

sustainability@work 2021

toward 2030



together.

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## preface.

### toward 2030 together

Putting people first, providing that extra stepping stone to those in the labor market who need it the most, is what people-focused sustainability means to me. As part of this drive, employers not only play an important role in developing and rewarding people but also ensure talent is fostered in an inclusive way based on their individual needs. Through Randstad's social innovation programs, people receive support, such as coaching and training, so they can get access to resources and are empowered to enhance their employability.

It is important that people are capable of effectively navigating the complexities of the labor market, both now and in the future. Our sense of responsibility with regard to developing talent and helping people get rewarding jobs and stay relevant in the ever-changing world of work is reflected in our ultimate goal of touching the work lives of 500 million people by 2030.

Our aim is to contribute to a sustainable future, both socially and economically, by facilitating the development of fair and efficient labor markets around the world for not only organizations but also people. We do this in line with the United Nations' 17 Sustainable Development Goals (SDGs), which governments have adopted to end poverty, protect the planet and ensure prosperity for all by 2030.

As the largest global HR services provider, we specifically focus on four goals to which we can contribute the most: decent work and economic growth (SDG 8), reduced inequalities (SDG 10), gender equality (SDG 5), and quality education (SDG 4). We are now in the final decade of realizing the UN SDGs. This requires a stronger-than-ever commitment to new multi-stakeholder engagements and public-private partnerships.

Through active labor market policies, valuable public and private collaborations are created to provide extra support in finding a meaningful job to those who would otherwise have difficulties accessing the labor market. Within these collaborations, the sharing of accurate labor market data is essential. Data helps us to better understand and predict labor market demand by plotting needs against capabilities. Accurate labor market insights subsequently help us to better prepare for tomorrow's realities and provide workers with the best information about their options. Data also makes it possible to facilitate seamless skills-based transitions for people, enabling deeper personalization for individualized career paths.

As part of a yearly series, this second edition of the sustainability@work report focuses on public-private partnerships, specifically the added value that these collaborations contribute to a well-functioning and sustainable labor market. For example, the Dutch public-private partnership Baanbrekend supports short- and

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long-term unemployed people in getting back to work. This co-creation among Dutch municipalities, Public Employment Services UWV and Randstad Netherlands started in 2010. In collaboration with the Impact Institute, we measured the impact and value beyond economic figures of this public-private partnership for all stakeholders involved. One of the key findings is that the chances of being employed is estimated to be four times higher when someone is supported by a Randstad-led public-private program such as Baanbrekend. That is the power of collaboration.

Labor market challenges such as increased digitalization, remote work, talent shortages and job polarization have been accelerated by the COVID-19 pandemic and remain significant. Urgent and swift action is therefore required to ensure that global and national active labor market policies remain focused on achieving the UN's SDGs related to the labor market. By fostering new partnerships and innovative employment and employability programs, we contribute to a world of work that is truly sustainable and in which no one is left behind.

Jacques van den Broek  
CEO & Chairman Randstad N.V.

# acknowledgements.

## impact institute

At Impact Institute, we believe one of the greatest opportunities of the 21st century is the realisation of the impact economy: an economy in which work, entrepreneurship, innovation and technology engender a better world. Our mission is to empower organisations and individuals to realise the impact economy. We do this by providing organisations with the tools, data, training, and services they need to measure, report and steer on their impact.

Impact Institute – a spin-off of True Price – is recognised as a global leader in impact measurement and valuation. It has contributed to international frameworks such as the NCP and the TEEB framework. It developed the first methods worldwide for true pricing, the integrated profit & loss, and impact statement.



# executive summary.

Now that we are in the final decade to realize the UN's Sustainable Development Goals (SDGs) – adopted by governments to end poverty, protect the planet, and ensure prosperity for all by 2030 – urgent and swift action needs to be taken by governments, employers and workers alike. New multi-stakeholder engagements, including public-private partnerships, can help deliver solutions like active labor market policies (ALMPs). Such policies, to be drawn up by governments, will increase labor participation by widening the talent pool and creating a well-functioning and sustainable labor market that is accessible for all and leaves no one behind.

In line with Randstad's ultimate goal of touching the work lives of 500 million people worldwide by 2030, our 2021 [sustainability@work](mailto:sustainability@work) publication focuses specifically on the following UN SDGs: decent work and economic growth (SDG 8), reduced inequalities (SDG 10), gender equality (SDG 5), quality education (SDG 4) and partnerships (SDG 17).

Labor market challenges such as increased digitalization, new forms of work, demographic change, talent shortages and job polarization have been accelerated by the COVID-19 pandemic, changing labor markets and evolving nature of work. Furthermore, individuals' and organizations' work preferences and attitudes are changing. On a positive note, digitalization will help to facilitate a good balance between professional and personal lives according to individual needs.

These challenges call for strong partnerships, with all stakeholders taking responsibility for their own piece of the puzzle. Governments need to set the scene by providing policies and instruments as well as basics such as a regulatory framework that ensures decent work for all. Employers should foster all talent, including those who need support to access the labor market. And finally, workers should be more aware that they need to invest in reskilling and upskilling, with digital competencies being indispensable; only then will they be able to navigate the rapidly changing labor market now and in the future.

Through ALMPs, valuable public and private collaborations provide extra support to those who would otherwise find it difficult to access the labor market and acquire a meaningful job. The success of these policies depends on the extent to which they are aligned with labor market needs. For that reason, public and private employment service providers should collaborate more frequently to improve the outcome of ALMPs.

Within these collaborations, collecting and sharing accurate labor market data is essential. This will make it possible to plot current and future needs against capabilities, enabling us to predict labor market demand. Such labor market insights help us to better prepare for tomorrow's realities and provide workers with the best information about their options. Data also makes it possible to facilitate seamless, skills-based transitions, enabling deeper personalization for individual career paths.

The Dutch program Baanbrekend is a good example of a public-private partnership that supports unemployed people getting back to work. Participants range from young talent new to the labor market to those who have been on government support. This co-creation between the Dutch municipalities, Public Employment Services UWV and Randstad Netherlands started in 2010 and showcases how well such a partnership works in practice. Broadening the talent pool by making use of untapped potential workers increases labor market productivity and efficiency. This is needed now more than ever, given the effects of demographic change, talent shortages and skills mismatches on the labor market.

In collaboration with the Impact Institute, Randstad has measured the impact and value beyond economic figures of this public-private partnership for all stakeholders involved. One of the key findings is that the chances of being employed is estimated to be four times higher when someone is supported by a program such as Baanbrekend. As Randstad, we make available our network and database of vacancies, and we work side by side with all stakeholders. Through our expertise as a labor market intermediary, we guide and coach people, finding the right match for them with meaningful and sustainable work and enhancing their ongoing employability.

As a company, we also participate in a large number of socially involved and sustainable initiatives aimed at helping people to find meaningful work and develop their talent and potential. Every year, Randstad is involved in the development of almost 100 social innovation programs aimed at improving people's employability and promoting equal opportunities for those in need of additional support. As part of this report, we provide an overview of the social innovation programs Randstad has developed for each theme in support of the UN's SDGs, with the ultimate aim of creating a world of work that is truly sustainable and in which no one is left behind.

## recommendations for governments

- Seize the momentum to build sustainable and inclusive labor markets by focusing on promoting public and private collaboration, ensuring no one is left behind.
- Drive job creation based on labor market data analytics, facilitating a smooth transition from declining to growing industries, with a focus on skills development.
- Prioritize the development and delivery of agile education and training systems which respond to changes in the world of work.

## recommendations for employers

- Create a holistic talent acquisition approach and human capital strategy, including investment in skilling, reskilling and upskilling, to foster employees' talents and support their professional and personal development.
- Broaden the talent pool by fostering all talent, including those who need support to access the labor market.
- Invest in digital infrastructures, speeding up innovation and productivity while ensuring a good balance between well-being and new forms of work.

## recommendations for workers

- Invest in relevant skills development to enhance sustainable employability to prepare for fast changing the world of work.
- Realize that digital skills are indispensable to join the world of work.
- Ensure balance between professional and personal life based on individual needs.

# part I: public-private partnerships as an instrument of active labor market policies.

## 10 public-private partnerships as an instrument of active labor market policies





Labor market challenges such as increased digitalization, remote work, talent shortages, and job polarization have been accelerated by the COVID-19 pandemic and remain significant. The world of work has transformed structurally and we must build on these changes to ensure that we have a labor market that is fit-for-purpose and future-proof. Urgent and swift action is therefore required to ensure that global and national Active Labor Market Policies (ALMPs) remain focused on achieving the UN's Sustainable Development Goals.

### pooling networks, expertise and resources

Effective national labor market activation strategies are crucial, especially at a time when the labor market is changing rapidly and displacement of workers is growing. These government programs serve as an intervention in the labor market to help the unemployed find work. In addition, they provide an infrastructure for employment services to set up multi-stakeholder partnerships. Through their shared purpose – providing that extra stepping stone to the labor market to those who need it most – public and private employment service providers can contribute to the effectiveness of ALMPs. By pooling their labor market networks, expertise and resources, they will be able to draw as many people as possible into the labor market.

### from training and income support to job creation

The main drivers of these ALMPs are to prevent unemployment, increase employment opportunities for jobseekers, and improve the matching between jobs (vacancies) and talent. Labor market policies are varied and include job searching mechanisms, training, start-up incentives, income support (unemployment benefits), direct job creation, and more.

### promoting public - private - partnerships

International policy-makers such as the International Labor Organization, OECD, World Bank and the European Commission support national authorities, social partners and employment services in measuring their effectiveness and in sharing best practices. At the same time, cooperation between public and private employment service providers is promoted through various international instruments, such as ILO Convention 181 and Recommendation 188 on Private Employment Agencies.

Research from the World Employment Confederation has highlighted that a major benefit to governments ratifying ILO Convention 181 is the flexibility in relating its provisions to national law and practice and the engagement of social partners in doing so. In addition, the benefits of combining the complementary strengths of public and private employment agencies are clearly recognized and acknowledged. ILO Convention 181 promotes a collaborative approach to enhance labor market participation, calling for increased cooperation between public employment services and private employment agencies.

### meaningful and sustainable work for all

It is important to note that both public and private employment services are key actors in the labor market and can mutually benefit from cooperation, as their common aim is to ensure a well-functioning labor market and prevent unemployment by finding meaningful and sustainable work for all. More specifically, Article 13 of the Convention states that “...in accordance with national law and practice and after consulting the most representative organizations of employers and workers, [members shall] formulate, establish and periodically review conditions to promote cooperation between the public employment service and private employment agencies.”

Measures to promote cooperation between the public employment service and private employment agencies could include:

- pooling of information and use of common terminology so as to improve the transparency of labor market functioning;
- exchanging vacancy notices;
- launching of joint projects (e.g., in training);
- concluding agreements between a public employment service and private employment agencies regarding the execution of certain activities, such as projects for the integration of the long-term unemployed;
- training of staff;
- consulting regularly with a view to improving professional practices.

public-private partnerships as an instrument of active labor market policies.

### tackling current labor market challenges

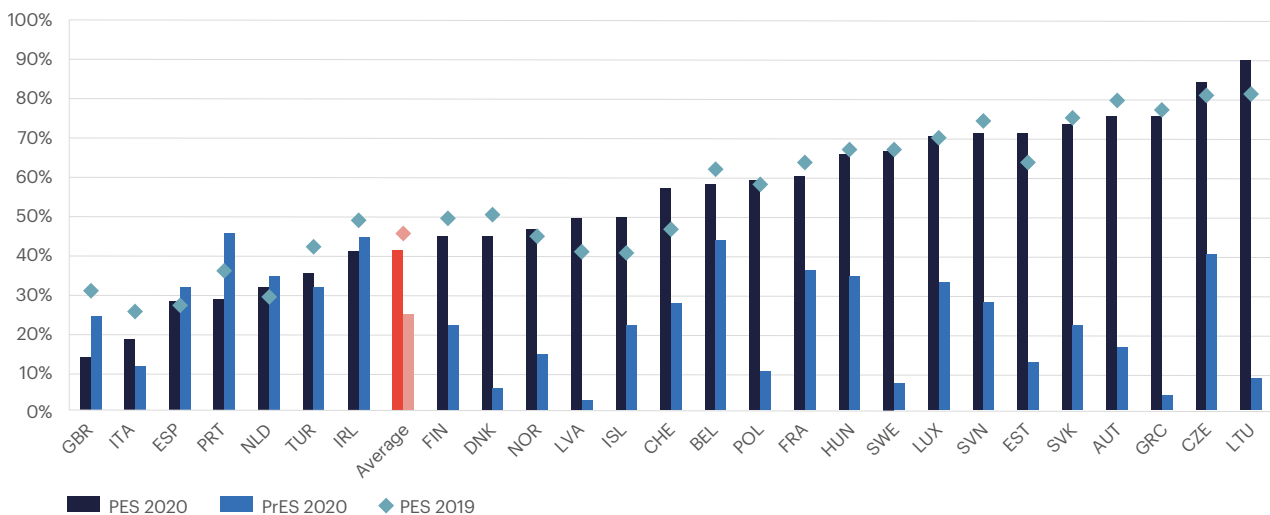
Despite the significant progress of the COVID-19 vaccination campaign in many OECD countries and the gradual re-opening of their economies, in April 2021 there were still 7 million more people unemployed than before the onset of the pandemic, and many more discouraged job seekers and people on reduced hours of work. In the still uncertain recovery, ALMPs play an important role, as they help displaced workers find jobs more quickly and facilitate the matching of job seekers with emerging job opportunities. At the same time, ALMPs are needed to support the labor market integration of groups with major employment obstacles to build a more sustainable and inclusive labor market. In response to the COVID-19 crisis, governments across the OECD are developing or putting into place medium-to long-term strategies to boost the recovery of jobs and be better prepared for future shocks. These strategies include redesigning and scaling up ALMPs and increasing funding for their public employment services in line with the recommendations in the [OECD Employment Outlook 2021](#).

The European Commission’s Joint Employment Report 2021, adopted by the European Council on March 9, 2021, stressed that “active labour market policies are key

to support labour market adjustments following the COVID-19 shock”. In the same report, the conclusion was drawn that public employment services “will need to go beyond traditional ways of working” to deal with a surge in the number of job seekers and support their reallocation across occupations or sectors. For that reason, the report recommends investing in public employment services and strengthening active labor market policy measures, for example by enhancing the monitoring and evaluation of measures already taken.

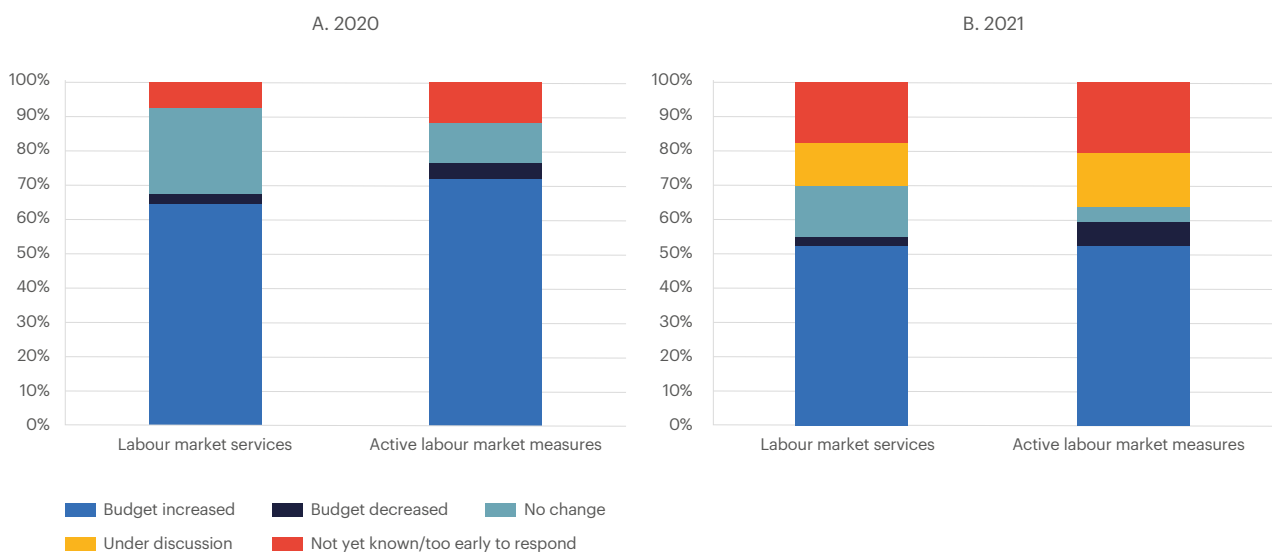
### key role of employment service providers

The OECD found that public employment services (PES) together with private employment services (PrES) have been playing a key role in supporting job seekers, employers and workers since the start of the pandemic. Despite social distancing restrictions, difficulties in service provision, and limited job vacancies, 41% of all unemployed people contacted the PES to find work in 2020 in Europe (EU countries plus Iceland, Norway, Switzerland) and Turkey, just 4 percentage points below the 2019 figure. In addition, 25% reached out to private employment services in 2020 in their job-research efforts. This underlines the important role of the PES and PrES in providing good quality services to a growing number of people.



### perspective for the future

In the aftermath of the pandemic, we are facing both an activation and a transition challenge, the OECD Outlook says. Not only do we need to get people back to work, but to prevent future unemployment, we need to place them in sectors with perspective for the future. Effective public-private partnerships will play a crucial part in achieving this.



The OECD Outlook reveals that countries responded swiftly to the current downturn, making adjustments to their ALMPs. While some of these adjustments did not require additional funding (e.g., reallocation of staff), most countries increased their funding for ALMPs over the course of 2020, including plans for further changes in 2021. Two principal expenditure categories are distinguished for describing these changes in funding:

- Labor market services: This includes public or private provision (with public financing) of job seeker counseling and case management, financial assistance to help fund job searches or mobility to take up work, and job brokerage and related services for employers, including similar services delivered by private providers but with public financing. Labor market services also include the administration of unemployment benefits, job retention schemes, and redundancy or bankruptcy compensations.
- Active labor market measures: These include training, employment incentives, sheltered and supported employment and rehabilitation, direct job creation and start-up incentives, all targeted at the unemployed and

closely related groups (e.g., those who are inactive but who would like to work, or the employed who are at known risk of involuntary job loss).

The [OECD Employment Outlook 2021](#) clearly states that while it is too early to assess the adequacy of public spending on ALMPs in 2020 and 2021, past evidence suggests that there is a clear risk of countries investing too little. Moreover, the effectiveness of public spending will depend on a successful implementation of the measures that were – or will be – introduced or adapted to support the recovery.

