



## **CUPESSSE**

### **Project Final Publishable Summary**

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## 1. Executive summary

CUPESSE is a project funded under the European Union's 7<sup>th</sup> Framework Programme and is dedicated to the comparative analysis of youth unemployment in Europe. By taking issues related both to the demand and supply sides into consideration, the project aimed at obtaining a comprehensive picture of the causes and consequences of unemployment among young people as well as formulating policy strategies and recommendations for addressing this ever-growing issue. The project brought together a broad network of researchers and practitioners from the fields of economics, political science, psychology, and sociology. Organised around 8 work packages, the project engaged 12 partner institutions from EU Member States (Austria, Czech Republic, Denmark, Germany, Greece, Hungary, Italy, Spain, and the United Kingdom) and two Associated Countries (Switzerland and Turkey), where original qualitative and quantitative data was collected (in multi-generation in-depth interviews and a large-scale survey among young adults aged 18 to 35.)

The CUPESSE consortium, led by Prof. Jale Tosun based at Heidelberg University, comprised the following partners:

- UNIVERSITY OF HEIDELBERG – Professor Dr. Jale Tosun (coordinator), Germany
- UNIVERSITY OF MANNHEIM – Mannheim Centre for European Social Research – Professor Dr. Jan van Deth, Germany
- UNIVERSITY OF VIENNA – Professor Dr. Bernhard Kittel, Austria
- UNIVERSITY OF ECONOMICS, Prague - VSE – Dr. Martin Lukeš, Czech Republic
- AARHUS UNIVERSITY – Professor Dr. Carsten Jensen, Denmark
- CENTRAL EUROPEAN UNIVERSITY – Dr. Levente Littvay, Hungary
- UNIVERSITY OF CATANIA - UNICT – Professor Dr. Maurizio Caserta, Italy
- UNIVERSITY OF GRANADA – Professor Dr. José L. Arco, Spain
- POMPEU FABRA UNIVERSITY OF BARCELONA - Dr. Mihaela Vancea, Spain
- UNIVERSITY OF BERN – Professor Dr. Markus Freitag, Switzerland
- KOÇ UNIVERSITY OF ISTANBUL - Dr. Zeynep Cemalcılar, Turkey
- UNIVERSITY OF NEWCASTLE UPON TYNE - Professor William Maloney, United Kingdom
- EUROPEAN RESEARCH AND PROJECT OFFICE GMBH, Germany
- diaNEOsis, Greece

## **2. Summary description of project context and the main objectives**

Scholars and the media alike have noted an increase in the amount of time today's young people need to successfully transition to adulthood; in other words, to become economically self-sufficient. More specifically, unemployment, especially among young adults (persons age 18 to 35), is a particularly vexing and persistent problem within Europe, despite the numerous efforts that have been made by national governments and the EU to encourage young people's labour market participation. At the same time, we are confronted by the reality that youth unemployment is by no means equally severe across Europe. In some countries young people encounter higher barriers to entering the labour market or may face different hurdles despite having attained a university degree. Entrepreneurship, moreover, is an equally important yet oft-overlooked component of youth employment and aids job creation and the overall economic climate. And although the European Commission has highlighted entrepreneurship as an indispensable tool for economic growth, we know very little about what drives or impedes entrepreneurship, particularly among young people.

In analysing the complex and interrelated socio-economic challenges associated with youth unemployment, five complementary research objectives were pursued within the CUPESSE project. These objectives can be assigned to two dimensions: First, the causes and effects of youth unemployment were investigated. The second research dimension sought to employ these insights to assess the effects and effectiveness of existing policy measures; that is, to sort out the factors and measures that make the greatest difference in order to improve existing programmes and to propose more effective policy responses to help overcoming youth unemployment in Europe.

The first dimension encompasses three objectives. First, the supply-side of youth unemployment, with an eye to the ways in which the values and norms that shape young people's economic self-sufficiency and entrepreneurship are handed down through the generations. Comprehensive surveys, completed by in-depth interviews of families probed the question of intergenerational transmission, thereby examining the ways in which attitudes towards economic self-sufficiency and entrepreneurship are formed and transmitted as well as their overall impact on employability. The second objective brought together the supply and demand side of unemployment among young adults. More specifically, this objective examined the interaction between what employers are looking for when hiring young people and young people's awareness of employer expectations. Taking a broader view, the third objective sought to uncover the consequences of youth unemployment over the long-term, looking both to the implications for individuals and for society as a whole.

Zooming out from more individual-centred perspectives, the fourth objective aimed to assess the impact of labour market policies on young people's employment situation as well as the extent to which EU member states have embraced such measures. Flexicurity policies, policies supporting

business start-ups and self-employment as well as policies promoting education and training platforms were examined with regard to their effects as well as effectiveness in achieving economic self-sufficiency and entrepreneurship among young people. Closely related is the fifth and final objective, which drew on the insights from the other objectives to propose recommendations for new policy measures and strategies to encourage the labour market integration of young people in Europe.

CUPESSSE, as an innovative project connecting a diverse group of actors and institutions from all over Europe, made a substantive contribution to understanding the complex processes regarding the employment situation of youth in Europe. With its multi-method, multidisciplinary and encompassing perspective, CUPESSSE stands to make a significant impact not only in terms of the ways in which we comprehend the multifaceted concepts of economic self-sufficiency and entrepreneurship, but the project was also able to draw on these findings to draft policy recommendations which will be relevant for meeting the goals of the Europe 2020 strategy.

In examining young adults' pathways to economic self-sufficiency and entrepreneurship, CUPESSSE pursued the following main objectives:

- Obtaining a comprehensive understanding of the supply side of youth unemployment by focussing on the intergenerational transmission of social capital and its influences on economic self-sufficiency and entrepreneurial behaviour
- Investigating how both supply and demand side factors affect unemployment among young adults and the extent to which young people's attitudes and skills align with employer demands
- Analysing the long-term consequences of youth unemployment, both with regard to the unemployed as well as for society as a whole
- Studying the effects of labour market policies (such as flexicurity, measures to promote business start-ups and entrepreneurship) and how they have been embraced by European states to combat youth unemployment
- Formulating policy ideas and strategies for addressing unemployment among young people in Europe

### **3. Description of main Scientific &Technological results/foregrounds**

The main scientific results of the project are the following:

- 1.) The elaboration of a comprehensive conceptual and methodological framework to study youth unemployment.
- 2.) The Advancement of theory and knowledge on the dynamics of unemployment.
- 3.) Generating a new body of interdisciplinary and multi-level qualitative and quantitative data on European adolescents.
- 4.) Contributions to global research on youth unemployment.
- 5.) Policy recommendations for better opportunities for youth.

#### **Elaboration of a comprehensive conceptual and methodological framework to study youth economic self-sufficiency and youth unemployment**

The CUPESSSE project has provided an overview of the extant literature on the various topics on youth economic self-sufficiency and identified gaps, in particular with the ways in which the intergenerational transmission of norms, attitudes, and values impact young adults' economic activities. Furthermore, the main concepts of interest have been defined. The theoretical overview and model outlining the cultural pathway to economic self-sufficiency originating in the family and that involves the intergenerational transmission of individual characteristics that shape one's life course has been completed. We have identified existing sources of data to be used to complete and complement the analyses. The partners have conceptualized the research designs for the projects' analyses. Furthermore the following conceptual and methodological frameworks have been elaborated within the CUPESSSE project:

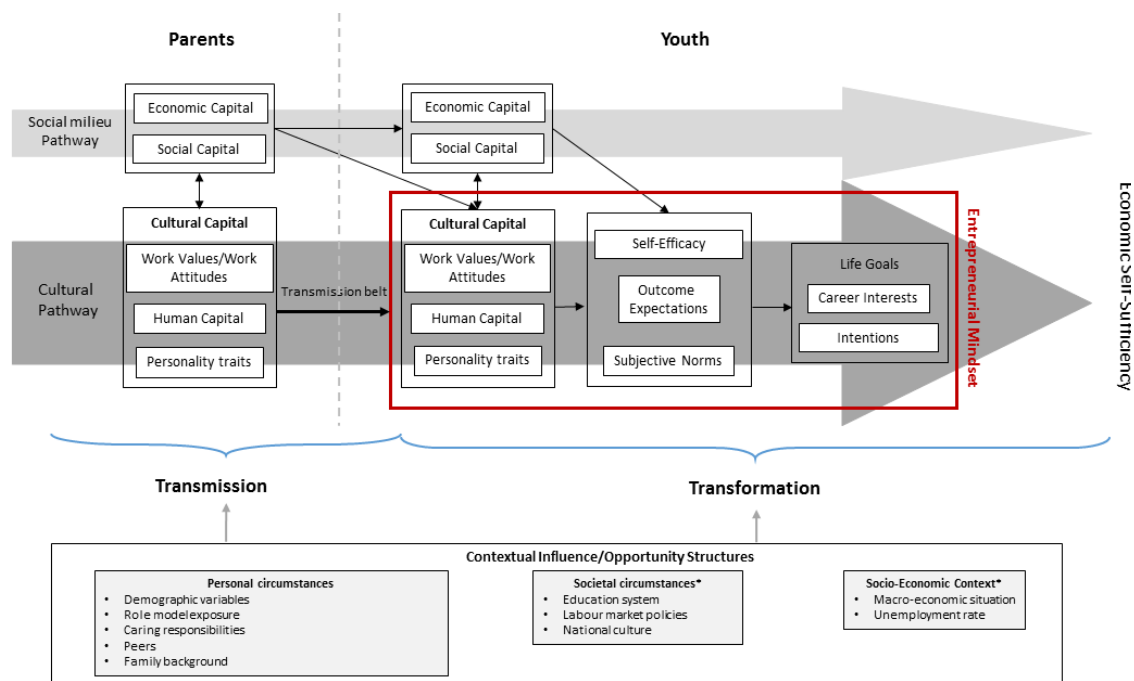
- Overview of the existing literature on multitudes of topics on youth economic self-sufficiency and identification of gaps in the literature and knowledge on the topics, in particular with the ways in which the intergenerational transmission of norms, attitudes, and values impact young adults' current economic activities
- Definition of the main concepts of interest, in particular, the dependent variable – economic self-sufficiency
- Completion of a theoretical overview and theoretical model which outlines the cultural pathway to economic self-sufficiency originating in the family and that involves the intergenerational transmission of individual characteristics that shape one's life course and that is conditioned by societal and country-specific factors
- Identification of the existing sources of information to be used to complete and complement the CUPESSSE analyses

- Conceptualization of the research designs for the projects' analyses outlining the analytical framework, the sampling design, and the constructions of the CUPESSSE survey (WP2) as well as a description of the methodological approaches to data analysis (WP3); elaboration of the analysis on the causes and effects of young adults' unemployment (WP4) and the effectiveness and diffusion of labour market policies (WP5).

