



ISSUE12



CONTENTS

PAGE

INTRODUCTION

IEP JOURNAL GUEST EDITOR, REGIONAL MANAGER MICHAELA ZANKL FIEP AT FOLKUNIVERSITETET IN SWEDEN

As a representative of an organization that is built on research and proven experience, Michaela's ambition for this issue of the IEP Journal is to display research from Northern Europe. Below she shares some thoughts on challenge and solutions.

The problem of skills supply is significant and difficult to solve, requiring efforts from multiple angles and perspectives. While I may have an ideological belief and desire that everyone has a place in the labor market, it is also essential to achieve this if we want our society to function effectively.

A significant issue facing the labor market today is the paradoxical gap where there are simultaneously numerous job seekers and many vacant positions. The mismatch occurs between the skills possessed by job seekers and the qualifications demanded by employers. In Sweden, this issue is particularly pronounced, with industries like technology, healthcare, and construction experiencing acute shortages of skilled workers, while many job seekers struggle to find suitable employment. Comparatively, other European countries also face similar challenges, but the extent varies. According to recent statistics. Sweden has one of the highest job vacancy rates in Europe, highlighting the severity of this mismatch. I have taken part in many events and discussion on the topic and believe that we are most productive when we have a broad approach with many options when we talk about solutions. We also need stamina to really examine the nature of the challenges and reach a real understanding.

Factors such as rapid technological advancements, shifts in industry needs, and inadequate training

programs contribute to the disparity, and we have not seen the end of it. Additionally, geographical mismatches, where job opportunities are concentrated in areas different from where job seekers reside, exacerbate the problem. For instance, rural areas may have high unemployment rates, while urban centers face labor shortages. To this we can add demography and the fact that skilled workers leave work and must be replaced with younger talents. One article addresses this in a German perspective and shows us that we share many challenges.

In this landscape of scarce skills, employers expect to find candidates with the right education, relevant experience, and suitable abilities and personalities. Therefore, we need to consider how we can support employers in welcoming those who may not have it all and assist them throughout this process. Knowledge of this can also help us better equip job seekers with what we know can aid them in their employment journey. Another aspect is the recognition of education and experiences from other countries.

The Swedish adult education system is exemplary in its flexibility and inclusivity, providing numerous opportunities for lifelong learning and career development. For those new to the country, Swedish for Immigrants (SFI) offers courses to help newcomers master the language. Individuals who have had difficulties in their previous education or come from



MICHAELA ZANKL FIEP Regional Manager Folkuniversitetet

https://www.linkedin.com/in/michaela-zankl-fiep-1ab5b320/

Michaela represents the
Folkuniversitetet foundation,
part of the non-profit sector,
which is not very common in
employment services in Sweden.
Folkuniversitetet is present
throughout Sweden and works
with both formal and non-formal
education and assignments.
Michaela's position on several
boards gives her the opportunity to
make a difference.

Since leaving her job in primary education, Michaela has worked on assignments for the Employment Service and in leadership within adult education. These two roles complement each other well, and she is very interested in deeply understanding these areas, both at the system and individual levels.

As a provider, Michaela has gained expertise in contracting and procurement. Her environmental monitoring focuses on skills supply, the labor market, and digitalization. She enjoys keeping up to date with everything from research and development to politics and trends.



different educational backgrounds can complete their basic education equivalent through adult education programs. Adults can also supplement their high school education or shift career paths with vocational training available at municipal adult education centers (Komvux) and higher vocational education institutions (Yrkeshögskola). Folk high schools (Folkhögskolor) are particularly adept at supporting individuals who have faced challenges, offering a supportive and adaptive learning environment.

The system's flexibility is one of its greatest strengths. Students can take individual courses or complete entire programs, study part-time or full-time, and choose a pace that suits their personal and professional commitments. Financial support is readily available through study grants and the new transition study support (Omställningsstudiestödet). Additionally, job seekers can pursue further education while retaining their unemployment benefits.

Addressing this gap in Sweden requires a multifaceted approach, including enhanced vocational training, better alignment of educational



curricula with industry requirements, and improved mobility support for workers. Without addressing these underlying issues, the labor market will continue to experience inefficiencies, hindering economic growth and leaving many individuals underemployed or unemployed despite the availability of jobs. It is likely that we have participants in our programs who need coaching, those who need education, and often both. Additionally, there needs to be employers who take responsibility by enabling training and support in the workplaces. The financial support must be cleverly designed to make a proper difference.

The IEP is and should be a platform for professional development and discussions based on evidence. while we navigate together through a politically governed landscape. According to research on collaboration and development, several key factors are necessary for us to be successful in international and cross-professional cooperation. A shared vision and objectives are essential, as all parties involved must align our efforts towards a unified goal to effectively bridge the gap between job vacancies and job seekers. Effective communication is crucial, ensuring that we, regardless of our country or profession, can share information, best practices, and innovations clearly and consistently.

Data-driven decision-making can be a key factor, utilizing labor market trends, skills shortages, and employer needs to make informed decisions and tailor strategies accordingly. Building and maintaining mutual trust and respect among international and cross-professional partners fosters a collaborative and productive environment, while flexible and adaptive strategies allow for adjustments based on changing circumstances and continuous evaluation.

Investing in continued capacity building and knowledge sharing enhances the overall effectiveness of our collaboration, as sharing skills and expertise helps build a competent workforce. The spreading of our supportive policy frameworks from governments and policymakers creates an enabling environment, providing the necessary funding and incentives. Even greater active

engagement with employers is essential, as they can provide insights into required skills, participate in training programs, and offer on-the-job training and support.

A focus on skills development that matches labor market needs, including both hard and soft skills, is critical, and a long-term commitment from all parties is necessary for sustainable solutions. By continuing and adhering to these principles, our international and cross-professional collaborations can significantly contribute to solving the mismatch between job vacancies and the unemployed, leading to a more efficient and balanced labor market.

By learning and deepening our understanding through reading and conversation, the IEP can become a genuine knowledge base and achieve proactive and forward-looking advocacy.



COLLABORATION BETWEEN INVOLVED FRONTLINE WORKERS AND DEDICATED MENTORS AT THE WORKPLACE

Nordic welfare states are grappling with rising unemployment among the most vulnerable citizens (Andersen et al., 2017; Berkel et al., 2017; Bredgaard & Halkjær, 2016).

Neither supply-oriented nor demandoriented labor market measures have been successful in improving employment inclusion. Hence, research highlights the need for support-oriented strategies involving collaboration between the support system and workplaces (Enehaug et al., 2021; Frøyland et al., 2019).

However, frontline workers within the support system frequently possess only a limited understanding of the daily procedures entailed in workplace inclusion initiatives. As a result, they are often unaware of how they can contribute to the development of a beneficial person-environment fit. Additionally, employers' lack of understanding of the assistance needs of new, challenged candidates can hinder successful employment relationships.

Research shows that when frontline workers take on more engaged and proactive roles, outcomes are improved. Enehaug et al. [2021] describe vital competencies when doing so as a blend of social, health, and pedagogical knowledge about clients' support needs, coupled with an understanding of how conventional workplaces can be engaged in work inclusion efforts.

Crafting personalized support demands a contextual understanding of the candidate's needs and the capabilities and opportunities available in the work organization. Ultimately, research has underscored the need for supports that emerge organically

within the work organization during work inclusion processes (Villotti et al., 2017; Williams et al., 2016).

This article presents a research and development project aimed at fostering innovation in collaborative practices between Public Employment Services (PES) and employers. The project's primary objective was to bolster 'natural supports' in the work inclusion of vulnerable candidates, with a distinct emphasis on amplifying the role of a dedicated workplace mentor (Spjelkavik et al., 2020). Spanning three years, the project engaged 30 frontline workers from two local PES offices and involved 45 mentors from a diverse range of 39 workplaces. The research design underlined the importance of knowledge exchange and experiential learning among the participants. Data were collected through 42 interviews with mentors, supplemented by 32 interviews with PES frontline workers and leaders.

THE INVOLVED FRONTLINE WORKER

Frontline workers, typically overseeing 40-120 clients, partnered with company mentors to boost the work inclusion of their unemployed vulnerable clients. In some few of their cases, they adopted a more proactive, flexible, and outward-focused approach, diverging from the standard 'treat everyone equally' practice.

Among PES frontline workers, there was much discussion about the possibility to prioritize certain clients



HEIDI ENEHAUG Research Professor Work Research Institute Oslo Metropolitan University

- henehaug@oslomet.no
- https://www.oslomet.no/en/about/employee/henehaug/
- https://www.linkedin.com/in/heidi-enehaug-5a498925a

Research Professor Heidi Enehaug has spent the past 30 years studying topics related to the work environment, work organization, and occupational health. In the last decade, Enehaug has closely linked this knowledge to the topic of work inclusion. Enehaug's doctoral research dealt with the significance of participation for organizational development and learning



ØYSTEIN SPJELKAVIK Research Professor Work Research Institute Oslo Metropolitan University

- oysp@oslomet.
- https://www.pslomet.ng/pm/ansatt/pvs
- https://www.linkedin.com/in/%C3%B8ystein-spjelkav 77277a5b/

Research Professor Øystein
Spjelkavik has been active as a
work-life researcher since the early
1990s. His research encompasses
a wide range related to organization
and approaches within the field
of work inclusion. He has been
particularly interested in Supported
Employment and the development of
inclusion competence in the support
system and at the workplace.

over others: "I actually think it has gone well, because no matter what, when you're dealing with a large portfolio, you have to prioritize [...] I can't continue like this with too many, but that you choose some cases; I think that is entirely manageable."

Frontline workers proactively prioritized the client's interests, identifying suitable workplaces and potential mentors, rather than waiting for an employer's initiative. This shifted the focus from traditional standardized evaluation meetings with employers to consistent follow-up with the actual mentor. While this approach was acknowledged as more labor-intensive, frontline workers found value in it: "The experience of creating good processes in the workplace makes one want to work in that way more often (...) it doesn't always go well, but then you also learn a lot from it, and become more confident in the role."

While the previous practice was described as 'vague' and characterized by 'firefighting', the new approach was described as 'fire prevention' and with a focus on developing a good job match: "It's much easier to make demands on the employer when you know it's a good job match [...], it's well-thought-out."

The new approach enhanced frontline workers' competency in job-oriented follow-up. They gained insight into the challenges, limitations, and opportunities in various workplaces, understanding better the support mentors needed and how they could contribute to the development. They appreciated the active involvement this model demanded: "What I like about this model is that the frontline worker is involved all the way and participates in the development."

Frontline workers experienced increased acknowledgment from mentors and employers for their contributions. They understood the importance of their knowledge about clients' support needs in facilitating accommodation and progress. As one PES leader noted: "Previously, I was a bit unsure about how conscious some frontline workers were in following up on the company side. They might have followed up the client, but not so much the mentor or employer."

THE DEDICATED MENTOR

Mentors, spread across various industries, companies, and locations, were often colleagues of the candidate or, in smaller businesses, the employers themselves. Our analysis indicates that being close to the candidate, rather than holding a formal position, is crucial for effective mentorship. Many mentors had prior experience with PES candidates, but this was their first conscious engagement in a mentoring role. Notably, none had received any formal mentorship training.

Having a dedicated mentor role in the workplace facilitated one-on-one time with the candidate. As one mentor stated, without a dedicated role, "it becomes more like they're going into the usual routine...as a mentor, I have to commit myself." This role offered mentors flexibility in terms of presence and responsibility, positively influencing the psychosocial work environment. Despite the demanding nature of the role, balancing facilitation and motivation, mentors saw progress over time. One mentor shared: "In the beginning he maybe worked two hours a week. We started there...And then, slowly but surely, he climbed up. And today he works full time, follows a full shift list (...)."

