

StayOn_

A more inclusive, active
and creative world!

POTENTIALS ASSESSMENT REPORT

GREECE

May 2022

Giulia Parola & Mine Tülü,
European Center for Social Finance

Dimitrios K. Tsolis,
Rezos Brands



stay-on.eu



Table of contents

1. INTRODUCTION.....	3
2. METHODS	3
Data collection	3
Data analysis	4
3. THE GREEK CONTEXT	4
Rezos Brands.....	4
Trikala Prefecture	5
4. KEY FINDINGS.....	6
Driving forces external to the labor market	6
Driving forces internal to the labor market: demand for workers	6
Driving forces internal to the labor market: supply of workers.....	7
The impact/influenceability matrix.....	8
5. RECOMMENDATIONS FOR ACTION	9
Crucial potentials	9
REFERENCES.....	10
APPENDIX.....	11

1. INTRODUCTION

StayOn is a transnational project coordinated through the cooperation of eight European partners whose ultimate objective is to create conditions that enable young people to "stay on" rural areas by ensuring access to opportunities, benefits, services, and jobs. With this potentials assessment report, we intend to examine current and future labor market needs and identify potentials for implementing possible support solutions in Greece by Rezos Brands, one of StayOn's project partners. This report is to be read as part of the project's "Impact management and research" work package, representing a systematic effort to provide credible evidence on the causal impact of interventions meant to integrate young adults, and NEETs¹ especially, in the labor market.

The work package is managed by the European Center for Social Finance (ECSF). It encompasses a series of activities, including developing a Theory of Change and related impact management framework, creating periodic impact evaluations, and learning to inform decision-making within and among the organizations involved. This report proceeds as follows. After this brief introduction, Section 2 details the methodology used to conduct the potentials assessment, Section 3 describes the context, while Section 4 reports the findings. Finally, in the last section, we interpret them and discuss the lessons learned to facilitate the translation of findings into practice for the project's partners.

2. METHODS

Data collection

Data collection took place in two phases. The first step included a questionnaire filled out jointly by two informants: a local representative employed by the project partner Rezos Brands and an external stakeholder. The questionnaire, available in full in the Appendix to this report, was divided into four parts and gave the respondents the chance to support their answers with secondary sources:

- 1) The first part aimed at gathering general information about the respondents and their organizations;
- 2) The second part explored the Greek community or communities of interest in the implementation of the project;
- 3) The third part investigated ten driving forces of youth employment within the local context (these are listed in Table 1 below);
- 4) In the fourth part, the respondents were involved in ranking the driving forces according to their level of impact on youth employment and their degree of influenceability. The goal of this stage was to classify the driving forces into four categories:
 - *negligible blows* show low impact and low influenceability on youth employment;
 - *realizable trifles* are highly influenceable driving forces with low impact on youth employment;
 - *unshapable trends* are characterized by high impact and low influenceability;

¹ Young persons not engaged in education, employment or training.

- *crucial potentials* are highly impactful and highly influenceable driving forces that represent prospects for action;

5) The last part allowed for final comments and the possibility to share further insights about the phenomenon.

Table 1. Driving forces of youth employment (Parola, 2020)

<i>Driving forces external to the labor market</i>	<i>Driving forces internal to the labor market</i>	
	<i>Demand for workers</i>	<i>Supply of workers</i>
A. Automation	C. State of the economy	F. Poor skills of job-seekers
B. Globalization	D. Type of contracts	G. Type of education
	E. Informal work	H. Skills mismatch
		I. Demographic factors
		J. Socioeconomic factors

As indicated by researchers at the ECSF, external stakeholders could be - but were not limited to - public officials and other public servants (e.g., mayors, council members, politicians), young people not in employment nor education and their families, youth workers, and business owners in the community or communities of interest. For this study, the external stakeholder chosen is a student of Informatics and Computer Engineering at a local university.

Phase two of data collection consisted of an online interview with the local representative and the external stakeholder. The goal of the interview was to have a clearer understanding of the questionnaire responses collected in phase one. The interviewees were asked a series of open-ended questions, resulting in follow-up questions by the interviewer. The interview was held in English via Zoom on 14 March 2022, lasted 50 minutes and revolved around the information provided in the questionnaire.

