TrygFonden's Centre for Child Research
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Evidence and its use in social policy in Denmark

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Outline

1. A brief history of the use of evidence in danish labour market policy making
2. The use of evidence in labour market policy
   - The strategy for using and producing evidence
   - Examples: Bridging & Mentoring
   - When and how is the evidence used?
3. Use of evidence in policies for children (& youth)
   - Making research results comparable
4. Perspectives

A brief history of the use of evidence in danish albour market policy making

1993: Rosholm receives first grant ever given by Ministry of Employment for a quant. analysis of impacts of ALMPs

1994: Report shows mixed results: ”When using neoclassical econometrics, results are given in advance”

1993-5: First ever RCT on labour market training shows negative results

General perception => Empirical work is ‘evil’. No more RCTs for 10+ years. Scepticism concerning impact evaluations in general

A brief history of the use of evidence in danish policy making

1998-2000: Our first students are employed in Ministry

2000: Ministry of Employment introduces ‘the simple impact measure’ – a before-after estimator

2000-2: Dialogue between researchers and Ministry begins

2002: United front of researchers criticize ‘the simple impact measure’ at large meeting in ministry

2003-5: Better impact estimators introduced, Ministry commissions several impact evaluations using non-experimental methods

A brief history of the use of evidence in danish policy making

2005-6: First ‘serious’ RCT study: Quickly Back to work. Shows large positive effects

2007: First official strategy for producing and using evidence

2006-17: ~20 RCTs conducted and tons of non-experimental impact evaluations and projects

2010-: Evidence systematically used to inform and improve labour market policy !!

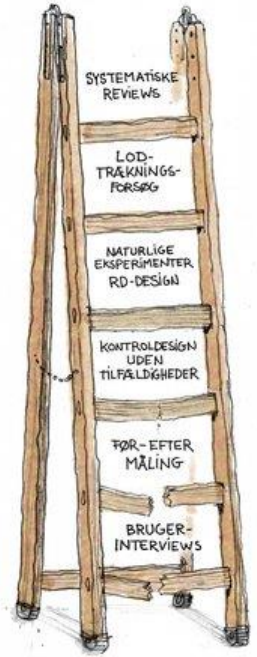
2012-: Two more ministries commence to develop strategies for using evidence

The strategy for using and producing evidence

- Jobeffekter.dk – clearinghouse ➔ www.jobeffekter.dk
- Several inspiration projects each year evaluated by ‘brute data force’ methods: D-i-D, PSM
- RCTs – 1-3 per year.
    - Unemployed
    - Sicklisted
    - Disadvantaged youth
- New policies should be based on solid evidence

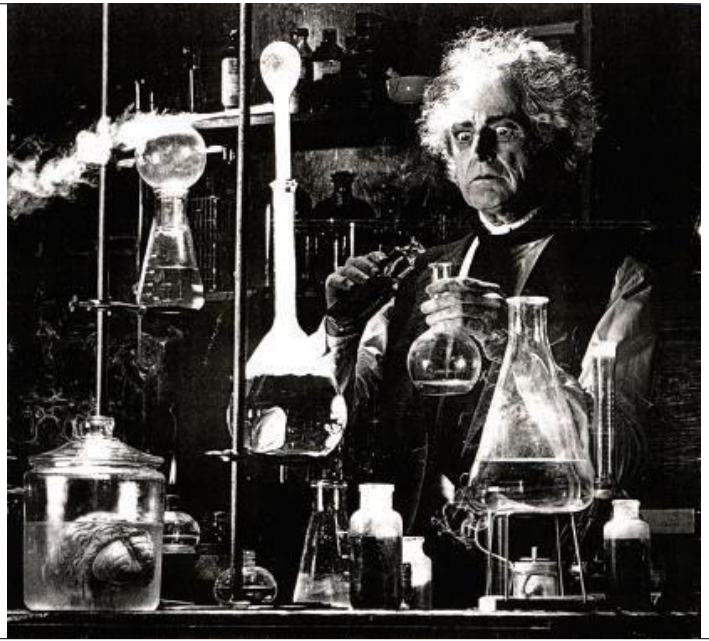
What is solid evidence?