The CUPESSSE project was primarily concerned with cultural factors that motivate young people to strive for an economically self-sufficient life. In this respect, economic self-sufficiency is the ultimate desirable outcome variable for the project. Economic self-sufficiency describes a situation in which a person is economically independent in the sense of not relying on financial support from her family or the welfare system. The most effective means to ensure economic self-sufficiency is participation in the labour market in sufficiently paid employment or self-employment.

The ultimate outcome, an economically self-sufficient life, may not always be observable in the group of people aged between 18 and 35 years. Therefore, we also focus on these individuals' attitudes, values, intentions, life goals, and future expectations as driving forces of an economically

**Figure 1: The cultural pathway to economic self-sufficiency from a supply-side perspective**



\* These variables account for the macro-level and form the opportunity structure within which the transmission and transformation process takes place. Therefore these structures influence to a big extent the establishment of an entrepreneurial mindset and as a consequence the formation of specific intentions. Work-Package 4 and 5 will focus on these determinants in more detail.

Note: We assume that relationships are often reciprocal. To facilitate the presentations only one-way arrows are used to illustrate relationships, however.

Source: authors' elaboration - The framework is based on Ajzen & Fishbein 1980; Ajzen 1991; Lent et al. 1994; 1999; 2000; 2002.

self-sufficient life. These antecedents are values, human capital, personality traits, self-efficacy, outcome expectations and subjective norms. All these factors combine to what we term the

entrepreneurial mindset. Having an entrepreneurial mindset is a certain philosophy of life, a certain way to see the world which determines individual behaviour. Thus, behaving in an entrepreneurial manner is considered a major means of becoming economically self-sufficient, either by finding employment, becoming re-employed, or becoming self-employed. Thereby, the project was, on the one hand, interested in the formation of an entrepreneurial mindset, and, on the other hand, in the transformation process that defines whether individuals holding such a mindset manage to become economically self-sufficient by means of (self-) employment. We also account for the fact that it is not only unemployment that may hinder young people's transitions to adulthood and economic self-sufficiency: Another problem is the growing number of young people who are underemployed (interns, free-lancers, or part-time workers, who earn too low wages for economic self-sufficiency). The theoretical framework that is presented by the CUPESSSE project intends to provide a better impression of the supply side of the labour market. Therefore, we conceptualize the entrepreneurial mindset as a precondition of economic self-sufficiency and a consequence of the conditions mentioned above. Additionally, the labour market is the interface between labour demand and supply. A successful placement on the labour market can only be realised by a match of these two sides of the labour market. This interface is an essential aspect of labour market research. To take this into account the CUPESSSE project dedicated two work packages (4 and 5) to the deeper analyses of the demand side with the secondary goal to investigate the interface between supply and demand on the labour market that determine an individuals' employability. Nevertheless, a specific mindset causing an individual to strive for economic self-sufficiency by means of labour market participation is a precondition of her employability.

Intergenerational transmission is another crucial aspect that determines the development of the individual mindset and thus the antecedent of individual intentions. In order to assess how children and young people develop an entrepreneurial mindset, the CUPESSSE project was specifically interested in the influence of parents. Parents typically support their offspring in their transition to adulthood and in this context transmit cultural attributes to their offspring that influence the likelihood of socio-economic success. Although children and young people are also influenced by various other socialization agents, our focus is on socialization within the family because the family remains the crucial agent in the value socialization process. In this regard we were interested in the way parents assist their children to incorporate into their actions the values, attitudes, beliefs, and behaviours of the culture surrounding them.

Hence, the theoretical elaboration focuses on factors that encourage young people to become economically self-sufficient and engage in occupational career building and entrepreneurial activity. CUPESSSE went beyond the current state of research by analysing how the intergenerational transmission of values, attitudes, and resources like cultural, economic, and social capital affects young people's propensity to strive for an economic self-sufficient life.

In sum, the CUPESSSE project hypothesized that the development of an entrepreneurial mindset is influenced by two processes: first, the intergenerational transmission and second, the transformation.

### **Advancement of theory and knowledge on the dynamics of unemployment**

An important goal of the CUPESSSE project was to provide an improved understanding of both the causes and the effects of youth unemployment. To evaluate the main causes behind young adults' unemployment, CUPESSSE considered not only the supply side, but also the demand side of the labour market and the match between the two. To analyse the effects of unemployment, we considered both individual-level as well as macro-level consequences. Based on our findings, we derived policy advice for practitioners (see below).

The study of causes and effects consists of two sets of research questions. The first set centres around the question whether young adults' relevant attitudes, norms and values, as emerging from the project survey, match employers' needs and expectations as emerging from existing employer surveys. On a slightly wider basis, we asked if youth unemployment across Europe is somehow explained by inappropriate attitudes, norms or values young people acquire through family dynamics. Youth unemployment, however, is not without effects on those very attitudes, norms and values and furthermore, it is not without effects on society at large. Thus, the second set of research questions concerns the effects of youth unemployment: firstly, the effects of unemployment experience on the young unemployed themselves, secondly, the effects of high levels of youth unemployment on the society at large, and last but not least, the responses of the society to these effects. The two sets of research questions needed different approaches in terms of theoretical concepts and methods to be used for the analysis.

Since we were interested in uncovering causal mechanisms, we carried out in-depth studies of employers' recruitment decisions and strategies. The in-depth studies took into account existing employer surveys such as the British Employer Skills Survey or the survey data presented by the Global Competitiveness Reports. The guiding questions of the in-depth studies of recruitment practices concerned the importance employers attach to the "entrepreneurial mindset" and the family background. The interviews were conducted within firms of varying sizes and from different sectors in five different countries. In a next step, we contrasted the needs and expectations of employers in terms of hard and soft skills with the perceptions of young people regarding employers' requirements. This analysis was carried out based on the data from the CUPESSSE survey, which included questions about skills and attributes employers look for. Finally, the answers of the young adults were matched to data contained in employer interviews, to check whether young adults' assessments of employer demands were correct.



For the analysis of a de-facto mismatch between what employers demand and what young adults supply we used the data from the CUPESSSE survey, complemented with data from existing employer surveys (e.g. the Global Competitiveness Report). Through the alignment of both surveys we were able to contrast the interplay between employers' and market demands, on the one hand, and young adults' supply, on the other. Moreover, we studied to what extent changes in the demand side or the supply side may increase or reduce the mismatch and the effects on employment levels of young adults. Based on this analysis, we developed suggestions for potential improvements in the field of educational and family policies.

In addition to the causes of youth unemployment, the long-term effects of unemployment on the young adults themselves as well as society as a whole were analysed. The effects of unemployment on young people's work biographies have been emphasized in a rich body of literature, without any clear conclusion. On the one hand, one strand of research stresses that unemployment in the early working life has no significant impact on individuals' future employment. On the other hand, there is also evidence that unemployment in the early working life has indeed a scarring effect on individuals' subsequent employment chances. We evaluated these competing findings, based on the data of the CUPESSSE survey.

With the objective of generating comparative conclusions regarding the effect of unemployment on (mental) health, we conducted a comprehensive meta-analysis of empirical studies in psychology. Complementary to this literature, we investigated the extent to which national authorities responsible for unemployed young people such as job centres take the risk of mental disorders into consideration. Based on several case studies of the responses of Public Employment Services to (mental) health problems of their clients, we proposed a number of policy recommendations.

The analysis of the long-term effects of unemployment on society built on the theoretical constructs of direct and indirect costs (estimation of the total resource costs). Furthermore the mechanisms behind agenda setting and the process of bringing an issue to the attention of policy makers were also considered. The effects of youth unemployment on society were studied on the basis of a systematic review of the literature. To evaluate how society responds to youth unemployment and whether the outside-initiative model of agenda setting holds, we investigated citizens' petitions brought into the national parliaments of EU Member States.

### **Generating a new body of interdisciplinary and multi-level qualitative and quantitative data on European adolescents**

The CUPESSSE project produced many insights of different types that have been integrated and synthesized in the final project report (Deliverable D6.1). The final project report builds on a large number of previous project deliverables and also includes current working papers by members of the project consortium that make use of the rich repertoire of data that has been collected

throughout the project. To name just the two most important ones, these are first, the CUPESSSE survey data collected among young Europeans aged 18 to 35 in eleven European countries. And second, the in-depth-family interviews conducted with multiple generations of families in eleven European countries.

The cornerstone of the CUPESSSE project involves a large-scale survey of both young people and their parents to gather information on the ways in which attitudes, values, and norms regarding work and economic activity are passed through the generations and how they impact young adults' successes in attaining economic self-sufficiency. By zooming in on the so-called cultural pathway, the project complements studies examining the role of hard skills for labour market outcomes and provides a deepened understanding of the ways in which the family environment shapes young people's future paths.