Data analysis

We employed an amended version of the intuitive logics approach to scenario development to analyze the data, which is particularly suited to support decision-making processes by generating options for action (Kosow & Gaßner, 2008). Depending on their position in the two rankings, driving forces were assigned a weight (from one to ten). Driving forces ranked number one were assigned a weight of ten, driving forces ranked number two were assigned a weight of nine, and so forth. This process allowed for the development of an impact/influenceability matrix. We then examined the respondents' input regarding the four quadrants in which the ten driving forces appeared.

3. THE GREEK CONTEXT

Rezos Brands

Rezos Brands is a food-oriented Greek SME founded in 1983. The organization aims at contributing to the competitiveness of Europe, its sustainable economic growth and job creation by promoting and strengthening synergies and cooperation among start-ups, SMEs, educational institutions and the third sector. Within the StayOn project, Rezos Brands takes on the role of community catalyst partner, acting as a change agent that

unlocks youth potential and manages change activities in several rural communities. Rezos Brands's team can boast a long tradition of successful implementation of national and European projects. The organization's European R&D Department carries out activities aimed at delivering support services for companies and individuals in line with the present and future trends of the European and global markets. More specifically, Rezos Brands adopted a "Farm to Fork" strategy, which includes extensive experience in enhancing the links among the cultivation, harvesting, processing, packaging, warehouse storing, marketing, and distribution of food. Thanks to its broad network, Rezos Brands works closely with local communities.

Trikala Prefecture

The Thessaly plains of central Greece are home to the Trikala Prefecture. In this area, there are various lovely cities as well as the famous Meteora monastery community, which is nestled in one of Greece's most breathtaking mountainous terrains. Trikala, the prefecture's capital, is constructed near the Litheos River and is yet relatively undiscovered by tourists, which helps to preserve the area's natural beauty and cultural traditions. In the rest of the Trikala Prefecture, the area's agricultural production is well-known, and it exports a portion of the country's output. Fruit and vegetables, legumes, cotton, olives and livestock, are among the most common products. Every year Trikala loses about 1% of farming population due to the retirement of the old farmers and young adults tend to leave the area in search of opportunities elsewhere. The leading causes are the low prices of traditional crops, little to no training in new technologies and a general absence of involvement of local universities and authorities to transmit new knowledge to the farmers. Although Rezos Brands will follow an online training and coaching strategy, including NEETs from various rural areas, we have presented here Trikala since it has similar characteristics to other rural prefectures in Greece.

Figure 1. The Meteora monasteries in Trikala Prefecture



4. KEY FINDINGS

Driving forces external to the labor market

The analysis of primary and secondary data (Organisation for Economic Co-operation and Development, 2018a) reveals that in Greece, the ordinary worker has a 57% risk of being affected by *automation* and machinery (artificial intelligence, robots); while over a quarter of all professions (23%) are considered high-risk, with the likelihood of automation exceeding 70%. According to estimations, however, in Greece, the risk of job automation does not increase dramatically with age; instead, it appears to peak among teens and young adults and then stabilizes. This contradicts the fear that automation will disproportionately affect older workers with less digital skills. In general, young adults with low levels of education in manufacturing, agriculture, construction and services (cleaning, drivers, etc.) are more vulnerable to automation. On the contrary, automating the work of professionals with a high level of education and great specialization is more challenging.

Regarding *globalization*, Greece has a quite complex migration map. With the start of the economic crisis in 2008, Greece saw a surge in unemployment, resulting in new international migration patterns. Unlike the previous waves of Greek immigrants, the new wave was predominantly made up of highly educated individuals, raising concerns about 'brain drain'. Along with the United Kingdom, which has been attracting Greek graduates for some time, Germany has emerged as a premier destination for highly skilled Greek workers (Cavounidis, 2018). From the perspective of internal migration to Athens and other major urban centers which have attracted young workers for decades, new trends in counter-urbanization appear to be accelerating. Given these latest developments, a recent article by Papadopoulos and Fratsea (2021) explores rural migrant flows and, more specifically, how the interactions between migrants, refugees and locals may inform rural development in Greece.