1. Systematic reviews
2. Randomised controlled trials (RCTs)
3. Natural experiments etc.
4. Matched control groups
5. Before-after
6. User interviews

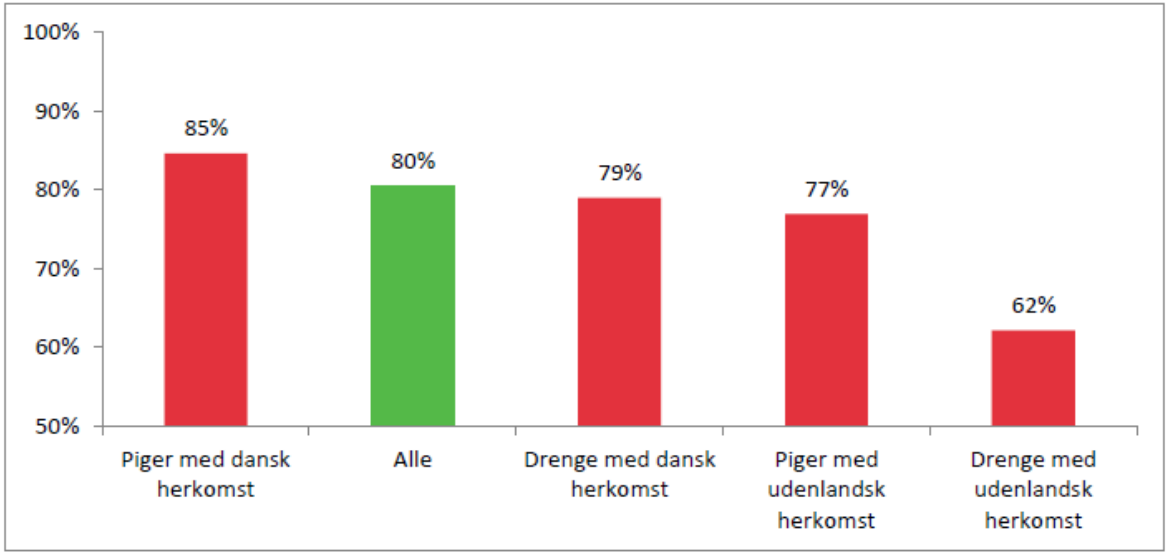


Example: Disadvantaged youth on welfare

2 interventions:
Bridging and
Mentoring



Fraction of a youth cohort who have not completed high school or vocational school 7 years after leaving compulsory school, 2013



Source: Profile model, Ministry of Children, Education, and Gender Equality, 2013

Bridging & Mentoring

- Some of these are employed in unskilled jobs
- Some attempt several times to complete a high school or vocational education, but dropout rates are large,

- so **many end up on welfare for shorter or longer periods**
- … they are the **target** of the interventions studied here

Bridging & Mentoring

Aim: Design interventions to help youth into the ordinary educational system (or employment)

Bridging & Mentoring

What's the problem(s!)?

- No formal qualifications, only 12% satisfy requirements for continuing education
- Non-cognitive deficits; school absence, teen motherhood, debts, behavioral problems, crime, drugs, alcohol
- Mental health problems

Bridging & Mentoring

Existing evidence:

Mentoring has potential (reviews by DuBois *et al.*, 2011; Rodriguez-Planas, 2012; 2014), *especially when aimed at disadvantaged youth*

Heckman & Mosso (2014): ”…*the most promising adolescent interventions feature mentoring and scaffolding. … integrate work with traditional education and attenuate the rigid separation between school and work … teaching valuable character (noncognitive) skills (showing up for work, cooperating with others, and persevering on tasks). “*

Mentor intervention

- Target group: 18-29 years of age, on welfare, not immediately considered ready for education, no qualifying education
- Intake period: August-October 2012
- Selection: Meeting w. case worker during period, if eligible then randomization
    - approx. 2x100 youth per participating jobcenter (13 jc's)

Mentor intervention

Assignment of a mentor, at least weekly contact to youth (and more)

Mentor

- is NOT a case worker
- is employed by jobcenter (no volunteers)
- undertakes a mentoring course
- receives supervision

