



Management Consultancy in the Public Sector: Evidence from Greece

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Challenges faced by the Greek Economy

 $40^{\circ}/_{0}$

14.3%

30%

Unemployment

NEETs

VET School
Dropouts

Low productivity and hence low long-term growth

Can we reduce school dropouts by improving school management?



Why management?

1. It has proven to be effective in improving outcomes in the private sector.

2. It can be highly cost-effective.

The setting

- 1. 49 vocational schools (upper secondary) under the Greek Public Employment Service.
- 2. 2-year education program for students between 15 and 29 y.o.
- 3. 31 specialties (bakery and pastry, hairdressing, culinary arts, IT support, mechanics etc.)
- 4. Combines
 - in-the-classroom and lab training (21-22 hours/week)
 - on-the-job training (i.e., apprenticeship) (up to 6 hours/day)

Highly Valued by Students

The intervention

- 1. Appoint a **school management team** (director + 1-3 school employees)
- 2. Weekly online meetings for 5 months + 1 in-person visit from the management consultants.
- 3. Data tools: **dashboard** to monitor Key Performance Indicators (KPIs) and a list of students "at risk of dropping out."
- 4. Structured meetings: structured agenda, track KPIs, root cause analysis, design an Action Plan, assign clear responsibilities, follow up on the Action Plan

Randomization

25 randomly selected T schools:

- Management consultancy intervention from Nov 2022 to April 2023
- Goal: help schools to devise and implement effective strategies to reduce dropout rates

24 randomly selected C schools:

• No intervention

All schools were asked to maintain their information system monitoring absenteeism, allocation to apprenticeships, and dropouts, up-to-date

Data

Meeting-level (T schools only) [Nov. 2022 – Apr. 2023]

• weekly data on implementation

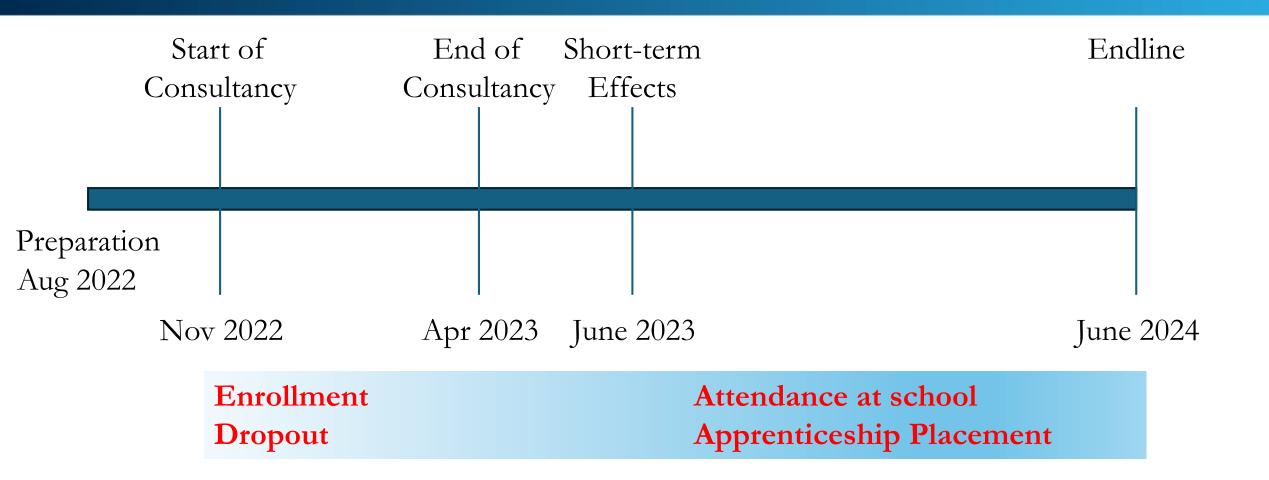
Student-level [2015-2019 and 2022-2024]

- admin: enrollment, attendance at school and internship, dropout, grades, and demographic characteristics
- end-line survey: satisfaction, reasons to enroll

School-level

- baseline survey: directors' perceptions about drop-out
- admin: teacher characteristics [2015-2024]

Timeline and summary of empirical strategy



What did the authors find?