The mentors highlight the importance of relational support, understanding and empathy. Patience and time are key words for mentoring in the workplace. The mentor contributes to safety by being available and by including the candidate socially among other employees. The onboarding is much more individually adapted than with regular recruitment. The mentor strives to achieve a development in the quality of the candidate's work achievements, in the scope and variety of the tasks, and in the social work environment. Mentoring experience is more challenging when problems in the workplace become too large and support from PES or their own manager too small. Mentors and employers clearly support the idea that the workplace is the right place to train, learn and develop, but they call for more long-term plans to achieve this, and they call for more support from the support system, including financial support.

COLLABORATION

The mentors usually identified the collaboration with PES frontline workers as a vital factor in tackling the candidate's challenges. They observed that their involvement fostered development and job retention. Importantly, it also provided an added layer of risk reduction for the company when investing time and resources in work inclusion. One says: "I need that frontline worker when things get tough for the candidate. My main job in all of this has been to be there socially. I feel like I've been more of a psychologist than a technical advisor.". Another says: "I find it very interesting to work with people in that way (...), and it's easier to say yes when you have a support system around, like PES."

The collaboration is based on adjustments of the existing PES bureaucracy to better succeed in work participation for clients with more complex and comprehensive assistance needs than can be handled within the framework of the traditional case manager model.

In short, in this new approach, PES frontline workers in some cases work more "employment specialistlike". These are cases where a bureaucratic, standardized approach is considered inadequate. This means that in some cases, frontline workers are given increased authority to assess for themselves how and to what extent they may follow up the client and identify relevant workplaces and collaborate with a mentor. The follow-up is not standardized, but individually adapted to the client and the mentor. The flexibility allows the frontline worker to quickly identify needs and address challenges that

In PES, such a "hybrid model" requires organizational measures that ensure competence acquisition and in-practice learning. The model can function as a bridge between the traditional case manager model and the employment specialist model of supported employment. The model seems to have a great learning effect both in PES and in the work organization.

This approach can hardly be standardized in terms of follow-up efforts, but the division of work and responsibilities goes in the direction of the mentor taking care of follow-up regarding tasks and social inclusion in the workplace, while the PES frontline worker takes care of follow-up that is not directly workplace-related, such as the formalities associated with regulations, arranging and keeping in touch with the GP, psychologist, family and leisure conditions. At the same time, the examples show that mentors often rely on professional input and assessments from the frontline worker. The trusted relationship between the PES frontline worker and mentor in the workplace is therefore of crucial importance.



REFERENCES

Andersen, N. A., Caswell, D., & Larsen, F. (2017). A new approach to helping the hard-to-place unemployed: The promise of developing new knowledge in an interactive and collaborative process. European Journal of Social Security, 19(4), 335-352. https://doi.org/10.1177/1388262717745193

Berkel, R. v., Caswell, D., Kupka, P., & Larsen, F. (2017). Frontline delivery of welfare-to-work policies in Europe: activating the unemployed. Routledge.

Bredgaard, T., & Halkjær, J. L. (2016). Employers and the Implementation of Active Labor Market Policies. Nordic Journal of working life studies, 6(1). https://doi.org/https://doi. org/10.19154/njwls.v6i1.4909

Enehaug, H., Spjelkavik, Ø., Falkum, E., & Frøyland, K. (2021). Workplace inclusion competence and employer engagement. Nordic Journal of working life studies. https://doi.org/https://doi.org/10.18291/njwls.128260

Frøyland, K., Schafft, A., & Spjelkavik, Ø. (2019). Tackling increasing marginalization: can support-side approaches contribute to work inclusion? In H. Hvid & E. Falkum (Eds.), Work and Wellbeing in the Nordic Countries: Critical Perspectives on the World's Best Working Life. Routledge.

Spjelkavik, Ø., Enehaug, H., Klethagen, P., & Schafft, A. (2020). Arbeidsinkludering og mentor. Inkluderingskompetanse gjennom samskaping (Work inclusion and mentor. Inclusion competence through co-creation) (Vol. 2020:1). Work Research Institute, Oslo Metropolitan University. https://hdl.handle.net/10642/8925

Villotti, P., Corbière, M., Fossey, E., Fraccaroli, F., Lecomte, T., & Harvey, C. (2017). Work Accommodations and Natural Supports for Employees with Severe Mental Illness in Social Businesses: An International Comparison.

Community Mental Health Journal, 53(7), 864-870. https://doi.org/10.1007/s10597-016-0068-5

Williams, A. E., Fossey, E., Corbière, M., Paluch, T., & Harvey, C. (2016). Work participation for people with severe mental illnesses: An integrative review of factors impacting job tenure. Aust Occup Ther J, 63(2), 65-85. https://doi.org/10.1111/1440-1630.12237





THE ADVANTAGES OF SUPPORTED EMPLOYMENT FOR EMPLOYERS

Supported employment is designed to help individuals with disabilities secure and maintain meaningful employment. It involves tailored support, such as job coaching, skill development, and workplace accommodations.

This is to ensure that the individuals can perform their job duties effectively and integrate smoothly into the workforce. Supported Employment successfully helps people secure and retain paid employment. Supported Employment is also used to support other groups such as ex-offenders and people recovering from drug and alcohol misuse.

THE FIVE STEPS OF SUPPORTED EMPLOYMENT

- Client engagement Like many models of employment intervention, Supported Employment values the initial client engagement process. This is essential to ensure understanding by all parties before progressing on to the next stage of the Supported Employment model. In my previous role as a job coach, I noticed that the will to work sometimes came from some other part in the network, like a parent. If the person doesn't get the chance to make their own choices and isn't given empowerment in the process, it will not be successful!
- Vocational profiling We collect relevant information about the individual's aspirations, interests, and abilities for work. A vocational profile is used to gather this information.
- Job finding Job seekers' skills and abilities are viewed in terms of their relevance and requirement in the open labour market and therefore there is a matching of the job seekers' employment needs with those of the employers' needs.

- Working with employers Service providers need to work close to employers since they can be anxious about employing someone with a significant disability but there's usually nothing to worry about. Once they've tried it out, they often become committed to helping people overcome traditional recruitment and selection harriers.
- On and off job support Effective support on and/or off the job is the core element of Supported Employment which makes it different from traditional placement services. People with disabilities are no different in having to adapt to changing labour markets and wanting to improve their skills. Supported employment should encourage the career development of individuals by promoting training opportunities and seeking options for increased responsibility.

BENEFITS FOR EMPLOYEES WITH DISABILITIES

Employment provides individuals with a sense of purpose, independence, and financial stability, significantly improving their overall quality of life. A study by The Institute for Evaluation of Labour Market and Education Policy (IFAU) a government research institute found that individuals who are employed report higher levels of life satisfaction and well-being compared to those who are unemployed (IFAU Rapport 2020:20, Health effects of labour market policy actions) Supported employment offers opportunities for continuous learning



ANNETTE JÖNNERVIK HOLMBLAD MIEP Partnership Manager

- annette.holmblad@iemployabilit
- N www.myiep.se
- https://www.linkedin.com/in/annette-j%C3%B6nnervi

Annette has been working as
Partnership Manager for IEP
Sweden for the past year. She
has 20+ years of experience in
the labour market sector and has
worked with Supported Employment
as a model for many years, from
working as a job coach, to method
development and educating others
in Supported Employment (IPS and

Annette has been a Board Member of the Swedish Association for Supported Employment for many years and is now also Vice President of the Association for Supported Employment Europé (formerly European Association for Supported Employment, or EUSE).





and professional development, enabling individuals to build new skills and advance their careers. Employment fosters social interaction and helps individuals build professional networks, reducing feelings of isolation and promoting a sense of belonging.

SUPPORTED EMPLOYMENT IN SWEDEN

Sweden has been at the forefront of promoting supported employment through robust social policies and initiatives. The Swedish government, along with non-governmental organizations and private sector partners, has implemented programs and support for the employment of individuals with disabilities. For example, At Sahlgrenska University Hospital, the Psychiatry Psychosis Division is responsible for the care of people with schizophrenia and similar conditions, who reside in the City of Gothenburg, the City of Mölndal, and the municipalities of Partille, Härryda and Öckerö. They are aimed to support people with mental disabilities who wish to find a job.

Their work is based on the evidencebased model IPS (Individual Placement and Support) recommended by the National Board of Health and Welfare.

The Swedish Public Employment Service provides a range of services, including job coaching, vocational training, and financial incentives for employers who hire individuals with disabilities.

Misa AB, Stiftelsen Activa, Arena för utveckling and Nytida AB are some of the organisations that offer Supported Employment services. I've been working in some of these companies myself and have been able to see what kind of life changing matter the Supported Employment program is. Evidence shows that for those furthest from the labour market, with multiple barriers, it really works. According to a study done by a friend and former colleague of mine, PhD Student Johanna Gustafsson

"Supported Employment -from a doctoral student's perspective, Disability and supported employment: impact on employment, income and allowances".

- SE leads to employment, from 20% to 64% in employment during a two-year period, comparison control group 14% to 35%
- SE provides 25% higher disposable income for the individual, comparison control group 8%
- SE leads to a 50% reduction in grants, comparison with a Control group 9% reduction
- This also applies to people with mental health disability, a group that in politics is referred to as 'Difficult'.

Municipalities also work actively with Supported employment, for example Södertälje, Botkyrka, Boden, Skellefteå, Karlstad and Borås.

CHALLENGES AND SOLUTIONS

Lack of awareness and prevalent stereotypes about the capabilities of individuals with disabilities can hinder their employment opportunities. Conducting awareness campaigns, sensitivity training, and promoting success stories of supported employment can help change this. The initiative from ASEE (Association for Supported Employment Europe) with 'Jobshadow day or duo day' can promote the model, (read more at Jobshadow - SFSE). It is all about highlighting the valuable contribution people with disabilities can and do make at work. It also gives employers an opportunity to express their commitment to inclusion.

Limited resources and funding can restrict the availability and quality of supported employment services. Increased investment from both the government and private sector, along with strategic partnerships, can enhance the reach and effectiveness of these programs.

Employers may be hesitant to hire individuals with disabilities due to concerns about productivity and costs. But according to IFAU report, employers underestimate the work ability of disabled people (IFAU).

The employers who have employed disabled people, 86 percent believe that it has worked as well or better than they initially thought. The main

reason is that the employee's work capacity has turned out to be higher than expected. This is one of the conclusions of the research report 'Disabled people with reduced work ability – an employer's perspective', authored by Helena Knutsson and Kristian Persson (IFAUs raport 2001:5)

Showcasing the business benefits of a diverse workforce, and offering comprehensive support can encourage more employers to participate in supported employment programs.

WHY SUPPORTED EMPLOYMENT IS GOOD FOR EMPLOYERS.

Embracing supported employment reflects a company's commitment to Corporate Social Responsibility and shows willingness to contribute to the community. This positive image can enhance customer loyalty and attract socially conscious consumers. Companies like IKEA and Spotify have received positive media attention and public recognition for their inclusive employment programs.

Agenda 2030 [https://sdgs.un.org/] is about reducing inequalities and injustices in municipalities, in Sweden and throughout the world. The goals concern, among other things, health, education, work, equality, inclusive societies, democracy, and global cooperation. Several of the 17 sustainability goals refer directly to disabilities. Objectives related to education (4), employment (8), inequality (10), sustainable cities and communities (11) and the objective relating to implementation and global partnership (17). Prospective employees, especially from the millennial and Gen Z generations (the generation of people born between 1997 and 2012, prefer to work for organizations that are diverse and inclusive.