Driving forces internal to the labor market: demand for workers

Concerning the *state of the economy*, it indeed affects youth employment in Greece. The country continues to show the implications of the crises of 2008 and 2011: the scale of the economy remains considerably smaller than it had been fifteen years ago, unemployment is still very high (14.7% against an EU-27 average of 7.2% in 2021), and investment, as a share of GDP, is one of the lowest in Europe. Of course, this situation is not creating lots of stimulating opportunities for young people. However, although the economic and social context is still difficult, there are real signs of improvement within the country. For instance, the unemployment rate fell to 13% in September 2021, the lowest level since the summer of 2010 (PNB Paribas, 2021). Moreover, the COVID-19 pandemic has highlighted the importance of tackling Greece's long-standing difficulties in increasing investment and productivity to diversify the economy and create jobs.

Young people in Greece are also profoundly affected by the quality of entry-level jobs and the *type of contracts*. The stakeholder interviewed emphasized, for example, how young adults are often very suspicious of job postings since common employment conditions offered to youth are frequently seasonal and part-time, often undeclared, uninsured and low-paid. This happens especially in island regions that have experienced an impressive increase in tourism before the health crisis.

Driving forces internal to the labor market: supply of workers

According to the latest PIAAC² survey, the *poor skills of job-seekers* might also play a role in affecting youth employment. In general, in Greece, the proportion of adults with poor skills in literacy and numeracy is more significant than the OECD average. Also, tertiary-educated adults in Greece have relatively low proficiency in literacy, numeracy and problem-solving in technology-rich environments (Organisation for Economic Co-operation and Development, 2016). Additionally, the satisfaction with Greek schools and the overall education system remained the lowest in 2016 across the OECD economies. Despite these facts, it is worth noting that graduation rates are increasing in the country, with almost half of adults who have completed upper secondary education (44%) and an increasing share of young adults who have a higher education degree (from 20% of those aged 55-64 to 40% for those aged 25-34) (Organisation for Economic Co-operation and Development, 2018b).

The above point strongly relates to the issue of overeducation highlighted by many scholars. In Greece, there are more physicians per capita than in any other country and the same applies to other prestigious occupations such as dentists and lawyers (Livanos, 2010). In general, higher education, especially university, is greatly valued and is considered an essential part of the overall education, independently of the employment outlook. Because most parents look down on manual labor, school children of average ability and above avoid vocational schooling in favor of a broad education that leads to university. However, the *type of education* is rarely considered according to the labor market's actual needs, and mechanisms that would typically link the provision of tertiary education opportunities with labor market requirements are fragile (Organisation for Economic Co-operation and Development, 2018b). On average, less than 5% of students successfully transition from study to employment from one year to the following (Organisation for Economic Co-operation and Development, 2021).

According to recent research by the Boston Consulting Group (2020), the *skills mismatch* (i.e., the discrepancy between the skills sought by employers and the skills that individuals possess) is a global phenomenon. In Greece, many workers perceive they are overqualified for the job they are performing (vertical mismatch). At the same time, almost one of every two is employed in a field they did not prepare for, resulting in a high horizontal mismatch (Organisation for Economic Co-operation and Development, 2016). This is partly linked to the fact that in the past decades, the Greek public sector has been shrinking. Nevertheless, looking for a job as a civil servant is more common than seeking opportunities in the private sector.

Demographic factors such as being a foreigner correspond to lower unemployment rates and higher participation rates in the Greek labor market. This is probably caused by the large number of immigrants working in the informal sector. The gender role also plays a role since many young foreign women are domestic workers employed informally. More specifically, according to Eurostat, the youth unemployment rate among native-Greek females was 33.4% in 2021, a rate much higher than for foreign-born women (21.2%). Regarding the gender gap, the high youth unemployment rate for women (32.9% against 24.8% for men in

² The Survey of Adult Skills is a product of the OECD Programme for the International Assessment of Adult Competencies (PIAAC), providing a picture of adults' proficiency in three key information-processing skills: literacy, numeracy, and problem-solving in technology-rich environments.