To complement the survey data, in-depth three-generational family interviews provide further insights into the precise mechanisms behind the relationship involving the intergenerational transmission of attitudes and values and later work outcomes. The unique data will be of great interest to scholars in the social sciences, as rarely are multi-generational data of this scope available across countries and regions. In terms of stakeholder communities, the insights generated from the analyses of the intergenerational data may prove valuable for improving programmes and projects involving, for example, at risk youth by gaining a better understanding of the role the family context plays in shaping later career and work outcomes. Moreover, policy-makers will be keen to find out more about the factors which influence the entrepreneurial mindset, as entrepreneurship has been identified as one means of overcoming the persistent problems of unemployment and under-employment by many different governments, including the European Commission.

The aim of the in-depth interviews with families was to better understand transmission belt dynamics within a family which was impossible to capture with the survey. Interviews provided greater depth and were able to reveal causality, allowing insight into how individuals understand and narrate important aspects of their careers and life.

We have conceptualised the in-depth study as a three generations family analysis to reveal possible changes of the family dynamics over last 40 years as there have been major changes of regimes and family policies in some of the participating countries through this time span. In addition, we aimed to research family practices that influence positively or negatively the capability of young generation to succeed on the job market in all 11 countries to find successful strategies that might help parents in future to prepare their children for professional life more efficiently.

Across countries, we were interested in those young people who do well in the job market on the one hand, and in those who have difficulties finding appropriate work or any work at all on the other. Our two main research questions were the following:

- How are values, attitudes, and financial, social, and cultural capital transmitted from one generation to the next?
- How do these transmitted values, attitudes, and forms of capital shape young adults' economic self-sufficiency?

As relevant families were found mostly through personal contacts, most of the samples suffered from a middle-class bias. Generalizing our findings, we were aware that they are always country specific and determined by current macroeconomic conditions, country educational and welfare systems, as well as specific policies enhancing employment and entrepreneurship among the youth generation. We researched specific patterns of family behaviours that led to similar results in most of the countries and thus discussed tendencies which are typical or, on the other hand, very specific for particular countries due to their special historical and political development. In most of the samples the level of education was transmitted from one generation to the next with an increase in the level of education of the youngest generation. The Spanish sample represents one of the cases where the increase was the highest.

There were some differences found in relation to urban and rural environment, mostly related to the sufficiency of social network and possible job opportunities, which are less available in the rural setting.

Traditional division of gender roles (father as a bread-winner, mother as a caregiver and a housekeeper) was typical for most samples with some exceptions – in Czech sample both mothers and fathers served as professional role models and we found the same pattern in the Danish sample. However, gender role differences were apparent in the distribution of housework in all samples as women are still typically housekeepers and pass this role to their daughters.

Generally speaking, the data shows that heterogeneous sets of values, attitudes and resources were transmitted from one generation to another not only in different countries but also in particular country cases.

One of the most fundamental attitudes that play a key role in the economic life of an individual is the attitude towards risk. In agreement with this finding, we found risk-taking in most of the studies as a positive approach that was valued by young generation as well as parents and grandparents. Very often risk taking is accompanied by higher ambitions and need for achievement. Parents in these cases served as role models and supported their children's autonomy. Attitudes related to risk-taking were very often present in the communication between parents and their offspring. Parents in many cases praised their children for courage and risk-taking.

On the other hand, more passive approach and need for security belong among practices that hindered economic self-sufficiency. The need for security may be attributed to strong family ties that reduce one's geographical mobility and limit seeking other (more suitable) job opportunities.

The values expressed by the groups of respondents, which were less able to find a job, and those, which were successful on the job market, are closely connected to their attitudes. Value expressed by entrepreneurs and those who run family businesses in most of the samples is the need of independence, in many cases also accompanied by the values of self-direction, stimulation and self-enhancement. Orientation towards achievement both in the domain of education and work is an important driver, articulated in many cases through parents' ambitions.

The unemployed respondents and their family members presented opposite value orientation in Schwartz's sense (Schwartz, 2012). Families of unemployed young people demonstrated a need for security and strong family orientation. Family as a central value was clearly transmitted in these cases.

Solid social capital is typical for families that enhance economic self-sufficiency in their children. The social capital in these cases involves not only nuclear family but also other relatives and friends. The wider the social network is, the more job opportunities it can bring and this was clear from all the interviews. Relying just on close family circle limits the young generation and restrains young people's access to better job opportunities. Being able to communicate with people outside family goes along with more developed soft skills that can be built through various extracurricular activities (sport, cultural, social etc.). The lack of social capital was apparent in cases coming from the rural environment and in families whose members were very close to one another.

The cultural capital is transmitted in most cases through educational and other leisure activities. Importance of education is one of the signs of well-functioning families (with the exception of the Greek sample where education did not reflect labour market needs).

Both social and cultural capital appears to be transmitted through activities that families do together and/or individuals are encouraged to do by their parents and grandparents. In some cases (entrepreneurs and family business), children helped parents with their work since they were little and mostly appreciated that. The best approach seems to be to prepare activities, structure them and aim them to education or work purposes.

Most families in all samples showed strong ties and properly functioning transmission belt. The importance of how are attitudes, values and resources transmitted is unquestionable. Authoritarian and overprotective parenting style lead in most of the cases to passive approach to life (Danish, German, Czech and Greek samples). The centeredness of family which does not allow the young generation to look for other job opportunities (Greek sample) or too authoritarian parenting style (German sample) limit development toward economic self-sufficiency. Living on their own (UK sample) and independence which was encouraged by parents lead to a more active approach. Regarding young generation's perception of work, we found a difference between more developed and post-socialist countries. For example, in Austria and Germany, pleasure at work is seen as one of the most important job characteristics.

Summing up, most families that supported their children to manage their careers actively as well as being economically self-sufficient, in accordance with the theory that sees these two styles as generally most efficient, use authoritative or permissive parenting style. In families, which tend to have work as a central value, young people were more achievement oriented and active in career management.

One of the most powerful learning principle is social learning – parents serving as a role model was a strong element in most of the samples. In most cases, fathers were more often taken as professional role models. To help young people to become more self-sufficient, parents should definitely be able to take risk and encourage risk-taking in their children. Another successful strategy seems to be supporting education that suits to labour market needs. Planning various leisure activities with children helps them to adopt an active approach to life and multiply their cultural capital. However, not only keeping children active inside families but also supporting children in activities outside their families help youngsters be more successful on the job market by acquiring more relevant experiences and wider social networks. Therefore, we can also recommend parents to let children get outside their families and seek inspiration elsewhere as well. Providing children with solid social and cultural capital will definitely help them to become more economically self-sufficient in future.

Palgrave will publish findings from in-depth study soon in a book Intergenerational Transmission and Economic Self-sufficiency.

### **Contribution to global research on youth unemployment and youth entrepreneurship**

Within the project, numerous peer-reviewed publications authored by CUPESSSE members (for an overview of the publications: <http://cupesse.eu/publications/>) on youth unemployment, youth entrepreneurship, youth values and related topics have been published.

In the following you can find short descriptions of all peer-reviewed publications published in the CUPESSSE project so far. Many more peer-reviewed publications are currently in the making and are going to be published by team members of the CUPESSSE project in the future.

*Dvouletý, Ondřej (2018): Does the Self-employment Policy Reduce Unemployment and Increase Employment? Empirical Evidence from the Czech Regions. Central European Journal of Public Policy 11 (2), 11-22, <https://doi.org/10.1515/cejpp-2016-0032>*

Abstract: Empirical evidence related to the effectivity and outcomes of the self-employment programmes in the Central and Eastern Europe is still very rare, despite the important role of entrepreneurship in the economic development of post-communist economies. The main purpose of this study was to empirically investigate the impact of self-employment subsidy for unemployed

in the Czech NUTS 3 regions for the period of years 2012–2015 to provide policy makers supportive material useful for policy adjustments. The study applies quantitative research framework, which is based on the construction of econometric models. Estimated regression models with region fixed effects supported the negative association between the amount of supported self-employed and unemployment rates in the Czech regions. This finding is theoretically framed by the theory of necessity entrepreneurship. Positive spillover of the programme ('a double dividend'), was econometrically tested on the regional employment rates. Obtained estimates found that there is a positive contemporaneous relationship (weakly significant) between the number of supported self-employed and the employment rates but not in the lag. Analysis of the costs revealed that the costs of self-employment programme are not that high, if one takes into account the alternative costs of unemployment benefits paid to the unemployed and social insurance paid back to the state by the newly established self-employed. Therefore, this tool of active labour market policy has a potential of wider usage. Nevertheless, the applied empirical strategy was based on the regional level and has its limitations. Provided results need to be interpreted cautiously, without any causal inference, because the true outcomes of the programme could be analysed only on the level of supported individuals. Future research should therefore challenge the effectiveness of the start-up subsidy programmes in the Czech Republic on the level of individuals, with focus on the survival rates of subsidized businesses and incomes of their formerly unemployed owners.

Arco-Tirado, Jose L., Francisco D. Fernandez-Martin, Rick Hoyle (2018): Development and Validation of a Spanish Version of the Grit-S Scale *Frontiers in Psychology, Section Quantitative Psychology and Measurement*, DOI: 10.3389/fpsyg.2018.00096

Abstract: This paper describes the development and initial validation of a Spanish version of the Short Grit (Grit-S) Scale. The Grit-S Scale was adapted and translated into Spanish using the Translation, Review, Adjudication, Pre-testing, and Documentation model and responses to a preliminary set of items from a large sample of university students ( $N = 1,129$ ). The resultant measure was validated using data from a large stratified random sample of young adults ( $N = 1,826$ ). Initial validation involved evaluating the internal consistency of the adapted scale and its subscales and comparing the factor structure of the adapted version to that of the original scale. The results were comparable to results from similar analyses of the English version of the scale. Although the internal consistency of the subscales was low, the internal consistency of the full scale was well-within the acceptable range. A two-factor model offered an acceptable account of the data; however, when a single correlated error involving two highly similar items was included, a



single factor model fit the data very well. The results support the use of overall scores from the Spanish Grit-S Scale in future research.