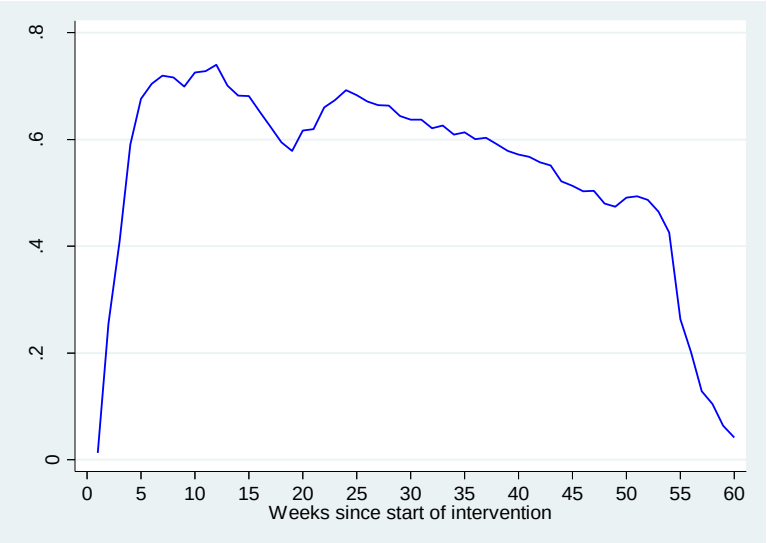
Mentor intervention

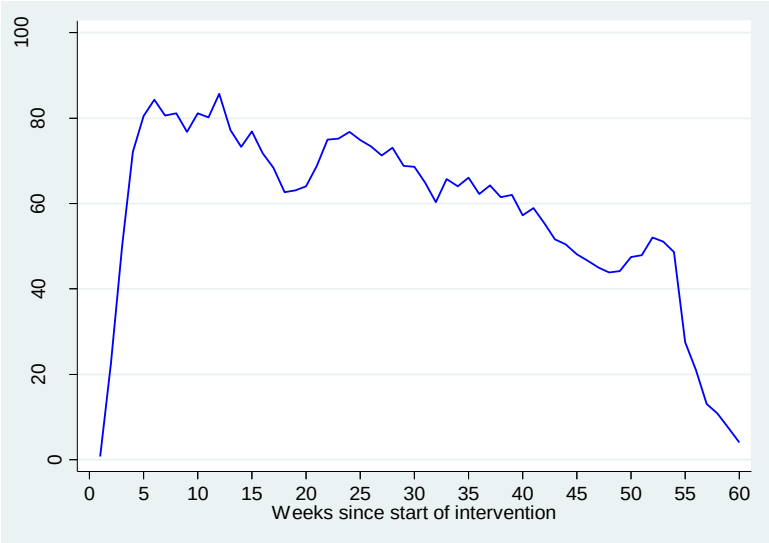
Role of mentor:

- Assist wrt to education; contact to educ inst, support (efterværn), cooperate with educ inst
- Assist wrt personal problems that is a hindrance for educ
- Help the youth exercize his/her rights (e.g. psych help ico depression etc.)
- Help to get started with ‘healthy leisure activities’ etc.
- Help remembering meetings, appointments etc.,
- Stops after 52 weeks *or when starting an education or employment*

Mentor intervention

Weekly contact rates (left) and intensity (right)





Bridging intervention

- Target group: 18-29 years of age, on welfare, no qualifying education,
  - Socially disadvantaged, no cognitive deficits
  - Cognitively disadvantaged, no social skills deficits
  - … in reality, lots of actual participants had both types of problems
- Intake period: March 2013-Dec 2014
- Selection: Meeting w. case worker during period, if eligible then assignment (no randomisation)
  - 12 educational institutions all over DK ran the interventions

Bridging intervention

Three elements:

- Mentors
- Cognitive training
- Work and education practice

Bridging intervention

- An education plan is formulated
- Screening of reading, writing and math abilities
- Training reading, writing and math abilities at individual capacity
- Intervention takes place in ordinary educational institution
- Fixed schedule, daily routine practice
- Practice periods, visits to other educational insititutions
- Assignment of a mentor, stays with the youth during the intervention period *and until* basic vocational track is completed
- Individualised support for obtaining vocational training at an employer (praktikplads)
- Plan B

Bridging intervention

- An average bridging intervention lasted 15 weeks in a vocational school
- 2607 youth participated
- 2400 were included in the evaluation (the remaining did not meet the formal requirements for being in the target group)

Bridging & Mentoring: Data

Data from DREAM register - **D**anish **R**egister for **E**valuation of labour market policy (**A**rbejds**M**arkedspolitik) – merged w. register data at Stat.DK.