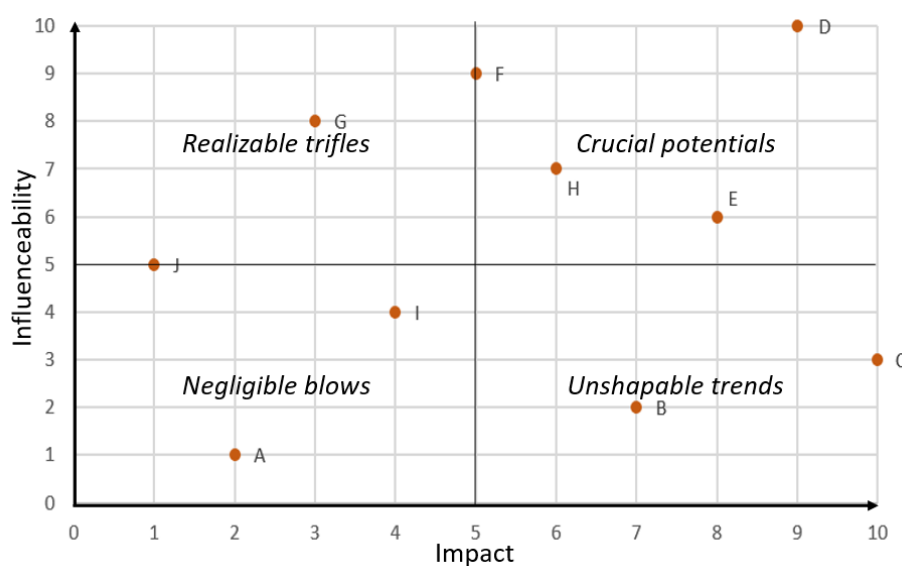
2021) partly reflects increasing female participation in the labor market that cannot be absorbed due to gender discrimination (Kambouri, 2013).

Finally, regarding *socioeconomic factors*, we have seen how tertiary education does not represent effective protection against unemployment in Greece. According to research (Drakaki, Papadakis, Kyridis, & Papargyris, 2014), the typical Greek NEET has a low to medium educational level (a majority has graduated from lower secondary education and only a small percentage of the NEET group in Greece are early school leavers). Most of them live with their parents and other family members since they are not married and do not have children. NEETs' parents appear to have relatively low educational levels, while family income spans from low to medium. NEETs are rarely found in high-income families, implying socioeconomic inequities and poverty transmission through generations. NEETs in Greece appear to have a better socioeconomic situation than NEETs in other EU member states because staying with their families (and sharing the family income) minimizes social exclusion and poverty.

The impact/influenceability matrix

Based on the analysis, all ten driving forces were classified in one of the four quadrants of the impact/influenceability matrix, as shown in Figure 2 below.³ Firstly, according to the data collected, 'negligible blows' include A. Automation, I. Demographic factors, and J. Socioeconomic factors since these driving forces are considered to have a low impact on youth employment and are difficult to influence. Secondly, in the left upper corner of the matrix, G. Type of education, and F. Poor skills of job-seekers make up the category of 'realizable trifles'. Thirdly, B. Globalization and C. State of the economy have been classified as 'unshapable trends' since they scored high on impact and low on influenceability. Finally, three driving forces have been identified as 'crucial potentials' and, therefore, represent prospects for action: D. Type of contracts, H. Skills mismatch, and E. Informal work shown in the upper right quadrant of the matrix. We explore these in more detail in the next section.

Figure 2. Impact/influenceability matrix



³ For the sake of simplicity, left/lower quadrants were preferred when driving forces were astride two quadrants.

5. RECOMMENDATIONS FOR ACTION

Crucial potentials

As this report shows, young persons in Greece face many obstacles with regard to finding and retaining employment. We have investigated barriers to youth employment deriving from forces external to the labor market, such as automation and globalization as well as internal factors playing a significant role in shaping the supply of labor and those affecting the demand for workers. It should be noted that even though external factors are driven by external stimuli, including technological advances and international trade, governments can influence them through policies like tax incentives, tariffs, and quotas, for instance. Thanks to this potentials assessment, we have identified three highly impactful and influenceable factors to provide career support for NEETs: the *types of contracts*, *informal work* and the *skills mismatch*. This section describes the key findings implications and suggests potential next steps for Rezos Brands.