Vancea, Mihaela, Mireia Utzet (2018): School-to-work transition: the case of Spanish NEETs. Journal of Youth Studies, DOI: 10.1080/13676261.2017.1421313

Abstract: The school-to-work transition in Spain has become much more difficult and extended than before, with many young people today experiencing long periods of temporary employment, unemployment or inactivity. This article investigates the main sociodemographic characteristics of Spanish young people not in education, employment or training (NEETs). It also aims to compare them with their non-NEET counterparts in terms of social capital and family background. Analyses were based on a representative sample, corresponding to the year 2016, of Spanish young individuals ages 18–35 years ( $n = 1.826$ ). All analyses were stratified by gender and age group. Overall, the Spanish NEETs had lower educational levels, were mainly unemployed and married, except for NEETs between 18 and 24 years, who were rather inactive and single. They also experienced previous unemployment, had more unemployed friends, and were coming from poorer family backgrounds in comparison with their non-NEET counterparts.

Dvouletý, Ondřej (2017): Effects of Soft Loans and Credit Guarantees on Performance of Supported Firms: Evidence from the Czech Public Programme START. Sustainability 9 (12), 2293, DOI: 10.3390/su9122293

Abstract: The purpose of this article was to conduct an empirical evaluation of the Czech public programme START, which was funded from the European Regional Development Fund. The programme lasted from 2007–2011, and supported new entrepreneurs through the zero interest soft loans and credit guarantees. The counterfactual analysis (using three matching techniques: propensity score, nearest neighbour, and kernel) was conducted on the firm level and investigated the changes in financial performance (net profits, return on assets (ROA), return on equity (ROE), sales, assets turnover, and debt ratio) of the supported firms four years after the end of intervention. The obtained findings could not support the hypothesis assuming a positive impact of the programme on the firm's performance. On the contrary, supported companies reported on average lower sales and lower return on assets, when compared to the control group. The remaining variables could not prove any statistically significant impact of the programme. Indicators measuring firm's profitability (net profit, return on assets, and return on equity) suggested a negative influence of the programme and the variable representing debt ratio further indicated that

firms that were supported by the programme reported on average higher debt ratio in comparison with the control group. Several policy implications are discussed in the study.

Schuck, Bettina, Nadia Steiber (2017): Does Intergenerational Educational Mobility Shape the Well-Being of Young Europeans? Evidence from the European Social Survey Social Indicators Research, DOI: 10.1007/s11205-017-1753-7

Abstract: Using pooled European Social Survey data (Rounds 4–7, 2008–2014), we investigate the relationship between intergenerational educational mobility and subjective well-being (SWB) for young Europeans (N = 16,050 individuals aged 25–34 from 18 countries). Previous research has been struggling with inconclusive results due to the methodological challenge of disentangling the independent (i.e., ‘net’) effect of social mobility over and above the effects of social origin and destination. We contribute to this line of research by contrasting mobility effects estimated in a conventional linear regression framework with net mobility effects estimated by (non-linear) diagonal mobility models (DMM). We show how model selection influences estimates of mobility effects and how different specifications lead to radically different findings. Using DMM, we estimate how intergenerational educational mobility affects the SWB of young Europeans, differentiating between downward and upward mobility and different country groups. Our results suggest that status loss/gain across generations affects young adults’ SWB in addition to the level-effect of ending up in a lower/higher status position only in Continental Europe.

Dvouletý, Ondřej (2017): What is the Relationship between Entrepreneurship and Unemployment in Visegrad Countries? Central European Business Review 6 (2), 42-53

Abstract: The presented study aims to quantify the determinants of entrepreneurship in the four countries of the Visegrad (V4) group (the Czech Republic, Hungary, Poland and Slovakia) with a particular focus on the relationship between entrepreneurship and unemployment. The purpose of the research was to analyze whether, during the periods of higher unemployment rate, individuals more likely engage into entrepreneurial activity. Data were collected from the national statistical offices of the Visegrad countries, World Bank, Eurostat and Heritage Foundation. The collected sample covered years 1998-2015. To achieve the main objective of the article, regression models with the dependent variable, the rate of registered businesses per economically active inhabitant, were quantified. Estimated regressions proved a positive relationship between entrepreneurship and unemployment. A higher unemployment rate was associated with the increase in overall entrepreneurial activity. Estimated models further confirmed the negative influence of the



administrative barriers on the overall entrepreneurial activity. Several policy and research implications are discussed in the study.

*Dvouletý, Ondřej (2017): Can policy makers count with positive impact of entrepreneurship on economic development of the Czech regions? Journal of Entrepreneurship in Emerging Economies 9 (3), 286-299, DOI: 10.1108/JEEE-11-2016-0052*

Abstract: The purpose of the present study is to empirically investigate the impact of the newly established entrepreneurial activity on economic development of the Czech NUTS 3 regions during the period of years 2003-2015. An econometric approach was used to validate the stated hypotheses assuming a positive relationship between the new entrepreneurial activity and regional economic growth and a negative relationship between the new entrepreneurial activity and unemployment rate. For the methods, regression models with fixed effects were estimated on the panel that included 13 Czech regions, covering the period of years 2003-2015. The new entrepreneurial activity was classified into two forms – rate of newly established self-employed set-ups per capita and rate of newly established business companies and partnership set-ups per capita. Findings: Different impacts of newly established business companies and the self-employed were found on real gross domestic product (GDP) per capita. Only the higher rates of newly established business companies and partnership were associated with higher levels of GDP per capita in the Czech regions, and no impact was found for the rate of new self-employed set-ups. Nevertheless, both forms of newly established entrepreneurial activity were associated with lower unemployment rates in the Czech regions; however, the impact of newly established business companies was significantly higher. The obtained results have several policy implications, which are discussed in the present paper. Practical implications: Support of entrepreneurship in the Czech regions may improve the situation on the local labour markets and may deliver new job opportunities through the newly established enterprises. The Czech entrepreneurship policies focused on the growth of GDP and economic boom should be oriented more on the support of high-growth enterprises (unicorns). Originality/value: The empirical analysis was conducted on the basis of the research gap in the studies related to the impact of the newly established entrepreneurial activity on the economic development of the Czech regions. Obtained results have several policy implications, which are discussed in the present paper.

*Mühlböck, Monika, Julia-Rita Warmuth, Marian Holienka, Bernhard Kittel (2017): Desperate entrepreneurs: no opportunities, no skills. International Entrepreneurship and Management Journal, 2017, DOI: 10.1007/s11365-017-0472-5*

Abstract: Promoting entrepreneurship has become an important policy strategy in Europe in the hope to stimulate the crisis-shaken economy. In this paper, we caution against undue expectations. Using data from the Global Entrepreneurship Monitor for 17 European countries, we find that a considerable proportion of the new entrepreneurs have started a business despite a negative perception of business opportunities as well as lack of confidence in their own entrepreneurial skills. This proportion has increased during the economic crisis, especially in those countries which were particularly affected by economic downturn and rising unemployment. We extend existing entrepreneurship theories to account for this phenomenon, which we call “nons-entrepreneurship”. Testing the hypotheses derived from our model, we find that the primary motivation for these people to turn to entrepreneurship is the lack of other options to enter the labour market during the economic crisis. Still, this sort of “desperate” entrepreneurship does not equal necessity based entrepreneurship, warranting further research.

*Shore, Jennifer, Jale Tosun (2017): Assessing Youth Labour Market Services: Young People's Perceptions and Evaluations of Service Delivery in Germany. Public Policy and Administration, August 21, 2017, DOI: 10.1177/0952076717722192*

Abstract: While youth unemployment is a widely studied topic, many accounts fail to take into consideration young adults' experiences with and perceptions of the public services they make use of. Young people's perceptions of the services they use are closely linked to a variety of behaviours such as non-compliance, early withdrawal, or non-take-up, all of which can hinder the (re-)entry to the labour market. How young people evaluate their interactions with employment services can even have impacts on societal and political attitudes, as for many young people, these experiences represent their first interactions with the state. In this study we draw on unique survey data to offer insights into young adults' evaluations and experiences with public employment services in Germany and discuss them in light of the structure and organizational capacity of public employment services (PES) to deliver the programmes and services young adults need. By placing the analytical focus on young people's evaluations, we argue that although Germany is often highlighted as a highly successful case in terms of youth labour market outcomes, there is nevertheless ample room for improvement in terms of how young people assess the offerings and personal experiences with PES.

*Rapp, Carolin, Jennifer Shore, Jale Tosun (2017): Not so risky business? How social policies shape the perceived feasibility of self-employment. Journal of European Social Policy, July 10, 2017, DOI: 10.1177/0958928717711973*

Abstract: This article addresses ongoing debates about whether the welfare state hinders or fosters self-employment. Starting a business can be an inherently risky undertaking and is thus not a feasible option for all people. Policies that have the potential to shoulder some of this risk can be particularly important for the decision to enter into self-employment. Taking individual differences in terms of risk tolerance into account, we focus on unemployment protection for the self-employed – a type of risk which is particularly difficult to privately insure oneself against – in order to investigate the ways in which policy can shape people's perceptions of self-employment. We combine individual-level data from a 2009 Flash Eurobarometer survey with country-level data on unemployment policies in Europe in a multilevel design, finding that the presence of unemployment protection for the self-employed positively influences individual perceptions of the feasibility of self-employment. Risk-tolerant individuals, moreover, are found to be even more likely to assess self-employment as a feasible option in countries that offer unemployment protection to the self-employed.