Additional investments may be necessary in a number of areas:

- Investing in up-skilling and reskilling of unemployed and displaced workers is important to support job transition in the recovery and respond to changes in the demand for skills brought by automation, digitalization and structural changes. Training programs have been found to be particularly effective during past downturns as lock-in effects (enrollment in

- training programs preventing an early return to work) tend to be smaller. Training has therefore been expanded during the pandemic to support the reallocation of workers and to upskill those at risk of displacement, with countries making additional training places available and moving classroom-based training courses online. More than ever before, the current crisis has emphasized the importance of cultivating the skills needed to access various digital tools, including for job search and online training.
- In many countries, measures to foster job creation and increase demand for labor have been introduced or expanded. Almost two-thirds of OECD and EU countries have scaled up their employment incentives, and 42% of countries have lowered social security contributions for some or all employers. This was important to preserve employment that had been impacted by sudden economic shutdowns due to COVID-19 and to prevent the detachment of individuals from the labor market. The specific targeting of employment incentives at groups in need can increase their effectiveness and avoid money being wasted on subsidies for the hiring or retention of workers who would have been hired or retained anyway. Many countries have therefore targeted their new measures at young job seekers, the long-term unemployed, people with disabilities, the older unemployed, and other disadvantaged groups. Other countries have expanded public sector direct job creation programs and start-up incentives. Further changes in the mix and sequencing of ALMPs might be needed as countries enter the recovery period.
  - This crisis risks leaving deep scars on vulnerable groups marginally attached to the labor market facing major or multiple employment obstacles. Barriers to (re)enter the labor market include scarce work experience (faced by many young people), care obligations (particularly among women with young children), low skills and health limitations. Not all of these groups show up on the radar of PES, which is why it is important to identify the groups at risk and their needs, develop effective outreach strategies, and provide integrated, comprehensive and well-targeted support. This in turn requires a good exchange of information and cooperation between the relevant institutions responsible for the provision of employment, health, education and social services, as well as income support.
  - Furthermore, evaluations of the new policies and programs introduced in response to the COVID-19

crisis will be required to identify effective ones and those that are less effective and need to be adapted or terminated. These efforts should ideally be embedded in a broader framework of evidence-based policy making that would enable countries to conduct regular and timely evaluations of their policies.

### crucial role of data

The sharing of accurate labor market data is essential for well-functioning public-private partnerships. Data helps to better understand and predict labor market demand by plotting needs against capabilities. Subsequently, these labor market insights will make it easier to prepare for tomorrow's realities and provide workers with the best information about their options. Advanced data analytics also makes it possible to facilitate seamless skills-based transitions for people, enabling deeper personalization for individualized career paths. Furthermore, the use of Artificial Intelligence (AI) practices can offer a solution for public-private partnerships to help manage their COVID-19-related caseload in the short term and build capacity to improve longer-term outcomes. Of course, this needs to be done in compliance with data protection regulations to protect users' privacy.

### benefits of AI

- Although still in the early stages, the use of AI will enable public-private collaborations to mitigate the extra burden placed on them by increased numbers of job seekers as a result of the COVID-19 pandemic, principally along three dimensions:
- Better matching workers to vacancies: AI facilitates better matching of job seekers and vacancies through the assimilation of data on job seekers' existing skills. Learning algorithms can spot emerging patterns that may speed up the reabsorption of displaced workers into industries requiring similar skill sets and AI can quickly process large pools of job seekers. Click data may also help identify how workers search for vacancies to improve recommendations for new job seekers.
  - Better tailoring of services and ALMP: Not only has COVID-19 substantially increased caseloads of job seekers across countries, it has also altered their composition, as some groups have been affected more by the current health and economic crisis than others. This may result in traditional profiling tools used by PES – either digital or via caseworker assessment – becoming less accurate as they are dealing with

unknown individuals. AI algorithms allow for rapid and consistent adjustment of profiling based on the new information on these individuals, meaning that services can be adapted and deployed at scale and with pace.

- Greater efficiency and increased “self-service”: The demands placed upon many PES by the rapid influx of new job seekers mean that support had to be rationed, as there are fewer staff per job seeker. The provision of virtual job coaching via the use of AI means that PES with this capacity can facilitate fast and accurate matching and job finding for individuals who are potentially easier to place in the labor market, reserving the support of case workers for those in greater need. This has potential benefits to both the efficiency and equity of PES services.

### key take-aways

- ALMPs including public-private partnerships play a key role in helping job seekers find jobs, enabling skilling and training possibilities, and providing extra support to those who need it most.
- Additional resources will be needed to ensure that high-quality employment services and programs will be effective in helping people get back to work in the aftermath of this pandemic.
- Investing in up-skilling and reskilling of unemployed and displaced workers is important to support job transition and respond to changes in the demand for skills brought by automation, digitalization and structural changes.

# part II: impact measurement Baanbrekend: a public private partnership collaboration.

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# baanbrekend: improving lives and reducing government spending.

Baanbrekend is a co-creation between Dutch municipalities and Randstad Netherlands, which started in 2010. The purpose of this public-private partnership program is to help people find work and support the short- and long-term unemployed in getting back to the labor market. Randstad Netherlands contributes to this objective by using our network in the public sector, our database of vacancies, and our experience in matching and guiding people.

Baanbrekend is intended for those who experience difficulty in accessing the labor market. The program aims to support these people in finding work within six months by making them job-ready through individual coaching & guidance. This may concern young people who are new to the world of work, but also people who have been on government support for a longer period of time.

“When someone gets a job after having been out of the labor process for a while, the impact is quite substantial. They feel 'meaningful' again, and have a new purpose in life. It's that feeling of belonging and meaning something for society.

The added value of cooperating with government organizations such as Stroomopwaarts is enormous. Together, we can coach and guide people on government support back to work. You can't do this alone – constructive collaboration is key.”

Marine Vendrik, Recruitment Specialist T-zorg

The Baanbrekend team consists of employees from Randstad, Dutch municipalities, and UWV, the Dutch Public Employment Service. One integrated team consisting of members from the three parties brings together their specific competencies, knowledge and expertise. Irrespective of their employer and diverse organization backgrounds, members of the Baanbrekend project team work side by side combining their specific labor market expertise and knowledge, operationally managed by a Randstad manager, towards a joint outcome: supporting those in need to meaningful and sustainable work.

“Thanks to the collaboration between employers and social services, specifically their coaching and guidance, as well as the work opportunities they offer, employees are much more likely to succeed.”

Jan Willem, Project Manager CPA Services

All job-ready candidates are screened using a labor market value scan, if necessary attend a workshop, and are assigned a contact person from the Baanbrekend project team. Ideally, we find work for candidates within 8-13 weeks. This may be a permanent job, a part-time job, or temporary work. The starting point is always work, resulting in a job, then a better job, and ultimately a career.

Each job seeker is coached and guided by the Baanbrekend project team, taking individual and personal needs into account. To this end, Baanbrekend partners with employers in the region and other labor market intermediaries, and of course also makes use of the Randstad database to find suitable jobs. In this way we make sure that job seekers have access to the full spectrum of the labor market.

For job seekers who are not yet 100% productive at a particular employer, we also offer further development opportunities. We use the Reintegration Practice Agreement for this. We ask the employer involved to invest in the employee in question. In fact, this is an investment in the employer's own human capital. In return, the employer pays a reduced rate for the period during which the benefit recipient is not yet fully productive. The objective of all parties is to guide the employee to a labor contract as quickly as possible. We support the talent back to the labor market by helping them to find jobs and develop their skills so they can have a meaningful and sustainable career.

“It's about understanding each other, knowing how to find each other, using each other's expertise, and keeping the collective goal in mind. If you see each other's differences as strengths and combine them, this will ultimately result in synergy.”

Daizy van der Meulen, Task Manager Labor Market and Development SDD

# DEEP-DIVE ON THE IMPACT OF THE BAANBREKEND PROGRAMME

[impactinstitute.com](https://impactinstitute.com)



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*Final report - September 1, 2021*

Authored by Impact Institute

## CONFIDENTIALITY REQUEST AND DISCLAIMER

Information, data, and drawings embodied in this document are confidential and are supplied with the kind request that they will be held confidentially and not disclosed to third parties without the prior written consent of Impact Institute.

# 1. Introduction

## 1.1. The Baanbrekend programme

The Baanbrekend programme is a co-creation between Dutch municipalities and Randstad Netherlands. The programme was founded in 2010 and is being executed by Randstad RiseSmart Netherlands. The purpose of this public-private partnership programme is to help people find work and support the short- and long-term unemployed transition back into the labour market. Randstad Netherlands contributes to this objective by using its network in the public sector, its database of vacancies and its experience in matching and guiding people. The target audience of the Baanbrekend programme are those who experience difficulty in accessing the labour market. The programme aims to support these people in finding work within six months. It does so by making people job-ready through individual coaching and guidance. Participants of the Baanbrekend programme range from young people who are new to the world of work to people who have been on government support.

The Baanbrekend project team consists of employees from Randstad, Dutch municipalities and UWV (the Dutch Public Employment Service). By integrating people from these three different parties, the Baanbrekend programme combines the competencies, knowledge and expertise required to make the programme successful. The objective of all parties is to guide the Baanbrekend participant towards an employment contract as quickly as possible and for them to have a meaningful and sustainable career. Irrespective of their employer or background, the Baanbrekend project team members work side by side to combine their specific labour market expertise and knowledge -operationally managed by a Randstad manager- towards a joint outcome: Supporting those in need to meaningful and sustainable work.

All candidates that are job-ready are screened using a labour market value scan and, if applicable, attend a workshop. Moreover, each candidate is assigned a contact person from the Baanbrekend project team. Ideally, the Baanbrekend teams supports job-ready candidates find work within 8-13 weeks. This may be a permanent job, part-time job or temporary work. The starting point is always work, resulting in a job, then a better job and ultimately a career. Each job seeker is coached and guided by the Baanbrekend project team. Notably, individual and personal needs are considered in throughout the coaching and guidance process. The Baanbrekend programme partners with local employers and other labour market intermediaries to provide Baanbrekend participants with broad and extensive access to the labour market.

Baanbrekend participants who may benefit from further skill development before being fully productive for a particular employer are offered further development opportunities through the Reintegration Practice Agreement. Employer are asked to invest in the skill development of the Baanbrekend participant to be matched with employment at their organisation. The employer is thereby investing in its own human capital. In return, the respective employer pays a reduced rate for the period during which the Baanbrekend participants may not yet be fully productive.

In 2020, 2186 participants were successfully matched with (temporary or permanent) employment through the Baanbrekend programme. A person is 'successfully matched' when they no longer rely on welfare

benefits. A large share of the Baanbrekend participants who were successfully matched in 2020 found employment in the professional services sector (28.6%), transport & logistics sector (8.7%) or healthcare sector (8.6%). This study finds that, after being successfully matched with employment in 2020, Baanbrekend participants' chance of being employed three years later is ~81%. Without the support of programme like Baanbrekend, the chance of being employed would be around 20%.

The Baanbrekend programme creates impact for various stakeholders, not least of which being the participants of the programme. Participants are helped to find work and receive all the well-being and financial benefits resulting from employment. Once successfully placed, participants no longer receive welfare benefits from the government. This saves costs for the government and allows the government to offer benefits to others or to reduce the overall number of beneficiaries. However, Baanbrekend has no systematic way to demonstrate the exact value its programme creates both for participants, the government and society-at-large.

*After being successfully matched with employment in 2020, Baanbrekend participants' chance of being employed three years later is ~81%. Without the support of programme like Baanbrekend, the chance of being employed would be around 20%.*

## 1.2. Deep-dive impact assessment

Through Impact Institute's established impact measurement and valuation framework, a selection of the Baanbrekend programme's most material impacts have been identified and selected for deep-dive impact assessment. Impact is defined as the difference one makes in the world by having an effect on the things valued in society. The impact created by the Baanbrekend programme stems from the resulting effects of its activities which society deems important. Furthermore, it is driven by the difference between these resulting effects in the scenario where there is a Baanbrekend programme and where there is not one.

In this deep-dive, Impact Institute quantified the relative size of the Baanbrekend programme's impact for its different stakeholders and translated this impact into monetary units. This valuation allows Randstad to externally communicate the value created by the Baanbrekend programme, compare the value and size of different impacts to one another and identify what drives these societal impacts.

The following sections of this report will detail the methodology used for the deep-dive assessment, the results of the impact calculations and conclusions and next steps that can be taken.

## 2. Methodology

The deep-dive assessment of Baanbrekend impacts was done according to Impact Institute's established methodology. This method can be broken down into four steps:



Each of these four will be explored in the following sections.

### 2.1. Step 1: Scoping

The first step in impact measurement and valuation is scoping. In the scoping process the impacts to be assessed and the respective required data were selected and defined.

#### 2.1.1. Selection and definition of impacts

##### 2.1.1.1. Impact selection

For this deep-dive, a select number of impacts were quantified and monetized. Determining the selection of impacts is typically done through materiality, where the most material impacts are chosen for assessment. Impacts are seen as material if they are expected to have a large effect on one or more stakeholder groups and are strategically important to the organisation or programme.

In this project, the process of impact selection began by introducing the Baanbrekend working group to the concept of impact. In this introductory session, Impact Institute introduced the idea of impact and how impact can systematically be conceptualised based on organisational activities. The Baanbrekend working group was presented with a list of standard organisational impacts<sup>1</sup> which was supplemented with impacts investigated during the introductory session on impact. After this session, the Baanbrekend working group narrowed down the list to a final shortlist of five impacts. This list was discussed with partner organisations (such as local municipalities) to ensure the selected impacts offered an objective and representative view of the Baanbrekend programme.

##### 2.1.1.2. Selected impacts

The final list includes the following impacts<sup>2</sup>:

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<sup>1</sup> The full list of standard impacts can be found in Impact Institute's [IP&L Assessment Methodology \(IAM Core\)](#).

<sup>2</sup> For more details on the calculations underlying these impacts, see the section [Impact calculations](#).

- 1** Government savings on welfare benefits

The financial savings accrued by the government resulting from welfare beneficiaries entering into full-time, part-time or temporary employment
- 2** Economic growth from well-functioning labour market

Contribution to the economic growth of the Netherlands in 2020 through the increased share of employed people in the working population
- 3** Value of talent placed at clients

The economic added value offered by participants of the Baanbrekend programme to the organisations that offer them employment
- 4** Well-being effect from employment

The increase in well-being of Baanbrekend participants resulting from employment through effects on self-esteem, autonomy, social relations, and social status
- 5** Creation of human capital through training and work experience

Increases in the expected generated value added of employees due an increase in productivity resulting from training (including coaching) and work experience

The five impacts will be assessed in terms of their effects over the course of three years. This period starts from the moment the Baanbrekend participants are successfully placed in employment in 2020.

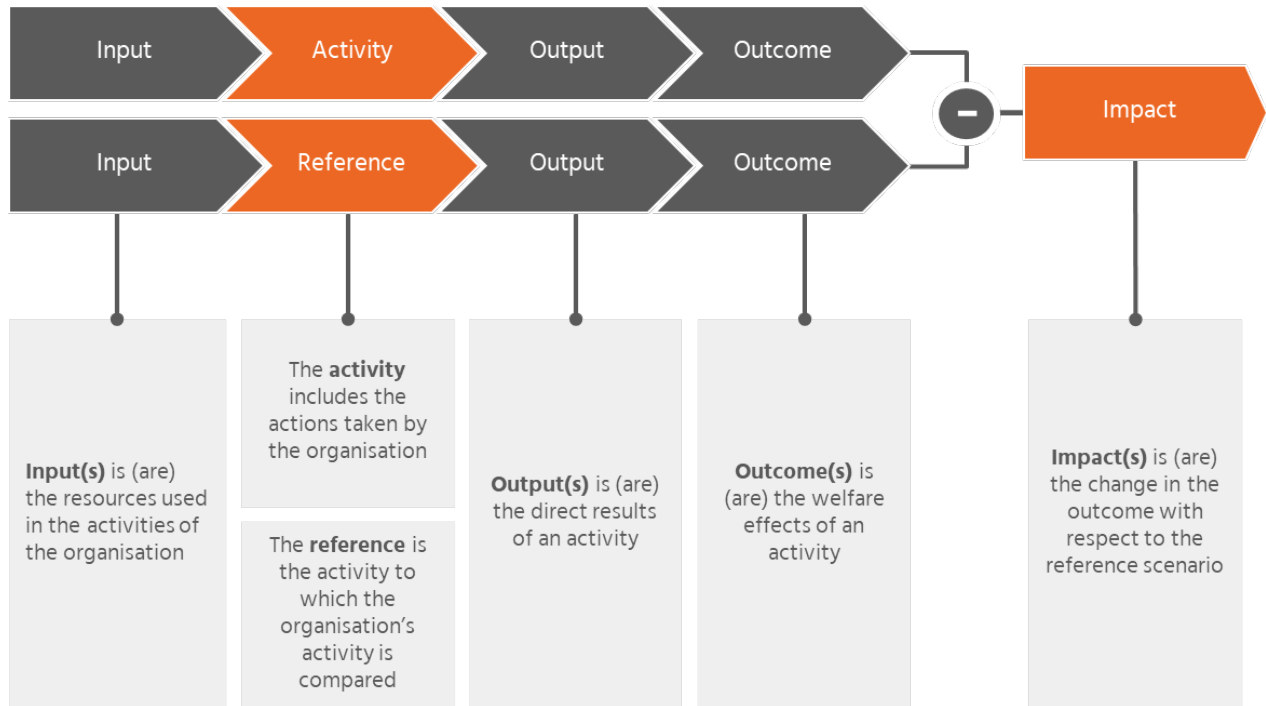
### 2.1.2. Impact pathways

Once impacts were decided, impact pathways were created. Impact pathways are quantifiable chains of effects and counterfactual effects linking a specific activity of an organisation/programme to its (non-valued and valued) impact. In other words, the pathway defines what impact(s) are created from a given activity (Figure 1). This typically requires four steps: input, activity, output and outcome. The pathway begins with the activity, where a single activity is chosen to define impact. To fully assess all the impacts created by an organisation, all the activities performed by the organisation will have to be defined and eventually inputted into separate pathways. The pathway describes all the input required for the given activity, including even elements like the time and skills of the persons necessary to perform the activity. The remaining elements of the chosen activity are the output and outcome, which define the direct results of the activity and the ways in which the activity affects human welfare, respectively.

Impact is a measure of the change in human welfare resulting from an activity. Studying impact therefore requires a baseline on human welfare to compare with the activities performed by the Baanbrekend programme. This baseline is called the reference scenario: An alternative scenario that would have reasonably occurred if the selected activity (in this case: the works of the Baanbrekend programme) never happened. The definition of a reference follows the aforementioned process. It begins with a chosen (counterfactual) activity and subsequently defines the input, output and outcome the reference scenario

would result in. Common examples of reference scenarios include, (i) an alternative business performing the activity instead or (ii) absence of an alternative activity.

The final element of the pathway is to determine the difference between the outcomes of the chosen organisational activity and the reference scenario. This difference is the impact of the activity.



**Figure 1: The impact pathway**

Impact pathways provide a systematic method to define impacts. Importantly, a single activity may result in multiple impacts, if it has different sets of outputs and outcomes. Multiple activities can also result in the same impact if the outcome and outputs they result in are sufficiently similar. It is for this reason that it is important to accurately define the activities performed and assess their effects through impact pathways.

The impact pathways were then expanded on to define the data requirements for each impact. These requirements detailed which data points would be necessary to accurately calculate the impacts, using data points that were either readily available from the organisation, were capable of being collected by the organisation or could be found from other sources. This step could also be considered the preliminary impact modelling stage, as basic calculations were sketched out based on the defined impacts.

## 2.2. Step 2: Data collection

The defined necessary data is further categorised once it has been identified in the impact pathway stage. The required data was broken down into data points that could be supplied by the Baanbrekend working group (primary data) and data that was unavailable to the organisation (secondary data). The collection of these two types followed different protocols.



### 2.2.1. Primary data collection

Primary data provides the most applicable input for impact measurement and helps create the most accurate assessment possible. Impact Institute crafted a data input file to enable primary data collection.

The data input file details exactly which data points are necessary for the impact assessment and is sent to the organization being assessed, in this case, the Baanbrekend programme. The data points detailed in the file are taken directly from the impact pathway creation stage. The developed impact models centre around primary data collection as this is the most accurate and relevant information. Some of the required data is not available in primary form. In these cases, supplementary information in the form of secondary data is necessary for the impact calculations.

