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Executive summary

The following document presents situation of young people not in education, employment or training (NEETs) in Portugal and their access to support measures within the Portuguese national social and educational systems. The presented document is a result of introductory study in the scope of “EKS – Entrepreneurship is the Key to Success”, an Erasmus+ Project aiming at supporting entrepreneurship education among NEETs. The report aims to build better understanding of the local NEETs structure, their challenges and existing support practices.

Similarly, to majority of EU countries, Portugal recognizes existence of a significant group of NEETs – young people, 15 to 29 years old, not in employment, education, or training, as an issue negatively impacting economic and social development. In line with common European Union strategies, Portuguese strategy to tackle the problem covers support for NEETs education and training and programs to foster internships, employment and business creation among NEETs. Within the NEETs support system, covering a broad list of stakeholders, the National Institute for Employment and VET (IEFP – Instituto de Emprego e Formação), Institute of Social Security (Segurança Social) and the Portuguese Youth Institute (Instituto Português da Juventude) are the main institutional agents providing access to the support. Under this institutional umbrella, all unemployed, including NEETs, are encouraged to engage in professional development in form of professional training and education. In this scope, the most common form of support is access to a broad portfolio of professional training opportunities. Participation in the training is often incentivized by a financial subsidy - ‘bolsa de formacao’, and additional measures for participants in disadvantaged situation (i.e. single parents).

Entrepreneurship is one of the career directions recommended and supported by the Portuguese labour market organisations trying to decrease NEETs levels. Upskilling in the area of entrepreneurship is included in the official training portfolio. In the first place, entrepreneurship as a possible career choice is presented in general terms during short-duration training programme ‘Entrepreneurship competencies and techniques of job search’ and, for unemployed considering this career choice, a professional course of entrepreneurship is available within the IEFP

training offer. Specific financial schemes are available to support creation of companies among NEETs.

While the public organisations are the major players for NEETs support, other stakeholders, especially Local Development Associations, play significant role in providing support for disadvantaged groups in integration into the labour market. Moreover, educational and social sector – especially VET organisations, NGOs and academia, are sources of relevant educational and social innovation projects to support employability of NEETs and other vulnerable groups, i.e. low-skilled adults. Those include incubation, consultations and upskilling opportunities. This sector is highly relevant for the NEETs support in Portugal. It is especially due to its stronger ability to flexibly respond to changing market requirements and test and implement more customized to the needs of NEETs and the labour market support measures. Among others, initiatives in form of non-formal and informal education aiming at development of labour-market-relevant soft skills, were defined as of high relevance due to a serious gap in the formal training and education. Moreover, specific gamification tools have been tested in Portugal to support development of market relevant skills, showing that application of gamification in young adults training and education significantly improves the users' motivation, engagement and learning autonomy (Silva et al. 2018). New education and training methodologies incorporating ICT solutions and distant learning are highly relevant for inclusion of NEETs into the labour market. It is not only for boosting their motivation, engagement and learning processes, but also due to existence of geographical obstacles to accessing labour market and quality learning opportunities encountered by Portuguese young adults. Conducted in the scope of the study survey-based research suggests that majority of young adults in Portugal encounters obstacles to inclusion into the labour market, and that geographical barriers pose a highly relevant challenge faced by Portuguese young adults. Those are in most cases related with the lack of employment opportunities near their residence zone or mismatch of opportunities in their area with their professional profile.

In Portugal, the strong concentration of job opportunities in the main cities located in coastal areas makes entrepreneurship highly relevant career option for NEETs.

Ability to provide the entrepreneurship support, especially in the geographical areas suffering from shortage of labour force demand and skills mismatches, is highly relevant for building competitiveness of Portuguese economy, improving life quality of young adults and preventing their exclusion from the labour market. Proper support covering both, financial and non-financial instruments, has high capitalization potential, as 70% of respondents have expressed interest in entrepreneurship as a potential career option. More, the recognition for importance of entrepreneurial skills and characteristics is high. Especially creativity and persistence have been recognized as of key relevance among the survey respondents. Despite commonly having high perception of their selected entrepreneurial competencies, majority of the respondents expressed interest in developing strongly entrepreneurship-oriented soft skills, as complex problem solving, critical thinking, creativity, people management and coordination with others. It suggested a high relevance and potential of new solutions in those areas not covered by existing educational offer, as well as the relevance recognition not only on the demand, but also on the supply side of the labour market.

The obstacles faced by Portuguese young adults for effective integration into the labour market and the opportunities related with entrepreneurship as a way to avoid the group exclusion from it suggest that the offer of entrepreneurial education should be improved. But especially, that the accessibility of such offer out of the major labour markets in the country should be ensured. With the development of ICT technologies, especially ICT-based distant learning methodologies should be considered as a relevant solution to close those gaps. Positive results of application of ICT-based gamification for developing market-oriented skills of Portuguese young adults suggest that it is a relevant methodology to improve chances of NEETs for inclusion into the labour market independently from their place of residence. Thus, broadly available ICT-based entrepreneurial education, both formal and informal should be strengthened to contribute to decreasing NEETs levels. Application of gamification can additionally improve the motivation, engagement, concentration and attitude toward learning outcomes increasing chances for effectively preparing the target group to facing challenges of entrepreneurship, as well as realizing their entrepreneurial intension.

Sumário executivo

Este documento visa apresentar a situação dos jovens que não estão a trabalhar nem a estudar ou a frequentar qualquer tipo de formação (NEETs) em Portugal e o seu acesso a medidas de apoio no âmbito do sistema social e de educação nacional. Este documento resulta de um estudo introdutório realizado no âmbito do projeto “EKS – Entrepreneurship is the Key to Success”, um projeto Erasmus+ que visa apoiar a educação empreendedora entre jovens NEETs. Tem como objetivo alcançar uma maior compreensão da estrutura local NEETs, os seus desafios e boas práticas existentes.

À semelhança da maioria dos países da UE, Portugal reconhece a existência de um grupo significativo de NEETs – jovens com idades compreendidas entre os 15 e os 29 anos, que não estão a trabalhar nem a estudar ou a frequentar qualquer tipo de formação, como um problema com impacto negativo do desenvolvimento económico e social. Em alinhamento com as estratégias comuns da União Europeia, a estratégia portuguesa de resposta a estas questões abrange o apoio à educação e formação de NEETs e esquemas e programas de promoção do empreendedorismo, emprego e criação de novos negócios por NEETs. Uma vasta lista inclui os principais parceiros a atura no âmbito do sistema de apoio aos NEETS, tais como o IEFP – Instituto de Emprego e Formação Profissional, Instituto da Segurança Social, Instituto Português da Juventude, enquanto principais agentes institucionais na disponibilização de acesso a apoios. Sob este chapéu institucional, todos os desempregados, incluindo os NEETs, são incentivados a envolverem-se em ações de desenvolvimento profissional, sob a forma de educação e formação profissional. Neste âmbito, as formas mais comuns de apoio incluem o acesso a um vasto leque de oportunidades de formação profissional. A participação na formação é incentivada através de subsídios financeiros – bolsas de formação – e medidas adicionais dirigidas a participantes em situações de desvantagem (i.e. pais solteiros).