With high expectations and a passion for social impact, Gen Z and millennial workers can be catalysts for change in building a future-proof workforce. (Michele Parmelee, Global People & Purpose leader) 2024 Gen Z and Millennial Survey: Living and working with purpose in a transforming world (deloitte.com),

A diverse workforce brings a variety of perspectives and problem-solving approaches. Employees with different abilities can offer unique insights that enhance creativity and innovation. This I heard a lot from employers I've worked with, that job seekers I've supported really gave them new perspectives and showed them new ways of problem-solving.

A workforce that reflects the diversity of the customer base can better understand and meet the needs of a diverse clientele. This alignment can lead to improved customer satisfaction and loyalty. Food retailer ICA has made significant efforts to hire employees with disabilities, which has helped them connect more effectively with customers who have disabilities.

Employees who are given the opportunity to work in an inclusive environment are often more loyal and committed. Supported employees tend to have higher job satisfaction and lower turnover rates.

Creating a supportive and inclusive workplace culture benefits all employees, not just those in Supported Employment. It fosters a sense of belonging and mutual respect, leading to higher overall morale and lower absenteeism. Also, the support given to the job seeker, like detailed job descriptions, has helped the company with their on boarding process for other new employees.

CONCLUSION

Supported Employment offers a wealth of benefits for both individuals with disabilities and employers. In Sweden, the commitment to inclusive employment practices is evident through robust government initiatives, NGO support, and private sector engagement. Employers who embrace supported employment can enhance their corporate reputation, increase workforce diversity and improve employee retention. By fostering a positive work environment, companies can drive innovation and achieve long-term success.

As more Swedish employers recognise these benefits, Supported Employment will continue to grow, creating more inclusive workplaces and stronger, more innovative businesses.

The employers I have been speaking to report an improvement in confidence both when employing disabled people and when supporting them in work after their first Supported Employment experience. Increased confidence in employing disabled people arose from the positive employment experience in addition to the training, advice and guidance provided by the Job Coach.

According to IFAU's report 'Disabled people with reduced work ability - an employer's perspective, Summary of Report 2001:5', the survey shows that just under 14 percent of employers in Sweden have considered employing a jobseeker with a work disability on at least one occasion in the past five years. Of these, about 72 percent chose to hire the jobseeker in question. This corresponds to about 24,000 of Sweden's employers. Of these employers, 62.5 percent have previously employed people with disabilities. The results indicate that most employers who employ people with work disabilities receive some form of state support. The two most common forms of support are wage subsidy (60%) and work try-out/ work experience (52%). Employers also consider these, together with financial support, to be the measures that best promote the employment of people with work disabilities. The survey also shows that there is a lack of information among employers.

There are some components that will be important when deciding to involve a company in a Supported Employment recruitment. The job coaches will include understanding of the specific needs of the person in relation to the role and any adjustments they would need. They will help the workplace to have the right support in place for the new employee, helping facilitate communication or practical support, and ongoing support for both the employee and the company throughout, addressing any arising or unforeseen challenges.

Supported Employment has changed people's lives. The trusting relationship a Supported Employment process can build to implement long-term and inclusive environment for your workforce is something you must experience.





MOTIVATION IMPROVES SUSTAINABLE SOLUTIONS

The coaches I have hired, trained, and worked with over the past 15 years work in accordance with this model. Now, I train coaches at other suppliers and municipalities.

My conclusions of how we can achieve sustainable solutions, I draw from a project I led for 3 years; the results of the BIP study¹; and a presentation from The Swedish Business and Industry Association regarding motivation/commitment.

I am fascinated by politicians and authorities, who claim that work trials and education are the primary solutions to unemployment. Nothing bad about either, but I experience that working with motivation and networks, are closer to employers' demands.

Numbers presented by The Swedish Business and Industry Association in May, show that employers claim that 57% of the applicants lack motivation for the position they have applied for. I am amazed that our sector does not work more pronounced with motivation.

For 3 years, I was the project manager for a project where we interviewed more than 5,000 employers. That study is 10 years old, but I do not feel that employers' attitudes have changed significantly since then.



Within the Project, a model for contacting employers was developed. The participants contacted all local companies with the support of a coach. A survey was conducted according to a set questionnaire, which was documented for each employer. The survey was mainly conducted by telephone, but also via physical meetings.

The main purpose of the survey was to find out whether the employers were facing recruitment in the short or the long term, and/or had the opportunity to offer work trials. If this was the case, the employer was offered further help.

The project was carried out from 2010 to 2013. Each participant was assigned for 4 months. If one was employed, a new one came in, the project had 25-38 participants continuously. The first year, the project was aimed at participants who were 55+. The last 2 years, the participants were young people with financial help from the social services. We were 2.5 coaches to run the project.



CICCI NORD FIEP Partner Accelerera din framtid AB

+46 (0)763 17 28 46

cicci@arbetslivssuport.s

https://www.linkedin.com/in/cicci-nord-fiep-01327531

Cicci has 19 years of experience of coaching and a master's degree in Neuropsychology. She specializes in how to find and maintain motivation and works according to a model when she helps job seekers, managers or entire organizations

For 8 years, she worked as a Chief Operating Officer (COO) where she led 40 employees to 72% in results. She specializes in motivation (Master in Neuropsychology) and has developed a working model.





Beskæftigelses Indikator Projektet (BIP) is nationally (Denmark) and internationally the most comprehensive progression measurement

study to date, that has investigated what actually makes individuals with complex needs get into work. BIP has investigated the

relationship between selected employability indicators and the probability of getting a job.

BIP is a collaborative project that has involved both practitioners and researchers. The BIP study identified eleven indicators and carried out systematic measurements for progression for employability. The indicators measure different dimensions of being employable, from labour market-oriented conditions to more social, personal and health conditions.

OBJECTIVES

- That the participants focus their search on a limited number of industries
- That participants through the project find suitable places for work trials, and/or through increased understanding and knowledge of selected industries can focus their job search
- Shortening lead times for filling vacancies
- Map the future need for recruitment in the region
- De-dramatize employer contacts for the participants and contribute to better understanding the employer's perspective, hence be able to streamline their job search
- Provide individual support in the employer contacts for greater success in the job search
- The focus was to find different ways to find jobs by mapping the market and learn how to present their skills.

The first part of the project was devoted to map the competence of each participant, oral and written presentation, and introduction to the methodology of the project. This included developing skills in employer contacts i.e. interviews, meetings, telephone and e-mail contact.

The individual support consisted of mapping the competence according to a model we had developed for evaluating the participants' skills. The model had been validated and approved by the Swedish Public Employment Service. Throughout their time with us, the participants had meetings with a coach who adapted the pace to each individual, and actively made sure they were strengthened from a recruitment perspective.

When the participants were considered ready by the coach, the role as a recruiter was assumed. They called companies in search of hidden jobs and work trials, and reported on a daily basis. The interviews were conducted with questions developed for the project. The first 1-2 months,

all time was spent contacting companies according to a list, not industry specific.

More than 5000 companies were contacted and almost 1000 'hidden' positions were received. First, we matched these jobs with the participants. Since we talked to the employers 'before the advertisement', the requirements were much lower than the wish lists that are otherwise published. In direct contact with the companies, it was mainly about the fact that they needed someone who was interested and could be trained.

The rest of the jobs we found were handled in cooperation with the Swedish Public Employment Service. Many were thus employed early in the project. The remaining participants began to gradually process their own lists of companies, focusing on their industry. In the final phase, they devoted themselves entirely to their own search.

It was remarkable that only 5% of employers were interested in a work trial.

The participants had the opportunity to accompany a coach on company visits for further inventory in regards of the received recruitment assignments. This strengthened the participants' image of the labor market, provided an employer perspective, strengthened the participants' ability to communicate with employers, and gave a realistic picture of what is actually done in the various workplaces.

When we calculated the project cost against the social benefit, the project paid for itself after 0.1 years. During the years the project was running, 56% of the participants got a job during the enrolment period of 4 months.

ANALYSIS

Experience has taught me that the 1000 hidden positions the project found, is a significant number through recession, boom and the pandemic; about 15-20% of companies can and want to hire when the right person shows up.

One of the questions asked, according to our script, was how to find new staff when you (the company) need them. Less than 15% (13%) answered that they turn to the Swedish Public Employment Service.

Instead, they use various forms of networks and spontaneous applications that have been received. A small proportion (6%) used recruitment agencies or staffing agencies.

Regarding advertising positions versus the participants finding employment, the findings are contradictory. It is undeniably the most common way for applicants to apply for jobs. Stating that about 20% of the positions are advertised gives us an interesting equation – about 80% (my estimate) of the applicants apply for 20% of the jobs.

It is just as remarkable that my co-workers and I often receive participants who ask us to arrange a work trial, since only 5% of the companies were open for it. The reason participants ask us is either due to a lack of self-confidence/knowledge of their market or at the request of SPES.

I advocate a shorter work trial to get over the worst uncertainty for both participants and employers. Such an assessment rarely takes more than two weeks. A work trial must always have a stated purpose about the objectives.

When it comes to visiting companies, it is surprisingly often that job seekers have an unreasonable picture of what they actually do at a workplace that they claim to be interested in. There is a huge lack of knowledge about how many positions there are in, i.e. a hotel, a hospital, or a government agency.

Helping participants to visit companies, helps them get a realistic picture and de-dramatizes the meeting with employers. Not least, it also gives an employer the opportunity to assess interest, knowledge and establish a picture of the applicant. People hire people and that chemistry should not be underestimated.

MOTIVATION

The model I have developed over the past 15 years has led to an increased proportion (23%) of sustainable employments at the companies in the sector that have adopted it. The model includes practical tools for implementing all 11 keys that the BIP study found.

These tools are based entirely on that you first and foremost work with motivating the participant. It may take a long time, but once you have found it, completed presentation material, and worked out a network, the participant goes to employment shortly.

This requires close cooperation with potential employers in order for the applicant to become aware of the future position, and the conditions for it. I'm not saying that it is easy, I'm saying that it is possible to work systematically in this way.

One success factor, and a key factor in the model of the Project, is to focus on a few industries. Many job seekers say they can work with anything. They can't and they won't. The more we focus on the participant's goals, the more we can target the search and facilitate communication with employers.

This also makes the search process more fun for the participant, and quickly leads to a better response than they receive by searching indiscriminately on ads. No employer hires to be nice, everyone wants someone who can and wants to carry out their tasks. The participant must be able to express this clearly.

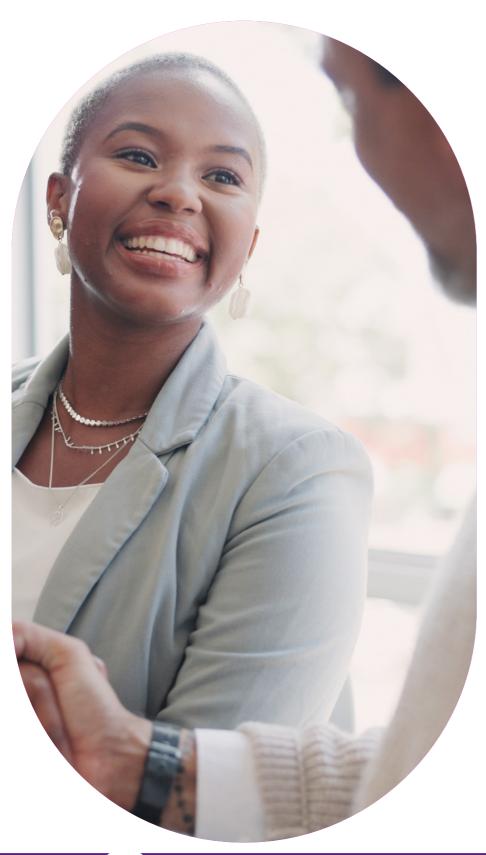
CONCLUSION

My conclusion regarding what companies actually want in their applicants, is drawn from the analysis of the Project, the results of the BIP study for sustainable solutions, and the presentation that The Swedish Business and Industry Association made regarding motivation and commitment.