- Weekly information on labour market status and participation in LAB activities
- Information on activities under the program
- Information on background characteristics

Bridging & Mentoring: Descriptives

- Half or more have no grades from compulsory SLE
- 40% had psychiatric diagnosis within past 5 years
- They spent on average 235 days in foster care during childhood (+similar duration in-home intervention)
- 20% have a father convicted of a violent or sexual crime
- 50% of parents were not employed in 2011
- 45-50% of parents had no qualifying education
- 70% had parents who did not live together in 2011

Bridging & Mentoring: Evaluation

Mentor intervention is evaluated with RCT

- Extensive set of controls
- Subgroup analyses

Bridge building is evaluated with propensity score matching

- Robustness checks, different comparison groups and algorithms
- Extensive set of controls
- Subgroup analyses

Bridging & Mentoring: Main results

Mentor:	~1.5 percentage point increase in completed vocational education
	~3.5 percentage point increase in employment rate
Bridging:	~10 percentage point increase in completed vocational basic education
	~3 percentage point increase in employment rate

Bridging & Mentoring: Cost considerations

Average cost per participant

- Mentor $3550
- Bridge building $4900

When and how is the evidence used?

Results from Mentoring and Bridging ➔

- Bridging was made first choice of intervention for disadvantaged youth
- Mentoring scaled down
- New bridging intervention designed and tested in RCT starting summer 2017 - focusing on identifying active ingredients
    - Designed by ministry in collaboration w. inter-disciplinary team of researchers and practitioners in the field

When and how is the evidence used?

Past four years: three committees/commissions appointed to recommend labour market policy reforms:

- **Carsten Koch 1:** Reform ALMPs aimed at UI benefit recipients. 39 recommendations based on evidence. 35 implemented
- **Carsten Koch 2:** Reform ALMPs aimed at LTU. Report released just before election – subsequently about half of recommendations implemented
- **UI benefit commission:** Reform UI benefit scheme (eligiblity, duration, incentives etc.). 90-95% implemented

Use of evidence in policies for children (& youth)

Use of evidence in policies for children (& youth)

Ministry of education

Ministry of Social Affairs & Children

- Began thinking about use of evidence around 2012-13
- …so about a decade behind Ministry of Employment

- But we are trying to speed up the process: TrygFonden's Centre for Child Research

What is TrygFonden's Centre for Child Research?

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What is TrygFonden's Centre for Child Research?

Interdisciplinary research centre at AU

- Grant from TrygFonden (DKK 60mill). Additional funding of similar size. 6 year period, extendable to 10 years.
- Provides scientific evidence on what works
- Psychologists, political scientists, economists, sociologists, criminologists, education researchers, anthropologists,
- 35+ randomised controlled trials (RCTs) of interventions aimed at children and youth
    - plus other projects and effect studies

Completed interventions with results

INTERVENTION	INSTITUTION	METHOD
• Nursery intervention (lang. and early math)	Nurseries	RCT
• LEAP (language in daily activities)	Kindergarten	RCT
• SPELL (manualized language in small groups)	Kindergarten	RCT
• ‘Suitcase’ (language for bilingual children)	Kindergarten+home	RCT
• Chess & mathematics	Schools, grade 1-3	D-i-D
• READ (reading intervention)	Schools, grade 1-2	RCT
• Two-teacher (lang. + math)	Schools, grade 6	RCT
• ‘Mothertongue’ teaching (extra lectures)	Schools, grade 4	RCT
• Bridging (on-site educ. prep.)	Youth on welfare	PSM
• Mentor (educ.)	Youth on welfare	RCT

Effect comparisons

Impacts measured on cognitive outcomes or educational outcomes

- Language tests in nurseries/kindergartens
- Compulsory language tests in school
- Educational attainment for youth