O empreendedorismo é uma das direções de carreira recomendada e apoiada pelas organizações do mercado de trabalho portuguesas que procuram diminuir a percentagem de NEETs. O desenvolvimento de competências na área do empreendedorismo encontra-se incluído no portfolio de formação

oficial. Em primeiro lugar, o empreendedorismo como possível escolha de carreira é apresentado nos seus aspetos gerais durante um programa de formação de curta duração “Competências empreendedoras e técnicas de procura de emprego” e, para os desempregados que considerem esta escolha de carreira, o IEFP disponibiliza um curso de formação profissional em empreendedorismo, no âmbito da sua oferta de formação. Encontram-se à disposição programas financeiros específicos para o apoio à criação de empresas pelos NEETs. Enquanto as organizações públicas são os principais atores no apoio aos NEETs, outros *stakeholders*, em particular Associações de Desenvolvimento Local, desempenham um papel significativo na disponibilização de apoio a grupos desfavorecidos para a sua integração no mercado de trabalho. Para além disso, organizações do sector social e educativo – em particular organizações de formação profissional, ONGs e ensino superior, são promotoras de projetos de educação e inovação social relevantes para o apoio à empregabilidade de NEETs e outros grupos vulneráveis, i.e. adultos de baixas competências. Estes incluem incubação, consultoria e oportunidades de desenvolvimento de competências. Este setor é de elevada relevância no apoio aos NEETs em Portugal. Isto deve-se, em especial, à sua forte capacidade e flexibilidade para dar resposta às exigências de um mercado em mudança e para testar e implementar medidas de apoio mais ajustadas às necessidades dos NEETs e do mercado de trabalho. Entre outras, iniciativas sob a forma de educação formal e não formal com vista ao desenvolvimento de competências pessoais de relevo para o mercado de trabalho foram identificadas como de elevada relevância considerando a grande lacuna existente ao nível da formação e educação formal. Além disso, ferramentas de gamificação específicas para o apoio ao desenvolvimento de competências relevantes para o mercado foram testadas em Portugal, demonstrando que a aplicação da gamificação na formação e educação de jovens adultos melhora a motivação, envolvimento e autonomia na aprendizagem dos jovens adultos (Silva et al. 2018). Novas metodologias de educação e formação, com incorporação de soluções TIC e aprendizagem à distância são muito importantes para a inclusão dos NEETs no mercado de trabalho, não só por aumentarem e melhorarem a sua motivação, envolvimento e processos de aprendizagem, mas também devido à existência de obstáculos geográficos no acesso ao mercado de trabalho e a oportunidades de aprendizagem de qualidade por jovens adultos

portugueses. A investigação conduzida com base em questionários sugere que a maioria dos jovens adultos em Portugal encontra obstáculos à inclusão no mercado de trabalho, e que as barreiras geográficas representam um importante desafio enfrentado pelos jovens adultos portugueses. Estes são, na maioria, casos relacionados com a falta de oportunidades de emprego próximas da área de residência ou incompatibilidade entre as oportunidades disponíveis na área e o perfil profissional.

Em Portugal, a maior concentração de oportunidades de emprego nas principais cidades localizadas em áreas costeiras torna o empreendedorismo uma opção de carreira de maior importância para os NEETs. A capacidade de disponibilização de apoio ao empreendedorismo, em particular em áreas geográficas de menor procura de mão-de-obra e incompatibilidade de competências é de elevada importância para a construção da competitividade da economia portuguesa, melhoria da qualidade de vida dos jovens adultos e prevenção da sua exclusão do mercado de trabalho. O apoio adequado, abrangendo tanto instrumentos financeiros como não financeiros, tem um elevado potencial de capitalização, considerando que 70% dos respondentes expressaram o seu interesse no empreendedorismo como uma potencial opção de carreira. Para além disso, o reconhecimento da importância das competências e características empreendedoras é elevado. Em particular a criatividade e a persistência foram reconhecidas como de importância chave entre os respondentes do questionário. Apesar de, de forma geral, haver uma elevada perceção das suas competências empreendedoras específicas, a maioria dos respondentes expressou o seu interesse no desenvolvimento de competências pessoais altamente orientadas para o empreendedorismo, tais como a resolução de problemas complexos, pensamento crítico, gestão de pessoas e coordenação com outros. Isto sugere a elevada relevância e importância de novas soluções naquelas áreas, não abrangidas pela oferta educativa existente, bem como o importante reconhecimento não só do lado da procura como também do lado da oferta do mercado de trabalho.

Os obstáculos enfrentados pelos jovens adultos portugueses na integração eficaz no mercado de trabalho e as oportunidades relacionadas com o empreendedorismo como forma de evitar grupos de exclusão do mercado de trabalho sugerem que a

oferta da educação empreendedora deve ser melhorada, mas, em particular, que deve ser assegurada a acessibilidade desta oferta em áreas fora dos grandes mercados de trabalho do país. Com o desenvolvimento das tecnologias TIC, em particular as metodologias de ensino à distância baseadas nas TIC, estas devem ser consideradas como uma solução de relevo para colmatar tais lacunas. Os resultados positivos da aplicação de soluções de gamificação baseadas em TIC para o desenvolvimento de competências orientadas para o mercado nos jovens adultos portugueses sugere que esta é uma importante metodologia para a melhoria das oportunidades dos NEETs para a inclusão no mercado de trabalho independentemente do seu local de residência. Assim, soluções de educação empreendedora baseadas nas TIC, amplamente disponíveis, tanto a formais como informais, deverão ser reforçadas para apoiar a inclusão dos NEETs no mercado de trabalho português. A aplicação da gamificação pode, adicionalmente, melhorar a motivação, envolvimento, concentração e atitude em relação aos resultados da aprendizagem aumentando as hipóteses para a preparação eficaz, do grupo alvo, para enfrentar os desafios do empreendedorismo, bem como, para a concretização das suas intenções empreendedoras.

1. Introduction

The study discusses the current situation of young adults not in employment, in education nor in training (NEETs) in Portugal, the measures in place to support their integration into the labour market (either in form of employment support, either support for their shift to entrepreneurship as a career choice), as well as specific overlooked areas requiring attention. The report developed under the Erasmus+ Project – ‘EKS - Entrepreneurships is the Key to Success’ integrates desk research outcomes together with results of a survey conducted among young adults. The key focus of the empirical research is related with the Portuguese NEETs context, the group entrepreneurial competencies and needs for developments in the area.

