyon et al., 2015). Using the principle of co-creation, stakeholders are not simply the end-users but a community of people interacting with the final product or service (e.g. Claud et al., 2017). This process ensures that the innovations are extensively tested under realistic conditions, ultimately leading to sustainable and valuable solutions for all parties involved.

We implement the SYNCLUSIVE approach in seven regions across four EU countries using Living Labs as our primary method for co-design, pilot testing, evaluation and sustainable implementation (Ruokolainen et al., 2024). Each country in SYNCLUSIVE concentrates on distinct vulnerable groups:



The Sofia Living Lab in Bulgaria specifically targets job-seeking women aged 55 years or older and female employees aged 55 years or older, noting their increased risk of layoffs and barriers to finding a (new) job suitable for their qualification level. Data indicates a significant gender disparity in unemployment, with 102,000 women and 79,000 men unemployed, particularly affecting women over 55.



Portugal targets young job seekers and employees aged 15-29, which are particularly vulnerable in the labour market. In 2022, the youth unemployment rate was 19.9%, with underqualified youth struggling to gain work experience, limiting their labour market access, and highly educated individuals often underemployed in low-skill, temporary roles.



The Netherlands concentrates on the most vulnerable labour market groups, facing job instability and substantial employment barriers. These include individuals with low educational attainment, non-western migrant status, disabilities, or those in the younger or older age categories. The Dutch Living Lab also targets employees with low education or practical training, who lack adequate employer support for career advancement and learning opportunities.



Finland addresses the long-term unemployed, who make up 32% of the unemployed population and encounter challenges like skill degradation, mental health issues, and societal stigma. This group often includes those with low education, health problems, or older individuals. The Finnish Living Lab also focuses on vulnerable employees, including those in subsidized positions, young workers under 29, and on-the-job learners requiring developmental support.

Policy implications for forming a regional coalition

SYNCLUSIVE goes through three stages in forming the regional coalition: (1) formation, (2) maintenance, and (3) institutionalization (Kegler, Rigler & Honeycutt, 2010). In the first year of SYNCLUSIVE, we progressed through the formation stage. The preliminary findings highlight the following policy implications:

- 1. Enhance coordination and leadership:** Establish policies that ensure strong coordination and proactive leadership from non-research partners, such as municipalities, which should be well-informed by the insights from research partners. This can be achieved by defining clear roles and responsibilities, along with providing the necessary authority and resources to lead effectively;
- 2. Promote early involvement of key stakeholders:** Implement regulations that mandate the early involvement of essential coalition members, including the coordinator non-research partner and educational institutions, to facilitate thorough planning and resource allocation before the formal formation of coalitions;
- 3. Ensure adequate funding and resource allocation:** Secure sufficient and sustainable funding and resources for the coordinating partner to manage coalition activities effectively;
- 4. Base actions on labour market assessments:** Develop a policy framework for coalitions to base their strategies on thorough assessments of regional labour market challenges. These assessments should form the foundation of a shared vision that drives targeted and effective interventions;
- 5. Foster motivation and readiness for collaboration:** Create incentives and frameworks that encourage high motivation and readiness among all coalition partners to explore innovative solutions and adapt existing procedures. This should help to foster an environment that values collaborative efforts and continuous improvement among all stakeholders.

These policy implications aim to provide a structured and effective approach to forming and maintaining regional coalitions by focusing on leadership, early stakeholder engagement, financial stability, informed strategic planning, and balanced collaboration. These strategies are essential for addressing the complexities and dynamics of today's labour markets regarding including vulnerable job seekers and employees.

Labour market challenges: first insights

The ENGINE approach starts by putting a regionally highly relevant vulnerable group at the core of each Living Lab. All relevant regional stakeholders collaborate to identify the key drivers, barriers and solutions that can be translated into practical interventions. These interventions are tailored for various target groups and delivered as an integrated package. This approach enhances inclusiveness and accessibility for vulnerable groups. Table 1 outlines four significant challenges faced by vulnerable groups.

Table 1. Labour market challenges for vulnerable job seekers and employees.

JOB SEEKERS	EMPLOYEES
Structural discrimination based on personal characteristic, hindering opportunities for employment, advancement and fair treatment in the workplace	Low motivation for skill development, often due to negative experiences
Low skills and mismatches in regional job markets	Lack of effort in seeking new job opportunities
Insufficient support and information for employers	Employers provide limited opportunities for reskilling or upskilling for vulnerable groups
Inadequate service integration and coordination	Support services for skill development are largely unknown or inaccessible

* The challenges were identified through extensive research in the Living Labs across the four countries. This included numerous interviews, focus groups, and coalition meetings.