Regarding needs related to the *types of contracts* and *informal work*, it is essential to highlight that Rezos Brands might find it difficult to intervene in the demand for work. Therefore, supporting services on the workers' side might guide youth in setting up businesses or finding non-traditional ways to create opportunities with better conditions in the formal sector. Recent graduates, especially those who are often overqualified for the positions on offer, might find ways to leverage their high qualifications by becoming self-employed. Forms of this type of support might include training, coaching, and other formalization advice services aimed at counteracting undeclared work and related poor conditions.

Finally, considering needs arising from the skills mismatch, our analysis reveals that the problem is not only linked to the type of qualifications (low versus high), but it has to do with the contents and topics of the qualifications chosen too. Career counselors at Rezos Brands should follow Greece's mismatch priority occupations when developing training courses and curricula that offer technical skills. Additionally, the context and environment of Trikala Prefecture should be considered and the local needs prioritized. Young adults should be supported in discovering social, technical, natural and economic resources around them as well as in acquiring knowledge of new technologies given the absence of involvement of local universities and authorities to transmit new agricultural practices to the farmers. This would help enhance rural areas' human and social capital to boost community-led rural innovations.

REFERENCES

- Boston Consulting Group. 2020. Fixing the global skills mismatch. Available at: <https://www.bcg.com/publications/2020/fixing-global-skills-mismatch>
- Cavounidis, J. (2018). The migration experience of Greece and the impact of the economic crisis on its migrant and native populations. *European Journal of Public Health*, 28: 20–23.
- Drakaki, M., Papadakis, N., Kyridis, A., Papargyris, A. (2014). Who's the Greek Neet? Neets' Profile in Greece: Parameters, trends and common characteristics of a heterogeneous group. *International Journal of Humanities and Social Science*, 4:240-254.
- Foundation for Economic and Industrial Research (IOBE) (2020). Available at: http://iobe.gr/EC_Conference2020/Factsheet_Skills%20and%20Employment_Greece%20July%202020.pdf
- Kambouri, N. (2013). Gender equality in the Greek labour market: The gaps narrow, inequalities persist. Available at: <https://library.fes.de/pdf-files/id/09822.pdf>
- Kosow, H., and Gaßner, R. (2008). *Methods of future and scenario analysis: overview, assessment, and selection criteria*. Deutsches Institut für Entwicklungspolitik.
- Livanos, I. (2010). The relationship between higher education and labour market in Greece: the weakest link? *Higher Education*, 60: 473-489.
- Organisation for Economic Co-operation and Development (OECD). (2016). Skills matter: Further results from the survey of adult skills. Available at: <https://www.oecd.org/skills/piaac/Skills-Matter-Greece.pdf>
- Organisation for Economic Co-operation and Development (OECD). (2018a). Automation, skills use and training. Available at: https://www.oecd-ilibrary.org/employment/automation-skills-use-and-training_2e2f4eea-en
- Organisation for Economic Co-operation and Development (OECD). (2018b). Education for a bright future in Greece. Available at: https://www.oecd-ilibrary.org/education/education-for-a-bright-future-in-greece_9789264298750-en?itemId=/content/component/9789264298750-3-en&csp_=ff2172379adb6d7db93c099ddebce1d&itemIGO=oecd&itemContentType=chapter
- Organisation for Economic Co-operation and Development (OECD). (2021). Labour market transitions across OECD countries: Stylised facts. Available at: [https://one.oecd.org/document/ECO/WKP\(2021\)43/en/pdf](https://one.oecd.org/document/ECO/WKP(2021)43/en/pdf)
- Papadopoulos, A. G., & Fratsea, L. (2021). Migrant and refugee impact on well-being in rural areas: Reframing rural development challenges in Greece. *Frontiers in Sociology*, 6:1-13.
- Parola, G. (2020). Escape from parents' basement? Post COVID-19 scenarios for the future of youth employment in Italy. *Quaderni di Economia del Lavoro*, 111: 51-71.
- PNB Paribas. (2021). Greece: encouraging trends. Available at: <https://economic-research.bnpparibas.com/ecotvweek/en-US/Greece-encouraging-trends-12/10/2021,c36739>
- Serrano Sanchez-Roy, S. (2018). Meteora [Photograph]. Flickr. <https://www.flickr.com>