The study has been developed in scope of EKS project which aims at building entrepreneurial competencies of young Europeans. The project will embed the entrepreneurial education in the framework of an online game in which young adults will develop entrepreneurship-oriented skills: complex problem solving, critical thinking, creativity, people management and coordination with others. The presented results are a part of a broader research across 7 European countries. The overall research will help the partnership to better understand NEETs’ environment and the challenges they face in finding employment across different European countries/regions. Its conclusions will allow the involved in the project partners to develop a solution responsive to the realistic needs of European NEETs, highlight the shortcoming in their integration system and the gaps in their access to quality upskilling opportunities in the scope of entrepreneurship education.

2. Key findings from the desk review

2.1. NEETs in Portugal and their recognition

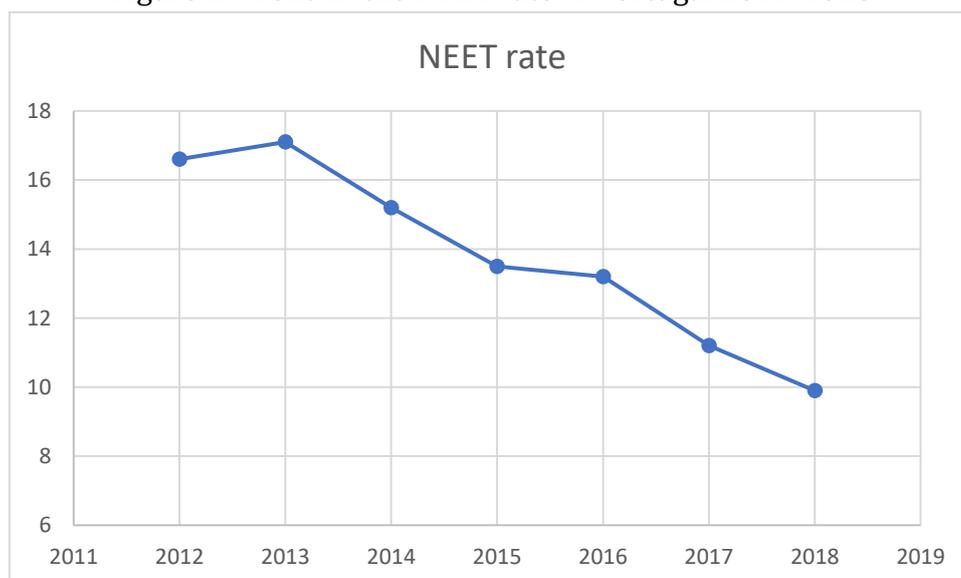
Aligned with the EU definition, the Portuguese definition of NEETs refers to young people, 15 to 29 years old, not in employment, education or training. Portugal has recognized the relevance of NEETs and its impact at an economic and social level. Following the European strategy, during the last years, a strategy to reduce the number of NEETs, has been implemented either by developing schemes to support

access to education, either schemes and programmes to support internships, employment and new business creation. The main actor in the implementation of the strategy at a national level is IEFP – Instituto de Emprego e Formação Profissional (National Institute for Employment and VET). In that scope, it provides (IEFPa, n/a):

- funding schemes to support creation of new businesses by NEETs,
- supporting schemes for companies and entrepreneurship,
- internships,
- employment services for job seekers, including NEETs and,
- supporting schemes and training programmes for skills development and access to better employment opportunities.

Aligned with the European Strategy, Portugal implemented specific programmes and strategies to reduce the number of NEETs, promote their employment, training and support to the creation of new businesses. As a result of the program and of the improved economic conditions in Portugal within the last few years, the rate of NEETs dropped from 17.1% in 2013 to 9.9% in 2018 (Eurostat 2019).

Figure 1. Trend in the NEET rate in Portugal 2012-2018



Data Source: Eurostat (2019) *(data aggregated for the age group 15-34)

Specific Portuguese measures include, among others, the implementation of tools under the European Initiative Youth Guarantee (Programme Garantia Jovem). But the efforts to promote the inclusion of NEETs are also visible in the National funding priorities and domains. Under the domain “Social Inclusion and Employment” (Inclusão Social e Emprego), priorities include: better access to jobs for young adults and vulnerable groups, the promotion of skills development for integration in the job market and the promotion of active inclusion and equal opportunities. Under the domain “Human Capital” (Capital Humano), priorities include: the decrease of school drop-outs, the reinforcement of VET and its connection with the labour market; the reinforcement of education and training quality aiming at increase in employability (Portugal2020, n/a).

Among NEETs, some belong to disadvantaged groups (i.e. ethnic groups). Following the report *Jovens e NEET na Europa: Primeiras Conclusões* (Eurofund, 2017), in Portugal the main risk factors for falling into the NEET category are related with:

- Disabilities;
- Immigrant communities;
- Low level of education;
- Young people living in remote locations;
- Young people from low income families
- Young people with parents with unemployment background.

However, currently, in Portugal, in particular after the 2008 economic crisis, the level of education has decreased its significance as the critical employment risk factor, as young people with high education degrees also face employment difficulties. Following the shortage of job offer and a gap between education and the needs of the labour market, young adults with high education degrees also became part of the NEET group (Eurofound 2017). In that way, the NEET category in Portugal is no longer associated exclusively with low education level, but cover all educational levels, including university graduates.

The difficulty in tracking and supporting NEETs in Portugal is related with the existence of vulnerable groups without employment which are not considered active job seekers. NEET groups not actively engaged in job search, as well as those not willing to collaborate with the IEFP (i.e. due to association of IEFP requirements and procedures as unclear and lacking cultural flexibility) are covered by alternative measures, such as support for inclusion from local development associations. At a local level, the main organizations working with these groups are Local Development Associations that implement a set of activities, through national and/or European funded programmes, to support their inclusion and skills development (Tese 2018).

2.2. NEETs public support mechanisms

In Portugal, the main official points of access to support for employment, training and entrepreneurship of NEETs are three public entities:

- IEFP, the National Institute for Employment and VET – Both online and face-to-face access platforms;
- Social Security Institute – Online and face-to-face access platforms;
- Instituto Português da Juventude – the Portuguese Institute for Youth.

IEFP, the National Institute for Employment and VET is the main public organization working with unemployed people, including NEETs, regarding their integration into the labour market.

Within the Portuguese social system, in case of involuntary unemployment, young people until 30 years old have a right to unemployment benefits assuming that in the past 24 months they have been employed for at least 12 months (Segurança Social, 2020). Their rights to unemployment benefits correspond to the number of months of Social Security Payments since the last unemployment:

| | | |
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| Less than 30 years | Less than 15 months | 150 days |
| | Even or more than 15 and less than 24 | 210 days |
| | Equal or more than 24 | 330 days |

The periods are however shorter than in case of 30+ unemployed, increasing urgency in the young adults group to reintegrate into the labour market. Some additional support is offered in case of specific disadvantaged groups. Special 10% increase in unemployment benefits is granted to unemployed single parents and couples where both partners are in situation of involuntary unemployment.