For this deep-dive, the Baanbrekend working group decided to perform survey research to collect primary data on chance of employment through various of its clients. This survey research entailed sending out emails to people who were successfully matched with employment through the Baanbrekend programme in the past (as based on availability of contact information). The survey research focused on whether people were (still) employed in 2020 and 2019. The collected survey data was assessed by Impact Institute to establish whether it satisfied the requirements for valid results. The assessment showed the validity requirements were mostly satisfied as the error margins of the survey research were close to the preferred threshold of 10% (12% for 2019 and 8% for 2020, given confidence interval of 95%<sup>3</sup>).

The final step in the data collection process is validation. The received data is checked for accuracy and completeness. If gaps or inaccuracies were detected, they were filled using researched secondary data.

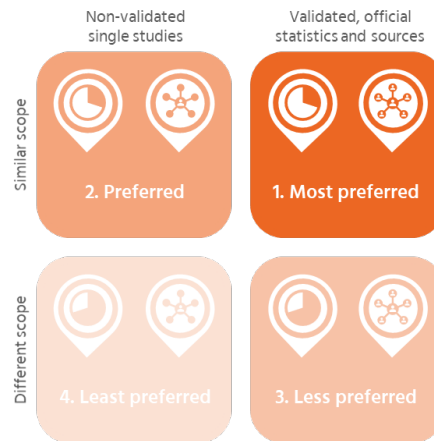
### 2.2.2. Secondary data collection

Secondary data is sometimes necessary to collect to supplement the primary data and fill out impact calculation models. Secondary data collection occurred simultaneously to primary data collection, and continued afterwards, in case of revealed data gaps.

Impact Institute collects secondary data according to its developed data hierarchy (Figure 2). Most important in the hierarchy is that the secondary data source has a similar scope to the assessment in question. Scope includes contextual elements like location of the study, year of assessment, organization size and sector. Ideally, all scope elements would match between the source and the study, but in case this is not possible, the source with the most matching scope elements is preferred.

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<sup>3</sup> The surveys were sent out to 1490 2019-participants (response rate: 12%) and 1561 2020-participants (response rate: 8%). The calculations are based on standardized techniques to study required sample sizes for survey research. See, for example, [Adam \(2020\)](#).



**Figure 2: Impact Institute's data hierarchy**

Secondarily, the validation of sources is considered. A source is more preferred if it is from an official, validated source, is peer-reviewed or otherwise independently reviewed and has been replicated. Non-validated single studies will only be used if better source data cannot be found.

### 2.3. Step 3: Calculation

After data collection, the models for calculating each impact were finalised. The models drafted in the scoping stage were primarily relied on for this. However, where required data could not be collected or found, the impact models were revisited and adjusted according to available information.

### 2.4. Step 4: Monetisation

The final step in impact measurement and valuation is monetisation. Monetisation is one of the many ways to value impacts, with its primary strength being the translation of impact into a universally understandable unit: currency. This allows inherently incomparable impacts, like GHG emissions and well-being increase through employment, to become comparable to both each other and to other items expressed in monetary units, like profit & loss line items and product prices.

At Impact Institute, the monetisation of positive and negative impacts are largely done through separate methods.<sup>4</sup> As only positive impacts were assessed in this deep-dive, only the monetisation of positive impacts is relevant for this project. In particular, two methods of monetisation were utilised:

<sup>4</sup> An explanation of the method for the monetization of negative impacts can be found in the True Price publication, [Monetisation Factors for True Pricing](#)

**A** Financial proxy

Some impacts are measured using figures that are already expressed in monetary units, thus not requiring a final monetisation factor

Government savings was measured through the calculation of the amount of welfare benefits, in monetary terms, the government does not have to provide, as a result of finding work for current welfare beneficiaries

**B** Well-being

Many impacts are measured through the change in the well-being of different stakeholder groups as a direct result of activities of an organisation. This change is then monetised through researched values, often making use of stated and revealed preference measures, of the average monetised value of life satisfaction points

Well-being increase through employment is measured as the amount of increase in life satisfaction the average employee receives through the benefits of employment, such as through increased social contact, security through fixed financial income and increased self-esteem

### 3. Results

Randstad and Impact Institute together developed a hotspot analysis of its impact on its main stakeholders (see Figure 3). This result was developed using the results of a previous collaboration between Randstad and Impact Institute in which a hotspot analysis describing impact per capital was developed (see section Capitals and stakeholders in the appendix). As discussed in chapter 2, the impacts for the hotspot analysis displayed in Figure 3 are based on a standardized list of impacts. To derive the impacts for the deep-dive assessment, Randstad and Impact Institute assessed what impacts were expected to be most relevant to the Baanbrekend programme.

To do so, the impacts included in the hotspot analysis were assessed in terms of expected materiality (or impact size) and strategic importance. Moreover, Randstad and Impact Institute investigated whether any impacts relevant to the Baanbrekend programme were missing from the standardized list of impacts. Again, these additional impacts were assessed in terms of expected materiality and strategic importance. Together with partner organisations (such as municipalities) to ensure validity, Randstad selected the final five impacts of the aggregated list of impacts to be used for the deep-dive on the impact of the Baanbrekend programme.

This chapter discusses the findings of the hotspot analysis and discusses the main stakeholders of the Baanbrekend programme. Subsequently, it displays the results of the deep-dive on the five selected impacts of the Baanbrekend programme. The chapter discusses underlying drivers of each impact. Therefore, this chapter provides insight into the size of the selected impacts of Baanbrekend and possible ways to optimize impact by steering on underlying drivers.

### 3.1. Hotspot analysis results

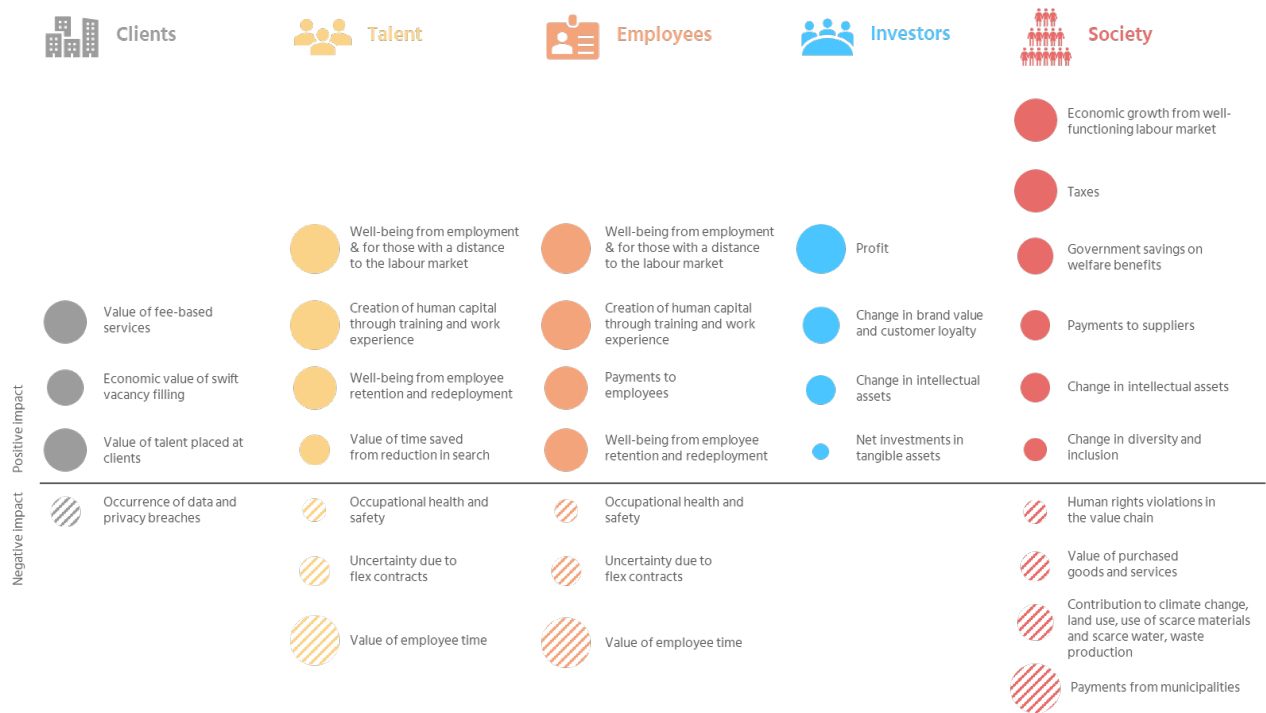


Figure 3: Hotspot analysis of Randstad's impact

#### 3.1.1. Stakeholder: Clients

One of the stakeholders of the Baanbrekend programme is clients. With *Clients*, this report refers to the organisations at which Randstad finds employment for people. Through its work in the Baanbrekend programme, Randstad impacts clients in both positive and negative ways. Examples of the impact the Baanbrekend programme creates for clients is the economic value of swift vacancy filling (or: avoiding costs due to waiting for good candidates to fill clients' vacancies) and the value of talent placed at clients (also referred to as: the added value of people hired by clients through the Baanbrekend programme relative to their respective labour costs).

#### 3.1.2. Stakeholder: Talent

Another stakeholder of the Baanbrekend programme is talent. With *Talent*, this report refers to the people for who Randstad looks for employment. Through its work in the Baanbrekend programme, Randstad facilitates talent to (re-)enter or transition through the labour market. Examples of the positive impact the Baanbrekend programme creates for talent are well-being effect of employment and human capital creation through training and work experience. Examples of the negative impact the Baanbrekend programme creates for talent are occupational health and safety incidents (for example, resulting from people experiencing work-related stress) and uncertainty due to temporary contracts.

The negative impact of uncertainty due to temporary contracts results from uncertainty faced by people who are not sure whether they will be employed after their temporary contract ends. In today's economy, many start off their employment with temporary contracts. Notably, the intend of the Baanbrekend

programme is not to match talent with temporary employment but rather to promote sustainable (or: long-term) employment. Therefore, this deep-dive assessment does only assess the impact of employing talent in the year of employment but rather the impact of the three years following the start of employment. It thereby aims to assess the promotion of sustainable employment.

### 3.1.3. Stakeholder: Employees

Employees represent another important stakeholder of the Baanbrekend programme. With *Employees*, this report refers to the people who are employed by Randstad to work on the Baanbrekend programme. Employees experience both financial and non-financial impact: On the one hand they are paid salaries (which represents a positive impact created by the Baanbrekend programme) while on the other hand there are also negative impacts such as the opportunity cost of value of employee time.

The value of employee time represents the time investment which employees make in return for their employment. This is a negative impact since the employees could have spent the time which they are employed at the Baanbrekend programme engaging in other activities. In return for this time investment, employees experience positive impacts such as being paid salaries and experiencing well-being from employment.

### 3.1.4. Stakeholder: Investors

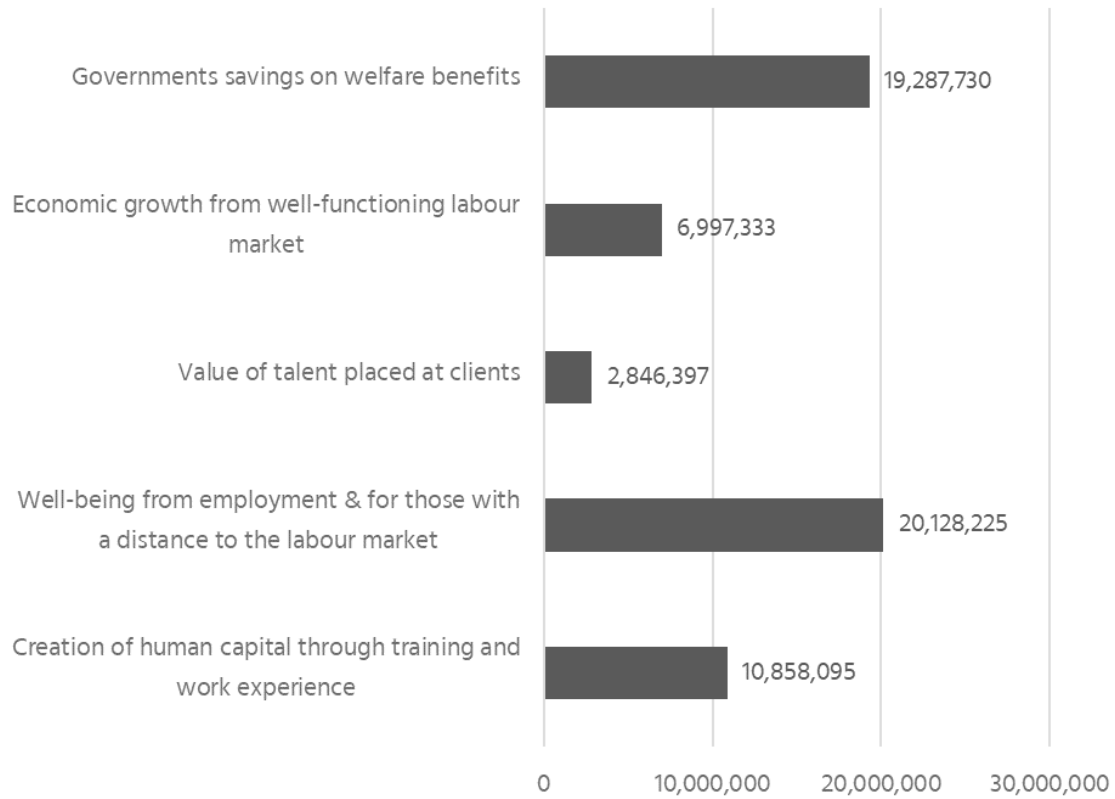
Another stakeholder of the Baanbrekend programme is its investors. With *Investors*, this report refers to the people or entities who invest in the Baanbrekend programme. Through its work in the Baanbrekend programme, Randstad impacts these investors. An example of this impact is the profit generated for investors.

### 3.1.5. Stakeholder: Society

The final stakeholder of the Baanbrekend programme in this study is society. With *Society*, this report refers to society-at-large including local and national governments. Through its work in the Baanbrekend programme, Randstad impacts society in both positive and negative ways. Examples of positive impact the Baanbrekend programme creates for society are increase in taxes and government savings on welfare benefits. Examples of negative impact the Baanbrekend programme creates for society are human rights violations in the value chain (depending on the sector) and payments from municipalities (since, in return for the services provided by the Baanbrekend programme, municipalities help finance the programme).

## 3.2. Deep-dive results

The results of the hotspot analysis were used to develop the results of the deep-dive. As mentioned earlier, Impact Institute quantified and monetized five impacts in the deep-dive. This section will discuss the results of the deep-dive on the Baanbrekend programme, the underlying drivers of the selected impacts and the key assumptions relevant to this deep-dive.



**Figure 4: Overview of the impact attributed to the public-private partnership Baanbrekend over the three subsequent years after successful placement in 2020 (impact in euros)**

Figure 4 shows the quantified impact (in euros) created over three years resulting from training offered through the Baanbrekend programme training and from helping participants (re-)enter the labour market in 2020<sup>5</sup>. The results reflect the impact made on and through the 2,186 successfully matched<sup>6</sup> Baanbrekend participants who found work in 2020. By participating in the programme, their chance of being employed increased. When looking at the three-year period as assessed in this deep-dive (starting from the moment one is matched with work), the chance of one being employed after that period is estimated to be 4x as

*One’s chance of being employed three years after successful placement through the Baanbrekend programme in 2020 is around 4x higher than without the support of such a programme.*

high when supported through the Baanbrekend programme compared to when does not have such a

<sup>5</sup> Please find the assumptions to this deep-dive in the final section of this chapter. The underlying calculations for each impact are outlined in the appendix (section Impact calculations).

<sup>6</sup> In the Baanbrekend programme people are successfully matched once they find employment which allows them to no longer depend on social assistance benefit.

support programme. The Baanbrekend programme therefore successfully promotes sustainable employment.

The chance of employment is influenced by the chance of getting a job and the chance of remaining employed (or rather: The chance of not losing employment). Baanbrekend participants who were matched with employment in 2020 faced a greater chance of no longer being employed in 2021 than Baanbrekend participants who were matched with employment in 2019 (25% for the 2020-participants versus 17% for the 2019-participants). The difference may be caused by the COVID-crisis which broke out in 2020. Alternatively, the chance of the 2019-participants having lost employment may have been equally large as that of the 2020-cohort after one year. Given the limited data available, it is not possible to draw strong conclusions.

Other relevant data used to obtain the deep-dive results as displayed in Figure 4 are (i) the welfare benefits received by Baanbrekend participants before joining the programme; (ii) the estimated salary increases of Baanbrekend participants from being matched with employment (and the respective taxes which they pay); and (iii) the type and shares of training and support provided to Baanbrekend participants by Randstad and by the organisation that employs the successfully placed participants. Where possible, the data used in this deep-dive was provided by Randstad in the form of primary data. Some data (for example, data on the salary which Baanbrekend participants will earn when employed) are not disclosed to Randstad due to privacy regulations. Secondary data is used to fill those gaps in the primary data availability.

The figures in Figure 4 are to be interpreted as follows: The creation of human capital through training and work experience resulting from the activities of the Baanbrekend programme in 2020 amounted to €10,858,095 in impact. This represents the total monetary value of human capital created resulting from the training provided by Randstad and the work experience acquired by the participants of the Baanbrekend programme who were successfully placed in employment in 2020.

This impact is both a direct result of the work experience acquired by Baanbrekend participants who were employed in 2020 as well as the increased chance of being employed in the three years following the moment of successful placement. Increasing the chances of future employment (or: sustainable employment) is a key feature of the Baanbrekend programme. For this deep-dive, the period of increased chance of employment is limited to three years after commencement of the initial placement. It is limited to this period due to limited data availability resulting from privacy standards. The monetized impact as valued in this report therefore represents the impact created by the Baanbrekend programme through its 1) placements in 2020 and 2) the resulting increase in chance of future employment.

All five impacts in this deep-dive are driven by the (continuous) chance of employment resulting from participation in the Baanbrekend programme over a period of three years starting from the moment of



successful placement in employment. The higher the chances of employments and the lower the chances of losing employment, the higher the impact of the Baanbrekend programme will be<sup>7</sup>.

Each of the five impacts will be elaborated on in more detail in the rest of the chapter. The sections will discuss the drivers of the figures in Figure 4. Complementary, the respective assumptions to this deep-dive are listed in the final section of this chapter.

### 3.2.1. Government savings on welfare benefits

#### 1 Government savings on welfare benefits

The financial savings accrued by the government resulting from welfare beneficiaries entering into full-time, part-time or temporary employment

**Size:** €19,287,730

**Stakeholder:** Society (incl. government)

The total impact of Baanbrekend on the government through savings on welfare subsidies through job placements in 2020 over the subsequent three years was €19,287,730. Most of the people finding employment through the Baanbrekend programme in 2020 received social assistance benefit<sup>8</sup>. This welfare subsidy tops up the income of low-income households to €999.70 or €1,428.14 per month (excluding holiday allowance) (2020-levels) depending on the number of household members. When successfully placed in employment, these welfare recipients no longer rely on welfare subsidies resulting in government savings. In addition, depending on the salaries the newly employed Baanbrekend participants earn, the government will acquire increased taxes thereby increasing its savings further. Unfortunately, the chances of finding a job for recipients of social assistance benefits are low and tend to diminish over time. Therefore, efforts to successfully support such welfare recipients to (re-)enter the labour market will likely result in significant impact (for both the individuals themselves and other stakeholders).

### 3.2.2. Economic growth from well-functioning labour market

#### 2 Economic growth from well-functioning labour market

Contribution to the economic growth of the Netherlands in 2020 through the increased share of employed people in the working population

**Size:** €6,997,333

<sup>7</sup> Assuming the chance of employment and chance of losing employment without the Baanbrekend programme do not change. If the labour market changes and all participants of the Baanbrekend programme can easily find employment without the efforts of the programme, the impact of the Baanbrekend programme will -by definition- decrease.