APPENDIX

StayOn: a community-based and driven project

Study: Potentials assessment

Questionnaire and Interview guidelines

Introduction and instructions:

With this analysis, we intend to generate knowledge about the context in which Stay-on's participants live. More specifically, we aim to examine current and future labor market needs and identify potentials for implementing possible support solutions. All information collected during our research will be treated confidentially. The data collected will enrich impact management CLUSTER 4, *Outcome indicators Group F*. We will share the results of this study in a report which is part of activity 3.2.10, as foreseen in the project proposal.

Data collection will happen in two steps:

I Questionnaire: One person per each project partner (project partner's contact) is responsible for identifying at least ONE external stakeholder and, in consultation with him/her/them, fill the questionnaire. External stakeholders can be - but are not limited to - public officials and other public servants (e.g., mayors, council members, politicians), young people not in employment nor education and their families, youth workers, and business owners in the community or communities of interest.

II Interview: The project partner's contact should schedule an online interview with researchers at the ECSF between 23.02.2022 and 16.03.2022. During the interview, the external stakeholder should also be present. The interview will last between 30 and 60 minutes and will revolve around the information provided in the questionnaire. The interview can be held in English (or Italian) and might require the project partner's contact to help researchers with translations if the external stakeholder/s do not speak either one of these languages.

The deadline for the submission of the questionnaire is 22.02.2022.

Please, send it to: giulia.parola@ecsocfin.com and mine.tulu@ecsocfin.com

Thank you for your input and contribution to this study!

1. General information

Project partner (*insert the organization's name and country*):

Questionnaire filled on (*insert the date*):

Interview scheduled on (*insert the date*):

Project partner's contact (*insert name, surname, and contact details of the person filling the questionnaire*):

External stakeholder (*insert name, surname, organization's name, contact details of the person present in the interview, and role in the implementation phase - if any*):

2. Community or communities of interest

(*insert name of the village/s chosen for the implementation phase, indicate the geographical location within the country and the main economic activities*):

3. Driving forces of youth unemployment

The following table lists ten driving forces of youth unemployment according to literature (*read the table and think how these driving forces relate to the labor market in your community or communities of interest*):

Driving forces	Explanation
A. Automation	Process of substituting technology for human labor to perform specific tasks or jobs
B. Globalization	Migratory patterns of young people from rural areas into urban areas
C. State of the economy	General economic situation at the national and regional levels
D. Types of contracts	Typical job arrangements available for young people (e.g., temporary contracts)
E. Informal work	Working off the books can affect and distort unemployment levels as it represents a social safety net for those who are unemployed
F. Poor skills of job-seekers	This refers to poor educational systems producing adults who are not particularly highly skilled
G. Type of education	This refers to secondary education systems with fragile links with the labor market (usually, students have little-to-no practical experience and competencies)
H. Skills mismatch	Discrepancy between the skills that are sought by employers and the skills that young people possess
I. Demographic factors	Some demographic factors such as gender, disability, ethnicity have shown closer links to youth unemployment
J. Socioeconomic factors	Socioeconomic variables such as educational attainment, migration backgrounds, and household income play a role in young people's ability to access the labor market

3A. Does AUTOMATION affect youth employment in your community or communities of interest? What role does it play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):

3B. Does GLOBALIZATION affect youth employment in your community or communities of interest? What role does it play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):

3C. Does the STATE OF THE ECONOMY affect youth employment in your community or communities of interest? What role does it play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):

3D. Do the TYPE OF CONTRACTS affect youth employment in your community or communities of interest? What role do they play?