Within the period of unemployment, training and education activities are strongly encouraged. In case of adults without rights to unemployment benefits, 23 or more years old, for engaging in professional education offered by IEFP accredited educational organisations and curricula, participants can obtain 'bolsa de formação' with maximum value of 153,58EUR per month (IEFPb, n/a).

Moreover, in case of training activities of duration longer or even to 3 hours per day, the trainee has the right to food subsidy of 4,77EUR per day. Costs of public transportation related to commute between the place of residence and the place of formation are refundable. In case of lack of access to public transportation the trainee may request transport subsidy up to the amount of 65,82 EUR per month.

In case of trainees with responsibility for daily care of others, i.e. young parents, additional support up to 219,41EUR may be requested for essential care over the dependant individual during the time of the programme (IEFPb n/a; CINEL 2019)

However, the monthly sum of food and transport supply cannot exceed 326,82EUR.

In terms of NEETs employment, IEFP also promotes programmes to support job opportunities for unemployed people, providing companies with favourable supporting schemes for paid internships and employment of young unemployed people, registered at IEFP (IEFPf, n/a).

Special conditions are also offered within the programme Youth Guarantee - "Garantia Jovem", financed by the European Union for young NEETs up to 23 years old. Within this especially vulnerable group, the programme aims to support

employment, lifelong learning, learning and internships with specific focus on preventing early drop out from education and directing youth toward optimal development opportunities allowing their efficient integration into the labour market (Garantia Jovem, 2014).

Within the the Portuguese Youth Guarantee program, for overall NEET category, personalised support to NEETs includes support in completing documentation, access to ICT resources – computers, internet, support in area of job search techniques (CV creation, letters of motivation, preparation for interviews, spontaneous applications). Additionally, the program aims to network people in disadvantage situations with proper supporting organisations or means, i.e. referring immigrants and refugees to the program Português para Todos Programme [Portuguese for All Programme] for free of charge Portuguese learning opportunities, or youth facing poverty to Food Banks etc. Specific opportunities of VET and adult education are also offered within the program to close the gap between the young person education and market needs (Tese 2018).

Among others, a broad portfolio of training offered by the IEFP and accredited training organisations across the country¹ is incorporated into the Youth Guarantee support for NEETs (IEFPc, n/a; IEFPd, n/a). To support participation in the training activities, unemployed receive food and transportation financial supplements, together with additional financial support options as described above.

Among highly technical specific profession-oriented courses, the offer includes course ‘Entrepreneurship competencies and techniques of job search’ (25 hours) which focuses on introducing entrepreneurship in highly general form as a form of self-employment, next to traditional employment forms. Other, more specifically oriented on entrepreneurship, course offered by the IEFP covers 8 areas of entrepreneurship education ²(IEFPe, n/a):

¹ The professional training offer can be accessed at:
<https://iefponline.iefp.pt/IEFP/pesquisas/search.do?cat=ofertaFormacao> .

² The currently available example of the entrepreneurship training program can be accessed at (accessed on 17.01.2020):

- Investments and rentability (50 hours)
- Administration in organisations (25 hours)
- Organisational communication and structures (50 hours)
- Marketing plan (50 hours)
- Investment projects (25 hours)
- Business plan – creation of SMEs (50 hours)
- ICT management tools – sales area (25 hours)
- Basic principles of economy and accounting (25 hours)

All the encountered within the official channels training programs focus on very technical aspects of entrepreneurship, while no soft skills or mindset related entrepreneurship training is offered for NEETs.

In the field of entrepreneurship, IEFP also provides the programme “Investe Jovem” aiming to support the creation of new business by unemployed between 18 and 29 years old. It covers 3 types of support (Portal dos Incentivos, 2020a):

- 1/ financial support to initial investment,
- 2/ financial support to employment of the young founders,
- 3/ technical support in improving competencies for building the business project and its implementation.

The financial support for initial investment takes form of interest free loan covering up to 75% of an investment. The loan is to be paid along the following 54 months. Moreover, up to 4 working positions, including the founder, can be subsidised by the program for up to 6 months without need for repayment. The program requires a continuation of the created posts for the sustainability period of 3 years.

<https://iefponline.iefp.pt/IEFP/pesquisas/IEFP/pesquisas/detalheOfertasFormacao.do?idFormacao=193900&posAbs=3&nav=true>

Another entrepreneurship support offered to NEETS in Portugal is PAECE - Programa de Apoio ao Empreendedorismo e à Criação do Próprio Emprego – The program for entrepreneurship support and self-employment. It is a program of financial incentives for companies creation for long-term unemployed (more than 9 months). It however distinguishes young people between 18 and 35 years old without previous working experience as a special group included in the support measures without the need to fulfil the previously mentioned condition. In that scope, the program offers microloans up to 30% of the required investment (Portal dos Incentivos, 2020b).

Within the implementation period of the Youth Guarantee programme, at the European level, the number of NEETs has decreased to 14,2%. In Portugal, the objective of the National Strategy for NEETs Signaling (Estratégia Nacional para a Sinalização de Jovens) aims at decreasing the NEETs level to 30.000 by 2020 (from 67.500) within the cross-organisational efforts coordinated by IEFP (Acegis, 2017).

The list of organisations active in the area of NEETs employability and education covers altogether a broad range of stakeholders:

- IEFP – Instituto de Emprego e Formação Profissional, IP (National Institute for Employment and VET)
- Instituto da Segurança Social, IP (Social Security Institute)
- Direção-Geral de Educação (Directorate-General for Education)
- Direção-Geral do Ensino Superior (Directorate-General for Higher Education)
- Agência Nacional para a Qualificação e o Ensino Profissional, IP
- Instituto Português do Desporto e Juventude, IP
- INA – Direção-Geral da Qualificação dos Trabalhadores em Funções Públicas
- Direção-Geral de Políticas Externas
- AICEP Portugal Global, Agência para o Investimento e Comércio Externo de Portugal, EPE
- Direção-Geral das Autarquias Locais
- CASES – Cooperativa António Sérgio para a Economia Social

Beyond employment issues, the Social Security Institute is the umbrella organisation for vulnerable groups support³. On a local level, Local Development Associations are the key stakeholders working with disadvantaged groups. In Covilhã, Portugal, Beira Serra, Associação de Desenvolvimento (Local development association) is an example of local organizations working in areas such as inclusion and skills development of NEETs.

2.3. Other initiatives supporting NEETs education and entrepreneurship

In addition to the existing within the social systems IEFP and Seguranca Social measures, under national and/or European programmes, several organizations across the country implement projects to support education and training for skills development among young disadvantaged groups. Additionally, several VET organisations provide training programmes to support the access to jobs, addressed to low-skilled people.

