The Impact of Stigma on Labor Market Assistance Take-Up in Egypt

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Sector(s): Labor Markets

Fieldwork: Education for Employment, JobMaster

Location: Alexandria, Cairo

Sample: Evaluation 1: 767,768 youth; Evaluation 2: 2,900 youth

Target group: Job seekers Youth

Outcome of interest: Employment

Intervention type: Information Job counseling

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Partner organization(s): International Development Research Center (IDRC)

Take-up of social programs is often low despite large expected benefits, which may be due to several reasons, including stigma. To better understand this phenomenon, researchers studied the effects of acknowledging and refuting stigma on take-up of labor market assistance programs. The results of three randomized evaluations indicated that mentioning stigma, even with the aim of dispelling it, generally reduced take-up of these programs. These impacts varied according to individuals' maturity and work experience levels.

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Take-up of social programs, including labor market assistance programs, is low around the world. This may be due to factors such as lack of information about the programs and the efforts of applying to them. Concern about the stigma associated with partaking in certain programs or activities may also influence an individual's decision to apply for and enroll in labor market assistance programs. In some instances, youth may choose to remain unemployed rather than pursue jobs that they perceive to be professionally unappealing or socially looked down upon.

Types of stigma include social, professional, personal, and welfare stigma. Social stigma is the perception that entry-level jobs are looked down upon by society in general, and by family members and potential marriage partners in particular. Professional stigma is the perception that entry-level jobs are looked down upon by employers and thus hinder career development and progression. Personal stigma is internal disappointment and lack of fulfillment as a result of holding a nonrewarding job. Finally, welfare stigma is the negative self-perception that results from partaking in a program that targets poor or disadvantaged groups in society.

It is generally believed that stigma largely factors into low take-up rates, but there is limited evidence on this. More research on how different forms of stigma and recruitment practices influence an individual's, particularly a youth's, selection into social and labor market assistance programs can help inform efforts to improve these programs' take-up rates across different demographic groups.

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Greater Cairo is one of the largest and fastest-growing urban areas in the world, and it has the highest population density within Egypt. It is home to approximately 21 million individuals, 60 percent of whom live in informal settlements. Egypt is a middle-income country, with a purchasing power parity-adjusted GDP per capita of approximately 12,000 USD. According to the International Labor Organization, the country has one of the highest unemployment rates in the world, as 33.4 percent of its youth population aged between 15 and 24 faced unemployment issues in 2016.

Although political and economic instability associated with post-revolutionary Egyptian society has played a role in altering labor market conditions, employment challenges in Egypt precede the 2011 uprisings by decades. Several factors contribute to high unemployment rates among youth in Egypt today, including the scarcity of jobs that are available and socially perceived as desirable. Recognizing the impact of stigma and job perceptions on take-up rates of labor market assistance programs and youths' labor force participation is crucial to overcoming labor market challenges in Egypt.



Young Carpenter in Egypt

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Three randomized evaluations assessed the impact of different types of stigma on take-up of labor market assistance programs. Researchers partnered with Egypt's Education for Employment (EFE) office for two evaluations and with JobMaster to conduct the third. EFE is an NGO that specializes in demand-driven training and job matching. It partners with employers to train college-educated youth for entry-level jobs in Egypt's services sector. Similarly, JobMaster is a recruitment company that provides human

resources services through hosting job fairs and other forms of support.

Evaluation One: Facebook ads about a job training to study social and professional stigma

The first evaluation used Facebook, which is widely used in Egypt, to recruit for a job training in late 2018. Facebook advertisements reached 767,768 young users living in greater Cairo. Each ad acknowledged the existence of either social or professional stigma and tried to dispel it through testimonials from previous graduates of the training program.

Participants were randomly divided into one of three groups, which determined which ad the user saw.

- The *social stigma group* received an ad in which previous graduates of the program acknowledged that some may think that jobs held by graduates would be viewed negatively in society and then explained that this did not turn out to be true for them. It also provided information about the training program, including basic details relevant to the content, length, and format of the training.
- The *professional stigma group* received an ad similar in tone to that received by those in the social stigma group but focused on professional stigma. They also received basic information about the training.
- The *comparison group* simply received an advertisement with information about the training program, with no allusion to stigma.

Researchers studied which message, if any, was effective at increasing sign-ups for the training program. The use of Facebook facilitated testing advertisements against each other and reaching a large number of young job-seekers. However, drawbacks of the intervention were that Facebook users often ignore ads on the platform, and it was impossible to discern participant characteristics other than their gender and age.

Evaluation Two: Street-level marketing for a job training to study social, professional, personal, and welfare stigma

The second evaluation focused on approaching youth in person through street-level marketing. Surveyors asked individuals whether they were interested in learning about a training program for youth searching for jobs and were able to survey a total of 2,900 individuals.

Pitches on social and professional stigma in this evaluation matched the advertisements in the first evaluation. A third pitch measured the effects of alluding to personal stigma and a fourth to measure the impact of welfare stigma.

