

The JPCs seem to be working. Why not use them to increase female employment?

By Alex Domash, May 2017

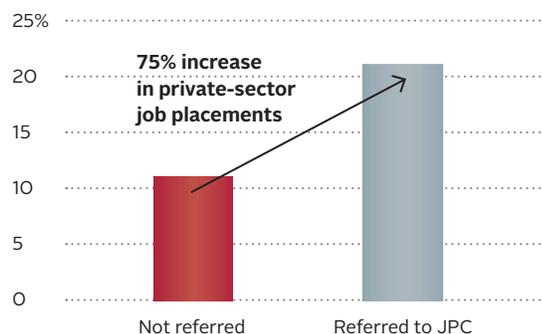
Project: Unemployment and Employability; Utilizing the National Labor Gateway (NLG) to facilitate Female Participation in the Saudi Labor Market

Job Placement Centers, or JPCs, supported by the Human Resources Development Fund (HRDF), provide services to help Hafiz beneficiaries find jobs. For example, JPCs provide job information to job seekers, which addresses a key constraint in the labor market: employers and employees have **incomplete information** about each other. Described more fully in the “Key Concept” box, this problem can hinder employment—especially for women. Are JPCs effective in addressing this challenge?

To answer these questions, we analyzed administrative data from Hafiz and the General Organization for Social Insurance (GOSI), along with a new survey of approximately 760,000 Hafiz beneficiaries. We find that the referral process is effective: 80% of Hafiz beneficiaries—both men and women—who receive JPC referrals actually attend JPC sessions. Importantly, job-seekers, particularly women, do learn real job information from the JPCs. Women who visited a JPC were 50% more likely to be informed about job opportunities. Moreover, **Hafiz beneficiaries who receive a JPC referral are 75% more likely to find private-sector employment than those who do not**, even when controlling for other factors. In short, JPCs seem to be successful in this goal of providing information.

While these initial findings are encouraging, there is still more that can be done to maximize impact. HRDF sponsors a total of 30 JPCs, of which 12 provide services to women. And while **women represent more than 90 percent of Hafiz beneficiaries, only 13 percent of women who enrolled in Hafiz since 2011 were referred to JPCs—and that proportion is decreasing**. By contrast, 40 percent of men received JPC referrals. This suggests a promising opportunity to contribute to Vision 2030 objective to increase female employment: in particular, by increasing JPCs providing dedicated services to women.

Proportion of Hafiz beneficiaries who find private-sector employment



KEY CONCEPT

Incomplete Information in the Female Labor Market

Female employment has historically been concentrated largely in the public sector. This means that women likely have limited information on private-sector jobs and limited networks in those fields. A lack of information makes it difficult for women to find adequate jobs, and for firms both to recruit them and to assess their skills. Through professional training and job-search assistance, JPCs can address this challenge. In particular, women can learn about high-quality job opportunities that match their skills and preferences, and can effectively show employers that they have certain skills by completing JPC trainings.