Most of the implemented in Portugal social innovation projects directly targeted at decreasing NEETs levels has approached early school abandonment prevention, i.e. “EPIS – Empresários pela Inclusão Social” (“Employers for Social Inclusion”); Programa Escolhas (Choices Programme); PIEF – Programa Integrado de Educação e Formação (“The Integrated Program of Education and Training”). However, for the last years, the Portuguese Government has implemented a portfolio of programmes to support entrepreneurship. Some of these programmes are addressed to NEETs. Those programmes are commonly focused on funding schemes to support the creation of new businesses, while the required entrepreneurial skills of young adults remain poorly attended. Among rare more integrated approaches, RPGN – Rede de Perceção e Gestão de Negócios (Perception and Business Management Network) originating from the Youth Guarantee Programme, offers

³ A broad data base of specific support forms and specialised channels can be identified on <http://www.seg-social.pt/inicio> or by direct support in the Institute branches.

financial support for companies creation, as well as skills development workshops. These workshops tackle topics such as: creativity, business, finances, marketing and legal and tax regulations. The program is available in three Portuguese regions – Norte, Centro and Alentejo (Fundacao da Juventude, 2016).

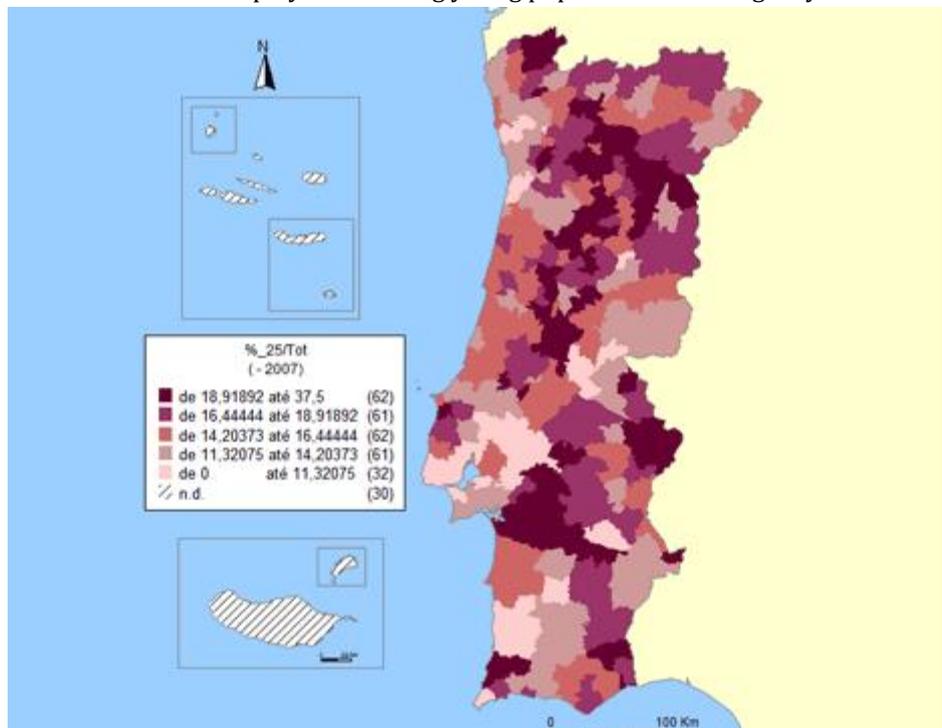
Despite availability of several support measures, governmental programs not fully respond to the real needs of the labour market and NEETs, and often fail to engage individuals into those schemes. In order to compensate the various existing gaps in the implemented governmental programs and official education schemes, other national stakeholders contribute by offering complementary support and actions for decreasing NEETs level in Portugal. Broad scope of educational and social organisations, especially VET organisations, NGOs and academia is especially responsible for educational and social innovation looking at supporting integration of NEETs and other vulnerable groups into the labour market. Those sectors are mainly responsible for development and test of new methodologies for support of employability, education and entrepreneurship within such target groups. Their interventions commonly take form of non-formal and informal education solutions, consulting services and career guidance.

Among others, in the scope of youth entrepreneurship, ANJE the National Association of Young Entrepreneurs (Associação Nacional de Jovens Empresários) aims to support youth in transferring their knowledge into enterprises by providing incubation, consulting and education in scope of management, financing and innovation for young entrepreneurs. While they are focused on incubation of technology-based companies, they provide information regarding entrepreneurship incentive systems and complementary support for entrepreneurs at all stages of business development.

A range of initiatives is being taken to support the integration of NEETs into the labour market. Those include a number of education and training-oriented initiatives. However, they focus commonly on technical skills designed for the general population and their responsiveness to the specific needs of the young people not in employment, education or training is limited. Despite increasing

recognition for soft skills role for employability and entrepreneurship abilities, solutions in the area are lacking within official education and training opportunities for young people. Moreover, the typical support measures for NEETs upskilling are face-to-face. In general, the educational and training system in Portugal is highly traditional with limited application of ICT tools in the learning process. While the use of blended learning is increasing, the physical presence requirement is common to most of training opportunities available to NEETs. It however limits the access of Portuguese NEETs to the support offer due to their broad dispersion across the country and their residence often in regions facing geographical barriers.

Level of unemployment among young population in Portugal by location



Source: Presidency of Portuguese Republic (Presidência da Republica Portuguesa)

3. Good practices

3.1. Public measures

The Portuguese support system for NEETs suffers from common for majority of public systems issues (i.e. complex and often hard to understand by the NEETs procedures and inflexibility of the support measures), however examples of good

practices with positive impact on decreasing the NEETs level can be identified. Among others, the financial incentives for engagement in training – ‘bolsa de formação’ has positive impact on engagement in upskilling activities, especially among long-term unemployed. Opinions regarding the curricula realistic responsiveness to the market needs and hence, their impact on employability, are mixed. However, the incentive realistically increases motivation of unemployed to participate in the training and educational activities. While the motivation to join the training activities is often purely financial, it allows activation of the unemployed, increases their skills and knowledge portfolio, but also in some cases encourages them to look for individual development paths to increase their employability (Pereira, 2018).

3.2. Supporting employability and overcoming skills mismatches within the job market – The Engage Project

Although taking different approach and focussing on employability rather than entrepreneurship, the partner E&D Knowledge Consulting in a scope of Engage Strategic Partnership (funded under Erasmus+ Programme) implemented locally an online training programme aiming at the development of 8 future oriented soft skills (Creativity, Logical thinking, Observation and Perception, Empathy and Emotional Intelligence, Innovation Mindset, Open Minded Status, Teamwork/Valuing Ideas, Taking Initiative) among NEETs to support their employability⁴. Under the ENGAGE project, a platform linking training within those 8 areas with job offers requiring those skills, was developed. The project was recognised in Portugal, by both NEETs and employers, as a relevant tool. It was not only due to its supply-demand matching opportunity accounting for (commonly overlooked in the matching process) soft skills. But also, due to the customised to the needs of NEETs opportunity to improve their competencies in those rapidly gaining relevance on the labour market areas (but in which education is not easily accessible in Portugal, especially in the NEETs group).