What employers are looking for is a candidate who WANTS to work at their company, CAN carry out their tasks and are INTERESTED in the work. If you are interested, you can learn

almost anything, but you cannot learn to be nice and fit into a team. Nor can you learn to become interested through coercive measures.

Working with motivation should be encouraged among both job coaches and employers - then we create sustainable employment and healthy employees together.





CAN BUSINESSES THRIVE WITHOUT PEOPLE WITH ADHD **OR AUTISM?**

If a company does not replenish itself with competence, creativity and innovative thinking, it risks being left behind in most industries. So how do we find people who can think outside the box, think the unthinkable or who can focus so extraordinarily that the hitherto unfound is found?

This question occupies the time of HR people worldwide. But there is a shortcut - these people are often found among people with neurodevelopmental disorders (NDD) like ADHD and autism.

The eternal question of whether ADHD is to be seen as a superpower comes up every now and then and the pendulum swings back and forth about what is considered okay. But what makes it a disability is the same thing that makes it a 'superpower' for many persons.

Of course, it is not a superpower that, for example, the mortality rate in ADHD is higher - on the other hand, the fact that there are three times as many people with ADHD starting businesses can be a superpower. Of course, it will be difficult to generalize such a broad diagnosis as for instance ADHD, it will always mean that many people do not recognize themselves. And it varies over life1.

Within the association Attention. a Swedish organization for ADHD, autism, Tourette's syndrome and language disorders, we regularly conduct surveys of how our members experience their work situation. Because we know that it is not unproblematic. It certainly isn't for

many others either, but our members are an especially vulnerable group. It is, for example, those who end up in problematic school absences that create difficulties that last their entire lives for most: 75% of those with problematic school absences are estimated to have an NDD. Of course. these are often the ones we also later find in the group of young people who neither work nor study.

About 70% of our working members feel that the diagnosis is a certain or major disadvantage at work. The social environment and a messy work environment can cause it, as well as when the work tasks become too routine.

Only half of the respondents felt comfortable talking about their diagnosis in the workplace, which of course contributes to the lack of support and understanding, and possible adaptations for many. 25% state that they felt bullied because of their diagnosis and 37% state that they encountered negative attitudes from the employer due to the disability, to be compared with 20% who answer the same among the disabled in total. 19% feel that they have been dismissed because of their disability².



Vice Chairman

the Swedish NDD Association Attention'3, specialist nurse in psychiatric care and lecturer in the ield of NDD. He also has a subtitled YouTube channel on the subject





playlist?list=PLOZCBkfBJ8NooMPs2l6pBBPjrkowhXdK9 for a collection of related videos. Captions in Swedish can be auto-translated to

2 https://issuu.com/familjelyftet/docs/issue rapport arbetsmarknad2021

1 See https://www.youtube.com/@AttentionPlay/playlists and https://www.youtube.com/

Overall, it can be concluded that there is plenty of room for improvement.

And only 37% of those with these diagnoses are in employment in Sweden, compared to 78% for the rest. This probably depends on many things, but the four things I think are most important are:

- that the applicant has a lack of insight into himself and his abilities.
- that the matching does not take sufficient account of the applicant's individual variant of the diagnosis.
- that employers would rather take an applicant who does not come with a diagnosis that they fear will result in a worse overall effort, and:
- that the adaptations that could have made it work are not made.

We therefore need to map and motivate, match also based on diagnosis profile, both tasks and workplace, and see if there are needs of adaptations.

Because a disability only describes the limitation that a disability can entail when dealing with different situations, but this also means that we can influence the situation so that the disability never becomes an obstacle. And we can do that using different strategies. The great thing about strategies for these groups is that they help us even if we don't have those diagnoses - that's why it's so easy to integrate them - in the workplace, for example - everyone is helped - but for the person with the diagnosis, they are often a prerequisite.

Two things we need to keep in mind:

- a diagnosis describes only a small part of a person - as usual the difference within a group is greater than the difference between groups.
- the second aspect is that the same thing that makes the person with NDD stand out in a way that may need to be adapted, the same thing might make the person stand out creatively or results-oriented, which can give them a very important role in companies and organizations. Typical

of these diagnoses is that the talent profile is uneven - you might be bad at telling a story but in return fantastic at discovering the next generation of antibiotics. Or bad at maths but brilliant at selling a product. And this is why we sometimes hear about them as being a 'superpower'.

About motivation: people with these diagnoses often have a lower degree of motivation than others - as part of the 'mental junk' the diagnoses can bring poor self-esteem, poor self-image, counterproductive defense mechanisms ... It is usually very important that you are really motivated for your work. Getting motivational help from someone - a manager or colleague, for example, who pushes you, reminds you, gives you directions - can be very effective. But the help must be adapted to how much help you actually need. Because you should never get more - because that pushes back the internal motivational pressure and can lead to passivity. It is important that you feel that you yourself are involved in creating your success - because that creates additional motivation in a positive

About matching: We all have different conditions, and to choose work, and workplace, based on your difficulties and strengths - is natural. Two things we may need to consider: What does the job really mean? Does it include tasks where my version of my diagnosis becomes a hindrance? And secondly: how is the place where the work is done - is that an environment that goes well with my version of my NDD? For many the degree of variation is extremely important - a monotonous job works poorly for most with NDD, but for some it may instead serve exceptionally well. Many of us need to come to closure quickly and get feedback often, and then work with long deadlines and much self-directed work doesn't function that well. A job where you have to do several things at the same time can also cause problems.

Then we need to identify where the obstacles occur, and make adaptations for them. What knowledge does the employer have about NDDs - and is there an openness to adaptations?



Often the employer thinks it is associated with a lot of hassle to have an employee with NDD - which they often have already have several, without knowing it.

There are some basic things that are the same no matter what business we work in.

- many persons who meet the criteria for ADHD or autism do not have a diagnosis, but are of course helped by strategies, and you can have certain difficulties that are part of the criteria without meeting a diagnosis.
- it is therefore wise as a manager or co-worker to learn a little about NDDs - then you will see that it's not that mysterious, and you will understand more easily how to adapt a situation or a task if necessary. One area that can lead to difficulties with NDDs is the social game - the game we're all expected to participate in, whether we know the rules or not. Here it can be good to read a little extra about how to make it easier for the person with NDD and the colleagues.
- sometimes we forget that new employees are just that - new.
- tell them about the company, what does the organization look like, who is responsible for what? Go through the job description together - what exact duties and working tasks does the person have?
- help with planning and prioritization in the beginning: What does a day look like, what does a week look like?
- in what order might it be appropriate to do the tasks?
- set goals and deadlines. Many persons want the goals divided into sub-goals so that it feels easy to manage.
- schedule regular meetings and follow up on how things are going. Maybe the person with NDD needs more support? For example with planning and prioritization?
- remind the person if she is going outside the area of responsibility because it can be easy to get carried away with NDD once you're up and running.

- many people with NDD are incredibly productive but may have difficulties in seeing when they are taking on too much.
- give feedback continuously and confirm often so the person know he is on the right track.
- adjust tasks, work environment and working hours - if necessary.

There are also many different types of technical and other aids that people with NDD can benefit from.

In conclusion, we can state that we cannot afford to exclude 10% of the workforce - who often come with particular useful qualities - just because we mistakenly believe that it will cost us more than we get out of it.





ENSURING EMPLOYABILITY IS KEY TO GERMANY'S FUTURE SUCCESS

The German Economy has been a stabilizing factor in Europe for the last decades. But what is the cause of the German success model?

David Audretsch and Erik Lehman (2015) list seven possible reasons - one of them the ability of German culture and institutions to face change in dynamic situations and find flexible solutions to profit from it. This attitude has helped Germany in the past, such as in the global financial crisis in 2007-2008, and might prove to be an asset in the future.

A current and central challenge of the German labor market is an ongoing process of change due to the retirement of skilled labor, which will continue to increase in the next few years. This loss of expertise cannot equally be replaced by the number of young professionals available [GeisThoene, 2021]. Most employees in Germany are aware of the favorable conditions they enjoy.

A recent representative study found that only five percent of the German workforce fear losing their job and being unable to easily find a comparable new opportunity [Schäfer, 2024]. The expanding shortage of skilled workers could endanger several industries, like transport and logistics or construction, in the long run. Therefore, enabling each available individual, including disadvantaged persons, to participate in the labor market is crucial [Arndt, Tiedemann & Werner, 2024].

Two groups will be discussed within this article. First, there is the older generation already on the labor market, either employed or looking for

a job. Second, the younger generation aiming to enter the labor market. Due to the demographic reasons discussed, it is important to uphold the employability of older individuals until the legal retirement age. There is a connection between being recognized as a disabled individual and being older in Germany. This association is partly a result of physical deterioration, e.g. cancer, associated with age [Metzler & Werner, 2017) and partly due to workplace accommodations that have not always kept pace with the needs of an ageing workforce. Improving workplace accessibility could help affected older individuals to remain active and productive in the workforce for longer.

One example is the consequences of digitalization. Only 33.5 of all companies, that have employed people with disabilities in the last five years, consider accessibility when implementing new software, such as an online collaboration tool (Metzler, Jansen & Kurtenacker, 2020). Therefore, disabled professionals might experience restrictions when dealing with new programs or new versions of existing programs, which could negatively affect their employability.

On the other hand, digitalization may also offer new opportunities for people with disabilities in the labor market. For example, working from home could provide more flexibility to integrate medical appointments, like taking part in therapy, into their daily workflow. In fact, 29.8% of companies, that



DR. CHRISTOPH ANDRE METZLER
Senior Economist for Vocational Training
and Supply of Skill Needs
German Economic Institute (IW) (iwkoeln.de)

+49 221 4981-871

metzler@iwkoeln.c

https://www.linkedin.com/in/dr-christoph-metzler-ba05991a/

X https://x.com/TophAndre?lang=de @TophAndre

Since 2012, Christoph has been a dedicated researcher at the German Economic Institute (IW). Throughout his career, Christoph has played a pivotal role in researching and developing innovative strategies for modernizing dual vocational training in response to the digital transformation. Additionally, he has worked extensively on personnel policy projects aimed at supporting individuals with health-related challenges in the labor market, helping to create more inclusive and adaptive employment environments.

Christoph holds a diploma in Business Education from the University of Mannheim and a PhD in Economics, with a specialization in Entrepreneurship, at the University of Siegen. This academic foundation, coupled with his practical experience at the IW and a working-class background, enable him to bridge the gap between theoretical research and practical application, particularly in the evolving landscape of vocational education and workfored development.



have employed people with disabilities in the last five years, believe in new opportunities for them within their organization due to digitalization [Metzler, Jansen & Kurtenacker, 2020].

Even without a disability, adapting to digital, and to a certain extent ecological, changes in the German economy might be challenging for the older workforce. Competencies required in many professions are evolving rapidly, necessitating further training and skill development for many. Burstedde et al. (2023) illustrate this phenomenon using the automotive industry, a key industry within Germany, as an example.