Dvouletý, Ondřej (2017): Relationship Between Unemployment and Entrepreneurship Dynamics in the Czech Regions: A Panel VAR Approach. Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis 65 (3) , 987-995, DOI: 10.11118/actaun201765030987

Abstract: Investigation of the relationship between unemployment and entrepreneurship still does not provide conclusive results and scholars argue that the relationship needs to be further investigated. In the Czech context, the knowledge about entrepreneurship is still underdeveloped. The purpose of this paper is to investigate the dynamics of the relationship between unemployment and entrepreneurship, applying the methodology used by Koellinger and Thurik (2012) with usage of the quarterly data for the Czech NUTS 3 regions for the period of years 2003 – 2014. Collected sample of 672 region-quarter observations was obtained from the Czech Statistical Office. Estimated panel vector autoregressive (VAR) models with impulse response function supported hypothesis assuming a positive relationship between unemployment and entrepreneurship, operationalized as annual growth in registered business activity. Obtained results also showed that after the shock in unemployment, dynamics of entrepreneurship increased above its initial level after two years, concluding that it may take up to two years before positive effects on entrepreneurship reveal. This finding provides value for entrepreneurship policy makers. Based on the obtained results author suggests to support entrepreneurial activity, especially during the times of higher unemployment rate.

Debus, Marc, Jale Tosun, Marcel Maxeiner (2017): Support for Policies on Entrepreneurship and Self-Employment among Parties and Coalition Governments. *Politics & Policy* 45(3), 338–371, DOI: 10.1111/polp.12205

Abstract: We argue that political parties take not only the economic conditions into account when developing a position on entrepreneurship and self-employment but also consider the “heritage” of a socialist state, which can influence the preferences of voters regarding this issue area. We test our hypotheses on the basis of an analysis of election manifestos and coalition agreements. We focus on the German case since unification allows for comparing electorates socialized in a market economy in the West German states and in a socialist economy in East Germany by holding the institutional setting constant. The results support our hypotheses that growing economic problems increase the saliency of entrepreneurship and self-employment and that differences between parties exist: Christian democratic and liberal parties emphasize entrepreneurship and self-employment in their manifestos more than green or socialist parties. In addition, governments including Christian democratic and liberals agree on more market-liberal policies in coalition agreements compared to left-wing governments.

Vegetti, Federico, Dragos Adascalitei (2017): The impact of the economic crisis on latent and early entrepreneurship in Europe. *International Entrepreneurship and Management Journal* 2017, 1-26, DOI: 10.1007/s11365-017-0456-5

Abstract: The recent economic crisis has thrown many European economies into a period of slow growth and high unemployment. While previous research looked at the impact of the crisis on aggregate indicators of entrepreneurship, not much is known about whether and how it affected individual motivations and efforts to become self-employed. This study aims to fill this gap by looking at the impact of the crisis on latent and early entrepreneurship, as well as on the link between the two. We combine individual and country-level data from 25 EU member states from 2006 to 2012. Results of multilevel logistic regressions show that the decrease in entrepreneurial activity in the post-crisis period has been stronger in countries where access to finance for SMEs has been more difficult. Moreover, we show that the high level unemployment generated by the economic crisis has produced a “refugee effect” by pushing into entrepreneurship only those individuals who are not interested in such a career choice.

Tosun, Jale, Marge Unt, Eskil Wadensjö (2017): Youth-oriented active labour market policies: Explaining policy effort in the Nordic and the Baltic states. *Social Policy & Administration* 51(4), 598–616, DOI: 10.1111/spol.12315

**Abstract:** The starting point of this study is the seemingly striking similarity in the number of youth-oriented labour market policies adopted by the Nordic and the Baltic EU member states in 2013–14 despite markedly different welfare regimes. The similarities remain when concentrating on active labour market policies (ALMPs) and extending the observation period to 2007–15, but the application of a more refined coding scheme suggests that there are also notable cross-country differences. Estonia, Finland and Sweden are found to exhibit a relatively similar approach to youth-oriented ALMPs, while Denmark, Latvia and Lithuania are more distinct cases. The similarities in the policy effort can be explained by similar problem pressure, EU-guided policy learning and the provision of EU funding. Lastly, the policy approaches of the Nordic states indicate a path-dependency. Thus, while the youth-oriented policy effort may appear to be quite similar, important differences remain.

*Tosun, Jale (2016): Promoting youth employment through multi-organizational governance. Public Money & Management Vol. 37, Iss. 1, 2017, pages 39-46, DOI: 10.1080/09540962.2016.1249230*

**Abstract:** Public employment services are the central bodies implementing the Youth Guarantee in most EU member states, but they often act in partnership with other (public) organizations. In which member states are they the lead organization in the multi-organizational networks responsible for implementing the Youth Guarantee? Under which conditions are governance arrangements led by public employment services likely to produce the intended policy outcomes? These two research questions guide this study.

*Vancea, Mihaela, Mireia Utzet (2016): How unemployment and precarious employment affect the health of young people? A scoping study on social determinants. Scandinavian Journal of Public Health 2017 Feb, 45 (1), 73-84, DOI: 10.1177/1403494816679555*

**Abstract:** **Background:** The impact of unemployment and precarious employment on the health of young people is not well understood. However, according to social causation, higher socio-economic positions and thus better working conditions are beneficial to health in general. We tried to synthesize the results of studies that test this hypothesis in the case of young people. **Methods:** We conducted a scoping study mapping all the academic articles published in the period 2006–2016 in Europe. The literature was searched in PubMed/Medline, Science Direct, Web of Science and Scopus. **Results:** We identified 1770 studies, of which only 46 met the inclusion criteria. There are more studies that focus on the relationship between unemployment and health than between precarious employment and health (28 and 16, respectively). The vast majority of the studies (44)

found support for the social causation hypothesis, the most common health outcomes being mental health disorders, health risk behaviour, poor quality of life and occupational injuries. The causal mechanisms behind this association relied mainly on the life-course perspective, the breadwinner model, and the lack of social and economic benefits provided by standard employment. Conclusions: There is evidence that young people are especially vulnerable to health problems when unemployed or working in precarious conditions. Active labour market and training programmes, inclusive social security measures, improved working conditions and targeted health programmes are important for addressing this vulnerability. Further research should strive to enhance the causal model by including a gender perspective, longitudinal data, more indicators on precariousness and third factor explanations.

Dvouletý, Ondřej (2016): *Determinants of Nordic entrepreneurship. Journal of Small Business and Enterprise Development* 24 (1), 12-33. <https://doi.org/10.1108/JSBED-07-2016-0104>

Abstract: Purpose – The purpose of this paper is to analyse the determinants of entrepreneurial activity in the Nordic countries over the period of years 2004-2013 to provide supportive material for the Nordic entrepreneurial policy makers with specific focus on the role of necessity/opportunity-driven entrepreneurship, administrative barriers and the research and development (R&D) sector. Design/methodology/approach – Quantitative study employed panel regression analysis with fixed effects estimator to test the impact of determinants on entrepreneurial activity operationalized as a rate of registered business activity and as an established business ownership rate. Findings – The results obtained for the both dependent variables did not substantially differ from each other or the supported hypothesis stating a positive relationship between unemployment rate, GDP per capita and entrepreneurial activity. Also a negative impact of administrative barriers was found. However, no statistically significant positive impact of the R&D sector was observed. Practical implications – Nordic entrepreneurial policy makers should put more effort into the reduction of administrative barriers towards founding enterprises and support entrepreneurship during the times of higher unemployment rates. Further evaluation of Nordic R&D policies is strongly needed, since no positive impacts towards entrepreneurship were found. Originality/value – The empirical analysis was conducted based on the research gap in the studies related to the Nordic entrepreneurial policies and perceived need for the policy recommendations that are provided.

Dvouletý, Ondřej, Martin Lukeš (2016): *Review of Empirical Studies on Self- Employment out of Unemployment: Do Self-Employment Policies Make a Positive Impact? International Review of Entrepreneurship* 14 (3), 361-376



**Abstract:** The role of self-employment policies as a way out of unemployment has been challenged. Shane (2009) stated that incentives for starting low growth companies should be eliminated as they attract the worst entrepreneurs. However, scientific evidence analysing outcomes of selfemployment policies is, with the exception of Germany, scarce. We review 18 empirical studies published in the past ten years that focus on self-employment out of unemployment and summarize the applied approach, used data, variables, control groups and reported findings. Most studies find positive effects of self-employment policies on employment status and personal income of former unemployed individuals and increased survival rates of subsidized businesses. On the other hand, subsidized businesses underperform regular ones. We emphasize that growth cannot be taken as an all-embracing policy goal. There are other goals such as maintaining work-related skills. We suggest avenues for future research and policy recommendations including comparison of effects of various active labour market policies and taking into account local conditions.

Lukeš, Martin, Jan Zouhar (2016): *The causes of early-stage entrepreneurial discontinuance. Prague Economic Papers 25(1), 19-36, 10.18267/j.pep.534*

**Abstract:** A high proportion of nascent entrepreneurs do not make it to an operational venture. Even though entrepreneurial exit decisions occur more frequently than many think, the literature on entrepreneurial discontinuance is not much developed. The paper first examines whether factors influencing early-stage discontinuance differ in the Czech Republic in comparison with Western countries. Second, it contributes to existing theories on nascent entrepreneurial activity of “modest majority” low-growth businesses by focusing on the role of expectations in discontinuance decisions. A sample of nascent entrepreneurs was interviewed in 2011 and then in two follow-up waves in 2012 and 2013. Building on hubris theory of entrepreneurship and theory of performance thresholds, the paper discusses subjective decision-making about entrepreneurial launch and exit. The results show that people with higher industry experience are more likely to discontinue from nascent entrepreneurship, a finding contrasting most research in Western countries. The paper also provides added value in relating growth aspirations to solo vs. team entrepreneurship. Solo entrepreneurs with high initial expectations were found more likely to discontinue from their efforts, whereas teams disbanded more often in case of low-ambition plans on new venture.