⁴ <https://engage.erasmus.site/>

The experience of Engage project shows that soft skills are not only highly relevant for the inclusion of NEETs into the labour market, but also that there is a significant lack of education in such relevant for the labour market integration area. That creates high importance of creating new curricula and learning methods to fill those gaps in NEETs education for their employability. But it also shows the relevance of such skills for future entrepreneurs – SMEs owners, as the testing within the matching system was conducted with SMEs managers. In scope of NEETs education, the learning interactivity and practical-orientation has been underlined among the main success factors.

3.3. The gamification-based learning – The Management Games

In the area of gamification in scope of adult education and training, a specific solution was developed by a researcher at University of Tras-os-Montes in Portugal which supports university students' education in the area of management. Currently, 2 games are available. The first focused on accounting education and the second focused on marketing education⁵. The first, developed as a PhD thesis project, accounting game, was tested with 2000 students across Portuguese universities. The initiative has shown that the gamification in the learning context significantly improved the users motivation, the amount of time that the students were willing to devote to the learning process, concentration, the attitude and learning outcomes, as well as the autonomy of the users in the learning process (Silva et al. 2018). Especially the learners increased interest in the curricular unit can have a high relevance in increasing motivation of young learners to engage in professional activity in the studied areas. However, the Portuguese experience suggests that the gamification method, while being relevant learning and encouragement tool, should be complemented in the scope of building professional capacities, by other educational techniques, in the particular test case traditional face-to-face teaching (Silva et al. 2019).

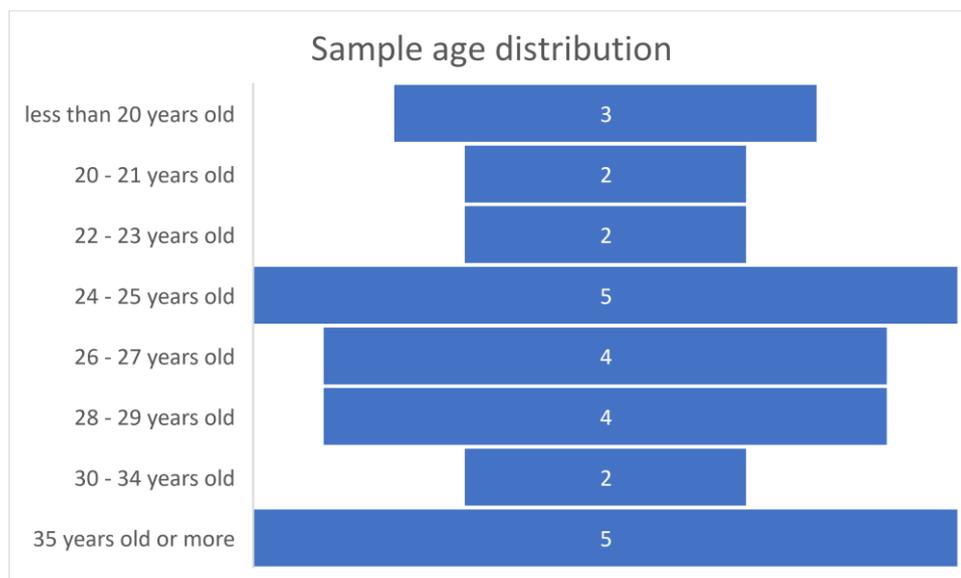
⁵ Both games are available online in Portuguese language versions at <http://www.jogosdegestao.pt/>

4. Questionnaire research

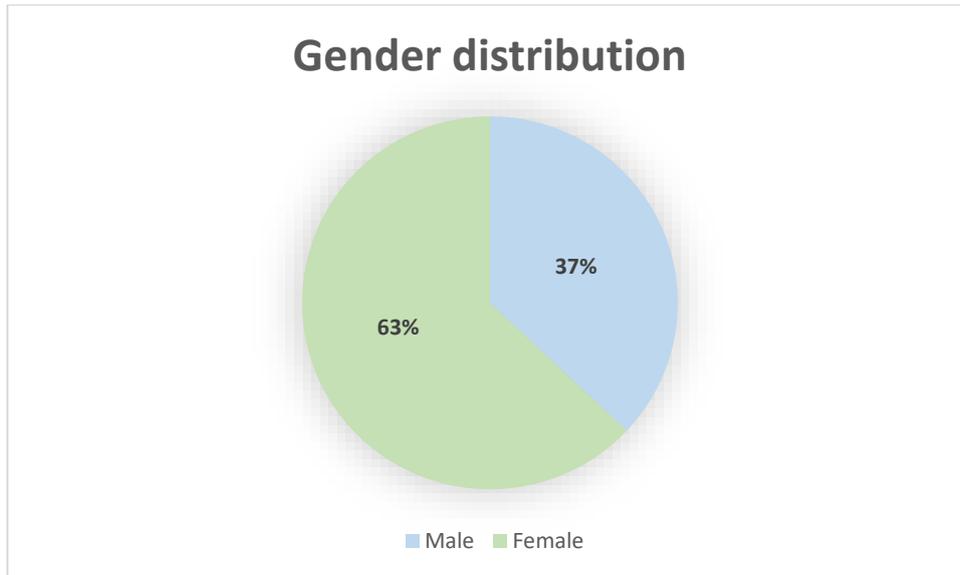
To complement the results of the desk research and define the needs of the target group in Portugal, online survey has been distributed. It focused on the challenges faced by the target group in scope of integration into the labour market and their perceived upskilling needs.

