# Women in the Labour Market, Croatia

This case study presents an example of an integrated approach to support unemployed women in business creation as a way to return to the labour market. The description covers the objectives and rationale of the project, and outlines the main activities undertaken. It also presents the key challenges face and the impact that the project had. Conditions for transferring this experience to another context are also discussed.

# **Objectives**

The project "Women in the Labour Market" was implemented by the Croatian Employment Service (CES) in the framework of the Instrument for Pre-Accession Assistance (IPA), 4th Component "Human Resources Development" for the period of 2007-09. Project implementation began in September 2010 and finished in March 2012. It included a grant programme to support unemployed women in business creation as a way to return to work, as well as a technical assistance programme for policy makers.

The overall objective of the project was to increase the employability of disadvantaged women and support their entry into the labour market. The target groups for this grant were unemployed women over 40 years old, unemployed women who had been unemployed for at least 12 months, inactive women, unemployed women from counties with higher than average unemployment rates, and unemployed women belonging to ethnic minority groups, with a focus on the Roma minority.

#### **Rationale**

The main rationale for launching this initiative was to reduce the labour market disadvantages faced by unemployed Croatian women. Key labour market indicators show that although gender disparities have decreased, a gender gap remains. For example, the employment rate for women was 9.1 percentage points lower than employment rate for men in 2014. Croatian women also have lower economic activity rates and monthly earnings than men. Women face greater difficulties in accessing, returning and staying in the labour market for a variety of factors. A disproportionate number of women are working in temporary and insecure jobs, making them more vulnerable and more exposed to poverty or external shocks, such as the current economic crisis.

Disadvantaged women experience these problems more intensely. Unemployed women, especially those between 40 and 65 years old, face obstacles in finding and securing employment, not only because of the general unfavourable economic cycle, but also due to lack of education and skills. The absence of life-long learning systems reduces the likelihood that this gap will close over time.

The programme aimed to respond by providing funding to a range of gender-sensitive and tailored active labour market policies for disadvantaged women, including those over 40 years old, long-term unemployed living in counties with the highest unemployment rates and coming from minority populations such as the Roma.

The programme overall engaged local partners to the CES in designing and implementing support for women in the labour market, including regional CES offices, social welfare centres, municipalities, relevant government agencies, trade unions, employers' associations and civil society representatives.

#### **Activities**

The grant scheme was launched in August 2009 with a call for proposals that was published on the EuropeAid and CES websites. Eligible applicant organisations could apply individually or in partnerships for 12-month projects with funding of EUR 90 000 to EUR 140 000 for the following types of activities (the list was not exhaustive and appropriate actions that were not mentioned could also be considered for support):

- provision of assistance and information on labour market opportunities, and incentive measures for employment;
- activities aiming at creating new methods of work and services that will facilitate access of disadvantaged groups of women to the labour market;
- activities aiming to increase employability of disadvantaged groups of women;
- activities aiming to create networks, partnership and new methods of support for disadvantaged groups of women.

55 project applications were received and underwent a 3-phase assessment: i) administrative compliance (e.g. complete application, received on time) ii) evaluation of concept (e.g. relevance of proposed action, its merits, effectiveness, viability and sustainability) and iii) evaluation of full applications (e.g. quality check, including budgets, capacity of applicants and their partners – based on the pre-defined evaluation criteria). The evaluation process lasted 9 months and was implemented by the contracting authority with the assistance of external assessors, such as representatives of line ministries relevant to the grant scheme's focus.

This process selected 18 proposals that were awarded funding November 2010. Three of these projects were designed to address unemployment of disadvantaged women through provision of support for self-employment, namely:

- Project "Be Business Be Competitive" in Brod-Posavina County.
- Project "Step by Step to the Labour Market" in Vukovar-Srijem County.
- Project "MOTS More Opportunities Through new Skills" in Dubrovnik-Neretva County.
  The principal tools used by these projects to promote women's entrepreneurship were:
- Provision of information and training on basic entrepreneurship skills, business planning, business management, marketing, accounting, financial planning, computer skills, and communication.
- Development of publications, manuals and websites.
- Organisation of business-to-business meetings connecting project participants and potential employers.

The project "Be Business – Be Competitive" (EUR 91 605) was implemented by the Brod-Posavina County in partnership with the regional CES office in Slavonski Brod. It planned to assist 48 unemployed women in active job search and pursuing entrepreneurial activity. Unemployed women registered in the CES database in Brod-Posavina County (415 women) were invited to take part in the project and, based on a survey of participants, the project selected a group of women (55 out of 131 who expressed interest) to undertake the educational programme on enhancement of competences in the labour market and ICT skills (all 55 participants), and starting a business (21 participants with entrepreneurial ideas). The project also developed visibility activities (e.g. flyers, posters, and website) and a "Practical Guide to Women Entrepreneurship" booklet. Monitoring data indicate that 13 participating women started their business or found employment.