Vossemer, Jonas; Schuck, Bettina (2015): *Better Overeducated than Unemployed? The Short- and Long-Term Effects of an Overeducated Labour Market Re-entry. European Sociological Review 2015, doi: 10.1093/esr/jcv093*

Abstract: Previous studies have shown that overeducation is inferior to adequate employment. For example, overeducated workers have lower earnings, participate less often in continuing education and training, and are less satisfied with their jobs. This article changes perspectives by asking whether it is better for the unemployed to take up a job for which they are overeducated or to remain unemployed and continue the search for adequate employment. Theoretically, we rely on the established confrontation of the stepping-stone and trap hypotheses, which make opposing predictions in terms of long-term employment chances and job quality. Using the German Socio-Economic Panel (1984–2012) and applying a dynamic propensity score matching approach, the analyses reveal an interesting trade-off. Although an overeducated re-entry increases the long-term employment chances persistently, it also implies strong lock-in effects into overeducation for up to 5 years after re-employment. In sum, the results support the stepping-stone hypothesis in terms of future employment chances, but also highlight non-negligible risks of remaining trapped in a job that is below one's level of educational qualification.

Tosun, Jale (2015): Jugendarbeitslosigkeit und Beschäftigungspolitik in der EU. Aus Politik und Zeitgeschichte 65 (4-5), 12-19

Abstract: This paper pursues three objectives. First, it gives overview of the policy measures adopted by the European Union to combat unemployment in general and youth unemployment in particular. It shows that in contrast to general unemployment policy measures tackling youth unemployment are equipped with EU funding. Second, it describes the CUPESSSE project and explains how it brings together a range of different disciplines. Third, the paper seeks to familiarize an active labour market programme - Jump Plus - aimed at young unemployed adults in Mannheim, Germany. Due to its success in immediately integrating youth into trainee, internship, and on-the-job learning programmes, the programme has been a role model for other similar approaches across the country.

Hörisch, Felix, Jakob Weber (2014): Capitalizing the Crisis? Explanatory Factors for the Design of Short-time Work across Organisation for Economic Co-operation and Development Countries. Social Policy & Administration Volume 48, Issue 7, 799-825, DOI: 10.1111/spol.12047

Abstract: This article looks at the financial and economic crisis 2008-10 in 18 Organisation for Economic Co-operation and Development states and seeks to investigate explanatory paths for the subsidization of further education within short-time work programmes. Several hypotheses are put



to the test: first, a classical partisan difference argument; second, a varieties of capitalism approach proposing a successful joint rallying of employers and employees for subsidization in coordinated market economies; and, lastly, the merged hypothesis that right-wing parties in a coordinated economic context might subsidize feeling the pressure to overcompensate an 'issue ownership' of left parties in the field of employee-friendly policies. We identify four explanatory paths: coordinated economies in the sample subsidized when they were economically closed or highly indebted. The results also support our combined hypothesis, that New Zealand - a left-governed liberal market economy - and right-governed coordinated market economies of the non-Scandinavian type subsidized.

### **Policy recommendations for better opportunities for youth**

In total, the partners have produced 6 policy briefs as planned (available on the project webpage at: <http://cupesse.eu/publications/policy-briefs/>).

The first policy brief provides an overview of focal points of labour market policies across countries and discusses an active labour market programme – Jump Plus – aimed at young unemployed adults in Mannheim, Germany. Due to its success in immediately integrating young people into trainee, internship, and on-the-job learning programmes, the scheme has been a role model for other similar approaches across the country. However, Jump Plus is not a German invention, but rather shares many elements with the Danish Production Schools. In targeting vulnerable groups of young people, both programmes provide young adults with the hard and soft skills needed to successfully transition into the labour market.

The second policy brief analyses the impact of labour market policies on entrepreneurial activities. As the levels of unemployment grew over the last five years, policy makers increasingly focused their attention on entrepreneurship as one promising means of reducing unemployment. However, policies focusing on the transition from unemployment to self-employment have not always fulfilled expectations, with some studies even suggesting that more self-employment is not necessarily the best solution. The second project policy brief aspires to explore questions regarding the factors influencing nascent entrepreneurship of the unemployed. It furthermore aims specifically at better understanding of the role of labour market policies and, on this basis, to present policy recommendations. The authors use individual-level data on unemployed individuals gathered in the frame of Global Entrepreneurship Monitor in 33 countries in the years 2006 to 2012 and combine them with country-level data on unemployment rates, entrepreneurship rates and labour market policy expenditures.

The third policy brief summarizes the findings of an analysis of youth entrepreneurship in Europe and the policy measures adopted by the Latvian government to promote it. Latvia has taken the deliberate decision to promote youth entrepreneurship and has implemented corresponding policy

measures. Across the EU, young Latvians hold the most favourable perceptions of the feasibility of self-employment. Moreover, the nascent entrepreneurship rate is the second-highest in the EU, suggesting that policy-makers elsewhere in the EU can perhaps learn from the Latvian case.

The fourth policy brief provides an overview of the literature on intergenerational transmission of entrepreneurship and summarizes the insights from a recent comparative study on transmission processes in Europe as well as their mediating factors. It identifies potential measures to counteract the apparent drop in the intergenerational transmission of entrepreneurship and outlines recommendations for policy makers.

The fifth policy brief provides an overview of outreach measures targeting a group of young people at particular risk of social exclusion: young people under 30 who are neither employed nor involved in education or training, commonly referred to as NEETs. Recognizing the need for specific measures to effectively reach this group, the European Parliament and the European Council decided in May 2014 that public employment services (PES) in the EU member states shall cooperate in an attempt to promote and share best practices of NEET outreach work. Drawing on data from various PES reports, the policy brief compares the scope and variation in NEET outreach work across the European Union and concludes with policy implications to maximize the impact of NEET outreach measures in Europe.

The sixth and final policy brief, “Nudging” the Youth Guarantee hit its target: Lessons from behavioural public policy, assesses the Youth Guarantee in light of insights provided by the literature on behavioural public policy and offers a set of recommendations for optimizing the effectiveness of the Youth Guarantee based on behavioural insights.

The following chapter is going to summarize the most important recommendations derived out of the CUPESSE project and the CUPESSE policy briefs.

#### **4. Description of the potential impact**

CUPESSE is expected to have generated the following impact:

- Advanced the state of the art of studies on youth unemployment by adopting an innovative, comprehensive analytical and methodological approach as well as by generating a large body of qualitative and quantitative data on young adults in Europe. Through its interdisciplinary and multi-level analytical framework that combines both qualitative and quantitative methodologies, CUPESSE led to a better and broader understanding of the complexity of dynamics underlying youth unemployment.
- Enhanced interdisciplinary cooperation and networking between academic communities in the study of youth unemployment. CUPESSE brought together 14 institutional partners from both the EU and associated countries, with different expertise and knowledge, including economists, sociologists, political scientists, and psychologists in the joint effort to pursue a

comprehensive integrated analysis of youth unemployment. In order to favour interaction, communication and exchanges of ideas, since the start of the project all experts met together in many occasions. Cooperation and networking between researchers from all institutions was significantly reinforced during the project and is expected to be exploited for future research cooperation.

- Produced innovative and clear policy recommendations that address the youth unemployment. CUPESSE provided policy recommendations that have a significant impact on the latest debates in the EU policy area. Most importantly, solid policy recommendations on the importance and implementation of policies in different fields (e.g. business, education, employment, and family policies) were derived. The project produced: policy recommendations prepared in WP6 (arising from the research conducted as part of WP1-5), which delivered key innovative messages and concrete guiding principles to policy-makers; and six policy briefs prepared in WP7, which were easy-to-read, versatile tools for a wider dissemination of the project results to policy circles. In order to integrate youth perspectives into the project and reinforce networks among youth, CUPESSE also involved youth in dissemination activities (e.g. use of youth-friendly social media, etc.).

More concretely the CUPESSE project has gained several important insights into the causes underlying the high levels of unemployment among young people in many European countries which lead to recommendations for the formulation and implementation of policies that help improving the labour market participation of young people.

For example, the second policy brief (Zouhar et al. 2015) develops major implications for labour market policies with the goal of fostering entrepreneurship among the unemployed:

1. First, the policy brief shows that labour market policies are much more than a cost factor for European countries. In addition to their important economic and social functions, tailored expenditures for active labour market policies may help to promote new business start-ups funded by the younger generations and to foster youth entrepreneurship.
2. Second, active labour market policies appear to have some unexpected positive externalities and thus could be a promising part of policy programmes in European countries aiming to fight unemployment by stimulating entrepreneurship by additional investments in start-up incentives as well as by incorporating entrepreneurship related aspects in job training. For instance, recent papers by Frese and colleagues (Glaub, Frese, Fisher and Hoppe 2014; Gielnik, Frese et al. 2015) demonstrate the usefulness of job training promotion action-based approaches and personal initiative.