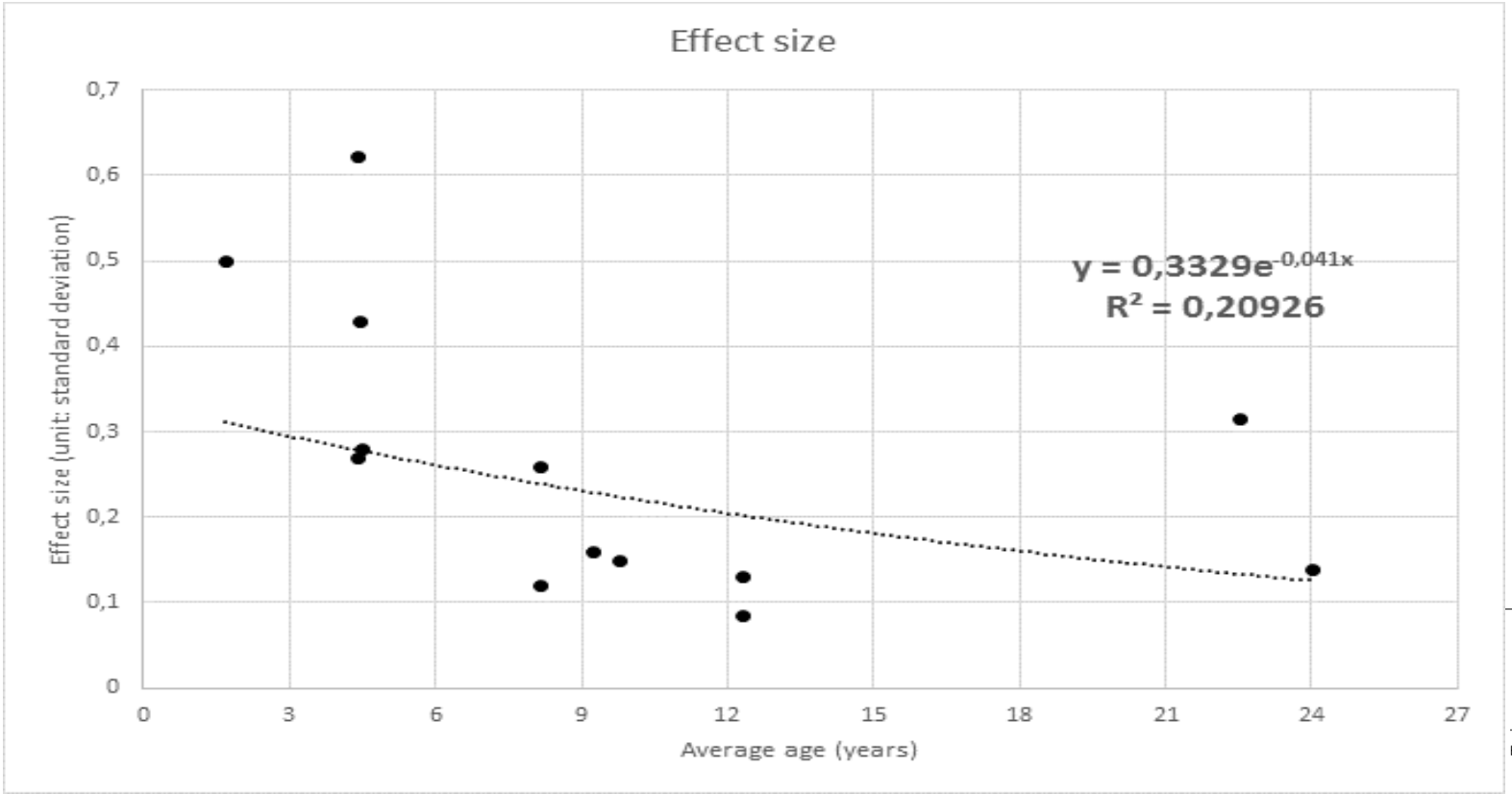
These effects are not immediately comparable. How do we then compare impacts?