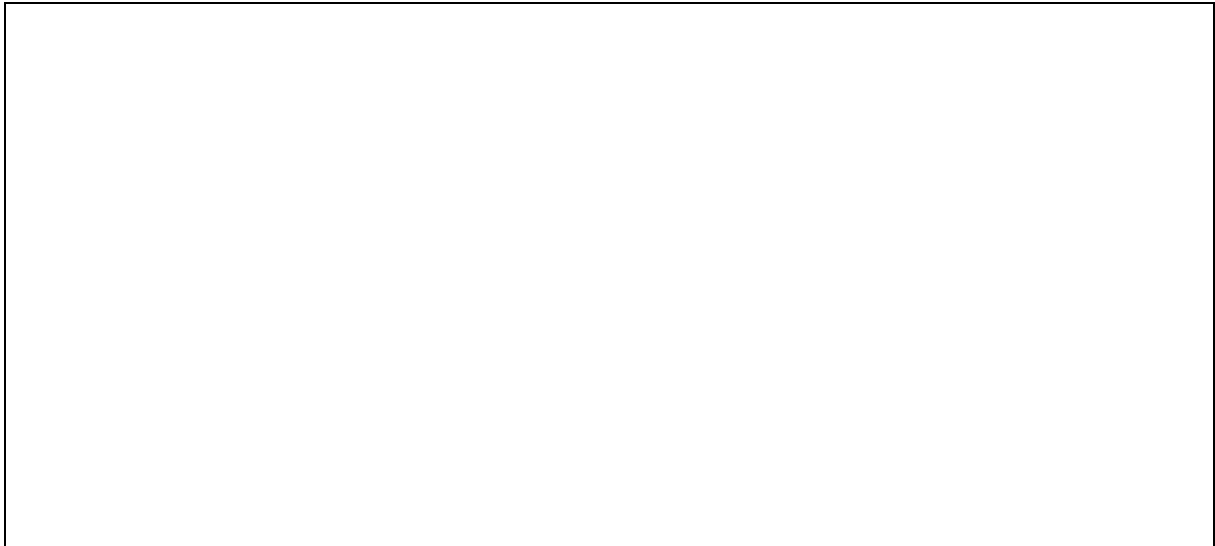
(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):

3E. Does INFORMAL WORK affect youth employment in your community or communities of interest? What role does it play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):

3F. Do the POOR SKILLS OF JOB-SEEKERS affect youth employment in your community or communities of interest? What role do they play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):



3G. Does the TYPE OF EDUCATION affect youth employment in your community or communities of interest? What role does it play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):



3H. Does SKILLS MISMATCH affect youth employment in your community or communities of interest? What role does it play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):

3I. Do DEMOGRAPHIC FACTORS affect youth employment in your community or communities of interest? What role do they play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):

3J. Do SOCIOECONOMIC FACTORS affect youth employment in your community or communities of interest? What role do they play?

(Please, answer the question and possibly add any relevant statistics or data that support it, you might include web links useful to researchers):

--

4. “Impact” ranking

(Please, considering the driving forces’ impact on the community or communities of interest, rank them from 1 to 10, from 1=most impactful to 10=least impactful, typing a number in the second column):

Driving forces	“Impact” ranking
A. Automation	
B. Globalization	
C. State of the economy	
D. Types of contracts	
E. Informal work	
F. Poor skills of job-seekers	
G. Type of education	
H. Skills mismatch	
I. Demographic factors	
J. Socioeconomic factors	

5. “Influenceability” ranking

(Please, considering your organization’s ability to the driving forces’ impact on the community or communities of interest, rank them from 1 to 10, from 1=most easily influenced to 10=least easily influenced, typing a number in the second column):

Driving forces	“Influenceability” ranking

A. Automation

B. Globalization

C. State of the economy

D. Types of contracts

E. Informal work

F. Poor skills of job-seekers

G. Type of education

H. Skills mismatch

I. Demographic factors

J. Socioeconomic factors

6. Final comments

(Are there any other driving forces affecting youth employment in the community of communities of interest that have not been mentioned in the questionnaire? If yes, please indicate them and add any other comments you consider useful to this study's objectives):