3. Third, the young unemployed (18 to 24) are a particularly vulnerable group, as evidenced by their high unemployment rates and low levels of entrepreneurial activity. We however see highest levels of entrepreneurial activity among the young unemployed between the ages of 25 and 34. Start-up programmes tailored to the needs of this target group thus have the potential for high impact. For example, it is often difficult for young persons of all ages to obtain the financing and loans needed to establish a business. Policy programmes offering financial support for young people for businesses is a means to foster youth entrepreneurship. From the analyses of entrepreneurship promotion in the second policy brief, it can be concluded that it appears to be more effective to provide young people with subsidies that support their activities within the labour market. Such approaches seem to be promising ways of supporting them in the development of skills, maintaining positive attitudes and habits regarding work, and some may even go on to start businesses that will grow and employ others in the future.

Furthermore out of the in-depth analysis of the Latvian case within the third policy brief the following six policy recommendations can be derived (Tosun et al. 2016):

1. The third policy brief has shown that programmes supporting entrepreneurship among unemployed young people benefitted substantively from EU funding. On the one hand, this gives way to the concern that the policy measures could get dismantled once funding is reduced or ceases. However, it is important to understand youth entrepreneurship as a long-term strategy: The policies and programmes in place allow a sufficient period of time for founding businesses and promoting forms of self-employment, and evaluations of the measures should also take into account that changing the public's perceptions of entrepreneurship may also require some time.
2. In line with the case study of the Latvian case executed in the third policy brief, we support a stronger involvement of public employment services (PES) in youth entrepreneurship support; the PES should be responsible for recruiting high-quality, external consultants and mentors. In terms of economic growth and job creation, it is not only important to promote the creation of businesses, but also to provide the necessary support to survive the often tumultuous period directly after getting started. Therefore, the policy objective should be one that emphasizes the quality and feasibility of business start-ups and thus increases the chances of survival. Having an agency that systematically gathers the relevant information and has access to data on both successful and unsuccessful initiatives can benefit from learning and gradually optimize its support strategy.
3. Support programs for youth entrepreneurs are expected to be particularly effective when they are able to provide a comprehensive range of measures and a combined approach. The

Latvian scheme for supporting the young unemployed represents such a comprehensive approach and allows for using a variety of tools – or a combination of tools – for the different phases involved in planning and actually starting a business.

4. Learning seems to be crucial for supporting youth entrepreneurship in Europe. Learning processes take place within the individual member states by exchanging information about initiatives launched by different entities (e.g., at the national level, regional level, or in municipalities) and stakeholders. Therefore, it seems promising to establish nation-wide information systems to accelerate learning.
5. Likewise, the individual member states can learn from one another as has been practiced for many years by the means of the Open Method of Coordination in European employment policy. Consequently, an extension of this method to the area of entrepreneurship promotion in general, or perhaps focussing exclusively on youth entrepreneurship, appears to be a further avenue worth considering.
6. Altogether, however, we must acknowledge that supporting self-employment and entrepreneurship is indeed a policy focus that will reach only a limited portion of young people (that is, those with the appropriate education, skills, and business ideas) and it certainly cannot be regarded as the primary or sole solution for addressing youth unemployment. Comprehensive strategies that incorporate youth entrepreneurship promotion into a broad approach to tackling youth unemployment are likely to be more effective than strategies which neglect the heterogeneity of young Europeans.

Moreover, out of the results of the fourth policy brief, we are able to outline a few possible interventions that would appear to foster the intergenerational transmissions of entrepreneurship and self-employment (Feldmann and Shore 2016):

1. First and foremost, gender inequality requires political attention. The study delivered compelling evidence that countries with lower gender equality tend to exclude half the population from the transmission process. This finding is all the more critical when we consider that transmission of self-employment tends to take place from fathers to son and from mothers to daughters (see e.g., Dunn & Holtz-Eakin, 2000). In other words, by increasing gender equality, we may observe desirable spill-over effects in terms of self-employment. For example, there appears to be potential for supporting young female entrepreneurs and women in self-employment. Targeted action to encourage young women to pursue self-employment or entrepreneurial ideas may be required to overcome initial gender imbalances (e.g., Botha et al., 2006).

2. Second, the fourth policy brief found strong effects of income inequality on the intergenerational transmission of self-employment. While increasing income inequality is clearly not a viable option for policy interventions, the correlation raises many questions. The study also suggests that self-employment is negatively associated with the demand for redistribution. Therefore, even countries which we do not generally associate with employment crises or inequality would do well to consider the economic incentives for self-employment. Put another way, we must take into account the ways in which welfare states may serve to foster or hinder self-employment. This particularly applies to southern European economies, which have relied heavily on self-employment in the past, but are struggling under current conditions.
3. Lastly, successful intergenerational transmissions are also closely related to certain soft factors: Many individuals who follow their parents into self-employment share a sense of optimism and have a particular set of political values. On the one hand, these findings imply that a positive economic situation and political support for self-employed people could foster overall self-employment figures. If given reason to view a self-employed future more optimistically, children from entrepreneurial families could increase the number of venture creations. On the other hand, many inheritors of self-employment share political attitudes and are involved in similar political activities. They tend to be very active in civil society as well as religious communities and tend to hold conservative political attitudes. In other words, in order to encourage nascent entrepreneurs and self-employment, policy makers and stakeholders must figure out ways to reach young people beyond the traditional avenues. Particularly in times of economic hardship, efforts must be made to reach out to vulnerable young people who may not be well embedded into groups, organizations, or communities that provide the networks of support necessary for starting one's own business.
4. These points are important for policy makers to bear in mind, but must of course be done so in consideration of the specific national context. Certainly, some of these factors will provide chances for public policy to foster the transmission and uptake of self-employment – a form of economic activity identified as having the potential to create new jobs and new opportunities for the young unemployed. These considerations are of particular relevance in countries that continue to struggle with the consequences of the economic crisis and whose young people are having a particularly difficult time gaining an economic foothold.

In addition, when analysing NEETs as a new target group of European Employment Services the fifth policy brief argues that the following policy recommendations should be considered (Tosun and Shore 2017):

1. NEET outreach measures need to be expanded and strengthened, as most countries continue to struggle with reaching non-registered NEETs.
2. In many countries, young people with a migrant background face a heightened risk of leaving school early falling into the NEET group. Outreach measures must therefore be tailored in consideration of the particular needs of these groups of young people who may face multiple barriers to education and employment.
3. A coordinated communication strategy between the various actors and PES seems to be conducive to ensuring the outreach services reach the NEETs. In particular, strengthening coordination between the educational system and PES appears to be particularly effective for reaching out to non-registered NEETs.

Finally, the sixth policy brief develops the following recommendations for improving the Youth Guarantee (Thies et al. 2018):

1. Removing barriers to enter the Youth Guarantee scheme: If we want young people to take up training, temporary work or any other measure under the Youth Guarantee, we have to make this easy for them. The Youth Guarantee scheme in general and its implementations in the member states should be thoroughly checked for unnecessary barriers to entry. These barriers could refer, for example, to age limitations, a lack of transparency about where to register, or the existence of too much paper work. A behaviourally informed analysis of the registration process in each member state could identify the most obvious barriers to entry. In some instances, they might be rather easily removed.
2. Rethinking career guidance behaviourally: Career guidance is an important factor in the transition of young people from education into employment and many Youth Guarantee offers include some element of it. However, a number of cognitive biases affect the way young people gather and process the information offered through career guidance as well as the choices they make because of it. One example would be the tendency to value short term gains – a salary now – higher than future ones – a higher salary later because of more intensive training. Based on fieldwork with young people, the Behavioural Insights Team in the United Kingdom proposed a number of principles on how information in a career guidance setting should be provided to be most effective. These principles include personalising information, structuring it to break down big decisions such as a career choice into smaller choice sets as well as helping influencers such as parents or teachers give meaningful advice to young people (Behavioural Insights Team 2016: 67-68).



3. Shifting young people's perception of blue-collar jobs: Some attractive jobs cannot be filled because they have a bad image, in particular blue-collar jobs or those requiring vocational training rather than a university education. Providing young people with information about job security and future earnings often will not be enough to spark interest. Small behavioural interventions – nudges – could be effective here. Information about the jobs and careers in question could be particularly easy to obtain or young people as well as their parents could be exposed to the work-places in question to counter their pre-formed ideas about them.

## Dissemination activities

Dissemination was a critical aspect in achieving CUPESSSE's impact. The implementation of CUPESSSE's dissemination strategy was overseen in WP7. The outreach effort was led by UHEI as the coordinating institution and EURICE, the project management office (SME), but it also relied on the networking and dissemination activities of all partners. Several audiences were targeted: young people, academics, policy-makers, students and civil society representatives.

Dissemination activities involved the following:

### 1. The CUPESSSE website

- The website provides information about CUPESSSE's objectives, partners, news, events, research activities and contains all relevant output produced in the framework of the project: working papers, newsletters, academic publications, policy briefs etc. The first central column of the homepage offers a brief introduction to the project and its objectives. The second central column of the homepage is featuring the most recent news ranging from the announcement of a new publication online, a future event, or some activities from the partners' project and related to CUPESSSE that were deemed relevant for the general public. The homepage also includes a short animated project clip providing a quick and compact illustration of the project targets, methods and results.
- The website is organized according to the following sections: "Project" presenting project relevance and background, policy recommendations, work packages, and a fact sheet. "Research" presenting the main research objectives of the project, as well as its first and second research dimension; "Consortium" presenting the all partners involved in the project, namely the 14 beneficiaries, and the academic and policy advisory board members; "Publications" divided into academic publications, working papers, and policy briefs; the "Link" section includes links to the EU Research and Innovation Framework Programmes, related initiatives and media appearances of the CUPESSSE project or CUPESSSE researchers. Finally, the "Intranet" section, reserved to project partners, contains internal



documentation like meeting materials and deliverables as well as research data not available to the general public.