Within SYNCLUSIVE, we aim to develop solutions using the ENGINE approach to tackle these obstacles. This requires comprehensive strategies that promote equal opportunities, foster skill development, and enhance collaboration between employers and service institutions.

Box 2: Applying the ENGINE approach in a specific region includes the following steps:

- **Identify stakeholders** — Key vulnerable groups and other key stakeholders in the regional labour market need to be identified. Understanding the (regional) context and specific vulnerable groups is key to this.
- **Identify drivers, barriers, and possible solutions** — Drivers and barriers to the social inclusion of job seekers and upward or sideward mobility of employees in organisations need to be identified from the perspective of all stakeholders in order to identify possible solutions at different levels.
- **Identify available interventions** — An inventory of already available interventions needs to be made, including an overview of which interventions are offered by which organisation / stakeholder.
- **Integrate into an intervention package** — Tailoring and integration (including attunement) are necessary to develop an integrated intervention package suitable for the specific region and its key stakeholders.
- **Implement** — The integrated package of interventions needs to be implemented and evaluated to determine whether adjustments are necessary as the implementation process progresses.
- **Evaluate** — A system-based approach to evaluate the process and the effects following the implementation process.

The ENGINE to be applied in each Living Lab

Figure 1 illustrates the ENGINE approach of the Dutch Living Lab's strategy for a childcare organisation, starting with exploring new career paths in childcare and education to expand job combinations (gearing wheel 1). It addresses vocational employee advancement and learning through leadership that supports and actively addresses learning opportunities (gearing wheel 2). These interventions aim to enhance upward and sideward mobility, enabling employees to transition into new and more demanding roles or responsibilities. This advancement strengthens their position in the labour market. At the same time, team cohesion is addressed as a strategy to enhance job seekers' integration and staff retention (gearing wheel 3). The approach also involves specific interventions for job seekers, including a thorough selection process focused on motivation, potential and job adaptation (gearing wheel 4). The final focus emphasises educational reform, which includes customised, practical, on-the-job learning tailored to job seeker needs (gearing wheel 5).

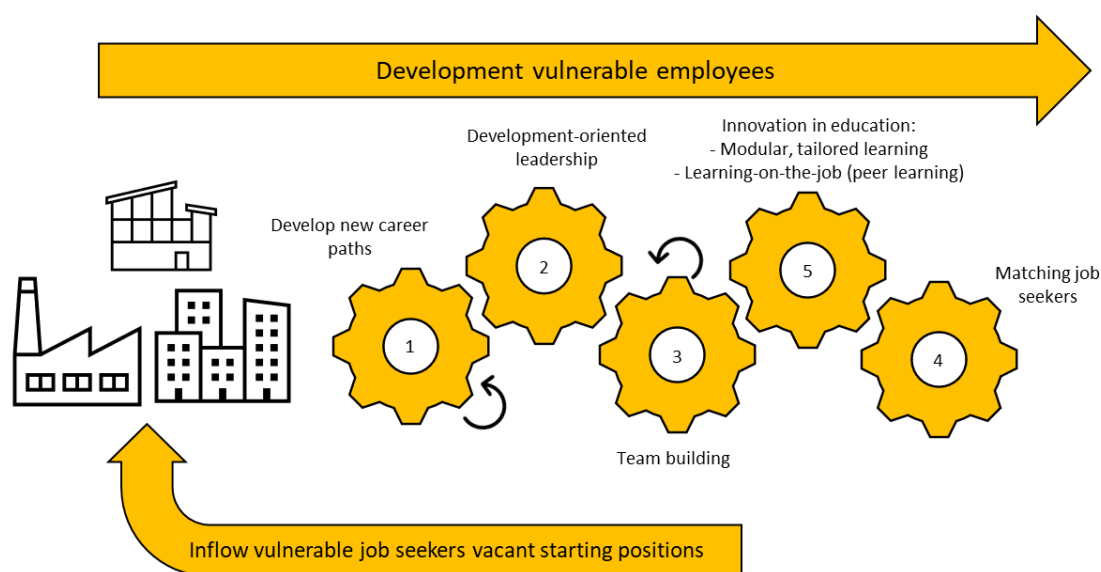


Figure 1. Illustration of the ENGINE approach for one (Dutch) Living Lab.

The Living Labs across various EU regions have adopted unique ENGINE strategies tailored to address specific local challenges.

In Bulgaria, the ENGINE initiative begins with a collaborative training program aimed at increasing the employability of job seekers and employees looking for upward mobility, enhanced with psychological support, specifically targeting women aged 55 and older. To further bolster inclusivity in employment, there will be concerted efforts with employers to refine and implement inclusive hiring practices and quality working places. A public awareness campaign will also be initiated to combat ageism and gender stereotypes and promote success stories.

