TSUNAMI

A Traineeship as a Springboard out of UNemployment for those Affected by Mental Illness

IMPACT EVALUATION – FINAL REPORT
September 2019

The TSUNAMI project aimed to provide solid evidence on the effectiveness of an active labour market policy targeted at unemployed with mental illness. People participating in TSUNAMI were provided with a complex series of services, lasting up to 11 months, mainly based on job coaching and on the activation of internships. In order to estimate the impact of the intervention we have conducted a randomised controlled trial (RCT) in Piemonte region, in the north west of Italy. The potential beneficiaries (unemployed enrolling at regional Public Employment Service offices) were randomly split in a treated group and a control group. Impact estimates have been yielded comparing the employment outcomes of the two groups. The project, started at the end of 2016, is finishing at the end of September 2019.

The evaluation design

The RCT was based on sites randomization, i.e. all people enrolling in a certain PES office were all assigned either to the experimental or to the control group. The Piemonte region was divided in 31 sites, each one managed by a different PES office (except the city of Torino, which had only one PES office and was divided in two equal parts). First, pairs of sites with similar size and expected outcome (estimated on previous cohorts) were created, then in each pair one site was randomly assigned to the experimental group and one site to the control group. The recruitment phase involved people enrolling at PES offices between November 2016 and December 2018. All eligible people enrolling at experimental PES were invited to participate in the project. Size and characteristics of the two groups are presented in Table 1.

Table 1. Main characteristics of the groups

	Experimental group	Control group
Age (avg)	38.5	38.4
Foreign born	6.3%	5.3%
Women	41.4%	41.9%
High school degree	33.4%	36.7%
Reduced work capability* (avg)	68.1%	69.7%
Had a job in the previous 12 months	58.3%	61.0%
Did an internship in the prvious 12 months	3.4%	5.6%
N	851	735

* The "reduced work capability" rate varies between 0% and 100%. Unemployed with a certified disability must have a reduced work capability of at least 46%.

Participation and individual pathways

Unemployed belonging to the experimental group were contacted by the job coaches and were offered to participate in the project. People were contacted within a month of the enrolment at PES office (except for people enrolling in the very first months, between Nov2016 and Jan2017, for whom the intervention began on March 2017).

The intervention was divided in four subsequent phases:

- Welcoming, diagnosis (phase 1) and employability empowerment (phase 2), lasting up to two months;
- Traineeship and tutoring (phase 3), which was the main phase, lasting between three and six months;
- Job search support (phase 4), lasting up to three months.

After the very first part, consisting in invitation and employability assessment, the workers were offered a specific intervention plan and might decide whether to participate or not. The take up rate in the experimental group is 51%. Most non-participants were either not interested in participating or considered not employable by the job coaches. As regards participants, a high portion of them dropped out before reaching the advanced phases of the intervention: only 14% of the experimental group began an internship, and 9% received support to job search.

Current results

Current results come from the analysis of data from the regional Labour Market Information System (SILP) updated at June 2019. The analyses will be replicated in the next months by the researchers to get more extensive and detailed results; nonetheless, the current results are based on about 75% of the whole sample (those enrolling within June 2018, for whom at June 2019 was possible to observe the outcomes after at least 12 months), therefore they are not expected to change much in the future. In Table 2 we show the main results: employment and internships in the first 12 months after recruitment for cohorts between November 2016 and June 2018.

Table 2. Main results at February 2019

	Control group	Experimental group				ITT
	All	All	Participants	reaching T3	reaching T4	
Had a job in the first 12 months	0.25	0.23	0.25	0.29	0.49	-0.02
Did an internship in the first 12 months	0.09	0.20	0.31	0.98	0.82	+0.12**
N	539	636	327	89	79	

Cohorts Nov. 2016 – Feb 2018 - ** estimates statistically significant at α=5%

Intention-to-Treat (ITT) estimates, obtained comparing the two whole groups' outcomes, show that the project increases noticeably the probability of beginning an internship, which is a structural part of the treatment. On the other hand, when we look at the real outcome (having a job), we find no relevant differences between the two groups. The results seems not to depend on the timing of the outcome observation: in Figure 1, where internship and employment rates up to 21 months after recruitment are shown (progressively restricting the observation to older cohorts), it can be seen that the employment rates continue not to differ.

Since the ITT on employment is almost zero, it is likely that estimating the impact of treatment (ATT), instead of assignment, would yield the same results. The instrumental variable estimates of ATT (where treatment is defined in two different ways: entering the project (T1) and beginning an internship in the project (T3)) are summarised in Table 3.

Figure 1. Internship and employment rates

Table 3. Overall impact estimates

	ITT Assignment		ATT: Participation		ATT: Participation+internship	
	ITT without covariates	ITT with covariates	IV without covariates	IV with covariates	IV without covariates	IV with covariates
Had a job in the first 12 months	-0.02	-0.01	-0.03	-0.02	-0.12	-0.09
Did an internship in the first 12 months	+0.12**	+0.12**	+0.23**	+0.23**	-	-

Cohorts Nov. 2016 – Feb 2018 - ** estimates statistically significant at α=5%

Results above refer to the whole group of eligible unemployed. One issue to be addressed concerns impact heterogeneity: although we do not estimate any impact at population level, some specific subgroups could benefit from the project (e.g. people with higher or lower employability). Therefore, we conduct some subgroup analysis. Although some differences seem to emerge (with respect to age, or previous work history), all estimates are far from being statistically significant. Concluding, current analyses do not provide any clear evidence about the intervention effectiveness: the participation increases the chances of doing an internship, but finally we cannot estimate a positive impact on employment.

Table 4. Subgroups impact estimates on the probability of having a job in the first 12 months

	ITT Assignment		ATT: Participation		ATT: Participation+internship	
	ITT without covariates	ITT with covariates	IV without covariates	IV with covariates	IV without covariates	IV with covariates
Men	-0.02	-0.02	-0.04	-0.04	-0.15	-0.14
Women	-0.01	0.00	-0.02	0.00	-0.06	0.01
Age<=40	0.01	0.03	0.02	0.05	0.06	0.19
Age>40	-0.04	-0.04	-0.07	-0.08	-0.28	-0.30
No high school degree	-0.01	-0.08	-0.03	-0.02	-0.09	-0.05
High school degree	-0.02	-0.03	-0.03	-0.06	-0.13	-0.24
Reduced work capability<75%	-0.03	-0.01	-0.05	-0.02	-0.20	-0.08
Reduced work capability>=75%	-0.02	-0.01	-0.03	-0.02	-0.11	-0.06
Had not got a job in the previous 12 months	0.03	0.02	0.06	0.05	0.22	0.18
Had got a job in the previous 12 months	-0.03	-0.03	-0.06	-0.06	-0.22	-0.20

Cohorts Nov. 2016 – Jun 2018 - ** estimates statistically significant at α=5%