- As in the first evaluation, the *social stigma group* received a pitch in which previous graduates of the program acknowledged that some may think that jobs held by graduates might be viewed negatively in society before explaining that this did not hold true. Participants also received basic information about the content, length, and format of the training.
- The *professional stigma group* received a pitch similar in tone to that received by those in the social stigma group but focused on professional stigma. They also received basic information about the training.
- The *personal stigma group* received a pitch that noted high satisfaction amongst program graduates, despite people's general belief that these jobs may not be enjoyable.
- The *comparison group* received a pitch that merely provided basic information about the training program, with no allusion to stigma.

After being told the price of the program, some participants also received a pitch that explained that the "true cost" of the training has been reduced to "help those in financial hardship." This pitch helped identify the impact of welfare stigma.

Researchers studied which message, if any, was effective at increasing the number of individuals who agreed to apply to the training program. In-person marketing for the training program allowed more information to be collected about individuals' backgrounds to better assess the impact of job-seekers' characteristics on their take-up choices. However, the more intensive

nature of in-person interactions limited the number of participants taking part in this evaluation.

Evaluation Three: Door-to-door recruitment for a job fair to study social stigma

While evaluations one and two focused on the relative impacts of different types of stigma, evaluation three measured the impact of social stigma and whether it could be adequately dispelled. Rather than providing information about a multi-week job training program, door-to-door recruitment in the third evaluation provided information about an upcoming free job fair focused on entry-level jobs in the service sector. Participants were assigned to one of three groups.

- The *first group* received a pitch that explicitly attempted to make social stigma salient by recognizing its existence and adding that "it's important to start somewhere."
- The *second group* received a pitch that recognized and attempted to dispel social stigma by adding that people in these jobs claim that their families respect and encourage them.
- The *comparison group* received a pitch that provided individuals with basic information about the job fair and the firms taking part in it.

Researchers studied which message, if any, was effective at increasing the number of individuals who attended the job fair. Because the focus was on attending a one-time job fair, rather than a longer job training course, it also allowed researchers to observe actual attendance of the job fair instead of just applications. They were also able to gather more information about the young job seekers to analyze the varied impact of stigma on individuals of different backgrounds and aspirations.

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Stigma related to social image and perceptions of future prospects contributed to determining youths' labor market decisions. Attempting to dispel stigma surrounding entry-level jobs had varied effects. Merely mentioning stigma to younger job seekers who had limited work experience reduced take-up rates, although this effect decreased as age and work experience increased.

*Attempting to dispel stigma instead made it more salient among job-seekers***.** In evaluation one, mentioning social or professional stigma to mitigate concerns about it reduced take-up rates of the job assistance program. While overall sign-up rates remained low, with about 0.12% of individuals served an ad signing up for the training, mentions of social stigma reduced take-up more than mentions of professional stigma. Mentions of social stigma reduced take-up by 0.047 percentage points, a 38.9 percent reduction in take-up relative to the comparison group. Mentions of professional stigma decreased take-up by 0.032 percentage points, a 26 percent reduction relative to the comparison group.

Stigma may have varied effects on job-seekers depending on their age and socioeconomic status (SES). In evaluation one, mentions of both social and professional stigma reduced sign-up rates for job training programs. However, the impact was larger among younger individuals than among older ones. This may have occurred because older people may be less sensitive to stigma and what others may think of them and their jobs, as concerns about the marriage market decrease as age and maturity levels increase.

In evaluation two, mentions of social, professional, and personal stigma in pitches had little impact on overall take-up rates. However, impacts varied greatly according to SES. Allusions to stigma reduced take-up among individuals of lower SES, decreasing application rates by 4.3 percentage points (from 43 percent in the comparison group to 38.7 percent in the group receiving the pitch alluding to stigma), a ten percent reduction relative to the comparison group. However, allusions to stigma increased application rates for individuals of higher SES by 10.2 percentage points (from 43 percent in the comparison group to 53.2 percent in the group receiving the pitch alluding to stigma), a 24 percent increase relative to the comparison group. This evaluation confirmed that stigma can play a role in determining job seekers' application behavior, though its effects varied based on individuals' characteristics and backgrounds. The evaluation also found that welfare stigma does not have a negative impact on job-seekers and that it does not greatly factor into take-up rates for job training programs.

Attempting to dispel stigma may further reduce job-seekers' interest in attending job fairs, especially among younger individuals. In evaluation three, the mere mention of social stigma decreased job seekers' attendance, with attempts to dispel the stigma decreasing attendance even further. Once again, impacts varied by age, as mentions of stigma strongly affected younger individuals and reduced their attendance by 5.3 percentage points (from 5.9 percent in the comparison group to 0.6 percent in the group receiving the pitch), a 90 percent decrease in attendance relative to the comparison group. The same mentions had no impact on older people, and there were no differences in attendance according to backgrounds and SES.

These results demonstrate the importance of messaging and tailoring information according to individual characteristics. Allusions to stigma associated with entry-level jobs affected labor market decisions, though the impacts varied according to individuals' SES and age. Further research is needed to assess various messaging strategies and their influence on different target groups.