In Finland, the ENGINE will first focus on the municipality of Kokkola, concentrating on its role as an employer. The planned actions are designed to assist employees in subsidized employment role transition to more stable job positions, either within their current workplace or elsewhere. Moreover, the initiative aims to boost the employment rates of the long-term unemployed by introducing a dual approach of peer group and individual coaching trajectories.

Portugal is set to witness the implementation of four distinct Living Labs, three with physical locations, each with a specific action plan, depending on the region, and a digital one. Initially, these labs will concentrate on designing and offering educational courses and training programs tailored to young individuals. These programs are intended to equip them with the necessary skills and qualifications for the labour market, alongside aiding them in securing new employment opportunities. Subsequently, the objective shifts to connecting these young, unemployed individuals with partner associations of the Living Lab, providing them with valuable work experience, and facilitating their entrance into the labour market.

Identifying and analysing universal mechanisms

In SYNCLUSIVE, we use the Realist Evaluation approach to gain a nuanced understanding of why the intervention packages of the ENGINE approach succeed or do not succeed (Pawson & Tilly, 1997). This method helps us uncover the universal mechanisms that explain how interventions achieve their effects, allowing us to identify essential factors that contribute to success in various contexts. We expect to identify common patterns that elucidate the processes benefiting vulnerable groups, providing crucial insights for policymakers, practitioners and other stakeholders involved in crafting and applying interventions. Realist evaluation will also help tailor these strategies to the specific contextual factors, allowing for more adaptable and effective responses.

The initially hypothesised mechanisms of the SYNCLUSIVE project suggest that interventions aimed at different target groups share common contexts and potentially overlapping mechanisms. These mechanisms, expected to enhance self-efficacy, skills, motivation and engagement in job-seeking or career progression, include:

- Increased trust fosters a sense of capability and willingness to embrace new learning opportunities;
- Experiencing incremental successes boosts self-efficacy;
- Peer learning amplifies social identification and fosters the development of shared beliefs;
- Long-term community engagement cultivates enduring relationships and trust, enhancing their market appeal and stability.

Once these hypotheses are confirmed, labour market programs aimed at vulnerable groups will improve in effectiveness by incorporating these elements.

How to conduct the dialogue with the SYNCLUSIVE team?

The SYNCLUSIVE team remains committed to its ongoing efforts in the coming years, aiming to engage anyone interested in enhancing the labour market position of vulnerable groups. With a strong social media presence on platforms like X and LinkedIn, and our website, we welcome your participation. Additionally, we disseminate our work through various activities and events. Join us in shaping a more inclusive labour market by reaching out via our communication channels – we're just a click away from starting the conversation.



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SYNCLUSIVE Project Identity

Project name	System approach to close the employment gap and create a more inclusive labor market for vulnerable groups
Project acronym	SYNCLUSIVE
Coordinator	NEDERLANDSE ORGANISATIE VOOR TOEGEPAST NATUURWETENSCHAPPELIJK ONDERZOEK TNO, The Netherlands
Consortium	APPLIED RESEARCH AND COMMUNICATIONS FUND (ARC FUND), Bulgaria TYOTERVEYSLAITOS (FIOH), Finland ISCTE - INSTITUTO UNIVERSITÁRIO DE LISBOA (ISCTE), Portugal ASSOTSIATSIA ZA RAZVITIE NA SOFIA (SDA), Bulgaria ISTITUTO NAZIONALE ASSICURAZIONE INFORTUNI SUL LAVORO INAIL (INAIL), Italy TILBURG UNIVERSITY- UNIVERSITEIT VAN TILBURG (UvT), The Netherlands UNIVERSITY COLLEGE CORK - NATIONAL UNIVERSITY OF IRELAND, CORK (UCC), Ireland GEMEENTE AMERSFOORT (AMF), The Netherlands EESTI RAKENDUSUURINGUTE KESKUS CENTAR OU (CENTAR), Estonia TERMCERTO - EMPRESA DE TRABALHO TEMPORARIO - UNIPESSOAL LIMITADA (TERMCERTO), Portugal MUNICIPIO DE LAGOA (LAO), Portugal INFLUENTYELLOW, UNIPESSOAL LDA (REDO), Portugal PACT PARQUE DO ALENTEJO DE CIENCIAE TECNOLOGIA (PACT), Portugal NSTITUTO DO EMPREGO E FORMACAO PROFISSIONAL (IEFP), Portugal KOKKOLAN KAUPUNKI (KOK), Finland
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