4.1. Respondents profile and job market opportunities

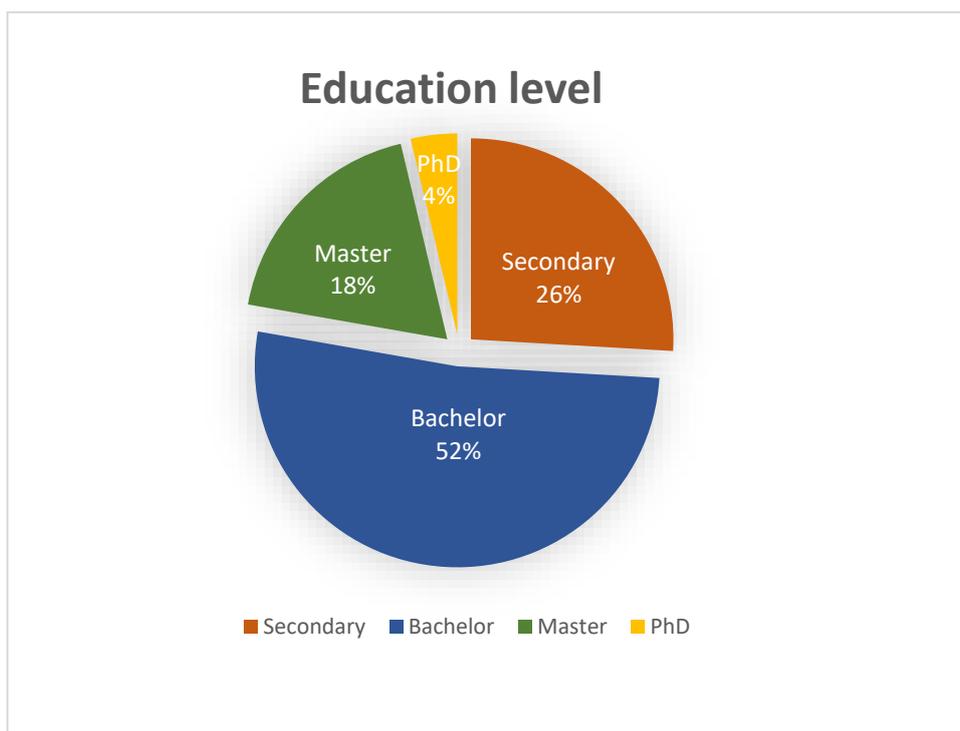
The survey has been completed by 27 respondents, all Portuguese nationals. The majority of the sample represented the youth group up to 29 years old (20) with concentration of respondents between 24 and 29 years. Meanwhile, the age groups of 30-34 and above 35 were represented by 2 and 5 respondents, respectively.



Within the sample, 63% of respondents were females, while male respondents covered 37% of the sample.

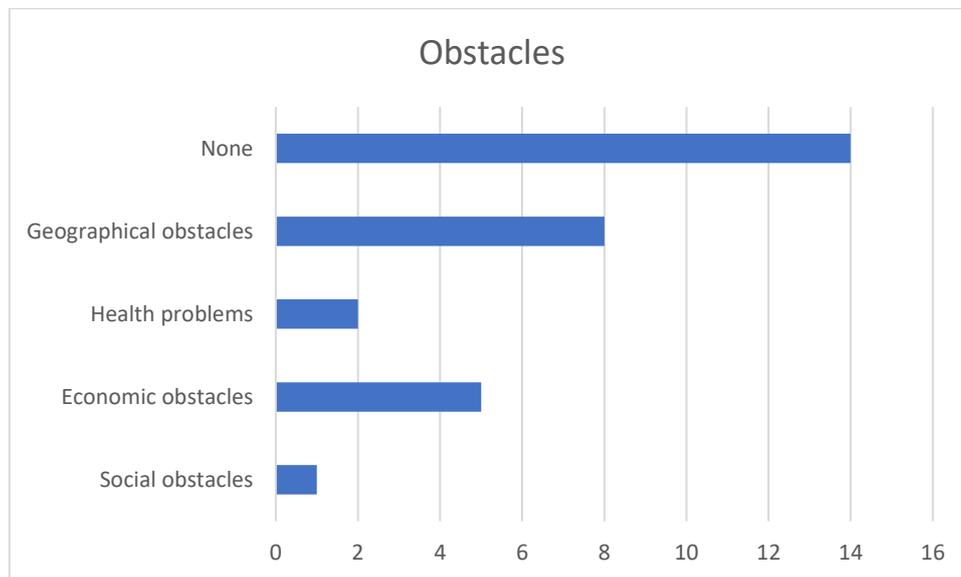


While 26% has obtained only secondary education level, 74% of the respondents obtained a higher education degree (52% bachelor's degree, 19% Masters and 4% PhD).



In majority, the respondents did not feel as they are facing any specific obstacles. About 52% of them do not consider that their, or their family's, opportunities are obstructed by any external barriers. However, a significant group of the Portuguese respondents struggle with geographical barriers (30%), followed by economic obstacles (19%). Moreover, in case of economic difficulties, 60% of the respondents

in such situation encountered an additional barrier, social, health or geographical one.



While the majority of the respondents did not perceive their situation as related with specific obstacles, a following open question ('which type of obstacles do you face in the job search?') has shown that 85% of the respondents face job search related difficulties. The respondents mentioned difficulties related with 1/ lack of opportunities, 2/ mismatch between the human resources available and the job offer, and 3/ obstacles related with selection procedures.

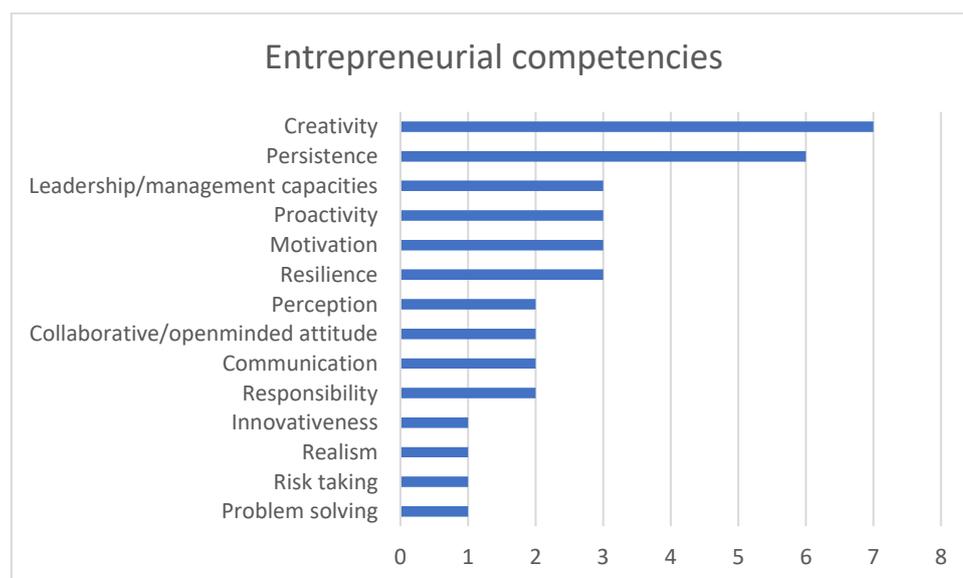
59% of the respondents reported lack of employment opportunities as the encountered obstacle. In this category, 3 characteristics were underlined. The biggest group found lack of, or limited, opportunities in their specific area of residence – 41%. In this group, 11% detailed that there is lack of opportunities in their specific professional area in their zone. Meanwhile, 7% pointed out that there is lack of quality employment opportunities, either due to low quality of the positions, either due to salary levels not corresponding to the knowledge requirements.