<sup>8</sup> The social assistance benefit of the Netherlands (in Dutch: *bijstandsuitkering*) tops up the income of low income households to €999.70 or €1,428.14 per month (excluding holiday allowance) (2020-levels) depending on the number of household members, [Rijksoverheid](#).

**Stakeholder:** Society

In 2020, the Gross Domestic Product (GDP) of the Netherlands was about 800 billion euros<sup>9</sup>. Economic growth is traditionally defined as the relative change in the GDPs of two subsequent years. The increased number of employed people in the Netherlands' working population over the period of three years after placing Baanbrekend participants in employment results in an absolute financial contribution of €6,997,333 through increased consumption and tax payments. To compare, this (three year) financial impact to society represents ~0.0009% of the Netherlands' 2020 GDP. Notably, the study assumes that those who are placed in employment do not push others out of the labour market (rather it assumes other people looking for employment will simply look and be eligible for other jobs).

**3.2.3. Value of talent placed at clients****3** Value of talent placed at clients

The economic added value offered by participants of the Baanbrekend programme to the organisations that offer them employment

**Size:** €2,846,397

**Stakeholder:** Clients (which employ Baanbrekend participants)

The financial impact of Baanbrekend participants finding employment at Randstad's clients represented €2,846,397 for the three years after placement in 2020 for these employers. This impact represents the return on investment (ROI) on human capital which Randstad's clients accumulated by hiring Baanbrekend participants. For this impact, it is important to consider whether instead of hiring a Baanbrekend participant, there are alternative applicants available for the position. Therefore, the labour scarcity for the sectors in which Baanbrekend participants found employment was assessed.

**3.2.4. Increase in well-being from employment****4** Well-being effect from employment

The increase in well-being of Baanbrekend participants resulting from employment through effects on self-esteem, autonomy, social relations, and social status

**Size:** €20,128,225

**Stakeholder:** Baanbrekend participants

The human impact on Baanbrekend participants through increased well-being of employment accounted for €20,128,225 for the three years after placement due to the Baanbrekend programme's successful placements in 2020. Having a job does not only contribute to one's welfare (through salary) but also contributes to one's overall well-being. When employed, people's life satisfaction tends to increase as they

<sup>9</sup> For more information, see [European Commission](#).

experience a greater sense of autonomy, increased self-esteem, more social relations and increased social status. There are many studies on the relationship between employment and life satisfaction<sup>10</sup> which find that unemployment is correlated with negative well-being effects such as increased risk of morbidity, mortality and mental health problems. Therefore, supporting people's transition towards employment means helping them move towards a more positive outlook on life through many interlinked issues.

### 3.2.5. Creation of human capital through training and work experience

5

#### Creation of human capital through training and work experience

Increases in the expected generated value added of employees due an increase in productivity resulting from training (including coaching) and work experience

**Size:** €10,858,095

**Stakeholder:** Baanbrekend participants

The human capital of Baanbrekend participants will increase resulting from training (offered by both the organisation at which they work and the Baanbrekend programme) and work experience. Training may range from courses on how to apply for jobs and set up a proper resume to practical instructions on how to perform on-the-job tasks. These trainings are intended to help Baanbrekend participants in their current and future job searches and to further develop skills required for their job. In addition, Baanbrekend participants work on their human capital creation through work experience. Studies show that most human capital development happens through informal learning or interactions at the workplace<sup>11</sup>. Human capital creation through work experience results from everything a person learns from putting their skills to practice and going through the experience of working. Both the training participated in 2020 and work experience accumulated by Baanbrekend participants over the following three years will benefit them in future jobs or job searches.

The training and coaching provided to participants through the Baanbrekend programme focusses on getting a job (for example, training on writing a good resume or interview skills) and on providing guidance throughout the process of finding employment. Some people may require personalized coaching or guidance to successfully (re-)enter the labour market. The Baanbrekend programme adjusts the type of coaching provided to its participants depending on their needs. Please note the current impact assessment assumes all participants have either no or a small distance to the labour market and do not suffer from severe mental or psychical disabilities. Those with a large distance to the labour market may benefit a lot in terms of human capital creation from training and work experience compared to the currently assessed population. Therefore, the impact of the creation of human capital through training and work experience

<sup>10</sup> See, for example, work by [Aysan and Aysan \(2017\)](#) or [Richter et al \(2020\)](#).

<sup>11</sup> See, for example, [Jennings and Wargnier \(2011\)](#).

may be larger than currently assessed if there are people with such a large distance to the labour market among the Baanbrekend participants.

### 3.3. Assumptions

Certain assumptions were required during the calculation and interpretation of impacts in the deep-dive on the Baanbrekend programme. Some assumptions (here referred to as 'general assumptions') apply to multiple impacts whereas others apply only to specific impacts. In this section these assumptions will be discussed.

#### General assumptions:

1. The initial chance of losing one's job is the same for people who did or did not participate in the Baanbrekend programme.
2. The impact created for the stakeholders as valuated in this deep-dive is partially attributable to the Baanbrekend programme and partially attributable to those who hired the Baanbrekend participants (Randstad's clients). *This means that both the efforts of the Baanbrekend programme and the efforts of the employing organisations are required to bring about the total impact. The figures displayed in this report represent the share of the impact which is attributable to the Baanbrekend programme.*
3. All Baanbrekend participants have either no or a small distance to the labour market and do not suffer from severe mental or psychical disabilities. *This means the deep-dive assumes there are no people with a large distance to the labour market among the Baanbrekend participants successfully matched with employment in 2020. Society and people with a large distance to the labour market themselves may benefit relatively a lot from the Baanbrekend programme's support in finding these people employment (in terms of well-being, human capital creation, economic growth and government savings on welfare benefits). Depending on the reason for one's large distance to the labour market, the impact on clients (through value of talent placed at clients) may or may not alter when including those with a large distance to the labour market in the assessed deep-dive. The reason this group of people was not included in the study was because there is little data available on the amount of people and their distance to the labour market for those who participate in the Baanbrekend programme. A conservative estimate on the population was therefore made.*

**Impact:** Government savings on welfare benefits

#### Key assumptions:

- Before being successfully matched with employment, 100% of Baanbrekend participants received social assistance benefit. *In reality, only 92% of Baanbrekend participants received social assistance benefit before re-entering the labour market. The other 8% of Baanbrekend participants*

*received unemployment benefits, WIA, Wajong or no benefits. The study assumes all Baanbrekend participants received social assistance benefit before finding employment through the programme because the other welfare benefits vary per person and are difficult to estimate without personal data.*

- Complementary, Baanbrekend participants are assumed to have received the maximum possible amount of social assistance benefit. This means they did not have any other sources of income (which would be subtracted from the welfare benefits) nor did anyone who they shared a home with. *The implication from this assumption is that the monetized impact of the Baanbrekend programme on government savings may be smaller than its current value. The reason for this would be that perhaps Baanbrekend participants only received, for example, €200 per month in social assistance benefit meaning the total government savings would be lower when these Baanbrekend participants no longer need social assistance benefit.*
- Local or national governments do not pay companies (clients of the Baanbrekend programme) for hiring Baanbrekend participants. *Incidentally (dependent on the arrangements with specific municipalities) companies do receive payment for employing a Baanbrekend participant. In these cases, the companies are paid through vouchers for schooling or skill development for the Baanbrekend participant.*

**Impact:** Economic growth from well-functioning labour market

**Key assumption:**

- Those who are placed in employment do not push others out of the labour market. Rather, other people looking for employment will simply look and be eligible for other jobs.

**Impact:** Value of talent placed at clients

**Key assumption:**

- Only in sectors where labour is scarce can the impact of return on investment (ROI) on human capital be assumed to result from the Baanbrekend programme's efforts. *When there is an abundance of labour available for a certain position, it may either be filled with a Baanbrekend participant or any other applicant. The value of the person placed at the client is therefore attributable to the client. However, when there are little or no alternative applicants, the Baanbrekend programme's contribution to the value for the client (or: this impact) will be significant.*

## 4. Conclusions and recommendations

The results of the impact measurement can be used to develop insights and recommendations. These insights and recommendations will be detailed in the following subsections. Moreover, as based on the results of this deep-dive, this report will discuss potential next steps to be taken.

### 4.1. Steering on impact

One of the primary uses of impact assessments is to inform organisational decision-making through quantitative estimates of its created impact: Steering on impact. The informed decisions should build on the identified drivers of the assessed impact, to maximise the value the organisation creates for each of its stakeholders.

Based on the results, several recommendations can be made:

- Firstly, the overall impact of the Baanbrekend programme is driven by the difference in chance of employment of its participants. It is recommended to focus on steering on maximizing this difference by optimizing one's chance of getting a job while minimizing one's chance of losing a job in consecutive years. Here are examples of approaches to achieve this principle:
  - I. Optimizing the change in chance of employment:
    - a) For participants who face a relatively low chance of getting a job without the support of the Baanbrekend programme, the impact of the Baanbrekend programme will be relatively large (assuming equal chance of losing a job). Notably, the Baanbrekend programme does not cherry-pick its participants: Both people with a short and a long distance to the labour market are accepted into the programme. To optimize the chance of employment, the Baanbrekend programme should focus on helping as many people as possible -both those with a small and a large distance to the labour market- towards meaningful and sustainable employment;
    - b) Additionally, the type and amount of training or coaching should be designed such that it meets the individual needs of each Baanbrekend participants. The Baanbrekend programme aims to satisfy individual people's needs as it recognizes the importance of this personalized approach. However, offering this personalized approach requires funds as it means investing more time and effort into training and coaching Baanbrekend participants;
    - c) Moreover, the Baanbrekend programme could focus on matching its participants to sectors and/or job types in which labour scarcity is high. This will increase participants' chance of getting employed. Please note that the Baanbrekend programme does not focus on substituting current employees with Baanbrekend participants. Rather, the Baanbrekend participants are matched with opportunities for new employment.

## II. Minimizing the chance of job loss:

- a) Complementary to the previous statements, the Baanbrekend programme could focus on matching its participants to sectors and/or job types in which chance of job loss are low. To illustrate, the chance of job loss may be high in sectors which face high insecurity or low margins (increasing the difficulty to offer permanent contracts). Moreover, certain jobs may be mentally or physically challenging, thereby inclining people to leave their jobs. For sectors or jobs for which the job loss potential is relatively high, it is important to manage participants' expectations and make sure they are a good (long-term) match for the job;
  - b) Monitoring the employment status of Baanbrekend participants after successful placement (on voluntary basis and considering privacy concerns) allows for swift intervention when a Baanbrekend participant loses or is in fear of losing its job. This may help to steer on reducing relapse into the welfare system.
- Secondly, the impact of the Baanbrekend programme is also driven by the number of people successfully matched with employment. It is recommended to steer on increasing the number of participants matched with (meaningful) work to optimize the programme's impact.
  - Thirdly, the salary received by Baanbrekend participants when employed is relevant to the impact of the Baanbrekend programme. To illustrate, the more salary one earns, the more taxes they pay. This results in financial impact for society. In addition, a salary increase may result in lower financial stress and increased well-being. Therefore, it is recommended the Baanbrekend programme supports its participants into jobs with proper wages.
  - Fourthly, the Baanbrekend programme may optimize its impact by focusing on matching participants to a job in sectors in which there is labour scarcity. In addition to the previously mentioned increase in chance of getting employed, this will contribute to the value for clients created by the Baanbrekend programme.

## 4.2. Next steps

The current deep-dive can serve as the basis both for monitoring, evaluating and steering on impact of the Baanbrekend programme as well as for expanding impact measurement and valuation within the organisation of Randstad.

Regarding monitoring, evaluating and steering on impact of the Baanbrekend programme, the Baanbrekend working group may use the insights and lessons learnt of measuring and valuing impact to:

- i. Formulate impact KPIs for the Baanbrekend programme in line with its mission and vision;
- ii. Install monitoring systems to enable monitoring of the progress made towards these impact KPIs;
- iii. Establish moments of evaluation to revise the progress of the Baanbrekend programme (as defined by its impact KPIs);
- iv. Steer on impact as based on these data-driven monitoring and evaluation systems;
- v. Communicate to (potential) clients and partners on the impact of the Baanbrekend programme;

- vi. Report on the impact of the Baanbrekend programme to provide interested readers with transparency on the social impact created by this public-private partnership.

Aside from steering on the currently assessed impacts, the assessment of further impacts can supplement the current report. If time and resources allow, this can eventually be extended into a full Integrated Profit & Loss (IP&L) Statement. The full IP&L assesses all material impact created by an organisation affecting all its stakeholders. This provides an extensive overview of the value created, and can be used to further steer on impact, not only maximising the creation of positive impact but minimising the creation of negative impact as well. An example of a created IP&L can be found in the [ABN AMRO Integrated Report 2020](#).



## 5. Appendix

### 5.1. Impact calculations

In this section, the calculations underlying each impact are explained in detail. To measure impact the selected scenario (in which the Baanbrekend programme offers potential participants the opportunity to coaching and guidance to (re-)enter the labour market) is compared to an alternative scenario. For this deep-dive, the alternative scenario is assumed to be one in which there is no programme available which provides services like the ones offered by the Baanbrekend programme. For all impacts, the calculation results in impact attributable to the Baanbrekend programme for the three years subsequent to successful placement in 2020.

For each impact, the total calculated impact is attributable to multiple parties: While the Baanbrekend programme may have an important role in bringing about this impact, the companies at which Baanbrekend participants find employment also play an important role. Therefore, we apply an attribution factor to the total calculated impacts to obtain the impact attributable to the Baanbrekend programme.

#### 5.1.1. Government savings on welfare benefits

The impact of government savings on welfare benefits is calculated by comparing the dependence on social assistance benefit of the Baanbrekend population successfully matched in 2020 to the dependence on social assistance benefit without the availability of such a programme. Moreover, the impact compares the chance of employment (and thus, increased taxes paid as a result from salaries from employment) in both scenarios. The amount that the government saves equals the amount in social assistance benefit saved (or avoided) plus the additional taxes paid by the number of people who found employment in the selected scenario and did not find employment in the alternative scenario. Notably, the impact is not only based on the benefits saved and additional taxes paid in 2020 (the year of successful matching) but also in the subsequent two years. To measure the impact of the subsequent two years, we compared the chance of employment for each year for the two scenarios. Each year, people face the chance of losing employment and of getting a new job. These probabilities are based on historical data provided by Randstad and are considered for measuring this impact.

#### 5.1.2. Economic growth from well-functioning labour market

Economic growth is defined as the increase in Gross Domestic Product (GDP) of a country from one year to the next. The contribution of the Baanbrekend programme is therefore calculated by measuring the increase in GDP which the Baanbrekend programme brings about over the three subsequent years after successful placement in 2020. Calculating GDP via the income approach means adding consumption, savings and taxes. For this impact calculation, it is assumed all income or benefits received by the people in the sample result in either consumption, savings or taxes. Therefore, an increase in the number of people working and earning more money through salaries compared to the amount received in social assistance benefit, results in an increase in GDP.

### 5.1.3. Value of talent placed at clients

The impact of value of talent placed at clients translates the human capital increase accumulated by successfully matched Baanbrekend participants into impact for clients. To measure this, we estimate the return on investment of human capital. Return on investment (ROI) indicates the resulting value of an investment. To illustrate, an ROI of 100% indicates each invested euro results in 2 euros revenue. When the revenue is non-financial, the ROI may be expressed differently. For example, when a non-profit organises a fundraiser to collect food for a homeless shelter, the ROI may look as follows: 1 box of food/€ invested. Notably, the box of food may be translated into a monetary value to obtain a more 'traditional' ROI. Complementary, the ROI of human capital looks at the revenue versus the personnel costs. It is calculated by subtracting personnel costs from total costs and dividing the difference between revenue and costs (excluding personnel costs) by personnel costs. The ROI on human capital represents the revenue resulting from an investment in human capital (or personnel). For this impact calculation, an industry-average ROI on human capital was used.

The ROI on human capital was multiplied by the additional number of employed people (in jobs where labour is scarce) and their salaries. Only people who find employment where labour is scarce are considered because if employment is not scarce, clients do not need the Baanbrekend programme to deliver them employees. The market will simply provide them with alternative labour. In the scenario just described, no impact may be attributable to the Baanbrekend programme. Alternatively, if it is difficult for clients to fill positions (or: there is labour scarcity), the Baanbrekend programme does impact clients.

### 5.1.4. Well-being from employment & for those with a distance to the labour market

The impact of well-being from employment is calculated based on the increase in well-being from having a job and the (monetary) value of such increased well-being of the number of people in successful placement. Please note the calculation makes the conservative assumption that all people have either no or a small distance to the labour market and do not suffer from severe mental or psychical disabilities. For this latter group of people, the increase in well-being from having a job is larger than for those who do not suffer from severe mental or physical disabilities. Therefore, if the Baanbrekend programme includes such people with a potentially large distance to the labour market, the impact of well-being from employment may be larger than currently assessed in this deep-dive.

### 5.1.5. Creation of human capital through training and work experience

There are different ways in which people learn and develop themselves professionally. Human capital is created through training, by executing work tasks and by interacting with others on the work floor. Baanbrekend participants that find employment are offered training by both clients (mostly on skills directly relevant to the job) and by the Baanbrekend programme (in the form of training on getting job-ready and coaching throughout the process of (re-)entering the labour market). Human capital creation is scaled off future salaries earned by Baanbrekend participants once employed. The calculation assumes that when Baanbrekend participants are not employed, they do not accumulate human capital.

## 5.2. Capitals and stakeholders

Individual impacts affect both certain stakeholder groups and capitals. Stakeholder groups are sufficiently similar groups of people that are impacted in the same way by different impacts. Examples of stakeholder groups include employees, clients, shareholders and society. Capitals are the stocks and flows of assets that are affected by impacts. Like with stakeholders, capitals are grouped according to stocks and flows that are sufficiently similar and are affected the same way by different impacts. Impact Institute makes use of the International Integrated Reporting Council’s six capital framework, which includes Financial Capital, Intellectual Capital, Manufactured Capital, Human Capital, Social Capital and Natural capital (defined in Figure 5). All of Randstad’s impact affect one of the defined capitals and are grouped accordingly (Figure 6).