According to their findings, 80.3% of all enterprises within this industry report a demand for further training of their workforce concerning soft skills, and 81.9% express the same need regarding technical skills. However, the amount of further training currently provided does not meet these requirements. Several barriers exist, such as staff shortages and insufficient time allocated for further training. Consequently, the retraining process itself will be a long-term endeavor, even without considering the needs of disadvantaged individuals. But then again, it will be important to offer learning opportunities for all individuals in German society. And one of these groups within German society are migrants. And in this context, ongoing digital and ecological changes are not the only challenges.

The number of individuals born abroad but living in Germany increased from 12,2 million in 2007 to 15,9 million in 2019. Some arrived through regular migration as skilled labor, while others came as refugees due to humanitarian reasons. Effectively integrating these individuals into the workforce could help mitigate the impact of retiring skilled labor in some core industries like transportation and IT, and thereby contribute to the continued success of the German economy.

However, the integration process, especially of refugees, can be costly, partly due to missing (formal) qualifications (Geis-Thoene, 2022). Even if migrants have obtained academic or vocational degrees in

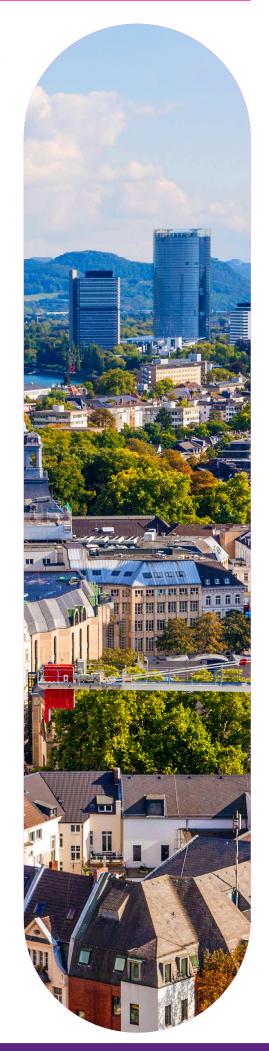
their home countries, issues may arise because not all these degrees are recognized by German authorities. This discrepancy is due to differences in competencies compared to equivalent German degrees (Werner et al., 2022). While recognition of foreign qualifications and additional training are possible, as well as supported by the German government, the process itself can be time-consuming. Affected migrants could still find jobs in their field of expertise but might experience disadvantages in their payment or career options.

Looking at younger individuals, in Germany, there are essentially two primary pathways to gain a degree suitable for joining a certain profession after completing school: attending an (applied) university to earn an academic degree or earning a degree as an apprentice in the vocational system. The vocational system is largely structured around a dual education model of training in vocational schools and local companies.

This education model combines theoretical knowledge and hands-on experience. In both learning environments, individuals are instructed by professionals with the necessary soft skills and expert knowledge, such as teachers and vocational trainers.

Both groups have their own challenges in supporting youths in times of digital transformation, but both face an increasing demand in further training due to digitalization as Seyda & Risius (2021) state based on the results of a quantitative survey of both groups. This demand includes skills to handle new technologies, e.g. machines or software, in their specific working environment on their own, but it also includes skills to teach these new technologies to their apprentices.

But digital skills are not the only skills apprentices need to learn to perform in times of change. A quantitative survey performed by Risius & Seyda (2023) illustrated that over 90 percent of all vocational trainers strengthen the ability of their apprentices to be open about their mistakes and learn from them.



This is a sign that in times of change professionals will have to regularly reflect on their actions and try to improve them. Additionally, around 78% of all vocational trainers try to encourage the apprentices to meet decisions in the work context quickly and safely, thus giving younger workers more responsibilities. Finally, around 77% of all vocational trainers give apprentices support to challenge the current state and find new solutions to existing problems, making apprentices agents of change. Consequently, soft skills will not vanish as a basis for employability in Germany in times of digitalization.

As discussed, embracing change is essential for the German economy, and one potential solution is to strengthen various approaches to build or secure the employability of different groups. However, the need for adaptation extends beyond the German economy. And finding humane solutions in a century of ongoing change is a universal necessity.

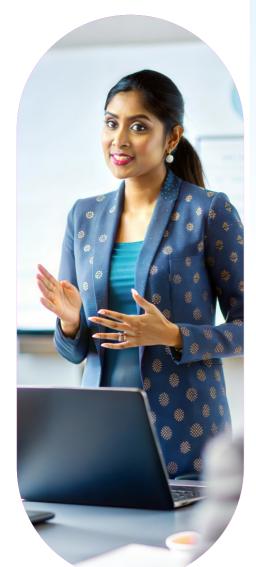
With the continuing advancement in artificial intelligence, the competencies required in many professions will most likely continue to evolve. Al will most likely not substitute but enhance the activities of many professionals (Hammermann et al., 2023). This development could increase the amount of further training needed in the medium and the long run, evoking an additional demand of professionals specializing in doing so. It also could strengthen the demand for organizations and individuals that help to specifically address the specific needs of disadvantaged persons, such as the disabled or migrants.

Not only individuals might profit from further assistance. Another secret to Germany's success are strong small and medium enterprises (SME) with less than 250 employees often found in rural regions. Those companies are often highly specialized and hidden champions (Audretsch & Lehman, 2015). However, SME also have disadvantages in resources compared to large enterprises, e.g. they are less likely to have a specific strategy for digitalization (Risius & Seyda, 2023) and less likely to use digital technology to support their employees with disabilities (Metzler,

Jansen & Kurtenacker, 2020]. Hence, specific initiatives to support the digital transformation within SMEs are vital.

The challenge discussed - an over disproportionate of older individuals at the end of their working life - is not limited to Germany. Furthermore, the situation could also turn out to be a resource in the end if managed carefully. Experienced individuals could help train young individuals entering the labor market, especially concerning soft skills, as well as providing firm specific knowledge and comradeship to migrants joining the German labor market.

This mentorship could potentially bridge the generational gap, providing a most valuable transfer of competencies. Therefore, those individuals who are nearing the end of their employability may partially ensure the employability of the next generation.



REFERENCES

Audretsch, D. B. and Lehmann, E. (2015) The Seven Secrets of Germany: Economic Resilience in an Era of Global Turbulence, Oxford University Press, Marston

Arndt, F., Tiedemann, J. and Werner, D.
[2024] 'Ältere Beschäftigte am Arbeitsmarkt
– wertvolle Erfahrung stärker als Potenzial
nutzen', study within the project "Research
Unit on Securing Skilled Labour", in cooperation
with the German Federal Ministry for Economic
Affairs and Climate Action, Cologne

Burstedde, A., Risius, P., Tiedemann, J. and Werner, D. (2023) 'Weiterbildungsbedarfe der Automobilbranche in der Transformation. Befragungsergebnisse aus dem IW-Zukunftspanel', study for the Expert Group Transformation of the Automotive Industry commissioned by the German Federal Ministry for Economic Affairs and Climate Action, IW-Report, Nr. 56, Cologne

Geis-Thoene, W., (2021) Mögliche
Entwicklungen des Fachkräfteangebots bis zum
Jahr 2040. Eine Betrachtung der zentralen
Determinanten und Vorausberechnung , IWReport, Nr. 11, Cologne

Geis-Thoene, W. (2022) Die Bedeutung der Zuwanderung für den wirtschaftlichen Erfolg Deutschlands , IW-Analyse, Nr. 151, Cologne

Hammermann, A., Monsef, R. P. and Stettes, O. (2023) ´KI und der Arbeitsmarkt. Eine Analyse der Beschäftigungseffekte´, IW-Report, Nr. 55, Cologne

Metzler, C. and Werner, D. (2017) ´Die Erwerbssituation von Menschen mit Behinderung´, IW-Trends, Nr. 4, Cologne

Metzler, C., Jansen, A. and Kurtenacker, A. (2020) Betriebliche Inklusion von Menschen mit Behinderung in Zeiten der Digitalisierung , W-Report, Nr. 7, Cologne

Risius, P. and Seyda, S. (2023) Lehr- und Lernkultur 4.0: Digitale Kompetenzen aufbauen und Wissen innovativ vermitteln , study within the project "Netzwerk Q4.0", Cologne

Schäfer, H. [2024] ´Wer zählt sich zu den Verlierern am Arbeitsmarkt?´, IW-Kurzbericht, Nr. 48, Berlin

Seyda, S. and Risius, P. (2021) 'Unterstützungsbedarfe des Bildungspersonals: Wie gelingt der digitale Wandel der Ausbildung?', study within the project "Netzwerk Q4.0", Cologne

Werner, D. &, Jansen, A., Pierenkemper, S., Hickmann, H. & Garb, M. (2022) 'Integration durch berufliche Anerkennung für Geflüchtete aus der Ukraine', IW-Report, Nr. 25, Cologne



NEW METHODS TO GET EVERYONE INTO THE LABOUR MARKET

There is a need for new methods to get everyone into the labour market and at the same time secure qualified employees for industries that lack manpower.

According to calculations by Dansk Erhverv, the lack of labour cost Danish companies at least DKK 49 billion in 2022. We have worked on this challenge in the project Varig tilknytning til arbejdsmarkedet (Permanent affiliation with the labour market) in the period March 2021 to March 2023 with grants from the EU's social fund and decentralized business funds.

Through the project, a strong partnership has developed a new scalable employment model, together with more than 60 companies. 160 unemployed candidates have been in a course at a company, of which 90 candidates with a view to part-time work participated and 40 landed a job (employment from 1 hour per week and up to approx. 20 hours per week).

Furthermore, 70 Ukrainian refugees participated, of which 40 got a job. The project's target group is unemployed candidates who, due to various challenges, are far from the labour market and cannot apply for a job themselves. For example, linguistic, psychological or social challenges. Several of the candidates lack work experience. Consultants from Roskilde Municipality have been job coaches for the candidates throughout the project.

Through the project, the participating companies have been given a tailor-made workforce, which, among other things, freed up resources among the company's full-time employees.

In addition, the companies had existing employees trained in good-quality induction and up-qualified to ensure good onboarding. Overall, the project contributed to strengthening the companies' social sustainability.

STRONG PARTNERSHIP & CO-CREATION

As the operator of the project, Corolab highlights the co-creation process and the strong partnership as crucial for our success. The project's partner group consists of Roskilde Municipality, the educational institutions University College Absalon, CLAVIS, Hf and VUC Roskilde-Køge, Roskilde Technical College, Roskilde University, ZBC and Zealand. Furthermore, the companies Chr. Hansen (now Novonesis) and Kaffe Karma participated actively in the partner group. In addition, 60 companies have contributed to the qualification and development of the model and, among other things, have included - and employed - unemployed candidates from Roskilde Municipality.

The companies wanted to strengthen their social responsibility and, in this connection, used themselves as a test platform to contribute to the new employment model. During the project, they participated in network meetings for knowledge sharing and mutual inspiration, had close follow-up from the job centre's consultant for the first six months of employment and were given the opportunity for a tailored skills boost for the new employees. In addition, the company has completed various courses as part of buddy



PERNILLE SEDERBERG Senior Project Manager

- pernille@corolab.d
- www.linkedin.com/in/pernillesederbe

→

Pernille Sederberg is Senior Project Manager at Corolab, where she supports members' interest in creating growth for the benefit of society and business. Pernille has a special focus on social sustainability and helps to qualify good ideas, establish partnerships, lead and facilitate project and secure the necessary resources.