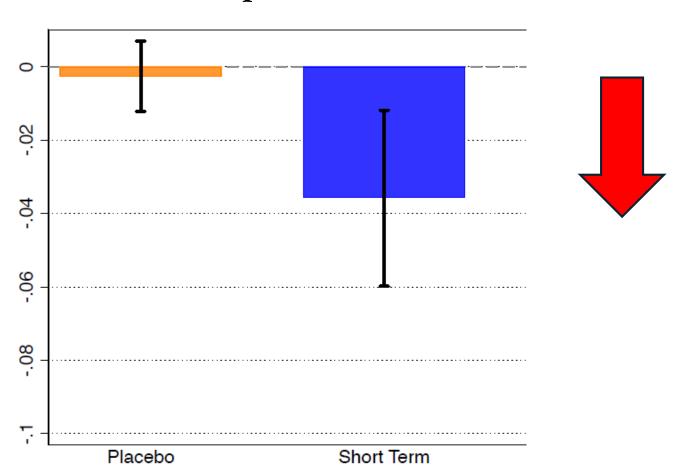
Did the school's "management team" participated in the consultancy meetings?

School meeting participation was 97%--24 schools participated in all meetings, and one dropped out of the program after 4 sessions.

	N	Mean	Std Dev
N mgmt team members attending the meeting	412	2.32	0.95
Is there an action plan established?	412	0.91	0.29
Was the action plan revised	412	0.83	0.38
The dashboard contains information on:			
Students enrolled	412	0.90	0.30
Students enrolled but never showed	412	0.89	0.31
Students enrolled that showed			
10 days or less in the last 30 days	412	0.87	0.33
Students w/ internships	412	0.90	0.30
Was the list of students at risk			
of dropping out updated?	412	0.38	0.49

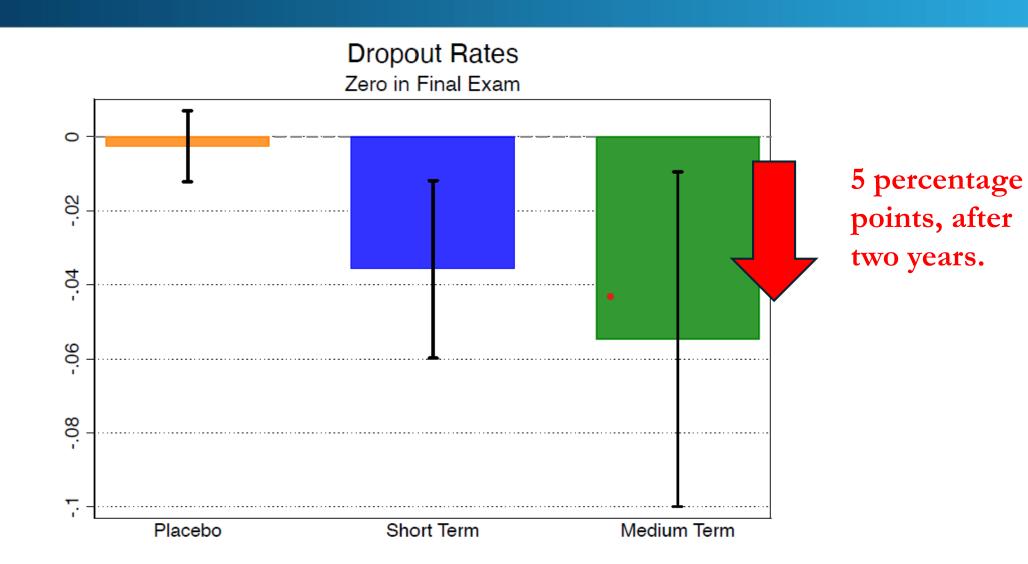
Improving Management, Reduces Dropouts





3 percentage points, on that same year.