Effect comparisons

Standardize effect sizes (standard deviation units): $d = \delta / s$

- *d* is informative on how much an intervention moves someone in the distribution of outcomes:
- For example, if *d*=0.4, someone initially at the median would move to 66th percentile

Results, effect sizes by age



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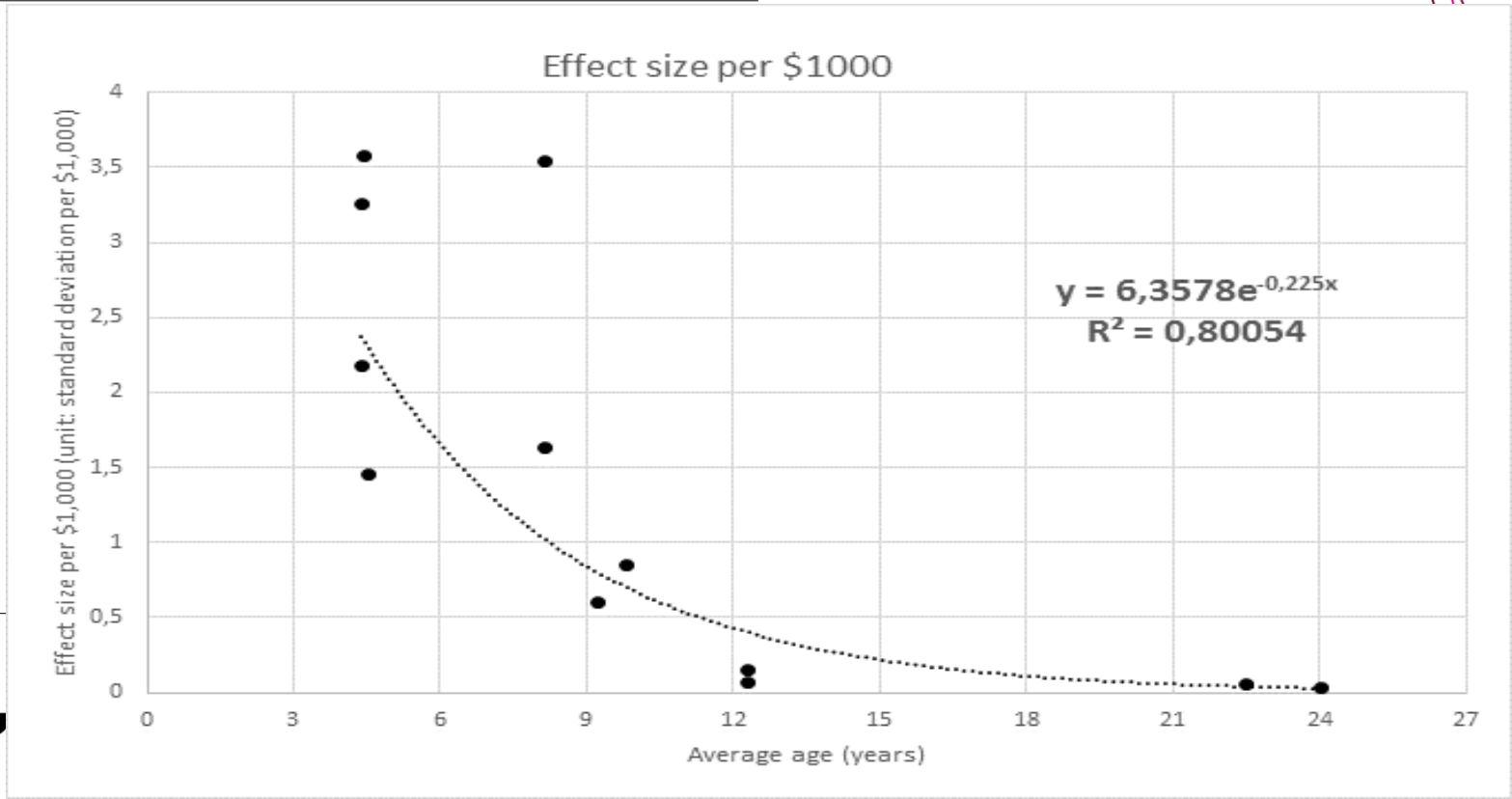
Making results more comparable

Normalize with costs per participant

- Calculate effect size per $1000 invested (per person)

Preliminary results, effect sizes per $1000 invested, by age



Perspectives

Evidence can be used for improving policy:

- DK has lowest structural unemployment rate in Europe and very flexible labour market – **from EuroSclerosis to Flexicurity!**
- Recent discussion: is there a need for more reforms?

We are not (yet) very good at providing equal opportunities for children and youth: need for evidence to improve interventions

- Definitely need for reforms – but still a bit of way to go