Pernille has a cand.comm. degree from Roskilde University Center, and has many years of experien in strategic communication, development and change processes. Alongside her work at Corolab, she runs the company www.akomm.dk, where she advises companies on development, strategy and communication.



CLAUS BRYGGER JACOBI Associate Professor University College Absalon

- ✓ caja@pha.d
- https://www.linkedin.com/in/clausbrygge

Claus Brygger Jacobi is Associate Professor and PhD. at University College Absalon, where he teaches, supervises and conducts practical research in collaboration with municipalities and the region in the employment and social fields.

> Claus has a bachelor's degree in public administration, a master's degree in anthropolog and a PhD on the municipalities' implementation, management and organization of the holistic and interdisciplinary sickness benefit effort.

Claus has many years of experience with the analysis, development and implementation of effort for sick and vulnerable citizens in the employment and social fields as a researcher, case manager, attorney, consultant and manager in municipality and state.

training to upskill their employees in receiving, onboarding and retaining candidates from the job center in short internships and jobs.

Chr. Hansen is one of the companies that has actively participated in the project. They chose to be involved to help vulnerable citizens get included to the labour market by offering part-time jobs in the company. Through the project, Chr. Hansen has trained 10 buddies from various departments to be ready to welcome the new employees, had 6 citizens in company internships (unpaid through the municipality) and, as mentioned, hired 4 new employees in part-time jobs.

The company's motivation for participating has been, among other things, to work with the mindset, primarily in relation to how the company is able to work with other types of employees and how both managers, employees and buddies are able to support the new employee in the right way. This requires close cooperation with the job centres, who have a good knowledge of the individual citizen/employee. In addition, it is important to work at all levels in the company and create the right part-time jobs for the selected candidates.

Lotte Gerup, Senior Department Manager, Quality Control, Chr. Hansen, states: "Among other things, it has given value to the company that we have opened up our departments and worked to pass on what we do in terms of tasks and our culture. Everyone in the company thought it was an exciting task. This has created an expanded diversity in good conversations, and, above all, we have hired new employees that we need in the company".

Another company that has made a positive difference is Roskilde Kongres- & Idrætscenter. Stine Eisen, head of sustainability and in-house production, says: "At Roskilde Kongres-& Idrætscenter we have strong focus on the social bottom line, and we support helping the vulnerable where we can. We are proud of that. In this way, the project's focus harmonizes well with several of our values. We would like to contribute to helping more people enter the labour market and at the same time contribute to

the development of a new employment model. It not only makes a difference for the individual to be associated with the labour market again, but it is also sustainable for society in the long run".

WHAT IS SPECIAL ABOUT THE NEW EMPLOYMENT MODEL I IN RELATION TO GETTING MORE COMPANIES TO HIRE?

University College Absalon has followed the project closely, evaluated and made recommendations to other companies that want to include candidates, for example in part-time jobs.

A key learning has been that success is not only about whether a candidate is motivated, qualified and prepared to work. A fundamental prerequisite for success is that the companies are prepared to support candidates based on their needs- even when the going gets tough. It is important that the manager engages the rest of the organization to accept and include the candidate in the company, combined with a readiness to be persistent. It requires that you as an organization think of inclusion as a more long-term investment that may cost some resources at the beginning - and as part of the company's strategy for social responsibility.

The following three elements are highlighted as essential in the new employment model:

- A cluster of local companies that help the candidates in the process at the company
- 'Handholding' efforts of buddies, who include the candidate in companies, and by the consultant who does extra close follow-up (every week for up to 6 months)
- 3.Tailormade skills development in connection with business processes.

The cluster is a central part of the project's model and consists of local companies that have entered into a partnership agreement on participation in the project. Throughout the project period, cluster meetings have been held continuously, with various professional features and presentations as well as presentations

from the cluster's own participants about their experiences from the project. The purpose of the cluster meetings has been to create mutual inspiration and to create a network for the participating companies. The cluster's activities have been supported and facilitated by Corolab, which among other things had the task of recruiting companies to participate in the project and the cluster's meetings.

We recommend, the cluster is supported by a neutral party – a network coordinator who is responsible for recruiting companies, communicating job openings to the job centre's consultants, arranging meetings and contributing to the maturation of workplaces to think in terms of part-time jobs and include candidates.

The next element, buddies, have proven to be an asset to support the candidates in sustainable employment and at the same time strengthen the companies' inclusion capacity more generally.

The buddies supported the new employees with gradual competence development and independence in the performance of tasks, so that the new employees could take on more tasks along the way and increase the number of hours in employment. In addition, the buddies supported relationship building with colleagues and inclusion in the working community, which also supported situated learning (learning at the workplace). Furthermore, the buddies can support the new employees in opening up about their barriers and functional limitations, so that the necessary precautions that they need and are entitled to can be taken. The buddies have worked closely with each candidate's consultant from the job centre.

Through the project, we have developed a training program for buddies and supported with ongoing meetings for active buddies to exchange experiences. The buddy training included an introduction to what the buddy role entails, what types of challenges the candidates may have and what can be done to support the candidates. The training was

carried out by project coordinators and psychologists from the job center and researchers from University College Absalon and facilitated by Corolab. In addition, two researchers from Roskilde University have further developed the methods by tailoring buddy training to the individual company/industry as a supplement to the team-based buddy training. This through uncovering the work culture aspects of the candidates' meeting with the labor market and the individual company/industry.

In parallel with courses at companies, educational institutions have contributed with tailored skills enhancements, which are both organized based on the company's need for task solving and the candidate's need for gentleness. The competence lift has, for example, taken place 1:1 at the company or in smaller groups at the educational institution. For example, CLAVIS has provided individual linguistic competence enhancement at the companies where candidates with Danish as a second language have been employed in parttime jobs.

A teacher from CLAVIS has, for example, been taken out to the workplace and has taught the candidate there, on location. This has proven to be particularly effective, because the content of the skills training has been individually and level-wise adapted to the individual's learning requirements and because they have been linguistically targeted to that specific vocabulary that the candidate has encountered in the workplace and has had a need and motivation to learn in order to be able to maintain attachment for the job.

Head of education Mette Brandt, CLAVIS, states: "It is very visual and concrete teaching in relation to the vocabulary they need to master in order to keep their part-time jobs. CLAVIS has used digital image-soundbased learning technology with the creation of individual vocabulary lists based on the work processes and the workplace- and task-specific vocabulary that the individual has needed to learn. It can especially make a difference for those with learning difficulties and those who do not benefit from the usual offers".

Other tailored skills enhancements include food hygiene, cleaning, IT, forklift and first aid.

GOOD ADVICE FOR BUSINESS SUCCESS

Maturation of the company is an important parameter for success in bringing in unemployed candidates with various challenges on the labor market. In larger companies, the challenge might be to stabilise candidates in suitable work and anchor the good work in the organisations. This is why we recommend that you work with buddies in a kind of ambassadorial role. One option could be for a buddy to attend team or department meetings and talk about the good stories and the importance of good onboarding.

Furthermore, it is important to gain more knowledge about opportunities for, for example, part-time jobs (from 1 hour and up to approx. 20 hours per week) and skills development. Close cooperation between company, educational institution and job center is essential as also participating in cluster with other companies for inspiration and exchange of experience.

Read more about the project here.







WORKPLACE INCLUSION CAPACITY

In recent years, employer engagement efforts have increasingly been oriented towards co-creating collaborations between employability professionals and employers (Bredgaard et al. 2023).

While this orientation has not replaced, but rather contributed to, existing approaches focused on regulation (preventing discrimination in recruitment practices) and facilitation (facilitating recruitment practices), it has occasioned an orientation towards a broader range of human resource issues than recruitment, and has seen employability professionals be more involved in negotiating employer preferences, creating shared values, and engaging in workplace learning (Bredgaard et al. 2023).

We argue that employability professionals are increasingly involved in developing companies' capacity for inclusion (Dall et al. 2023) and, in the following, we offer an outline of what such capacity entails. We have developed the concept with a special focus on populations who need support to enter or stay in sustainable employment due to disability, illness, and/or other disadvantages that limit their work ability, though we believe that workplace capacity for inclusion can benefit the entire workplace.

WORKPLACE INCLUSION CAPACITY

Workplace capacity for inclusion refers to the practical and social ability of a workplace to include people with work ability challenges in employment that is sustainable for both the individual and their life circumstances and the workplace's social and financial situation.

The inclusion capacity consists of a repertoire of specific and ongoing practices that must be continuously executed and adjusted around the individual employee in the context of the full employee group as well as the organisational practices and procedures.

When we talk about inclusion in this context, we see three key elements:

Subjective experience: The experience of being able to be one's unique self at the workplace while feeling a sense of belonging to the workplace community. This element has been conceptualised by Shore et al. [2011] and is a widely used measure for inclusion.

Interpersonal relationships: The quality of interactions and relationships with colleagues and leaders. This element has been shown to be of key importance in making inclusion efforts sustainable in terms of job tenure and well-being (Randel 2023).

Practical-functional accommodations:

Adjustments in job functions and working conditions to accommodate individuals with physical or mental limitations. This element is sometimes overlooked when focusing on diversity and inclusion in a 'broad' sense (e.g. concerning gender, ethnicity, sexuality, etc.), but can be of crucial importance when working with populations with disability, illness, and/or other disadvantages to their work ability [Hagner & Cooney 2003; Corbiére et al. 2014].



TANJA DALL Associate Professor Aalborg University, Denmark

nttps://www.linkedin.com/in/tanja-dall-93261a6b



MIKKEL BO MADSEN Assistant Professor Aalborg University, Denmark

https://www.linkedin.com/in/mikkel-bo-madsen-93415824



FLEMMING LARSEN Professor Aalborg University, Denmark

https://www.linkedin.com/in/flemming-larsen-3320284

Tanja Dall is an Associate Professor and Mikkel Bo Madsen is an Assistant Professor at Aalborg University, Department of Sociology & Social Work. Flemming Larsen is a Professor with Aalborg University, Department of Politics and Society.

Together they have done research on employer engagement from employee, professional and policy perspectives with a special interest towards public policy interventions aimed at work inclusion for disadvantaged labor market groups. The three elements are closely connected and intertwined. For instance, the subjective experience of being accepted as the unique individual one is will be impacted by the availability of practical-functional accommodations to one's working tasks. hours, etc.

A workplace's capacity for inclusion, then, involves being able to work with all three elements of inclusion in dynamic yet systematic ways. We will return to how a workplace capacity for inclusion may be supported after taking a look at the key actors involved in doing so.

KEY ACTORS

A workplace's capacity for inclusion refers to the overall capacity of the workplace to foster inclusion. As such, it involves everyone as well as all organisational and managerial levels of the workplace. That said, there are a few key groups of actors, each playing a significant role in developing (and maintaining) a capacity for inclusion:

Leadership and HR: Leadership and HR functions play a crucial role in ensuring inclusion in the workplace. Clear support from top management, involvement, relationship-building, and communication between leaders and employees are essential prerequisites for maintaining inclusive practices. HR functions support management in working strategically with inclusion and ensuring access to competence development for employees with work capacity limitations. There is a growing literature on inclusive leadership offering concrete tools for realising this potential (Randel 2023; e.g. Luthra & Muhr 2023, Mor Barak

External Support: Companies often use support from external factors, such as public employment systems or private consultants, to work on inclusion. Several studies have found that managers involved in inclusive practices explicitly mention external support as being central to them developing inclusive practices (e.g. Hagner & Cooney 2003; Waterhouse et al. 2010).