Figure 5: The IIRC's six capital framework

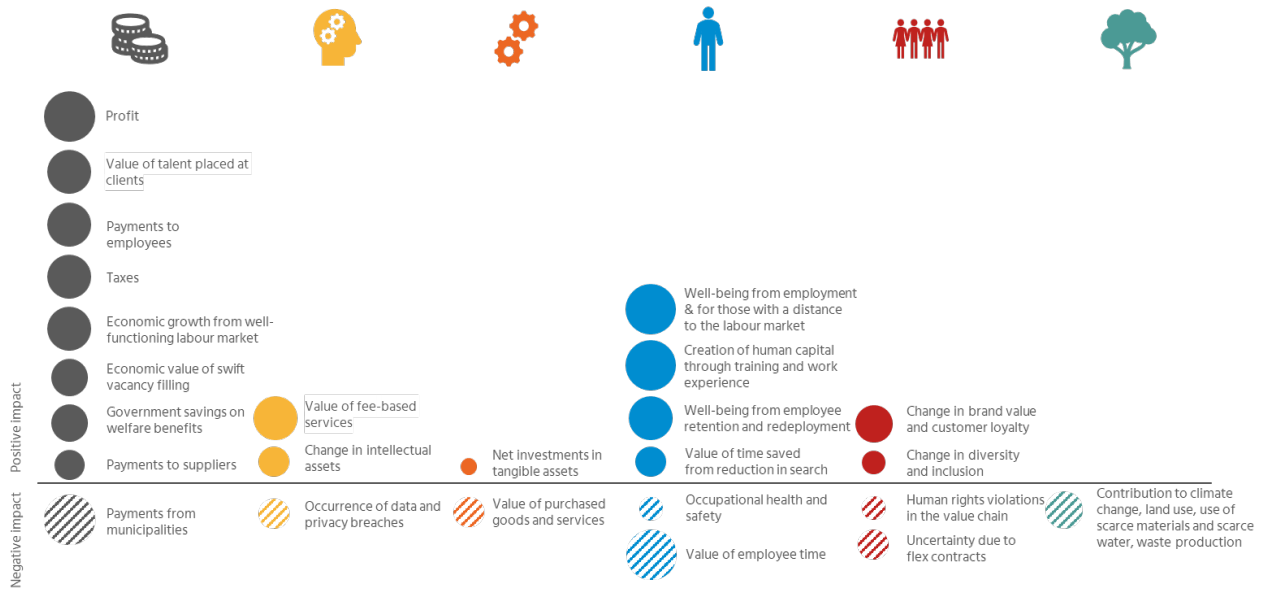


Figure 6: Randstad Impacts by capital

## 5.3. About Impact Institute

### 5.3.1. The organisation

This project was performed by Impact Institute, on behalf of Randstad. Impact Institute, a spin-off of True Price, is recognized as a global leader in impact measurement and valuation, having contributed to international frameworks such as the NCP and the TEEB framework.

Impact Institute believes one of the greatest opportunities of the 21<sup>st</sup> century is the realization of the impact economy: an economy in which work, entrepreneurship, innovation and technology engender a better world. It works to empower organizations and individuals to realize this impact economy by providing the tools, data, training and services needed to measure, report and steer on impact.

### 5.3.2. Its work

Impact Institute has extensive knowledge of and experience with measuring, steering and reporting on impact. It has developed a scalable approach to measure impact based on the UN's Sustainable Development Goals (SDG) and published a comprehensive guidance piece on this method, the Framework for Impact Statements (FIS), which received the ISAR Honours Award by UNCTAD (United Nations Conference on Trade and Development).

This method was later supplemented with the development of the first method worldwide to make for an Integrated Profit & Loss (IP&L), which was also published open source. Moreover, Impact Institute has developed specialised software and models to calculate impact. Next to client data, the methods make extensive use of internally and externally developed data sources, including multi-region input-output and monetization databases, such as the Impact Institute developed Global Impact database (GID). The GID allows for quickly estimating the impact of a portfolio by quantitatively describing the global economy estimating economic, social and environmental impacts of investments for up to 189 countries and 65 sectors.

The organization strives to further develop the field of impact management and valuation and promote the harmonization of methods through collaboration. In line with this, Impact Institute launched the Banking for Impact Working Group (BFI) in 2021 to bring together ideas on impact for the banking sector and are currently partnering with Harvard Business School's Impact Weighted Accounts initiative, Lee Kong Chian School of Business at Singapore Management University and professionals from the Rotterdam School of Management and Kempen Capital Management to develop harmonized impact measurement and valuation methodologies. Operating under the flag of the Impact Economy Foundation, this latter group is working on a publication called the 'Impact Weighted Account Framework' (IWAF), which will incorporate the newest ideas on impact measurement and valuation from around the globe. A consulting version was published in the summer of 2021.

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# part III: social innovation programs at Randstad.

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# employability and skills.

Employability stands at the forefront of discussion when addressing labor market changes, which are driven by trends such as new technologies, demographic change, job polarization, and remote work. As a result of these developments, the skills needed by workers and clients are also changing. This rapid evolution presents challenges as well as opportunities when it comes to the development of human capital. This chapter discusses the importance of sustainable employability by boosting investment in education, skilling and workers' ability to adapt a lifelong learning attitude. It also focuses on how the needs of both employers and workers have changed, and what the new normal will be like as labor markets transform.

## sustainable employability

Sustainable employability is about creating the right conditions for employees to have a long, healthy and happy career. It is a pivotal issue that lies at the heart of labor market changes, global competition, and the future world of work. People who are sustainably employable are responsive to changes within the labor market and their work situation, adapting quickly and effectively. They are ready to navigate the world of work, today and tomorrow. This is of particular importance considering that the COVID-19 pandemic has triggered a quantum leap in digital transformation and how work is organized.

The growth of remote work, the ability to collaborate online, new consumer trends, and e-commerce demands, as well as the automatization of global supply chains are all testimony to this. What has also become clearer than ever is that education is key for labor participation, with workers developing transversal hard and soft skills. Aligning education curricula with the needs of the private sector is key for talents to be prepared for more transitions on the labor market than ever before. This includes facilitating sustainable employability by shaping incentives and frameworks for business and workers to bridge skill gaps. This can be achieved by reskilling and upskilling, lifelong learning, enhancing human and social skills, vocational training, and proactive career support.

Quality and equal education as described in UN Sustainable Development Goal 4 is under extreme stress. In fact, as of May 2021, school closures have kept 90% of children out of school, reversing years of educational progress ([HRW](#)). At the same time, at least 500 million children do not have access to remote learning capabilities ([UN](#)). Inevitably, this will have deep consequences for employment (youth or otherwise) and future growth. Overall, formal market GDP per capita was down 4.2% globally, and 1.6 billion informal laborers were at risk of losing their work in 2020 ([UN](#)). The health crisis has also pushed more and more workers to informal work markets with less social protection, hampering the realization of UN Sustainable Development Goal 8 ('decent work and economic growth'), as individuals accept lower paid positions with subpar working conditions.

In addition, with the aim of "boosting productivity by speeding up the reallocation of labor from less-productive activities to more productive ones" automation and technological disruption continue to shape a new future world of work ([OECD](#)).

## digital and skills transformation: the changing nature of work

Technology and automation have indelibly changed the nature of employment, as well as the structure of the labor market, increasing the divide between repeatable and non-repeatable practices. Already today, 60% of current occupations have tasks of which 30% could be automated ([McKinsey](#)). In fact, McKinsey Global Institute studies indicate that, by 2030, intelligent agents and robots could replace up to 30% of current global human labor ([McKinsey](#)). This may sound like a negative development, but the benefits will eventually outweigh the challenges. The opportunity here lies in that this trend will be mitigated by the multiplier effect: "technologies make some roles obsolete, they also create new roles, many of them more desirable than those they replace" ([Flexibility@Work2021: embracing change](#)).

## best practice: Boost, Netherlands

Through Randstad Boost, almost 13,000 people receive customized vocational training every year, preparing them for the jobs of today and the future. The mission of Randstad Boost is to make a structural contribution to solving the situation in which skilled workers are becoming increasingly scarce, and the demand for these skilled workers continues to grow. For example, training is provided in transportation, healthcare, engineering, education, financial services, customer contact, and logistics.

For example, a recent study has suggested that although 20 million of the UK workforce will have to change occupations by 2030, an estimated six low-skilled jobs are going to be created per ten new high-tech positions (Lee & Clarke). This is consistent with historical trajectories of major technological changes, as automated improved processes require more human labor activities in the processes that have not been automated. In sum, once a task is automated, its increased productivity will require more human labor to support non-automated functions. In addition, the changing technological landscape has enabled the growth of diverse forms of work. These allow corporations to “quickly adjust their workforce’s size and composition”, which would be impossible without the technological change and training that has enabled increased positional agility (Flexibility@Work2021: embracing change).

Overall, this context “has triggered a quantum leap in digital transformation technology”, which grants an opportunity to rethink the current world of work and drive new solutions in the workspace for both employers and the employed (WEC/IOE).

For employers, this requires a shift to a more inclusive, skills-driven talent acquisition approach, as opposed to degree-based assessment. For workers, this development means that they will need to focus on more inclusive transversal skills (skills that do not pertain to a specific role but are used in a variety of work contexts) and employment pathways. A skills-driven labor market focuses on candidates with expansive “communication skills, team-working skills, customer handling skills, problem-solving skills, learning skills, and planning and organisational skills as essential ‘transversal skills’” (OECD). Transversal skills are also quite “heterogeneous”, pertaining to both “soft and technical skills” as well as “business-related skills”.

Moreover, “the ability to operate a digital technology” has become a key competency needed across a wide variety of jobs. These developments show that “digital skills are permeating societies and labour markets not only in high tech occupations, but across virtually all jobs and sectors” (e.g., Microsoft Excel, social media skills, etc.). This is of particular relevance as government education and professional vocational training are redirecting their focus on “real-world contexts and work-based learning”, which have been demonstrated to “motivate learners more than traditional approaches” (OECD).

Overall, this means that “lifelong learning will become even more vital”, as the continued “acceleration in technology uptake” revolutionizes the changing nature of work and composition of the global workforce (OECD). This technical and technological revolution in skilling, independent of the pandemic crisis, will force 32% of all jobs to “require substantially different tasks and skills over the next 15 to 20 years”, the OECD suggests (OECD). Inevitably, such a context forces us, as the global leader in the HR industry, to consider how to best shape diverse and effective workforces which are well regulated and socially conscious.

## the COVID-19 effect and the 'new normal'

According to the [World Economic Forum Future of Jobs Report](#), by 2025, 85 million jobs will have been displaced due to COVID-19, while 97 million new jobs will be added. The International Labour Organization estimates that 50 million employers around the world currently operate in highly impacted sectors, such as retail, hospitality, arts and entertainment, transport and real estate. This underlines the need to foster sectoral shifts and to support people in moving from declining sectors into new roles and growing sectors.

The COVID-19 pandemic has created a short-term context where the 'war for talent' has turned into a 'war for work opportunity'. In OECD economies, this has meant an upward of ten times fewer hours worked on average, as well as unprecedented foreclosures and job losses ([OECD](#)). In this regard, the shift from working at the office to remote work, and generally toward a comprehensive hybrid form of 'smart working' has been accelerated. On the one hand, the rise of hybrid working (a work style that enables employees to blend working from different locations: home, on the go, or in the office) may drastically improve productivity, autonomy and flexibility. However, on the other hand, the reduction of face-to-face contact may negatively impact team morale and collaboration. In these times, employability is driven by the capacity and ability to use digital tools and maintain collaboration and teamwork without continued physical contact. This creates a divide between skilled and unskilled digital workers and between those having and lacking the soft skills required to adapt to this new context ([WEC/IOE](#)).

This is particularly relevant given the intensification of pre-existing labor market trends and developments. For example, the demand for 'Information and Communications Technology' and 'Science, Technology, Engineering, and Mathematics' qualified talent has only been accelerated by the pandemic-related challenges, as has the need for soft transversal skills, such as emotional intelligence, negotiation skills, and creativity. These demands complement the continued rise of automation of manufacturing and an increasingly interconnected business world. On the one hand, soft skills must reflect the changing world of work, as face-to-face contact continues to be limited. On the

other hand, workers also need to update their hard skills, such as analytical, technical, presentation and management skills, if they are to retain or aspire to future work opportunities. The development and enhancement of these skills rests on vocational training, training on the job, and relevant work experience.

Moreover, "the health crisis created shortages of workers in specific occupations (mainly healthcare and public safety), and labour markets and governments struggled to find skilled professionals to fill the gaps." Such shortages are evidence of the need for updated transversal skills through the continuation of "lifelong learning systems" which "play a fundamental role in bridging the distance between current skill needs and future demands by helping individuals anticipate changes" ([OECD](#)).

Moreover, in light of these technical and contextual developments, two out of three employees expect to work more from home in the near future ([Deloitte](#)). Defining this new normal, as McKinsey suggests, is a "difficult problem to solve" ([McKinsey](#)). It forces us to think about how to optimize productivity in a hybrid virtual model that focuses on human capital management and social cohesion. In the case of Britain, this shift has already become evident, as "vacancies advertising remote working in the UK" grew by "452% since the start of the pandemic" ([SIA](#)). The effects of the COVID-19 pandemic have impacted employability in a number of long-term ways, most notably exacerbating the already present structural challenges facing labor markets.

For example, 60% of global workers are in the informal market, and the pandemic has only aggravated this phenomenon ([WEC/IOE](#)), exacerbating the pre-COVID-19 trend of polarization ([WEC/IOE](#)). Within the informal market, the pandemic has increased the vulnerability of workers, who "were three times more likely than formally employed workers to lose their jobs". Additionally, COVID-19 has hit women and minorities particularly hard, with the crisis having an "unequal impact between genders and across races in OECD countries" ([Brodeur et al. p. 38](#)). This trend alludes to a further job polarization of already present divides in opportunities.

## short-term working schemes and unemployment

The dissimilar short-term COVID-19 policy responses between the US and Europe have meant that whereas in EU Member States most workers received support from short-term schemes financed by the national Government authorities, in the US, they did not. Such programs in the EU include the reduction of working hours or temporary redundancy financed by the government.

Although short-term scheme length and compensation rates vary greatly across OECD economies, overall, it has served to “considerably dampen employment losses” (ECB). In the US, where such safety net policies are “scarce or non-existent”, unemployment rose sharply to its highest level since 1948 at 14.8% (CRS). In European Union countries, unemployment only reached a peak of 7.7% in August 2020; a high since 2013 during the recovery from the 2008 financial crisis (where it had reached 11%) (Eurostat).

Overall, short-term schemes have been employed as the ‘policy response’ in key European markets, such as France, Italy, and Germany, which experienced “massive increases in uptake, compared with even the Great Recession” (Vox). Nevertheless, in the long run, these trends are expected to stabilize, with unemployment increasing in Europe as short-time working, furlough and other support schemes are reduced.

Despite growing demand from employers during recovery, talent shortages and mismatches are dampening supply of workers, most notably in healthcare, construction and information communication technology. This increases the need to invest in reskilling in order to enhance sustainable employability, as this will empower people to navigate the changing labor market during the recovery phase of the pandemic.

## road to recovery

On the road to recovery, the opportunity to build a better world of work must be seized. One that is tailored to empower people and businesses to shape the world of work in a transformed economy. While the rise in remote working could dramatically increase productivity, many people feel disoriented working from home, and previous management structures may not be fit-for-purpose, requiring businesses to reshape. Some workers have difficulty in adjusting to this new style of work and miss the social interaction and clear direction of the traditional workplace.

The future world of work is likely to be one where remote work forms an integral part of regular work practice in a mixed model of home and workplace working in many sectors. It may not necessarily be a solitary experience either, as workers have easier access to collaborative spaces, ranging from virtual coffee breaks and physical coworking places to annual corporate retreats. It could be a world where managers empower their employees, trusting them to reach their goals and offering them the flexibility to manage their time and workload in line with their personal commitments while enhancing their sustainable employability. It could also be a world where leaders embed in their organization the adaptability and resilience needed to face future shocks.

In conclusion, the world of work is changing due to trends such as automation, technology, demographic change, polarization, remote work, and so on. The COVID-19 pandemic and the economic crisis that followed have revealed deficits in the functioning of labor markets that can no longer be ignored. Beyond recovery measures, structural reforms are needed to adapt to the ‘new normal’, making labor markets more agile, inclusive and resilient. As a result, the shift from lifetime employment to lifetime employability will empower people to navigate the increasingly complex labor market landscape. Investing in education and skills is a joint responsibility. However, awareness is required on all levels, especially on the part of employees.

Research shows that employees (particularly blue-collar workers) still think that their employer will take care of them, even if they work in a decreasing industry. Workers, governments and businesses alike must therefore be inspired to accept this responsibility jointly and be stimulated to prioritize the development and delivery of agile education and training systems that respond to changes in the world of work. This includes better systems to ensure high-quality lifelong learning aligned with all life phases, digital skilling, and relevant vocational training.

## key insights

- The current socio-economic context has accelerated already present labor market trends (e.g., ICT and STEM talent scarcity) and fueled the trajectories of technological shifts and social innovation.
- Sustainable employability will be essential to prepare people for the future world of work and to foster transition to new industries and roles.
- Education is key for labor participation, with skilling being a joint responsibility.

## social programs on employability and skills

country	title	program description
Argentina	Barrio 31	Barrio 31 is a slum set right in the heart of Buenos Aires where 40,000 people live, mostly in poverty. Many of them take on different kinds of informal jobs. Residents in this shanty town have been historically discriminated against, because safety and infrastructure conditions in the neighborhood were not very good. Last August, Randstad Argentina decided to join a public and private project with CeDEL, a training and employment office that reports to BA City Government. The project allows us to interview residents who have completed the three training modules on employment provided by CeDEL. We try to find employment for them if their profile suits the job. In addition, we have also been participating in the last module, training candidates on employability in general and more specifically for merchandising roles. We alternate training with simulated interview sessions, which may result in real interviews and employment.
Argentina	PILA (Programa de Inserción Laboral Acelerada)	Randstad Argentina developed a training program to improve the employability of people living in slums while also providing a 'train the trainers' program for the NGOs/ Government institutions/Co-ops within these slums to help them continue the program autonomously and sustainably. We chose La Juanita, a slum in the Gregorio de LaFerrere neighborhood (home to aprox 250,000 people) in La Matanza, one of the largest districts in Buenos Aires. During two weeks (3 hours per day), Accenture, Santander Río and Randstad trained selected participants on nine different modules, in the slum. This also included a final day when invited companies could come over to learn more about the project and interview potential candidates. Regarding the module's contents, each company shared their own expertise (Accenture: Digital skills; Randstad: Employability; and Santander Río: Financial inclusion tools).
Australia	Smith Family - shaping young futures	Through the Smith Family program, we partner with clients who also provide mentors to take participants through the Australian labor market, help them write a CV, LinkedIn profile, build interview skills, develop an 'elevator pitch', and attend a networking evening to practice all skills. The program is six weeks in duration. The first program ran in 2017, the second program in 2020.
Belgium	Change management	The market for domestic workers is extensive in Belgium. These people go to work in the private homes of various individuals. RiseSmart Employability guides them through the various aspects of their job, such as work attitude (self-confidence, communication, motivation), dealing with stress and major events (such as the grieving process of a private individual).
Belgium	enVie	Randstad Group is a founding partner of the social Belgian start-up 'enVie'. This start-up has two main objectives: (1) to find a solution for food waste and (2) to promote the socioprofessional reintegration of people with a distance from the labor market. The workers are employed on a fixed-term contract for one year. They produce delicious soups using vegetables that are refused by stores because of their shape or excessive volumes. Randstad Group plays a crucial role in the selection and coaching of these workers.

employability and skills.