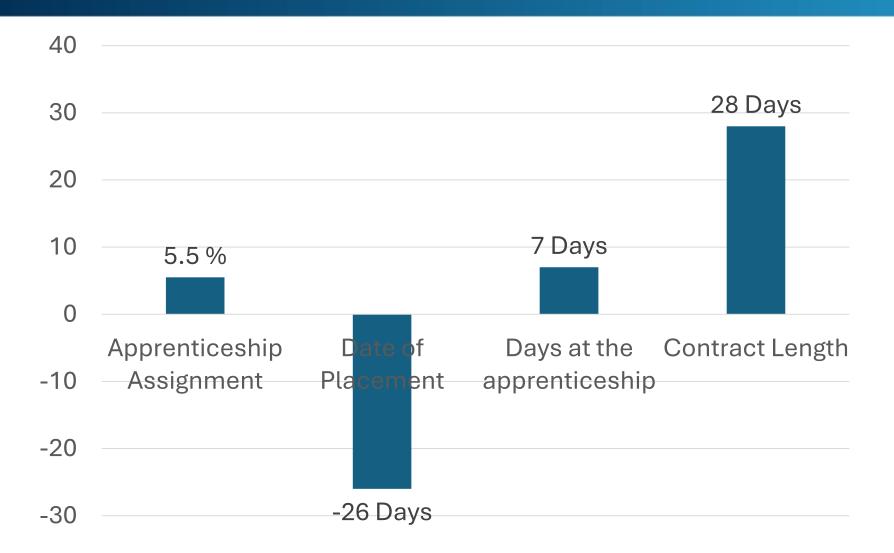
The Impact Persists in the Medium-Term



What explains these findings?

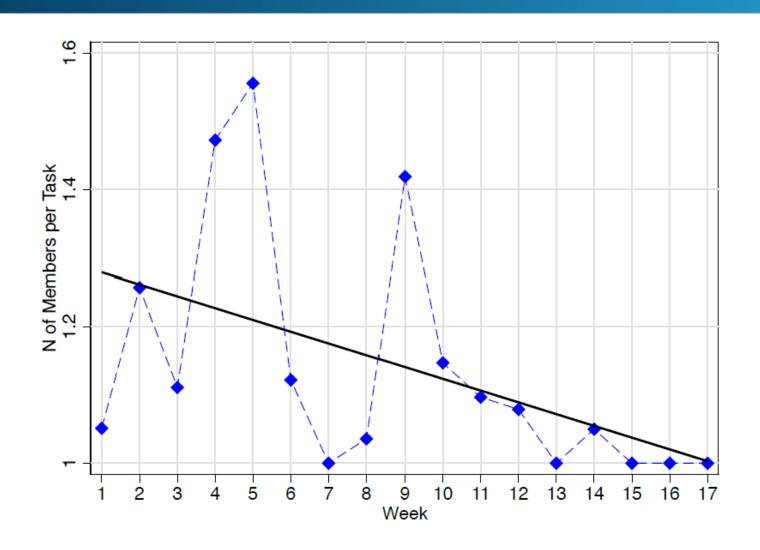


Reason 1: Treated Schools were more efficient in placing students in an apprenticeship.



*All results statistically significant

Reason 2: Staff in treated schools had better defined roles and responsibilities.



Conclusions

- 1. The available administrative data can be used in a more efficient way to improve the delivery of social services.
- 2. But social service providers need technical support.
- 3. "Trial-and-adopt" can help us:
 - Ensure that the investments and intervention (in this case TSI-financed) are achieving its purpose.
 - Identify the mechanisms improving the quality of services.

Thank you!

Rafa de Hoyos Human Development World Bank