Inclusion candidates and colleagues:

The involvement of employees and colleagues is crucial in producing and maintaining the inclusion capacity. Inclusion candidates will need to share their experiences and engage in conversations and negotiations on how challenges can be addressed and managed in the workplace. However, openness about inclusion needs can be challenging due to the risk of stigmatisation and exclusion. At the same time, studies show that increased diversity may foster conflict and resistance rather than inclusion (Mannix & Neale 2005). Thus, many studies have emphasised the importance of an inclusion climate, that is, an environment that allows all employees to be their whole unique selves, feel respected and valued members, and a sense of belonging (Luthra & Muhr 2023:17).

DEVELOPING WORKPLACE INCLUSION CAPACITY

Not only are welfare states looking to engage employers more actively in work to include disadvantaged populations in the workplace (Ingold & McGurk 2023), employers are also becoming increasingly aware of the benefits of a diverse and inclusive workforce (Luthra & Muhr 2023; McKinsey 2018). However, this is not as 'simple' as having more people with disability or illness find employment - though, to be clear, this can be complicated enough on its own. The concept of workplace capacity for inclusion brings to light the additional complexity of ensuring that employment is sustainable for all involved parties.

Natural supports: A starting point for strengthening workplace inclusion capacity is the natural resources or natural supports of the workplace. Natural supports are the "human or technical resources that are available or easily offered in a setting to facilitate integration, acceptance, and satisfaction, and to promote the goals and interests of everyone in a given setting" (Corbiére et al. 2014:91).

The Work Accommodation and Natural Support Scale (WANSS) developed by Corbière and Ptasinski (2004) offers a starting point for evaluating the natural supports of a workplace and identifying resources that are readily available (or need attention) at the outset of a given intervention.

Building a repertoire of practices:

Another way to build or strengthen workplace capacity for inclusion is through personalised inclusion efforts around individual employees. The literature on supported employment and workplace accommodations offers many examples of such accommodations which will be well known to many employability professionals; e.g. adjusted working hours or work tasks, assistive technology, etc. Given the importance of the interpersonal relations to colleagues (and managers), it is worth considering the relational or social accommodations that may support a new employee to enter the workplace community; e.g. assisting the employee to learn the informal rules for socialising and fitting in with the culture; increasing opportunities for non-work activities and interactions between new employees and their coworkers, etc. (Hagner & Cooney 2003:79). While such interventions are most often focused on the inclusion of individual employees, the experience gained via such efforts adds to a repertoire of practices that over time build the workplace's capacity for inclusion.

Supporting managers and HRM personnel: We mentioned above the central role of leaders and HRM personnel in developing inclusion capacity, as well as the need for external support from - for instance - employability professionals. Support can take many shapes, such as knowledge sharing regarding specific disabilities/illnesses and/ or occupational rehabilitation, consultation in individual cases as well as wider attempts to foster inclusion. material resources, facilitation of networks where leaders may exchange experiences, etc.

Working holistically and dynamically:

While many of these tools and interventions will not be new to many employability professionals, the concept of workplace capacity for inclusion brings attention to the connected nature of all these interventions. Thus, workplace capacity

for inclusion spans all levels of the workplace and includes practical/ functional as well as social dimensions. The development of inclusion capacity in workplaces is a dynamic and ongoing process that requires continuous effort and adjustment (Enehaug et al. 2022).

CONCLUSION

Employability professionals are increasingly supporting workplaces in developing inclusive practices that reach beyond that of recruitment of disadvantaged individuals.

In doing so, they are involved in building workplace capacity for inclusion, defined as the practical and social ability of a workplace to include people with work ability challenges in employment that is sustainable for both the individual and their life circumstances and the workplace's social and financial situation.

The inclusion capacity consists of a repertoire of specific and ongoing practices that must be continuously executed and adjusted around the individual employee in the context of the full employee group as well as the organisational practices and procedures.

REFERENCES

Bredgaard, T., Ingold, J. & van Berkel, R. (2023). Varieties of Policy Approaches to Employer Engagement in Activation Policies. In J. Ingold & P. McGurk, Employer Engagement, Making Active Labour Market Policies Work, pp.15-33. Bristol: Bristol University Press.

Corbière, M., Lecomte, T., Lesage, A., Villotti, P., Bond, G. R., & Goldner, E. M. 2014. Work Accommodations and Natural Supports for Maintaining Employment. Psychiatric Rehabilitation Journal. 37 (2): 90 -98.

Corbière, M., & Ptasinski, T. (2004). Work accommodation scale for people with mental illness. Longueuil, Canada: CAPRIT-University of

Enehaug, H., Spejlkavik, Ø., Falkum, E., & Frøyland, K. (2022). Workplace Inclusion Competence and Employer Engagement. Nordic journal of working life studies 12 (1): 71-93.

Dall, T., Larsen, F., Madsen, M.B., (2023). Opening the Black Box: Promoting Employer Engagement at the Street Level of Employment Services. In J. Ingold & P. McGurk, Employer Engagement, Making Active Labour Market Policies Work, pp.15-33. Bristol: Bristol University Press.

Hagner, D., & Cooney, B. (2003). Building Employer Capacity to Support Employees with Severe Disabilities in the Workplace. Work 21 (2003): 77-82.

Luthra, P. & Muhr, S.L. (2023). Leading through bias. 5 essential skills to block bias and improve inclusion at work. Cham: Palgrave Executive

Mannix, E.A. & Neale, M.A. (2005). What Differences Make a Difference? The Promise and Reality of Diverse Teams in Organisations. Psychological Science in the Public Interest, 6(2),

McKinsey 2020. Diversity wins: how inclusion matters. McKinsey. Available at: https://www. mckinsey.com/featured-insights/diversity-andinclusion/diversity-wins-how-inclusion-matters#/

Mor Barak, M.E. (2022). Managing Diversity. Toward a Globally Inclusive Workplace. Fifth edition. Los Angeles: Sage

Randel, A.E. (2023). Inclusion in the workplace: A review and research agenda. Group and Organization Management, O(0), 1-44.

Shore, L. M.; Randel, A. E.; Chung, B. G.; Dean, M. A.; Ehrhart, K. H., & Singh, G. (2011). Inclusion and diversity in work groups: A review and model for future research. Journal of Management 37: 1262-1289.

Waterhouse, P., Kimberley, H., Jonas, P., & Nurka, C. (2010). What Would it Take? Employer Perspectives on Employing People with a Disability. Literature Review. South Australia: National Centre for Vocational Education Research (NCVER).





WAGE SUBSIDIES – A PATHWAY TO INTEGRATION OR SEGMENTATION?

Sweden is famous for its ambitious investments in wage subsidies. The programs have positive effects, but they are concentrated to low-qualified jobs in e.g. hotels and restaurants, retail, agriculture and the cleaning industry.

Workers employed with wage subsidies have far lower wages than average workers, even adjusted for sectorial and occupational differences. For these reasons, this article questions whether the wage subsidies can be better described as a pathway to labour market segmentation, rather than integration.

No published studies have discovered the reasons for the concentration. One is probably that many of the program participants have weak educational backgrounds, but there could also be regulation-based explanations. My analysis shows that the low government-set wage ceiling of 20,000 SEK/month may play an important role for the low wages of subsidy workers. A causal relationship exists between the wage ceiling and actual wages, since an increase of the wage ceiling in some programs in 2017 lead to decisions with higher wages, while a reduced wage ceiling resulted in lower wages.

In other words, the low wage ceiling may, at least to some extent, explain the concentration of subsidy employments to low-paid jobs, which is new information for Swedish policy-makers. Thus, an increase of the wage ceiling could be an effective policy tool, not only to increase the wages of low-paid subsidy workers, but also to achieve a more even distribution of subsidised employment across the labour market.

For many decades, Sweden has been famous for its ambitious investments in active labour market policies. In previous articles, I have showed that Swedish governments have invested considerably more resources than comparable OECD-countries in different types of wage subsidies, especially during the last decades (e.g. Habibija 2020). Nearly 100,000 Swedish workers are hired with some kind of wage subsidy. The arguments are compelling. The purpose is to stimulate employers to hire persons who have difficulties in getting a job, and to facilitate the transition to ordinary employment.

The Swedish subsidy programs have distinguishing characteristics but they have in common that the hiring company receives a substantial subsidy from the Public Employment Service (PES) for hiring either longterm unemployed individuals, newly arrived migrants, or unemployed with disabilities. The idea is that the financial compensation should compensate employers for expected or actual reduced productivity among groups with weak labour market opportunities, and thereby, generate a broader inclusion on the labour market. Earlier research has found positive employment effects, but also positive effects on the employment development of the hiring companies and their financial results (e.g. Forslund 2018. Nordström Skans et. al. 2018).



ADNAN HABIBIJA
Policy Analyst
Swedish Trade Union Confederation (LO)

https://www.linkedin.com/in/adnan-habibija-108806313/

Adnan Habibija is an Economist who works as a Policy Analyst at the Swedish Trade Union Confederation (LO). In November, he joins the Trade Union Advisory Committee to the OECD as a new Economic Policy Advisor.



1. Concentration among low-paid jobs

Some studies, however, observe that subsidised employments are heavily concentrated in some specific segments of the labour market, more specifically to low-paid and low-qualified service jobs (e.g. Frödin and Kjellberg 2020). This is also what I find when analysing data from the Swedish Public Employment Service.

A relatively small share - approximately 2-3 percent - of the Swedish labour force has been employed with some kind of wage subsidy during the last years, but the variation between sectors and occupations is remarkable. As figure 1 illustrates, wage subsidies are uncommon in traditionally male-dominated industries, such as the manufacturing or construction industry, where about 2 percent of the workers have had a wage subsidy in recent years. Even though the demand for labour in health services and the education sector is strong, wage subsidies are very rare. Instead, subsidised employment is prevalent in retail and personal and cultural services. Nearly 10 percent of the workers in hotels and restaurants are employed with a wage subsidy.

Additional data show that the subsidies are very scarce in occupations with high educational requirements. In 2020, only 0.2 percent of the workers who had jobs that require an advanced university degree were employed with a subsidy. However, the wage subsidies are frequent in occupations with low educational requirements. About 10 percent of the workers in the agricultural sector had some kind of wage subsidy in 2016-2020. Almost 20 percent of the workers in Statistics Sweden's occupation category 9 - jobs with very low educational requirements - e.g. street vendors and cleaners, were employed with a wage

Data from PES decisions 2016-2020 show that workers with wage subsidies have far lower wages than average workers, even when sectoral and occupational differences are taken into account. The average gross salary among 77,000 workers with four types of subsidy programs was 20,228 SEK/month. The average gross salary among 153,000 workers with "new starts jobs" (a program targeted to unemployed with a better labour market position) was 22,467 SEK/month. These levels is far underneath the average salary on the Swedish labour market, which in 2020 was 36,100 SEK/month.

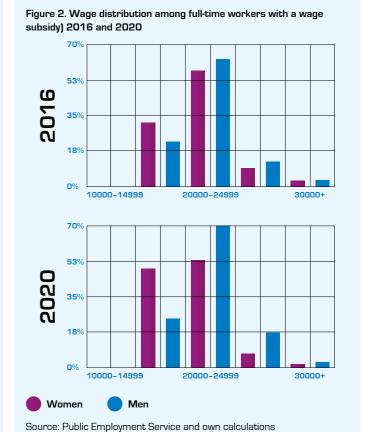
Figure 2 demonstrates a gender difference in the wages. The graph categorises the wages in wages subsidy decisions from 2016 and 2020 into different wage intervals. About 60 percent of the male workers with wage subsidies had a wage between 20,000 and 24,999 SEK/month, both years. The share with a wage between 25,000 and 29,999 SEK/month increased from 12 to 16 percent. More men than before were employed with higher wages – a logical development when annual pay rises are taken into account.