country	title	program description
Belgium	Randstad Academy / Learn4job	Randstad Belgium and Tempo-Team Belgium have developed a policy for training programs offered to employees and flex workers. Besides the standard internal training program, we select high-quality programs given by external providers to help our workers become quickly efficient at work (e.g., sales skills, security and transport training). With this win-win proposition, candidates can develop relevant skills and clients can fill the gaps in their teams. In addition, our Learn4Job program offers job-seekers an opportunity to take part in a training program to acquire specific skills needed for one of our job offers (e.g., a heavy goods vehicle license). Sometimes, we observe a gap between supply and demand. Now, for the past four years, in association with our partner Liège Airport, we have been giving job-seekers an opportunity to undergo special training to become an aircraft refueling specialist. Candidates who complete the course receive a diploma and are subsequently employed by the airport.
Chile	Hogar de Cristo project	Randstad Chile has an agreement with Fundación Emplea, of the Hogar de Cristo, whose mission is to support the employability of adults who find themselves in a situation of poverty and social exclusion. In this context, Randstad Chile gets access to candidates for administrative, sales, technical and operative jobs, using this institution as another source of recruitment, which allows us to support people who urgently need a stable source of income.
Germany	Journalist Challenge	The “DEUTSCHE JOURNALISTENPREIS Wirtschaft   Stock Market   Finance (djp)” honors outstanding editorial contributions in German-language print and online media on economic and financial topics. Publishers, chief editors and department heads of leading media as well as opinion-forming representatives from business and science select the winners as jurors. The prize was awarded in 2020 for the 14th time. Journalists from Germany, Austria and Switzerland took part in the competition, with 420 articles published in 95 media. The journalists' party with more than 200 guests takes place annually in Frankfurt am Main to announce and honor the winners. The award was announced in 2020 in a virtual live event.
Hungary	Legislation in Covid-19	In the initial phases of the Covid pandemic, Randstad Hungary supported the government, helping to keep jobs and set up home office regulations. Temporary staff were enrolled in the job keeping programs, and an up-to-date home office regulation was set up, avoiding unnecessary limits such as maximum number of days/years, health and safety restrictions, and cost allowance.
Italy	Employability and changemaking program	This soft skills development program enhances employability by encouraging a changemaker aptitude in school-to-work candidates.
Luxembourg	Public Private Partnership	Randstad Luxembourg continues its cooperation with the local ‘Agence pour le développement de l’emploi’ in order to help the government to reduce the number of job seekers. This program allows us to have direct contact with job seekers and get to know their profiles. We also play an active role in the training funds for our business federation through our presence in the ‘FSI’ (Fonds de Formation du Secteur Intérimaire).

employability and skills.

country	title	program description
Netherlands	Aan de slag voor de klas	Aan de slag in de klas' (Getting started in the classroom) is meant for employees of banks/insurers. In cooperation with the primary and secondary education councils, Randstad contributes knowledge on the educational labor market and scarcity. Together with Windesheim University of Applied Sciences and ABN Amro, we have set up a three-day training course that helps people from the target group find out whether making a switch to the sector of education would be a sensible next step. On a voluntary basis, people can try out teaching and offer other types of services to schools, so they can get a taste of the atmosphere.
Netherlands	Baanbrekend	Baanbrekend is a public-private partnership, co-created by Randstad Netherlands and Dutch municipalities. Integrated teams make a joint effort to match candidates with employers. Each party contributes its core competencies: the municipality provides extra support to better equip candidates for work, while Randstad takes care of marketing and jobs. The primary purpose of Baanbrekend is to help social security recipients find a job. (In the Netherlands, social security payments are dealt with by the local municipalities.)
Netherlands	Enactus	Enactus is an international collaboration between students, higher education and business in 36 countries. Some 500 students become members of Enactus every year. In the Netherlands, Randstad Groep Nederland is one of the premium partners. The aim of this partnership is to enable students to develop into enterprising and responsible leaders. Together they take action to improve the standard of living of people who need it and to create a more sustainable world. As a partner, we use our expertise to help various Enactus student teams set up workshops and training courses. With these projects, students develop the talents and leadership skills needed for their future careers. The National Competition has been taking place since 2008 at the head office of Randstad, and Chris Heutink (CEO of Randstad Groep Nederland) is chairing the day-to-day management of Enactus. In addition, eight members of the Executive Board of Randstad Groep Nederland are involved as mentors in Enactus.
Netherlands	Grip on the BWW	Grip on the BWW (tide-over allowance arrangement for civil servants) is a project where Randstad helps schools to guide redundant teachers to other jobs. They may be able to teach at another school or work in a different role or outside education. This saves money on redundancy allowances while enabling employers to give substance to good employment practices. Randstad can actively mediate these teachers to other jobs.
Netherlands	Project in Amsterdam and Rotterdam for welfare benefit recipients	In 2019, Randstad launched a project to retrain welfare benefit recipients and enable them to become job coaches. These job coaches are trained by Im Power, and Randstad seconds them to companies that have to meet their social return obligation of 5% on average. The job coaches in turn supervise other people on social security benefits, using their own experience to help them find a suitable job with clients.
Netherlands	Randstad Boost Vakschool	With Randstad Boost Vocational Training, we ensure through training and development that employers and employees are ready for the work of today and the future. Every year, we train almost 13,000 people through (customized) vocational courses. The mission of Randstad Boost is to make a structural contribution to solving the situation in which skilled workers are becoming increasingly scarce, and the demand for these skilled workers continues to grow.



employability and skills.

country	title	program description
Netherlands	Stichting Lezen & Schrijven	Randstad has a partnership with the Dutch Foundation for Reading and Writing to help our employees and people in general who have difficulty with reading and writing or who are illiterate. The ultimate aim is to raise awareness of low literacy and to support our own employees who struggle with reading or writing, offering suitable solutions through education and volunteering programs.
Netherlands	TechConnect	TechConnect is introducing multiple initiatives to get 50,000 people from underrepresented groups to storm the tech labor market in four years, by activating them towards studies and jobs in IT. The goal is to increase equity in the tech labor market and make tech studies and jobs accessible to all. Randstad is involved as a partner for connecting employers and placing participants.
Netherlands	Tech pact	In partnership with Windesheim University, Randstad is trying to motivate construction and engineering workers to combine their work with giving lessons at school as a 'hybrid teacher'. The goal is to get more people into teaching. Our role is to guide candidates and give them good career advice in order to prevent a loss of talent.
Netherlands	Tempo-Team ActiveerKracht	ActiveerKracht is a public-private partnership, co-created by Tempo-Team Netherlands and Dutch municipalities. Integrated teams make a joint effort to match candidates with employers. Each party contributes its core competencies: the municipality provides extra support to better equip candidates for work, while Tempo-Team takes care of marketing and jobs. The primary purpose of ActiveerKracht is to help social security recipients find a job. (In the Netherlands, social security payments are the responsibility of municipalities.)
Netherlands	Tempo-Team Werk en Leren	Tempo-Team Werk en Leren provides qualified employees on scarce profiles in the labor market. Tempo-Team constantly links training to the practice of the workplace by combining practical assignments and classes with an actual job. Tempo-Team finances the training, the client pays for the productive hours worked by the trainee and a surcharge for the guidance and facilitation of the training program. Currently, training is provided in the engineering, logistics, transportation and healthcare sectors.
Netherlands	Vocational training in HR services	In cooperation with the Albeda college, Randstad has set up a vocational training course for MBO 4 students. We teach and supervise students in customer orientation, having good conversations, and so on. In addition, Randstad provides guest lectures on current topics in the labor market. The students then run a temporary employment agency/unit under the flag of Randstad: Albeda@work. Here, other Albeda students can apply for great part-time jobs/holiday jobs or entry-level jobs.
Netherlands	Vocational Testimony	Randstad or Tempo Team (together with the client) provide certificates to recognize the work experience of employees. The Vocational Testimony gives the candidate recognition for the work processes that they have already mastered, so that they can develop further and find other, better work more easily.

employability and skills.

country	title	program description
Netherlands	Zuidoost Werkt!	This program aims to enable more people from the Zuidoost neighborhood in Amsterdam to find work in their own neighborhood, and keep it. Through the program, we contribute to a future-proof and inclusive labor market where there is a place for everyone and where companies and residents together reap the benefits of economic growth and progress. The program is a public-private cooperation and offers a one-stop shop for everyone who wants to work in the neighborhood. We provide integral guidance: a job coach facilitates the process and makes the right connections with all partners in the network, offering suitable solutions. Residents from the neighborhood who know the people well also participate by offering job opportunities. The focus lies on existing competencies, self-direction and insight, rather than educational background or résumés. We first help people get a job and then see where they should be retrained. The idea is that people are always at work or on the way to work.
Netherlands	Zwolle beter in Klantcontact	This training program for call center work, financed by the municipality of Zwolle, is meant for people who find it difficult to access the labor market. The program is organized by Randstad SROI in collaboration with Ocaro trainers. Randstad SROI helps participants to get ready for work. We are regularly able to place participants with clients.
Poland	Randstad Research Institute	The Randstad Research Institute conducts labor market research in Poland, provides knowledge about market trends, and shares information. In this way, we help strengthen the development of Polish employees and employers, actively participating in shaping the market through cooperation with government institutions, employers' organizations and non-governmental organizations. The institute regularly conducts research and publishes reports (Employers' Plans and Work Monitor), based on the opinions of Polish business and employees about the current situation on the job market. It also investigates other relevant topics related to, for example, sustainable development. In the past twelve years, the institute has published over 80 reports, and based on the shared data and comments, this has resulted in more than 20,000 articles, radio broadcasts and TV coverage. Issues researched by the institute include the pension system in Poland, foreigners' access to the labor market, management of teams of different ages, participation of women in the labor market, employment of employees over 50, work-life balance, professional development and the impact of automation on the availability of jobs. Recently, the impact of COVID-19 on the Polish labor market has also been studied.
Poland	Link the linkedin	Many forecasts indicate that the most desirable skills of employees in the future, regardless of the type of work performed, will be social and digital skills. These are also key competences when seeking employment through modern means of communication, mainly online communities. The skillful building of a personal brand is of great importance in this process. A strong personal brand positively influences people's professional development and will lead to attractive job offers. And in the long run, it will help people maintain employability throughout their career. Based on their experience with training in the field of social selling within the organization, Randstad Poland's communication and marketing team prepared a training program on building a personal brand in social networks, with particular emphasis on LinkedIn, addressed to students of public and private universities in Poland. In collaboration with universities and university career offices, three online workshop cycles were conducted in 2020.

employability and skills.

country	title	program description
		In an attractive program based on the classic TV show "The Dating Game", participants learned about the importance of skilful presentation on professional social networks. The developers of the training also showed practical ways to build user engagement and expand contact networks.
Poland	Women's Rights Center	Randstad Poland supports the Women's Rights Center Foundation, which aims to help women whose rights are violated, particularly women experiencing various forms of violence. The organization began by offering legal assistance. Later the offer expanded to other forms of assistance and now also includes psychological assistance, assisting women in courts and when dealing with the police, providing safe shelter, running support groups and a helpline, as well as social assistance and vocational counseling. The HR team supported the organization by initiating vocational counseling workshops, supporting the diagnosis of current skills and professional opportunities, strengthening skills, and sharing practical advice on how to function in the labor market.
Spain	Randstad Valores	Randstad Valores (Randstad Values) is Randstad Spain's "manifesto", a public declaration of our principles and intentions to manage by company values. On our website, we share 10 key points on value-based management, supported by our CEO. The website also lists the conferences that have taken place so far, and presenters who embody certain transformative values share their experiences. People who have shared their personal values with us have their own space. The touching stories of these people will push you to be the best version of yourself. These pages share "life stories" through biographies, photos and quotes that most accurately portray our meetings. The magazine section is an online space that unites management by values and the latest communication trends. In this forum, we share information about the benefits of management by values through infographics, interviews with chief executives and industry representatives, our employees, experts and foundations. We also share part of the social and community action that our content initiates. In the online video library you will find videos of the most recent conferences and testimonies. The design of our search engine, with content from our years of experience, is especially innovative; you can search by 30 values, with a reach of 7 cities, 32 speakers, and 7 types of content.
Switzerland	You at work	As a leading recruitment agency, Randstad Switzerland wants to share knowledge and expertise. Our "Tour de Suisse" offers free advice to job seekers with an attractive stand where we carry out CV/social media checks and visitors can get styled for a professional CV photo.
UK	Prison workshops	The Saracens Sports Foundation (SSF) runs a course for a group of individuals currently servicing a prison sentence. Over the 8-week program, the SSF introduce rugby to young offenders who have never, or rarely, played the sport before and build towards a full contact game against an external team. Along the way, participants manage and run a Touch Rugby tournament with some of Saracens' corporate partners. They engage and work with mentors, as well as completing classroom sessions focusing on the values and life skills that can be drawn from rugby (e.g., conflict management, positive reaction to pressure, controlling aggression). Randstad attends two sessions towards the end of the course to deliver CV writing and interview skills workshops. So far we have run these workshops in Feltham Young Offenders Institute and The Mount Prison, where we will aim to help with employment opportunities upon release.

employability and skills.

country	title	program description
USA	Hire Hope	Randstad’s Hire Hope program provides 25 weeks of career readiness training, paid apprenticeships and job placement opportunities. Participants in the program are survivors of homelessness, exploitation and human trafficking. Hire Hope is executed by leveraging community-based partners and through the dedication of Randstad’s own employee volunteers. Since its inception in 2014, more than 300 women graduate from Hire Hope each year. Over 90 percent of Hire Hope participants graduate the program and are awarded apprenticeships and job placement opportunities.
USA	Transcend	Randstad US launched the Transcend program as part of its commitment to reskill 40,000 workers in the US. Transcend addresses systemic racism and discrimination in education and employment. The program offers reskilling, mentorship, and job placement services to individuals in diverse and traditionally overlooked communities. The program’s primary goal is to improve economic equity and offer training to ensure employability in the future of work.





# youth employment.

## reducing youth unemployment

The global pandemic has severely impacted young people. They have suffered from disruption in education due to school closures, decreasing economic opportunities, and limited social connections. To prevent these young people from becoming a lost generation that will be struggling for decades to come, all stakeholders involved need to take this on as a joint responsibility. This chapter explores the acceleration of existing structural issues and the long-term effects of youth unemployment.

## youth unemployment

The continued high level of youth unemployment has been one of the recurring themes since the 2008 financial crisis, which exposed the vulnerability of young people on the job market, with youth unemployment rising above 40% in many EU countries. This existing structural issue has been further exacerbated by the COVID-19 crisis. Around the world in 2020, youth employment dropped by 8.7%. For adults, the fall in employment was less severe, registering at 3.7%. This difference illustrates the extent of the pandemic's economic consequences for younger people (WEF). The reason for this structural issue is that the under twenty-five year olds, both in the wake of the financial crisis in 2008 and during the COVID-19 pandemic, work in industries most affected by crises, such as retail and hospitality (Eurofund).

Post 2008, "the United States youth unemployment rate increased from around 10% to 19%, while in the European Union it increased from 16% to 26%", only returning to pre-crisis levels in 2018. According to the [World Economic Forum's Global Risk Report 2021](#), the economic impact of the global pandemic on young people is felt more than the financial crisis in 2008. "Today's youth already bear the scars of a decade-long financial crisis, an outdated education system, and an entrenched climate crisis, as well as violence in many places," the report says. The COVID-19 crisis has meant that youth unemployment has reared its ugly head once again (Bruegel).

Overall, youth unemployment continues to linger 2% above its pre-pandemic rate. This contingent situation renders the youth unemployment issue even more dramatic in developing nations, where youth unemployment rates are two to four times higher than adult unemployment rates. (ILO2) (Degruyter).

As work opportunities differ significantly from country to country, focus must be directed toward creating a model for future inclusion of youth workers, in line with the UN's Sustainable Development Goal number 4 'quality education'. In fact, in low-income countries, the completion rate of schooling lingers below 35%, but stands at 80% for upper-class households (UN). The importance of education, including vocational training, and following the model of European Nordic countries, comes to the forefront of discussion. The disparities in educational vocational skills between countries have, in addition to disparities in COVID-19 policymaking, shaped the diverse outcomes of the COVID-19 pandemic recovery. In fact, estimates suggest that "COVID-19 increases the average Gini index, demonstrating a degree of inequality in the distribution of income/wealth for emerging markets and developing economies by more than 6%, with an even larger impact for low-income countries" (UN). This degree of inequality, as evidenced in the UN's Sustainable Development Goal number 10 'reducing inequalities', has meant that unprotected groups, such as youth, women, over-55s, and the disabled, have been hit hardest by the pandemic, creating further divides in opportunity.

## the long tail of youth unemployment

Unless action is taken to tackle the way the pandemic has affected young people's employment opportunities, many of them could continue to struggle for decades, according to the International Labour Organization (ILO). The COVID-19 pandemic has wiped out many of the low- to middle-income work opportunities young people used to have access to on a global scale. In fact, the "number of young people not in employment, education or training (NEETs) increased by almost 3 million" (OECD). This has meant that we have fallen short of the UN's Sustainable Development Goal 8 'decent work & economic growth', which sets out that

## best practice: Youth@Work, Italy

As part of its focus on the transition between education and work, Randstad Italy has a specific department dedicated to activities for young people called Youth@Work. In 2019, Youth@work was upgraded into Randstad Education, which is founded on three main pillars: orientation, employability, and training activities. Our main orientation project is 'Allenarsi per il Futuro', an activity carried out in partnership with Bosch, which consists of sessions with companies and sports champions for students at all levels of education, with the aim of creating awareness of the importance of our passions and exploring ways of boosting youth employment through short traineeships. Through this initiative, we reached 17,750 students (81 schools) both online and face-to-face.

"by 2020, we must reduce the proportion of youth not in employment, education or training" (ILO). This shortfall is particularly obvious, for example, in countries with thriving hospitality industries but limited resources to protect employment.

Nevertheless, in stronger economies, temporary and part-time jobs, most commonly held by under-twenty-five-year-old workers, were also heavily affected by the pandemic. Additionally, due to the lockdown context, young people had virtually no access to the labor market, which has made this already present global challenge even more difficult to overcome. Moreover, "a widening generational wealth gap and youth debt burden", already present before COVID-19 due to the Great Recession, has been deepened by the crisis (WEF). The impact on the future labor force has been significant and is becoming entrenched; "interrupted education opportunities and job losses set them further behind" as reflected by continued youth disenfranchisement and heightened inequalities (WEF). Resolving these scenarios requires an understanding of the intersectionality of people's circumstances. In short, one size will not fit all when it comes to planning a recovery of employment prospects for young people, the ILO says.

## structural problems

The context described above has compounded the already existing profound structural problems, creating wide-ranging implications for labor markets and employability. The current high global rate of youth unemployment reflects the higher share of experienced job seekers regaining employment, staunch protection of tenured workers, and the fact that a high percentage of youths (i.e., those under 25) work in the informal economy (ILO2 p. 7).

Moreover, growth of less economically developed countries is hampered by the migratory 'brain drain' effect. In these countries, 20% of university graduates choose to migrate, a rate that is five times higher than in OECD economies. In these less developed economies, the effects are clear: reduction of human capital, reduced productivity, and less tax income. In stronger economies, high youth unemployment represents a huge burden on the welfare system, which typically provides protective/supportive measures. This point is underlined by the fact that in the "MENAP region (...) 127 million are entering" the workforce with 27% unemployment rates (McKinsey).

Overall, the structural limbo of youth unemployment has long-lasting effects on remuneration, as the longer youth stay out of employment, the less they will be paid when they eventually enter the labor market.

## stepping into the gap

The COVID-19 pandemic has made the youth employment crisis more dramatic, which calls for immediate action. In today's society, people cannot be marginalized. Recognizing skills and striving for an inclusive labor market are key in helping youth navigate their way to sustained employment. Improving youth labor participation requires an in-depth understanding of employment and labor market issues at a local country level. Active labor market policies, including effective cooperation between the private employment industry and various public partners will be the recipe for success in combating youth unemployment.

## randstad's youth employment initiatives

Our operating companies offer an array of initiatives to assist young people in finding the right job. In 2020, over 597,000 of the candidates working in our main markets were younger than 25, and we placed an additional 15,100 young people in a permanent job.

## key insights

- Continued high levels of youth unemployment since the 2008 financial crisis have been exacerbated by COVID-19 pandemic.
- The longer a young person goes without work, the lower the pay and protections are when they finally do enter the labor market.
- The focus should be on education and training to fill any skills gap that may have occurred due to school closures during the pandemic lockdowns as a way to create opportunities for young people to transition from education to employment.