## 2. Social media dissemination activities (CUPESSSE facebook page, research gate page)

- The management of social networks and in particular Facebook was crucial to reach out to young adults and the general public. Concerning the dissemination through social media, a special attention was dedicated to use social media platforms as a distribution mechanism for the CUPESSSE research output.
- Reports from all public events were also posted from the official facebook account of the project to engage with the general public. Sharing of Facebook posts was intended to raise awareness of the ongoing research activities within the project.
- An official project page at research gate furthermore helped to raise awareness about ongoing research activities and facilitated the exchange with other researchers working on similar topics.

## 3. The CUPESSSE newsletter

- The CUPESSSE e-newsletter was used to provide concise information on the main achievements of the project, to announce events such as workshops, conferences, and to present abstracts of publications.
- CUPESSSE e-newsletters were published every six months. In total, 8 newsletters were produced (Newsletter No. 1 July 2014, Newsletter No. 2 January 2015, Newsletter No. 3, July 2015; Newsletter No. 4, January 2016; Newsletter No. 5, July 2016; Newsletter No. 6, January 2017; Newsletter No. 7, July 2017; Newsletter No. 8, January 2018).
- The newsletters included the project's title, logo, and a brief editorial by the project coordinator; a "Highlight" describing recent project activities; information about CUPESSSE's past and forthcoming events and activities; a link to and an abstract of new CUPESSSE Working Papers and other CUPESSSE publications and a presentation of Advisory board members, consortium members, and student research assistants. All Newsletters were fully acknowledging EU funding and featuring the European Union flag according to the EU regulations.

## 4. Conferences

### 4.1. Public conferences

- A Kick-off conference was organized at the University of Mannheim in February 2014 to give visibility to the themes and approaches of the project as well as to present and discuss with a larger audience the topic youth unemployment. Beyond the speakers (CUPESSSE partners and advisory board members), the conference was attended by students, academics, journalists and practitioners.

- In total, two stakeholder workshops (Barcelona, February 2016 and Brussels, January 2018) were held to facilitate and achieve mutual learning between researchers and stakeholder. The workshops provided a forum for the presentation of progress and preliminary findings to relevant stakeholders from all over Europe, including the members of the Advisory Board as well as participants from new member states, EU candidate countries, and non-EU countries. The workshop further allowed receiving feedback from other academics and policy makers, and liaising with relevant actors in the European and international arena to further explore the implications of project research and discuss the conclusions with experts. Thereby, it could be ensured that the research carried out under CUPESSSE was characterised by both intellectual rigour and policy relevance.

#### 4.2. Extra-project panels, conferences and activities

- CUPESSSE researchers organized and chaired several extra-project panels at international scientific conferences (Panels “Causes and effects of youth unemployment and effectiveness of labour market policies for young people in times of crisis” and “National and European Policy Responses to Youth Unemployment – How to Combat the “Failure to Launch” at the ECPR General Conference 2014, University of Glasgow, UK in 2014; Panels “Youth Unemployment in Europe: Beyond the Official Statistics” and “Intergenerational transmission in times of economic transformation” at the 24th International Conference of Europeanists in Glasgow, 2017, and Panels “Responses to youth unemployment: Design, Successes, and Ongoing Challenges” and “The formation of young people’s political beliefs in turbulent times” at the ECPR General Conference 2017, University of Oslo, Norway.
- CUPESSSE project coordinator Prof. Tosun attended a workshop of the Horizon 2020 project EXCEPT in Bamberg (February 2016) for a presentation and a mutual learning discussion
- The project coordinator attended the Kick-off meeting of FP7- project STYLE which also focusses on youth unemployment across Europe. A joint project meeting was agreed upon and held in Turkey, 2015.

### 5. Academic or other publications

#### Peer-reviewed journal publications

- Dvoulitý, Ondřej: Does the Self-employment Policy Reduce Unemployment and Increase Employment? Empirical Evidence from the Czech Regions  
Central European Journal of Public Policy 11 (2), 11-22, <https://doi.org/10.1515/cejpp-2016-0032>
- Vancea Mihaela, Mireia Utzet: School-to-work transition: the case of Spanish NEETs  
Journal of Youth Studies, tbd, DOI: 10.1080/13676261.2017.1421313

- Dvouletý, Ondřej : Effects of Soft Loans and Credit Guarantees on Performance of Supported Firms: Evidence from the Czech Public Programme START  
Sustainability 9 (12), 2293, DOI: 10.3390/su9122293
- Dvouletý, Ondřej: What is the Relationship between Entrepreneurship and Unemployment in Visegrad Countries?  
Central European Business Review 6 (2), 42-53
- Dvouletý, Ondřej: Can policy makers count with positive impact of entrepreneurship on economic development of the Czech regions?  
Journal of Entrepreneurship in Emerging Economies 9 (3), 286-299, DOI: 10.1108/JEEE-11-2016-0052
- Mühlböck, Monika, Julia-Rita Warmuth, Marian Holienka, Bernhard Kittel: Desperate entrepreneurs: no opportunities, no skills  
International Entrepreneurship and Management Journal, 2017, DOI: 10.1007/s11365-017-0472-5
- Shore, Jennifer, Jale Tosun: Assessing Youth Labour Market Services: Young People's Perceptions and Evaluations of Service Delivery in Germany  
Public Policy and Administration, August 21, 2017, DOI: 10.1177/0952076717722192
- Rapp, Carolin, Jennifer Shore, Jale Tosun: Not so risky business? How social policies shape the perceived feasibility of self-employment  
Journal of European Social Policy, July 10, 2017, DOI: 10.1177/0958928717711973
- Dvouletý, Ondřej: Relationship Between Unemployment and Entrepreneurship Dynamics in the Czech Regions: A Panel VAR Approach  
Acta Universitatis Agriculturae et Silviculturae Mendelianae Brunensis 65 (3) , 987-995, DOI: 10.11118/actaun201765030987
- Debus, Marc, Jale Tosun, Marcel Maxeiner: Support for Policies on Entrepreneurship and Self-Employment among Parties and Coalition Governments  
Politics & Policy 45(3), 338–371, DOI: 10.1111/polp.12205
- Vegetti, Federico, Dragos Adascalitei: The impact of the economic crisis on latent and early entrepreneurship in Europe  
International Entrepreneurship and Management Journal 2017, 1-26, DOI: 10.1007/s11365-017-0456-5
- Tosun, Jale, Marge Unt, Eskil Wadensjö: Youth-oriented active labour market policies: Explaining policy effort in the Nordic and the Baltic states  
Social Policy & Administration 51(4), 598–616, DOI: 10.1111/spol.12315
- Tosun, Jale: Promoting youth employment through multi-organizational governance  
Public Money & Management Vol. 37, Iss. 1, 2017, pages 39-46, DOI: 10.1080/09540962.2016.1249230
- Vancea, Mihaela, Mireia Utzet: How unemployment and precarious employment affect the health of young people? A scoping study on social determinants  
Scandinavian Journal of Public Health 2017 Feb, 45 (1), 73-84, DOI: 10.1177/1403494816679555
- Dvouletý, Ondřej: Determinants of Nordic entrepreneurship  
Journal of Small Business and Enterprise Development 24 (1), 12-33,  
<https://doi.org/10.1108/JSBED-07-2016-0104>

- Dvouletý, Ondřej, Martin Lukeš: Review of Empirical Studies on Self- Employment out of Unemployment: Do Self-Employment Policies Make a Positive Impact? International Review of Entrepreneurship 14 (3), 361-376
- Lukeš, Martin, Jan Zouhar: The causes of early-stage entrepreneurial discontinuance Prague Economic Papers 25(1), 19-36, 10.18267/j.pep.534
- Vossemer, Jonas; Schuck, Bettina: Better Overeducated than Unemployed? The Short- and Long-Term Effects of an Overeducated Labour Market Re-entry European Sociological Review 2015 , doi: 10.1093/esr/jcv093
- Hörisch, Felix, Jakob Weber: Capitalizing the Crisis? Explanatory Factors for the Design of Short-time Work across Organisation for Economic Co-operation and Development Countries Social Policy & Administration Volume 48, Issue 7, 799-825, DOI: 10.1111/spol.12047

### Working Papers

- Julia Weiß and Bettina Schuck (University of Heidelberg): First Findings from Employer Interviews, Country report: Germany
- Nadia Steiber (University of Vienna): First Findings from Employer Interviews
- Monika Mühlböck, Julia Rita Warmuth, Marian Holienka, and Bernhard Kittel: Desperate Entrepreneurs: No Opportunities, No Skills
- Julia Rita Warmuth, Bernhard Kittel, Nadia Steiber, and Monika Mühlböck University of Vienna (UNIVIE): Cultural Pathways to Economic Self-Sufficiency and Entrepreneurship
- Christoph Arndt, Aarhus University (AU) Felix Hörisch, Ruprecht-Karls-University Heidelberg (UHEI): Flexicurity policies in Europe – Diffusion and Effects of flexicurity labour market policies

### Policy Briefs

- Policy Brief I:  
Felix Hörisch, Jennifer Shore, Jale Tosun, Werner Claudius: Labour market policies and youth unemployment
- Policy Brief II:  
Jan Zouhar, Martin Lukeš, Felix Hörisch, Jale Tosun, Jennifer Shore: The Impact of Labour Market Policies on Entrepreneurial Activities
- Policy Brief III:  
Jale Tosun, Inta Mierina, Jennifer Shore, Mehmet Atci, Felix Hörisch: Youth Entrepreneurship in Europe
- Policy Brief IV:  
Manuel Feldmann, Jennifer Shore: Intergenerational Transmission of Self-Employment and its mediating Factors throughout Europe
- Policy Brief V:  
Jale Tosun, Jennifer Shore: The Scope of European NEET Outreach Measures
- Policy Brief VI:  
Lars Thies, Zeynep Cemalcilar and Jale Tosun: 'Nudging' the Youth Guarantee hit its target: Lessons from behavioural public policy