19% of the respondents have mentioned a complementary issue related with mismatch between the profile of job searchers and the job offers on the market. In this scope, some young people were struggling to meet the minimum experience requirements (11%) and others identified job opportunities, but out of their region of residence or profile (11%).

The last category of the reported obstacles is related with the selection process. The list of reported issues includes a lack of clarity regarding job offers and selection procedures, bureaucratic procedures, but also lack of recognition for competencies of young people. One of the respondents also pointed out that she/he faced personal obstacles related with the lack of capacity to present well his/her candidacy within the selection process.

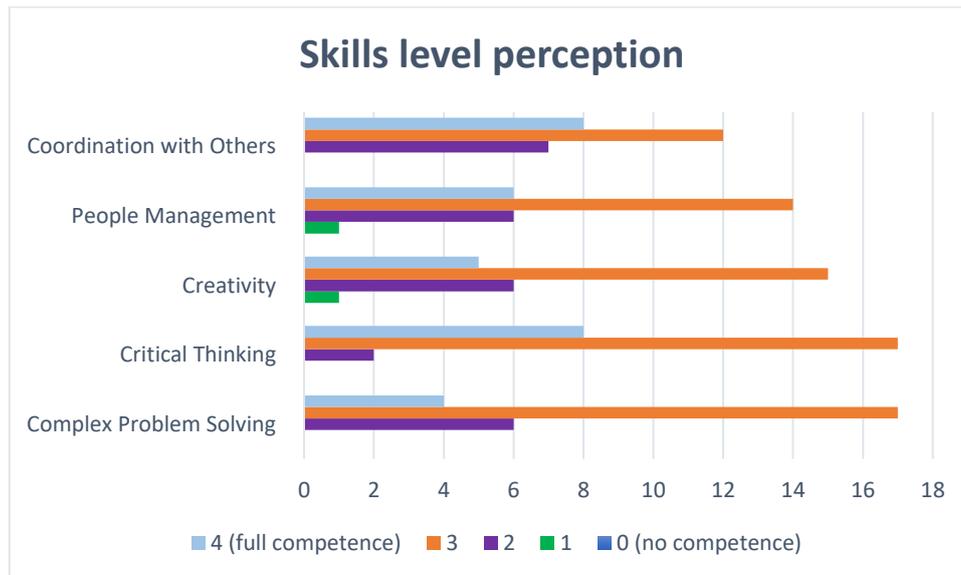
4.2. Entrepreneurial capacities and orientation

Portuguese respondents presented a high level of interest in entrepreneurship as a possible career. 70% of respondents shown an interest in becoming an entrepreneur, while 30% was not considering this career option. They recognised a broad range of competencies needed in the scope of entrepreneurship and that they do possess some of the relevant for entrepreneurs' characteristics. In that scope, out of 24 respondents recognising that they possess some relevant entrepreneurial skills, within an open-end question, 29% considered creativity as their strong entrepreneurial capacity and 25% persistence. Several respondents considered also that they possess leadership and/or management capacities, proactivity, motivation and resilience – 13% each.



When asked to assess their competencies in 5 pre-defined areas – 1. Complex problem solving, 2. Critical thinking, 3. Creativity, 4. People management, 5. Coordination with others; Portuguese respondents in majority perceived

themselves as skilful in those areas. As high as 93% perceived to have high (3) or full competency (4) in the area of critical thinking. 78% assessed their complex problem-solving skills as on high or full competency level. While the majority of respondents had evaluated their capacities in remaining categories on high or full competence level (75% in each of the remaining categories), in this scope it was people management skills and creativity that had been evaluated at the lowest level.



All listed competencies were considered by the Portuguese respondents as very important (63%) or important (37%) and despite highly evaluating their competences level, 67% of participants was interested in further developing their competencies in those areas, while the remaining 26% was open to such possibility.

Within the group, 63% participated last year in training activities. While the specific topics were highly diverse, next to technically oriented programmes, 2 areas – marketing and communication, and educational competencies, where the ones more prominent.

5. Conclusions

Our study combining both desk research and questionnaire research has shown that Portuguese young adults and especially NEEs struggle with relevant obstacles to their inclusion into the labour market. While previous reports underlined 5 main risk areas:

- Disabilities,
- Immigrant communities,
- Low level of education,
- Young people living in remote locations,
- Young people from low income families,
- Young people with parents with unemployment background,

our study underlines that especially geographical barriers interlinked with the lack of job opportunities in the rural and peripheral regions of Portugal are a serious common risk for youth struggling with access to job opportunities. They often encounter difficulties with identifying valid job opportunities in their residence and professional areas, while majority of job offers is concentrated in distant major city districts. Despite, higher level of education of majority of the respondents within the tested sample, they commonly encountered obstacles to their inclusion into the labour market. It supports the results of the desk research suggesting that the NEETs category is no longer strongly related with the lowest educational levels, but also highly educated young adults are in the risk of becoming NEETs. The situation is not uniquely related with geographical barriers to employment, but also with mismatch between the profile, location and experience of young job seekers and the market requirements. In the scope, while the public support system for NEETs offers a broad portfolio of training opportunities, the market responsiveness of the curricula should be improved. It includes, inclusion of future-oriented skills covering, among others, overlooked soft skills and ensuring higher level of accessibility of relevant upskilling opportunities in peripheral areas of Portugal. Curricula and accessibility improvements are expected to improve capitalisation on investments in the incentives for NEETs engagement into training activities, such as 'bolsa de formacao'. Further maximisation of results could be obtained by better career guidance offered to NEETs that would allow them to invest their time in the most optimal and future-oriented learning directions best fitted to their individual needs. Taking into account high entrepreneurship potential for NEETs integration into the Portuguese labour market, education and guidance in this area should be improved.

Our research shows that there is a relevant gap in the entrepreneurship support within official channels in Portugal. Moreover, the relevant geographical barriers in Portugal increase the importance of entrepreneurship as a way to create self-employment and new job opportunities especially in peripheral and rural areas. In that scope, upskilling opportunities for entrepreneurship should be provided in a highly inclusive and accessible way, as well as communicated and disseminated efficiently to eliminate issues with inclusion of NEETs in such locations. Distant learning opportunities can be of high relevance in that scope and should play a significant role in inclusion in the labour market of young adults struggling with geographical obstacles.

Entrepreneurship is commonly considered by young adults as a possible career path and they accredit high importance to entrepreneurial skills such as critical thinking, complex problem solving, creativity, coordination with others and people management. Despite evaluating their capacities in those areas as significant, Portuguese respondents are still acknowledging the need for their further development. Meanwhile, among others, entrepreneurship training and education offer within the Portuguese labour market environment rarely address the need for development of such soft skills. More, gamification can be a relevant methodology to support of development the required skills for entrepreneurship. Especially with its proven positive impact on motivation and engagement it can play especially relevant role in education of the most vulnerable NEETs group – the long-term unemployed.

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