## social programs on youth employment

country	title	program description
Argentina	Casitas de Santa Fe	Randstad Argentina participates in and supports the Casitas de Santa Fe initiative, which offers child care facilities with the objective of preventing child labor in vegetable harvests (Santa Fe province). We provided profound knowhow, which was crucial during start-up period. Now we are present as 'sponsors' (though not financially). Very similar to our Jardines de Cosecha program, Casitas de Santa Fe works with older children (12-17). Throughout support, we help prevent that these children have to stay at home doing housework or join their parents in the fields. The children are taken good care of, enjoy health services, participate in arts and crafts, and get lots of play time. Conciencia offers health care, study support, psychological support, recreational workshops, etc. Older children face the highest risk of being put to work, as they either have to join their parents during the harvest season or stay at home to do housekeeping jobs and take care of their younger siblings.
Argentina	Jardines de Cosecha	Randstad Argentina participates in and supports Jardines de Cosecha, which offers child care facilities for 1-11 year olds with the objective of preventing child labor in tobacco harvests (Salta and Jujuy provinces). Together with the Tobacco Chamber and Conciencia (NGO), this program runs during the harvest season, from January to March. As these months are summer holidays for Argentines, but heavy work months for parents working in the fields, the program operates at the same schools the children attend throughout the year. By participating in this program, we help prevent that these children have to stay at home doing housework or join their parents on the fields. The children are taken good care of, enjoy health services, participate in arts and crafts, and get lots of play time. Conciencia offers health care, study support, psychological support, early stimulation (babies), clothing, recreational workshops, etc. Older siblings from 9-17 participate in a similar program, which is managed by a different NGO called Porvenir
Belgium	NEET	NEET is a collaboration between RiseSmart Employability, Actiris, ESF and two NGOs (Ras-El-Hanout and Tyn) to guide young Brussels residents aged 18 to 30 who are at a distance from the labor market and public institutions.
Belgium	Randstad Young Talents	In 2012, Randstad Belgium established a partnership with Leuven University. The division responsible for this partnership is Randstad Young Talents. The aim of the partnership is to broaden employment opportunities for students with degrees in Economics and Business Studies, helping them find interesting alternatives to banks and consultancy firms, which tend to dominate when it comes to campus recruitment. Individual coaching sessions form part of the program. This partnership has been very successful and has now been extended to two universities and 16 different faculties. Last year, we counseled 1,000 individual students and 2,000 in workshops. Since 2012, we have created 100 relevant jobs related to students' university course, as well as 500 first jobs for graduates. Randstad Young Talents is the only player in the market fully dedicated to this target group. It is also the first (and so far the only one) in the market to create additional jobs for specific graduates.

youth employment.

country	title	program description
Canada	Randstad Canada Charitable Foundation	The Randstad Canada Charitable Foundation has the mission to make work meaningful and accessible to people in our communities. The Foundation achieves this by working with grantees in the areas of skill building, workforce inclusion, and early education (to promote the skills youth will need for the future of work). These grants provide support for groundbreaking initiatives that support youth to obtain lifelong employment, including the Water First Internship program, which provides indigenous youth with a 15-month paid internship to become water treatment operator in their communities where clean water is scarce. In addition to financial support for our grantees, the Foundation also provides opportunities for employees to provide skills-based volunteer service. In 2020, this volunteering activity with grantees helped 336 youth improve their employability knowledge and skills.
China	Workplace Laboratory	To enhance candidate lead generation, Randstad China has expanded its database of student résumés in a cost-effective way. Through this program, we help to fulfill recruitment needs for part-time/internship positions, and develop long-term partnerships with schools to build a pipeline for future batch recruitment purposes. The average fresh graduate pool is 1,000 per school. We provide value-added services to students such as consultation on career, salary and skills trends. The collaboration with schools helps us to expand our talent database and enhance our competitiveness in the industry.
France	CREO	The Créo association offers support programs for young entrepreneurs from disadvantaged neighborhoods in France. Créo offers training and networking opportunities for these young entrepreneurs by means of workshops, coaching programs and meetings with professionals. As a partner, Randstad France offers financial support and develops educational content, provides rooms for training, and organizes workshops on finance, commercial strategy, marketing, human resources, sales, and communication. Randstad volunteers participate in coaching and mentoring activities. In 2020, Créo supported 120 people, with 30 Randstad employees volunteering as coaches, including members of the executive committee of Randstad France. Over the past twelve years, more than 568 companies have been created, providing more than 1,000 jobs. The survival rate of companies is high (73% still running after three years).
Germany	Du bist ein Talent	With the program "You are a Talent!", the Randstad Foundation wants to make the transition between school and the job market a success story. Discovering talents is the basis for success for both young adults and companies. Randstad employees support students in their last three years of school in special lessons about career choice and further education.
Germany	Joblinge	Randstad Germany partners with JOBLINGE, a project in which the state and private individuals work together to support young people with difficult starting conditions. The goal is to create real job opportunities and realize sustainable integration into the labor market and society. Through tailor-made qualification, voluntary mentoring and support during the training, the initiative has been very successful for participants.

youth employment.

country	title	program description
Italy	Allenarsi per il futuro (Training for the future)	Randstad Italy organized post-pandemic digital training sessions together with Bosch and sport champions. The goal is to tackle youth unemployment and the NEET phenomenon, helping students to deal with the challenges of today's world of work and encouraging lifelong learning.
Italy	Deploy your talents	Deploy Your Talents, is a STEM orientation program with special focus on the gender issue. The overarching goal is to create awareness of the growing need of STEM competencies while reducing stereotypes with regard to the female gender.
Italy	Enactus	Enactus (present in about 40 countries) was founded in Italy in 2016. The goal is to create a global non-profit community of student, academic and business leaders committed to using the power of entrepreneurial action to transform lives and create sustainable and social programs.
Italy	ITS Technologies Talent Factory	ITS is one way to decrease youth unemployment (in Italy there are 2 million young NEET), training young people in technological and digital skills (programming software, IoT, cyber security).
Italy	Youth@work approved	This program is all about vacancies for youngsters. We highlight those vacancies for youngsters on our website in order to facilitate the perfect match.
Netherlands	Ajax Challenge	Randstad helps young people who drop out of further education in Amsterdam by means of intensive sports training and personal development, helping them on their way back to school or work.
Netherlands	Youth Trip Clipper Stad Amsterdam	Since 2001, an annual youth sailing trip has brought young people with diverse backgrounds together to create awareness and understanding of each other and the environment. They work together to sail the ship, resulting in long lasting friendships. Because of the pandemic, the trip was canceled in 2020.
Poland	Discover Myself, Discover Work	This is a series of workshops dedicated to middle school students (age 14-16). The workshops take place at schools in smaller towns in Poland. We make students more confident in their talents and skills, and show that it is worth thinking about development and a professional career. The program is a response to the needs of young people who make the first important decisions about their professional future. During the meetings, students learn the basic mechanisms and realities of the local market. We also emphasize the importance of collecting experience before finishing school and we show how they can do this. The workshops are led by local Randstad consultants, who develop their knowledge transfer skills in this way.

youth employment.

country	title	program description
Poland	#usamodzielnieni	<p>Since 2018, Randstad Poland has worked together with the One Day Foundation. Within their Usamodzielnieni ('Turn Independent') program, we support young people (16-26) who are about to leave their childcare institutions or orphanages, and need to gain experience in a profession of their choice. The program includes training to help youngsters reach independence through experience and practice, holiday camps, a program for carers and directors of institutions, work with a local tutor, and a personalized professional course. Every year, workshops run in 12 cities in Poland for about 200 young people from foster care. According to the data of the Central Statistical Office, in 2018 1,152 institutional foster care facilities operated in Poland. At that time, they housed 16,655 people, most of whom were foster children aged 14-17 (7,467). Children from orphanages who reach the age of majority face the necessity of becoming independent. Many then encounter barriers to entering adult life, including difficult access to education or the labor market. In 2020, for the second time in a row, Randstad Poland freed up the annual funds for Christmas gifts to help finance training courses, supplementary classes, driving lessons, and foreign language classes for the young people supported by the One Day Foundation. This way, we will make it easier for these youngsters to enter the labor market or continue their education. We also invited our clients to participate in the program, sending them gifts and incentives to support the foundation's activities during the holiday season. The One Day Foundation is now also working on the "usamodzielnieni" app. This is an extensive database with lots of useful information for young people taking their first steps in their adult lives. It will offer easy training, and enable youth to check their CV, which they can immediately forward in response to verified job postings. Randstad Poland will also publish its job offers in the app.</p>





# equity, diversity and inclusion.

Equity, diversity and inclusion (ED&I) have taken center stage, not only as a corporate social justice and sustainability cause, but by being a competitive differentiator, increasing productivity and improving decision-making. Nevertheless, progress remains slow, as companies struggle to effectively implement plans for inclusion that leverage equity and diversity in such a way that they can truly enhance their performance. This chapter sheds light on these questions while taking account of the diverse crisis policy responses and the dissimilar effect by race and gender. Finally, it discusses the goals and challenges of creating a future world of work that is inclusive, diverse and equitable.

## ED&I and performance

Overall, despite the importance attached to ED&I regarding gender, race, disabilities, neuro-diversity, and so on, progress has been rather slow, as too often ED&I policies fail to consider and properly integrate inclusion. A more holistic approach is therefore necessary to garner ED&I's full productive potential. As Alidina and Frost suggest, "if we don't create and nurture a culture where an equal, inclusive and diverse workforce is viewed in a positive light then the business benefits of diversity simply won't follow" (Alidina/Frost).

Expanding the pool of diverse talent does not suffice. A comprehensive ED&I strategy is what will ultimately shape the outcome. Various studies regarding both gender and ethnic diversity have demonstrated the improvement of performance in diversified teams. For example, a study by the Harvard Business Review found that in venture capital non-diverse "teams have worse investment outcomes", and the comparative success rate of ethnically diverse teams grows by 26.4% when compared to non-diverse homogenous groups (HBR).

Similar studies performed regarding gender, such as the McKinsey 2020 'Diversity wins' report, found that "the higher the representation, the higher the likelihood of outperformance. Companies with more than 30 percent women on their executive teams are significantly more likely to outperform those with between 10 and 30 percent women" (McKinsey). This speaks to UN Sustainable Development Goals numbers 5 'gender equality' and 10 'reducing inequality', and is evidence of the need for more women and minorities in leadership roles, both in political and corporate positions.

Nonetheless, there remain some structural limitations that hamper the achievement of ED&I. For example, we need to renew our approach to 'empathy', as opposed to a 'zero-sum game' of competition, in order to garner the full potential of women's leadership. This is necessary because the current status quo "leads us to devalue" skills that women have been taught since a young age, setting the gendered prerequisites for leadership toward a skewed male-dominated matrix (Alidina/Frost). This is suggestive of the fact that the 'Diversity 2.0' (marketing a stance) model no longer suffices. There are two main reasons for this: compliance with legal diversity demands has already been achieved and surpassed in most developed nations, and hollow 'mantras' might render minority groups, who corporations are trying to support and include, more 'cynical' and less likely to join.

Overall, this tells us that the longstanding approach of 'neutrality' "will fall short when people with fundamentally different world views are unable or unwilling" to collaborate with one another (Alidina/Frost). "Inclusive leadership" is what can create common ground among diverse teams, unlocking their full potential. This shows that a new approach is needed — i.e., 'Inclusion 3.0' — which is not solely dependent on 'diversity for social responsibility', but driven by 'diversity as business strategy'.

The goals of diversity enhance employee satisfaction, innovation and overall output. This strategy enhances corporate social responsibility by contributing to social justice and shaping new diverse communities through a new future world of work. In conclusion, these factors tell us that we must focus on inclusion, rather than mere diversity, namely through corporate internal policy as opposed to just advocacy on extrinsic factors. In the long run, this will help us to achieve ED&I's full potential in terms of performance, productivity and decision-making.

The role of ethnic and cultural diversity is tremendously powerful in driving performance and productivity. In fact, "large companies in the top quartile for ethnic and cultural diversity outperform those in the fourth quartile by 36 percent" (McKinsey). In this regard, it should also be noted that progress has been tentative due to the "growing polarization" between companies that have taken on D&I goals and those that have lagged behind (McKinsey). To fully tackle ethnic and cultural diversity

## best practice: Hire Hope, United States

The Randstad US Hire Hope program provides 26 weeks of career-readiness training, paid apprenticeship and job placement services to women in the community who are survivors of homelessness, exploitation and human trafficking. Hire Hope is executed by leveraging community-based partners and through the dedication of Randstad's own employee volunteers. Since its inception in 2014, more than 300 women graduate from Hire Hope each year. Over 90 percent of Hire Hope participants graduate the program and are awarded apprenticeships and job placement opportunities.

issues, collaboration between corporations, stakeholders and institutions must focus on society-level change.

In addition, the importance of the fifty-plus category should not be overlooked. Their upcoming role in the multi-generational future world of work in the OECD's ageing nations must also be addressed. Many point merely to 'boosting' the healthcare workforce to deal with increasingly ageing populations, but ageing workers themselves will prove to be essential as an active part of the reskilled and upskilled global human capital going forward. We should not look to lay off ageing workers, but must redeploy them by reskilling and upskilling them, in turn boosting diversity and inclusion whilst creating new competitive advantages for our workforces. This is of particular importance as new technologies enable faster acquisition of knowhow and enable sustainable approaches to lifelong education.

## unequal impact of COVID-19

The focus on diversity, inclusion and equity is becoming ever more pressing due to the impact of the COVID-19 crisis. The crisis has hit women and minority groups most powerfully, shaping deep and entrenched issues on the frontline of equal pay, value and opportunity. In fact, there exists a "growing literature that points out that COVID-19 has had an unequal impact between genders and across races in OECD countries" (Brodeur et al p.38).

According to the ILO 2021 statistical brief, young women are the ones to have "truly borne the brunt of the

COVID-19 crisis" due to informal childcare work when educational institutions were temporarily closed down (ILO). This is most clearly demonstrated in the reality of women who have spent on average three times more than men in informal housework during this pandemic phase (UN).

Overall, the divergent and unequal social outcomes of this crisis on underrepresented groups suggest that the already present divides in opportunity may have been aggravated by the COVID-19 crisis.

Despite some clear areas of progress, for example "inequality [falling] in 38 of 84 countries", UN Sustainable Development Goals numbers 5 'reducing inequality' and 10 'gender equality' still fall short of the mark in their application, producing a mixed bag of results. Some positive developments can be seen as "94 percent of the Fortune 500" have inserted "gender identity protections enumerated in their nondiscrimination policies (up from 3 percent in 2002)".

Despite this, the fact that "over 90% of countries and territories" have legally codified "nondiscrimination on the basis of gender in employment" is largely overshadowed as "almost half of these countries [have] continued to restrict women from working in certain jobs or industries" (UN). The strategic benefits of ED&I are clear and they do not change during a crisis. However, ED&I as a strategic point may risk being moved off the agenda. This may be quite unintentional, as companies will focus on their most pressing basic needs, such as urgent measures to adapt to new ways of working, consolidate workforce capacity, and maintain productivity, a sense of connection, and the physical and mental health of their employees (McKinsey).



All in all, the unequal impact of the crisis is a reflection of the entrenching of issues that were already present, exacerbating global inequalities and unequal treatment.

## randstad's ED&I initiatives

In line with our core values and Human Forward strategy, Randstad believes that everyone is entitled to be treated with dignity and respect. We value diversity. We do not discriminate on the grounds of age, skin color, disability, gender, marital status, nationality, race, religion, sexual orientation, or any other characteristic. Our global diversity and inclusion policy and our human rights policy underline Randstad's strategy and commitment to fostering inclusive employment. As we navigate these extraordinarily challenging times, it is more important than ever that we remain vigilant and mindful of diversity and inclusion.

While the COVID-19 pandemic has revealed some stark disparities, it also risks sparking new ones for several disadvantaged groups. Many of our operating companies have long-standing diversity, inclusion and reintegration programs, and some provide consultancy services to clients on equal opportunity and competency management. By forging links with local community stakeholders, including public, private, NGO, and institutional partnerships, we stimulate equity, diversity and inclusion in the workplace.

For example, our Randstad Institute in France and our foundations in Germany and Spain provide access to employment for disadvantaged groups, such as immigrant workers, women at risk, victims of domestic violence, single parents, older workers, and the long-term unemployed. Addressing the challenges that the growing number of older workers face in entering, re-entering, or staying active in the workforce is also part of our approach to furthering employment market sustainability.

In 2020, around 259,000 of the candidates working in our main markets were older than 50. In addition, in several of our main (mostly European) markets, we placed over 20,000 people who had been unemployed for more than one year, and almost 86,000 with no educational degree.

In line with our aim to promote diversity in our workforce, we also welcome talent with a disability. We have found that registration of disabled talent varies in the different markets in which we operate. This may be related to local legislation, but also to the personal wishes of the people concerned. In 2020, we placed over 8,000 people with a disability in several of our main (mostly European) markets.

## key insights

- The COVID-19 crisis has had an unequal impact on women and minorities. They have been significantly affected by the rise in informal and unpaid work during the pandemic.
- ED&I effectively boosts teamwork, decision making, and overall performance in a variety of ways, although progress of integration remains slow at the executive levels.

equity, diversity and inclusion.