The project "Step by Step to the Labour Market" (EUR 110 268) was implemented by the regional CES office in Vukovar in partnership with two local civil society organisations, the Association of Women and the PRONI Centre for Social Education. It focused on long-term unemployed women in Vukovar-Srijem County and helped them acquire new skills and competences to increase their options for employment and develop innovative business models for self-employment. The Regional CES office underwent a process of training of trainers as a preparatory activity, followed by a series of workshops with participating women on motivation for active job searching, psychological counselling, ICT skills and starting a business. In total, 262 women participated in the project with 88 participating in motivation workshops, 155 in psychological counselling, 57 in ICT workshops and 28 in entrepreneurship workshops. The project resulted in the creation of two business (in which 13 participating women found employment) and one civil society organisation founded by 3 participating women. In addition, 27 women found employment elsewhere.

The project "MOTS – More Opportunities Through new Skills" (EUR 107 539) was implemented by civil society organisation *Deša* in partnership with the regional CES office in Dubrovnik and the Entrepreneurship Centre Dubrovnik. It was designed to increase the employability of 120 long-term unemployed women over 40 years old in Dubrovnik-Neretva County. The activities included seminars on entrepreneurship, finance and accounting, as well as training on ICT and how to develop and promote authentic local souvenirs and products. In addition, the project organised a B2B meeting where participating unemployed women were able to present their skills and CVs to local employers. 233 unemployed women participated in the project, of which 59 women found employment and 9 started a business.

The total contracted value of projects implemented through the grant programme was EUR 2 017 480. The programme could only provide financial support worth from 70-85% of the total eligible costs, meaning that the applicants had to co-finance the balance from their own resources or non-European Union sources. In practice, the grant scheme funded between 77% and 85% of each contracted project.

#### Challenges encountered

All grant recipients went through a series of preparatory workshops and consultations and the contracting authority was available to grant recipients for clarification and support. Despite this, project implementers encountered difficulties. Out of the total contracted amount of EUR 2 017 480 for all 18 grant contracts, only EUR 1 853 606 (91.8% of the total contracted amount) was actually disbursed. The main reason for the gap in disbursements was inadequate planning for grant budgets by the applicants and

inadequate financial management of grant contracts by the applicants. These led to a decrease of total eligible costs.

### **Impact**

This programme enabled numerous institutions at the national, regional (i.e. county) and local levels to develop new knowledge and support measures for various vulnerable groups of importance to the labour market, notably women. Another key outcome was that the call for proposals for the grant scheme was sufficiently specific to stimulate competitive bidding from all parts of the country but also sufficiently flexible to allow bidding institutions to form consortia and to develop bids which they thought would best fit the needs of their communities and stakeholders. This was important in allowing innovative proposals to be developed and implemented within the framework of the specified criteria. This allowed the CES to learn from the experiments.

With respect to the clients, the 3 projects that supported unemployed women in business creation helped to support 105 women into self-employment or paid employment.

#### **Conditions for transfer**

It is important to recognise that Croatia was undergoing the process of accession to the European Union at the point in time when this initiative was conceived and implemented. The initiative was designed to sensitise the relevant stakeholders to the importance of focusing on the needs of unemployed women, in various categories, and develop appropriate policy initiatives. Despite this specific context, the experience offers two important lessons for the use of a similar approach in other places:

- 1. Use calls for proposals to engage the private sector. This allowed suitable flexibility for bidders to interpret the criteria in a sense that best fits the actual needs of their communities and stakeholders, enabling alternative approaches and innovation to be stimulated. Such an approach can be particularly important in the context of vulnerable groups which are particularly difficult to access. However, the use of European Union procurement procedures is demanding for all participants, including authorities and bidders. It is crucial that training and support is provided when implementing systems with inexperienced users.
- 2. Plan ahead for monitoring and evaluation. The lack of thought and priority accorded to the issue of monitoring and evaluation was one of the key weaknesses in the experience. With so many projects, implementers and users, it was not possible to consistently implement monitoring and evaluation systems afterwards.

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# From: Inclusive Business Creation

**Good Practice Compendium** 

# Access the complete publication at:

https://doi.org/10.1787/9789264251496-en

# Please cite this chapter as:

OECD/European Union (2016), "Women in the Labour Market, Croatia", in *Inclusive Business Creation: Good Practice Compendium*, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/9789264251496-9-en

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