For female workers, however, the trend is the opposite. The share with a wage higher than 25,000 SEK/month has slightly decreased over the years. The share with a wage between 20,000 and 24,999 SEK/month decreased from 57 to 48 percent, while the share with a wage lower than 20,000 SEK increased significantly. Almost half of the female workers had a salary between 15,000 and 19,999 SEK/month in 2020, compared to 22 percent of the male workers. Very few, both women and men, have salaries higher than 30,000 SEK/month.

Figure 1. Share of workers employed with a wage subsidy of total workers within the industry, 2016-2020

	2016	2017	2018	2019	2020
Manufacturing, energy and climate	2,2%	2,2%	2,1%	2,0%	1,7%
Construction and facility	3,5%	3,1%	3,0%	2,6%	2,3%
Retail	4,2%	3,9%	3,7%	3,5%	3,3%
Transport	2,5%	2,3%	1,9%	1,8%	1,6%
Hotel och restaurants	9,1%	8,7%	8,5%	8,7%	8,1%
Administration, business, finance, law, IT, and management	2,8%	2,9%	2,9%	2,6%	2,2%
Education	1,8%	1,9%	2,0%	1,8%	1,7%
Healthcare and related welfare services	1,6%	1,5%	1,6%	1,5%	1,3%
Personal and cultural services	8,3%	7,4%	7,0%	6,7%	5,9%

Source: Public Employment Service, Statistics Sweden and own calculations



2. Effects from a wage subsidy reform

No published studies have discovered the explanations for the concentration of wage subsidies in low-paid jobs. One important reason is probably that many of the program participants have weak educational backgrounds and do not have sufficient skills to perform more high-skilled, and often well-paid, work, but there could also be some systematic and regulation-based explanations. The hypothesis of my study is that the low government-set wage ceiling of 20,000 SEK/month may play a role for the low wages of the individuals who are employed with wage subsidies. The wage ceiling is designed so that a company employing a person with a wage subsidy will not receive any compensation for the part of the wage that exceeds this amount. The subsidy programs may be more attractive for employers paying low wages, since a larger part of the wage cost is subsidised.

To test if a causal relationship exists between the wage ceiling and the actual wages in PES decisions, I have analysed the wage effects of changes in the wage ceiling which the Swedish government implemented in 2017. During the social democratic led government's term of office 2014-2018, efforts were made to harmonise the different wage ceilings of different wage subsidy programs. The harmonisation took place 1st November 2017. Three programs that had a wage ceiling lower than 20,000 SEK/month were merged into the new program 'introduction jobs', and the wage ceiling was increased to 20,000 SEK/month. For 'new start jobs', which previously had a wage ceiling of 22,000 SEK/month, the wage ceiling was reduced to 20,000 SEK/month. These changes, which are summarised in the table below, are ideal for regression analyses.

By using an RDD-approach (Regression-discontinuity-design) and two unique sets of decision data from PES; one for subsidy programs for which the wage ceiling increased, and the other one for new start jobs, where the wage ceiling decreased, I compare the actual wages in the decisions made precisely before and after the wage ceiling changes.

Figure 3. Summary of previous and new wage ceiling levels for some of the Swedish wage subsidy programs

	Previous wage ceiling	New wage ceiling 2017*	
Särskilt anställningsstöd / Special Recruitment Incentive	17,300 SEK	-	
Förstärkt särskilt anställningsstöd / Reinfoced Special Recruitment Incentive	17,300 SEK	-	
Instegsjobb / Entry Recruitment Incentive	16,500 SEK	-	
Introductionsjobb / Introductory job	-	20,000 SEK	
Nystartsjobb / New start job	22.000 SEK	20,000 SEK	
Extratjänst / Extra services	18,800 SEK	20,000 SEK	

^{*} The introduction jobs replaced other wage subsidy programs 1 May 2018, but the new wage ceiling levels were implemented in November 2017 for the previous subsidy programs. Source: Swedish Government, SFS 2017:885, SFS 2017:886

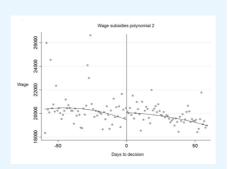
The average wage difference is assumed to be a consequence of the reform. Figure 4 shows the effect of the increase in the wage ceiling to 20,000 SEK/month. The dots in the graph show the average wage of all workers who have received subsidy employments a specific day.

The X-axis shows if the decision was made before or after the increase of the wage ceiling. The graph shows that the wages were lower before the increase of the wage ceiling.

The wage ceiling increase resulted in an average wage increase of about 600 SEK/month. The effect is statistically significant on a 5 percent level, but the level is somewhat different depending on the method choices within RDD (several regressions are presented in Habibija 2022).

An equivalent analysis was made for new start jobs, for which the wage ceiling was reduced. The effect was not as strong for the other programs, but still statistically significant on a 5 percent level. The salaries in the decisions were on average a couple of hundreds SEK lower after the wage ceiling reduction.

Figure 4. RDD-analysis (wage subsidy program excluding new start jobs), band with 60 days



Source: Public Employment Service and own calculations

3. Conclusions

The results indicate that an increased wage ceiling, ceteris paribus, leads to decisions with higher wages, while a reduced wage ceiling results in lower wages. Therefore, the conclusion is that a causal relationship exists between the wage ceiling and actual wages in the decisions made by PES. In other words, the low government-set wage ceiling may play an important role for the concentration of subsidy employments to low-paid jobs, which is new information for policy-makers and other stakeholders.

There are several arguments for a wage ceiling increase. The wage levels are important for the household economies, especially for workers with wages around today's low level. The low wage ceiling put a downward pressure on wages for workers with wage subsidies, both by low initial salaries and poor wage growth. But the level of the wage ceiling is also important from a socioeconomic perspective, since a low wage ceiling can lead to a concentration of subsidised employment to low-paid jobs and a pressure on reservation wages. The wage ceiling implies that the subsidy is a fixed amount for full-time work, and the grade of subsidisation is lower when the wage is higher. Reasonably, this makes employers more reluctant to test an employee in a subsided employment when the wage is higher, which

could be one explanation for the concentration to low-paid jobs. Thus, a low wage ceiling limits within which labour market segments employers receive compensation for expected or actual reduced productivity. A strong concentration to some labour market segments can distort competition among companies and lead to an overuse of wage subsidies (i.e. the condition when companies systematically recruit workers with subsidies only to reduce their staff costs, without intentions to offer long-term contracts).

The wage ceiling should, however, not be unreasonably high or unlimited, as was the case for new start jobs before 2015. The fact that there were salary payments over 100.000 SEK/month. as shown in the public inquiry SOU 2014:16, should be seen as a clear indication that there was an overuse and fraud involving new starts jobs due to the lack of a wage ceiling. In my opinion, the wage ceiling should be set around the average wage in the labour market, to open up a larger proportion of the labour market for wage subsidies, and to eliminate the mechanisms that risk leading to low initial salaries and weak wage growth for workers with wage subsidies. To continue counteracting these mechanisms in the future, it would be appropriate to ensure that the wage ceiling follows the wage growth by an annual indexation.

REFERENCES

Forslund, A (2018), "Subventionerade anställningar. Avvägningar och empirisk evidens", IFAU-report 2018:14. The Institute for Evaluation of Labour Market and Education Policy, Uppsala.

Frödin, O och A, Kjellberg (2020), "Anställningsbidrag: integration eller etnisk segmentering?". Department of Sociology, Lund University, Lund.

Habibija, A (2020), "Vad har hänt med den aktiva arbetsmarknadspolitiken?", Ekonomisk Debatt, year 48, no. 6, page 8–20.

Habibija, A (2022), "Etablering eller segmentering? En analys av systemet med subventionerade anställningar", the Swedish Trade Union Confederation, Stockholm.

Nordstrom Skans et al (2018), "Hur påverkar anställningsstöd och nystartsjobb de anställande företagen?". IFAU-report 2018:13. The Institute for Evaluation of Labour Market and Education Policy. Uppsala.

Public Inquiry (2014), "Det ska vara lätt att göra rätt", SOU 2014:16 Betänkande av "Utredningen om åtgärder mot felaktiga utbetalningar inom den arbetsmarknadspolitiska verksamheten", Ministry of Employment, Stockholm

Statistics Sweden (2021). Wage data for 2020.

Statistics Sweden (2021). Labour Force Studies (AKU) for 2016-2020.

Swedish Government (2017) SFS 2017:885 "Förordning om ändring i förordningen (2006:1481) om stöd för nystartsjobb". Ministry of Employment, Stockholm.

Swedish Government (2017). SFS 2017:886 "Förordning om ändring i förordningen (2015:503) om särskilt anställningsstöd". Ministry of Employment, Stockholm.

Swedish Government (2018). SFS 2018:42 "Förordning (2018:42) om särskilt anställningsstöd". Ministry of Employment, Stockholm.

Swedish Public Employment Service (2021. Decision data on wage subsidy programs excluding new start jobs. Delivered 2021-11-18.

Swedish Public Employment Service (2021). Decision data on new start jobs. Delivered 2021-11-18

Swedish Public Employment Service (2024), Published data on individuals employed with differed types of wage subsidies.





THE CENTRE FOR EMPLOYABILITY EXCELLENCE

WHERE RESEARCH MEETS PRACTICE FOR OUTSTANDING OUTCOMES



Our vision is to be at the forefront of the best research, policy, and practice, serving as a conduit between research findings, policy and exceptional employability provision.

We aim to link the work of academics and researchers, policy makers and employability services internationally, enabling them to make use of evidence-based research findings, program reviews and insights to drive the Quality Improvement agenda, empowering providers everywhere to deliver their employability services to the highest standards possible.

And through the IEP Learning Academy, we will utilise this resource of research and practice to develop practitioners and ensure the highest levels of excellence in service delivery. Join us for our next Centre for Employability Excellence Virtual Seminar:

Careers and employment guidance: Relationships, ethics and impact

Wednesday 22nd January 2025 9:00-10:30am Register at www.myiep.uk/events

Speakers:



Dr Gill Frigerio

Associate Professor, Career Studies/Coaching, Centre for Lifelong Learning, University of Warwick



Professor Tristram Hooley

Professor of Career Education, University of Derby and Professor, Inland Norway University of Applied Sciences

If you want to stay informed, please contact CfEE@iemployability.org



QUALITY /IEMPROVEMENT FRAMEWORK



Is enhanced quality standards with the IEP Q

Join the movement towards enhanced quality standards with the IEP Quality Improvement Framework.

10t just another quality assuran

This unique framework is not just another quality assurance mechanisms early a comprehensive blueprint derived from independent research and evidence, tailored specifically to enhance amployability services.

Plus! You can now access the QIF through the Mesma platform.
Ice mechanist

CSimply email QF@iemployability.org to learn more and kickstart your journey towards excellence.

Looking to embed the QIF in your organisation? Need support and guidance? We're now offering bespoke Selvices to helpsylone and support and guidance? seamless integration and maximum impactrvices to help you ensure seamless int

the QIF through the Mesma platform. Simply

INSTITUTE OF EMPLOYABILITY

PROFESSIONALS

3rd Floor 86-90 Paul Street London EC2A 4NE



020 3974 2033



enquiries@iemployability.org

W

myiep.uk

X

@iepinfo



@iepinfo