## social programs on equality, diversity and inclusion

country	title	program description
Argentina	Gender equality & women empowerment	At Randstad Argentina, we aim to improve the employability of women, creating equal conditions and allowing them to grow. We focus specifically on gender equality and women empowerment. With regard to our corporate employees, we keep track of the composition of our staff and give women access to job openings and promotions. Employees are entitled to maternity and paternity leave (21 days for fathers). In 2019, we trained many of our employees on gender equality, encouraging them to promote gender equality when talking to clients. With regard to society, we participate as speakers in events, and continue participating actively in gender equality groups, such as the work space provided by UN Women and their training sessions. Andrea Avila, our MD, was an invited speaker for a W20 side event, where she joined Phumzile Mlambo-Ngcuka, UN Women's Executive Director. Andrea has also participated in various radio interviews, explaining that gender equality makes good business sense for both companies and the societies in which they operate. We also participated in Women's International Day at Buenos Aires' Stock Exchange, raising awareness and commitment with the private sector.
Australia	Get Skilled Access	Get Skilled Access is a training and consulting company set up to help organizations learn how to break down the barriers and stigmas to disability employment. Training is also provided to Randstad Australia's consultants so that they can recruit people with a disability confidently.
Australia	Leading With Strength	Randstad Australia has created a partnership with Leading With Strength (LWS) so that we can partner and deliver the recruitment of Indigenous Australians to our customers. This partnership ensures all recruitment processes are adapted to recognize and meet the cultural needs of participants and provide quality, tangible results for both our clients and the Aboriginal and Torres Strait Islander communities. LWS provides cultural awareness training to our customers (and Randstad) so that we remove barriers and obstacles to recruiting Indigenous Australians.
Australia	With You With Me veterans organization	WYWM is a veterans organization set up to help ex service people identify their purpose and establish clear pathways to new careers. Their programs are changing the way the veteran labor force is perceived by the Australian industry. Randstad and With You With Me have partnered to create a learning and development platform that focuses on courses for digital careers.
Canada	The Mindsets and Future Skills program	This eight-week digital program helps women develop the skills and mindset to transition into new careers and meet the emerging talent needs of employers. It is a unique approach, addressing the mind and belief systems first and then taking a gendered approach to skills training to help women find and build work that works for them.

equity, diversity and inclusion.

country	title	program description
France	Belleville Citoyenne	Belleville Citoyenne defends 'popular education' (an active learning process that raises social awareness, stimulates critical and creative thinking, and leads to action for social change) and the valorization of cultural practices as well as the multiplication of areas of autonomy. The Blank Project (2018-2019), developed by the Belleville Citoyenne association, offered free, intensive and certified web development training for young people with little or no education mainly from the districts of Grand Belleville and the north-east of Paris.
France	Ce qui compte vraiment	"What really matters to you?" This question is an invitation to reflect on what drives us and moves us forward in life. The association "Ce qui compte vraiment" and Randstad France launched this campaign and organized conferences to mobilize young people.
France	Disability Mission	Through its 'Disability Mission', Randstad France enables people with hearing loss (deaf or hard of hearing) to communicate easily with them by telephone. From mid-December 2018, anyone with hearing loss will be able to contact any of our branches in France at any time. Candidates can access a dedicated website, which will get them in touch with the brand and agency of their choice. They can seek the help of an interpreter who will make the link, by telephone, between the agency and the candidate. The candidate can communicate with the interpreter either by chat or in sign language via video-conference.
France	Entourage	The joint mission of Entourage and Randstad France is to create social bonds between residents and vulnerable people. Our network brings together a community of local residents committed to making their neighborhood more human. Entourage is developing a project aimed at improving the access to employment of homeless people through the mobilization of the general public and solidarity recruiters. The idea of the Entourage Job project is to generate employment opportunities for the homeless by encouraging people to open their professional networks, and by encouraging recruiters to offer opportunities to those who have the desire and motivation to work. The project includes the development of a tech platform dedicated to the collection and dissemination of résumés.
France	Le Refuge	Through the association Le Refuge, Randstad France creates awareness for the LGBT community and fights against LGBT discrimination against young women and men.
France	Mission Handicap	Randstad France's Mission Handicap program promotes and coordinates activities in four areas: the retention of colleagues with disabilities (through training and adaptation of the work environment); recruitment and mobility; providing training and promoting awareness among employees; and the development of Randstad France's relationship with the 'protected sector' (i.e., companies whose main aim is to employ disabled people).

equity, diversity and inclusion.

country	title	program description
France	Prof Express Platform	Randstad France renewed its partnership with the Prof Express Platform, which enables employees' children to benefit from educational support provided by teachers of Mathematics, French and English, Philosophy, Physics, Chemistry, Science of Life and Earth (SVT), History, and Geography. Thanks to this platform, middle- and highschool students receive support by email or phone from teachers in a virtual classroom, from Monday to Thursday between 5pm and 8pm. The students have free and unlimited access to high-quality educational content. They can reread lesson cards, learn and practice key concepts, and prepare for tests.
France	Smile	Randstad France created a simple and educational e-learning program allowing organizations who receive the public in the context of their professional activity to better accommodate people with disabilities. For Randstad, it means optimal accessibility of our services, thus promoting the professional integration of people with disabilities.
France	SNC	Together, Solidarités Nouvelles face au Chômage (SNC) and Randstad France aim to fight against unemployment and mechanisms of social exclusion, mainly through the organized voluntary mobilization of citizens to support job seekers and encourage the creation and development of solidarity activities. We encourage the development of citizens' actions against unemployment and participate in the debate on employment and inclusion. In addition, we support the expression and representation of job seekers.
Germany	Genderdax	Genderdax is a gender and diversity project designed by practice and science. In addition to a comprehensive information platform, concrete practice-relevant topics are dealt with at genderdax conferences and workshops, and the current developments are highlighted via the genderdax Infoletter. Target groups are women in specialist and management positions as well as junior employees and women returning to work. For the operational practice and this target group, genderdax offers a comprehensive overview of employment opportunities and development opportunities at selected large companies, small and medium-sized companies as well as research centers in Germany.
Hong Kong	Inspiring girls	To promote gender equality and women empowerment, Randstad Hong Kong supports low-income female students with mentoring and career advice.
India	POWER	India has one of the lowest gender parity scores in the world. Married women traditionally leave their job once they have children. Randstad India is committed to empowering women to grow and flourish in their careers. Recognizing the need for change, RADAR, the offshore services division of Randstad Technologies, launched POWER. POWER stands for Programs on Women Empowerment. The team has begun implementing weekly programs designed to inspire women at Randstad to grow in their careers, and offer their families other perspectives. The participants also benefit by bonding with like-minded, highly motivated women, and are encouraged to share their stories and dilemmas.

equity, diversity and inclusion.

country	title	program description
Japan	Challenged Support Division	Randstad Japan has a Challenged Support Division, which aims to hire disabled people for its own organization, as well as introducing them to clients. The biggest challenge they face is establishing a stable structure that not only provides a good environment for disabled people, but also keeps them employed in Japan's rapidly changing economy.
Netherlands	Diversity Charter	Randstad Netherlands has voluntarily signed the Diversity Charter. This commits Randstad Netherlands to promote a diverse workforce and an inclusive organizational culture. Randstad is one of the 24 frontrunner companies that has joined the Cultural Diversity at the Top Alliance. In order to get more people with a broad cultural background into top positions, high-level vacancies are brought to the attention of suitable candidates on a specially designed platform.
Netherlands	Diversity Day	Randstad Group Netherlands participates in Diversity Day (1 October) ever year. As one of the frontrunners in the Netherlands, we want to emphasize the power of diversity in organizations.
Poland	Girls go technology	Randstad Poland partners with Mercedes-Benz Manufacturing Poland's program "Girls Go Technology". This program is targeted at girls from high schools and technicians from Jawor and the surrounding area. It was created in 2018 with a view to instilling in young women the belief that technology can be a great choice for a professional life. Girls Go Technology is a two-stage project. The first stage is meant to determine participants' predispositions and talents. During an organizational meeting in 2020, schoolgirls got acquainted with the idea and program of the project and the history of the Mercedes-Benz brand. They also had the opportunity to talk about future competitions and their talents with HR specialists. Girls interested in 'taming technology' were invited to the second stage of the project: a series of five meetings and workshops on future technologies and efficiency in the labor market. In 2020, 80 schoolgirls participated.
Portugal	Partnership	Randstad Portugal has established a strong partnership with the official entity that, at government level, supports the reintegration of homeless citizens into the job market. The project has been running an in-house project for thirty months now for 14 workers who find themselves in such a situation. The program has proven so successful that it is now being offered to customers interested in such solutions.
Portugal	Partnership	Randstad Portugal has partnerships with NGOs to support candidates who are more difficult to employ. For example, Randstad works with APAV, an association that protects victims of violence or crimes who need to be moved geographically or who need to find a job to be able to support themselves and become financially independent from their aggressors. Together with ONinho, Randstad Portugal helps former prostitutes to enter the regular labor market.

equity, diversity and inclusion.

country	title	program description
Portugal	Partnership	Randstad Portugal supports Associação Salvador, a Portuguese NGO that helps people with disabilities. The organization is currently focusing on helping people with low mobility to find work. Randstad Portugal is helping with the NGO's campaign to explain the benefits for companies, and regularly organizes workshops to help people improve their CVs, social profiles, and interview skills.
Spain	Randstad Foundation	Randstad Foundation in Spain has been contributing to society for 16 years, with a focus on the equality of job opportunities. We believe that integration is best served by making work available to people who are at risk of being left behind. This requires awareness of a company's entire staff as the basis to generate real diversity inside companies. Our main objectives are to raise awareness and improve diversity and inclusion, as well as to empower people with a disability.
Spain	Volunteer program	The Randstad volunteer program in Spain helps with the inclusion of people with a disability, through the development of different activities that stimulate both labor and social inclusion. The volunteers improve the employability of the beneficiaries and their social inclusion in society. At the same time, the program improves the engagement of our employees and their commitment to social causes.
Sweden	Easier ways to work and skills	In 2018, the pilot project called 'Easier Ways to Work and Skills' (Antenn) for newly arrived migrants was granted new funds for 2018 until 2020. Both the pilot and the new project 'Real jobs' was co-financed (70%) by Tillväxtverket, the Swedish Agency for Economic and Regional Growth. The initiative is sponsored by Mikael Damberg, the Swedish Minister for Enterprise and Innovation. Antenn offers a training program to newly arrived immigrants. During the first project phase (in 2017), Antenn coached 108 candidates from the target group and found a real job for them. We worked proactively on equality and 43% of the candidates in the project were female migrants. In the new program, which ran until 2020, we met over 1,000 newcomers, placing at least 210 of them into jobs and integrating them into the Swedish labor market. Through the project, we give our clients access to a broad palette of skilled candidates. Given the present shortage of skills, the competences that the newcomers bring to the Swedish labor market are certainly very welcome.
Sweden	Work4Integration	Work4Integration – Europe. In 2018, we applied for and were granted project fundings from the Asylum, Migration and Integration Fund (AMIF) of the European Commission. The program aims to promote the early and effective integration into the labor market of third-country nationals (TCNs), by creating effective transnational partnerships with all actors concerned. The project will be realized in Italy, Sweden, and Belgium, and pursues three objectives: (1) to promote an effective process of integrating TCNs into the labor market; (2) to engage employers and other key actors in the labor market integration of TCNs; and (3) to create a multi-stakeholder win-win strategy for the effective labor integration of TCNs in Europe. The eight project partners are Soleterre Italy, Randstad Italy, Sodalitas, punto. sud, FADV, RiseSmart Belgium, Vlaamse Dienst voor Arbeidsbemiddeling en Beroepsopleiding, and Antenn Consulting.

equity, diversity and inclusion.

country	title	program description
Sweden	Universellt Utformad Arbetsplatsa (UUA)	Together with a broad coalition of stakeholders, Randstad Sweden participates in Universal Design in the Workplace (UUA), a project co-financed and supported by the European Social Fund (ESF). The objective of UUA is to create flexible organizations as well as societies where everyone’s right to be included is respected. This requires workplace innovation. The model is based on Universal Design as defined in the United Nations Convention on the Rights of Persons with Disabilities, which has developed into a broad approach to make sure that everyone’s unique skills are valued. Universal Design in the Workplace takes a holistic approach to the working environment, working methods and recruitment. The project includes workshops and training (free of charge); sharing good norms, best practices and new ways of working; promoting research and transnational collaboration; and building an organization that will continue after the project ends.
UK	Student Support	Randstad UK is a leading provider of support to students with disabilities, health conditions or an additional learning need. Randstad provides a range of support to help ensure that they receive a richer educational experience at college or university.
UK	CPE’s Gold Membership of Supply Chain Sustainability School	Randstad UK Construction Property & Engineering (CPE) is a Gold Member of the Supply Chain Sustainability School, a body formed by 44 contractors from across the UK to share best practices in the field. Randstad is working with the school as the only recruiter to be taking an active role in promoting sustainability across the workforce.







# mobility and migration.

The continued rise of work mobility and transition, migration, talent shortages and mismatches in OECD nations are accelerating changes in the current labor market environment.

## complex challenges

Around the world, 272 million people, 3.5% of the world's population, are living (and in large part working) in a country other than that of their birth (WEF).

International migration has grown steadily since the 1990s, but geographic mismatches between employers and employees, as well as local talent shortages, such as in STEM disciplines, are likely to continue to be influential for years to come. Inevitably, labor migration issues raise complex and sensitive political, human rights, economic, and social concerns, as well as an array of legal and regulatory challenges.

In 2020, the COVID-19 crisis had unprecedented, though likely temporary, consequences on migration flows due to continuing travel restrictions. For high-skilled workers, however, labor migration may be slowed down by the increased adoption of remote working. In contrast, sectors such as agriculture will continue to drive physical migration for lower-skilled workers in a post-crisis environment.

## digital acceleration

Digital migration is also being shaped and renewed by the current context. For example, "dramatic shifts in digital consumer behaviour" were accelerated by the digital revolution in the adoption of goods and services. In this regard, COVID-19 "shrunk the digital gap between countries", with key industries benefiting from this shift (McKinsey). This occurred in two main categories: increased traffic and increased spending. Whereas, given the COVID-19 context, social media, banking and entertainment saw a significant rise in digital traffic, 'grocery and apparel' experienced the biggest share of digital spending. In fact, "COVID-19 has pushed the fast forward button" in "online consumer behaviour and sentiment" (McKinsey). To make the most of this opportunity, companies should shift their work on 'personalization' of the user experience and rethink how their services can capitalize on user identification (leveraging AI) to accelerate speed and service security (McKinsey).

## bridging the talent gap

From a labor market perspective, the ethical use of technology can minimize biases and enhance efficiency of matching sources of talent for employers. Overall, this speaks to the growth of "digital adoption in Europe", which spiked from "81 percent to 95 percent as a result of the COVID-19 crisis", a surge that would have taken years "at pre-pandemic growth rates". Jobs of the future are coming sooner than expected, and governments and regulators must rapidly adapt to this revolutionary trend. The demand for a digitally prepared workforce requires governments and companies alike to prepare for drastic changes in the skills needed and ways in which knowledge can be transferred.

In practice, this will mean more smart working solutions for employers, more jobs for candidates in B2C applications to support emerging industries (AI, robotics, and biotechnology), and an educational gap that institutions must fill in the coming decade through comprehensive vocational training. These trends are reflected in the talent gap and mismatch currently present; as the demand for greater technical capacities leaves key positions unfilled, a new, technically skilled and global mobile workforce will inevitably become necessary.

## the multiplier effect

Interestingly, we can expect talent shortages that can largely be attributed to the multiplier effect of increased productivity generated by automation, creating new jobs at a faster rate than those rendered obsolete. Automation lowers the cost of production on the one hand, but also raises the need for human competences in jobs where automation is not an option. Automation, by increasing productivity, generates many indirect skilled and professional positions, such as technicians who keep IT-driven manufacturing processes functioning, competent supply chain professionals, and customer service employees. The boosting of human skills should therefore remain the focus of technological development, allowing the workforce to focus on high-value activities, such as problem-solving and relationship building.

## best practice: Randstad Without Borders, Italy

In Italy, mainly in Milan and Turin, Randstad's leadership position makes its contribution through the Randstad's 'Without Borders' program. This program contributes to the professional integration of foreign residents by offering career guidance, training, and job opportunities. Set up in 2017, the Randstad Without Borders project in Italy expanded its activities and presence reaching more than 500 migrants. Along with our corporate social responsibility department, an awareness campaign was launched on the importance and advantages of cultural diversity in a company. At the end of 2020, Without Borders integrated a Randstad RiseSmart department dedicated to career management and outplacement. Overall, Randstad identifies, improves and helps foreign residents acquire soft and hard skills in order to develop their competences. As a result, in combination with youth@work, 465 individuals participated in work training courses, resulting in new trained candidates for our branches, 53 of whom were employed by Randstad.

Beyond this, the growing context of labor mobility and transitional flexibility remains complicated and difficult to pin down. In fact, an increasing number of German companies now face talent shortages in qualified skilled positions, with work agencies lamenting talent bottlenecks in over 70% of cases surveyed (SIA).

OECD countries are also experiencing shortages of talent, as "fewer younger workers are entering middle-skill jobs than older workers leaving them" (OECD). Compounding this issue is the growing share of the ageing population, which in turn not only puts pressure on the welfare state, but renders certain countries unable to fill key middle- and high-skill jobs. This leads to a complex set of challenges for employers and governments alike. In fact, in the case of the USA, a Deloitte 2018 report suggests that 2 million out of 3.5 million jobs created will go unfilled due to a lack of skilled workers in the next decade (Deloitte).

## growing mobility and flexibility

Given this talent scarcity, the need for mobility is not only a geographical one, but speaks to the growing transitional nature of the labor market (i.e., from education to work, from work to work, from unemployment to work, etc.).

Whereas prior generations may have held one position for their entire career, in the future of work, talent mobility and labor flexibility will be essential, as rapid

expansions in automation render more and more roles obsolete. Short-term mobile working will translate into fewer furloughs as obsolete industries are phased out, replenishing new and growing sectors that require highly skilled and adaptable labor forces.

These changes are necessary as the current status quo does not fit the future world of work, where corporations and institutions alike will have to rethink workforce planning to include flexibility, hybrid work, and a sustainable work-life balance in their approach.

## fluid skills and competencies

In a rapidly changing world, jobs require skill sets that are continuously evolving; talent has to be prepared and adaptable to move to new roles with transferable skill sets more frequently than ever before. At the same time, a significant proportion of low-skilled jobs are at risk of being automated in the near future, while jobs requiring high-level cognitive skills and social competencies remain on the rise.

The fast-growing imbalance between in-demand jobs and available talent will therefore require companies to be more fluid in running their workforces, reskilling and redeploying their people on a regular basis, while employees will increasingly need to move away from traditional career paths and think more in terms of their competencies and strengths in regularly changing roles.

## geographical mobility and mismatches

India continues to be the main origin of international migrants, with 17.5 million Indian-born people living abroad. Mexico and China also have more than 10 million former residents spread around the world according to the [WEF](#). In the case of the OECD, 10% of the population are foreign born, but there remains a talent shortage/gap and location mismatch.

This issue conveys the current geographical location mismatch between high-tech workforces in the global south and STEM roles in the global north. In fact, international migration has grown exponentially since 1990, just in Europe, growing from 50 to 87 million by 2020 ([UN](#)). Solutions to this are twofold: a policy of integration that fosters the identification of high-skill talent from peripheral economies, and the formation, education and expansion of new STEM talent in the global north.

In this regard, it should be noted that the shortage of STEM talent in OECD economies, embodied by the outsourcing of these positions, has been heightened due to the speeding digitalization of jobs during the pandemic. Such developments allude to the overall need for revamped and agile STEM education and agile labor force integration.

Furthermore, the aim is to create a greater incentive (pull factor) for the highly skilled to enter the European and American labor markets from non-OECD countries. Such a view would go beyond the conception of pull factors such as higher wages and better living conditions, and would address the scarcity of highly skilled STEM talent.

## key insights

- Migrants will remain essential for a well-functioning and sustainable labor market.
- COVID-19 is exacerbating the talent shortage issue by dramatically accelerating digital migration.
- STEM education and agile/flexible labor forces are necessary to sustain growth in OECD economies and overcome talent shortages and mismatches.

Labor forces must prepare for work transitions and new mobility avenues on the market. As outlined in Randstad's Flexibility@work, despite the "open-ended labor contract" remaining "the dominant way of working in the Western world, diverse forms of work such as fixed-term, part-time and on-demand contracts, agency work, and remote work are increasingly common. In most high-income countries, between 5% and 25% of all workers have fixed-term contracts" ([F@W](#)). New solutions to sustain and enhance productivity within a context of 'Smart working' are called for. The new culture of hybrid work (unlike traditional remote work) will enable greater collaboration and social cohesion.

## social programs on mobility and migration

country	title	program description
Australia	Migrants and Refugees - job ready program	Through this program, Randstad Australia provides material, coaching and support to assist migrants and refugees in obtaining paid employment. We partner with clients who also provide mentors to take participants through the Australian labor market, help them write a CV, LinkedIn profile, build interview skills, develop an 'elevator pitch', and attend a networking evening to practice all skills. The first program ran in 2019, followed by the second program in 2020. The program is 6 weeks in duration.
Belgium	Work4integration	Work4integration is an international project (launched in 2019) and the result of a unique cooperation between Italy, Sweden and Belgium. Funded by the EU, this project aims to guide migrants from third countries (who have often fled from conflict regions) to work.
Italy	Randstad without borders	Contribute to the professional integration of foreign residents by offering career guidance, training and job opportunities. We identify, improve and help acquiring soft and hard skills in order to develop the competences of foreign residents.
Netherlands	Tent partnership for refugees	Together with 14 other Dutch companies, Randstad Group Netherlands is helping 3,500 refugees to find work at home and abroad. In addition, they will start a series of training and aid programs that will give another 10,000 migrants the prospect of paid employment, starting their own business, or gaining access to better living conditions in refugee camps.





