



# Haredi Employment: a Multi-Sector Partnership Initiative Model

Summary presentation

December 2022

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# Agenda

Introduction

Overview of current situation

The path forward – Multi-sector partnership

Detailed design of the partnership

Progress measurement

Summary

Appendix





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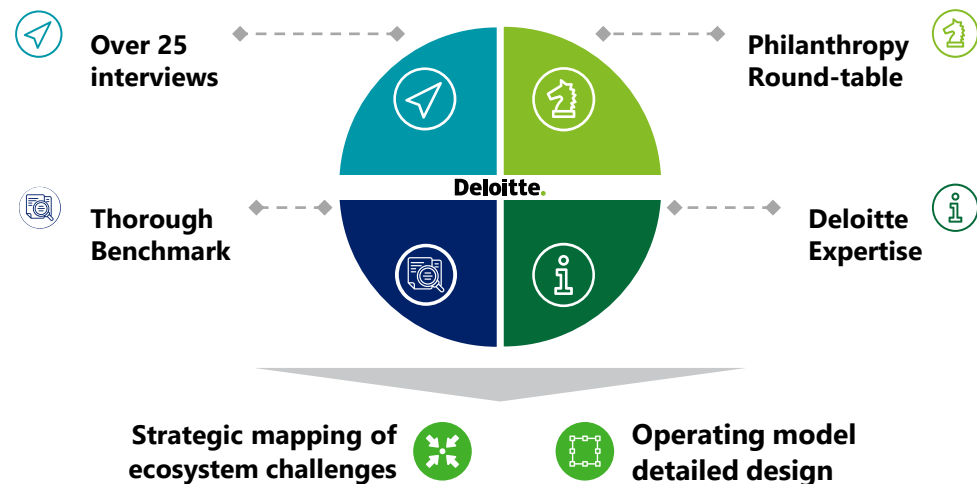


# Project Goals

- The **Haredi Employment Coalition** aims to **reverse the stagnation** in Haredi employment
- Due to the **complexity and lack of sufficient coordination and communication** in the Haredi employment ecosystem, the Coalition has set to **establish a multi-sector partnership initiative** that would gather key stakeholders for a coordinated effort to enhance employment
- **The project's goal** is to develop the **operational structure** and working model of the multi-sector partnership initiative

# Executive Summary (1/3)- The Haredi employment ecosystem

- **The project's goal** is to support the Haredi-Employment Coalition's activity by developing an **operational structure** and operating model for a **multi-sector partnership** addressing the subject of Haredi employment
- Our work included a wide analysis of the Haredi employment ecosystem, building on numerous SME interviews and trend analysis; a review of the Coalition's activities, a thorough benchmark of relevant initiatives and a detailed design of the recommended operating model for a multi-sector partnership

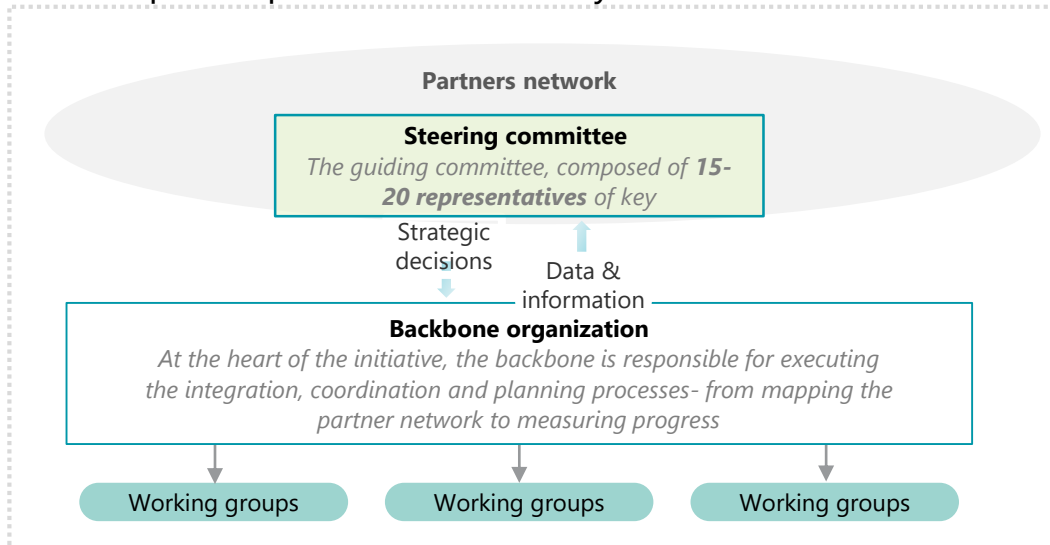


- Haredi employment rates have **stagnated in recent years**, possibly due to **substantial structural challenges**, such as:
  - **Complex ecosystem** with varied stakeholders from different sectors
  - **Unbalanced and un-coordinated** activity and un-optimized conduct
  - **Psycho-social barriers**, prejudice & political / (growing) social tension
- These add up to create an increasingly **large- scale and pressing** national issue
- The Coalition's activity so far has addressed **certain focal points** within the construction, steel, dentistry, finance and tech sectors, involving various partners in ad-hoc projects
- Limited progress was achieved **due to the character and scale** of challenges within the ecosystem.
- The **Coalition's commitment** to national progress in Haredi employment entails scaling up activity to national levels, while creating cross-sector partnerships and widening the activity areas- i.e. **creating a multi-sector partnership**



# Executive Summary (2/3)- The Multi-Sector Partnership initiative

- The '**multi-sector partnership**' will address large-scale issues by creating **collaboration and coordination across the ecosystem**
- Typically, such initiatives consist of an **extensive network of partners** (including tens / hundreds of stakeholders), a **steering committee** with key players from each sector providing strategic guidance, a **backbone organization** to establish and lead the collective, and **working groups**, consisting of stakeholders responsible for solution development per-issue in each key area



- It is advised that the steering committee of the Haredi employment partnership consists of **15-20 representatives** with **balanced representation** across **business sectors** (employers and employers' organizations), the **government** (ministries, municipalities), and the **3rd sector** (NGOs, philanthropy, and community representatives). The committee will oversee the backbone organization and decide upon strategic issues
- It is advised that the backbone organization consists of **3-4 FTEs**, including an initiative manager, a Haredi-community partnership manager, an initiative coordinator, and administrative staff.
- The backbone organization will be **responsible for connecting** stakeholders to form a partners' network as well as **mobilizing and coordinating** the ecosystem
- **Estimated funds** required for the first 2 years of activity of the partnership are 2.8 - 3.7M NIS , the main expense will be staff (~2M NIS)

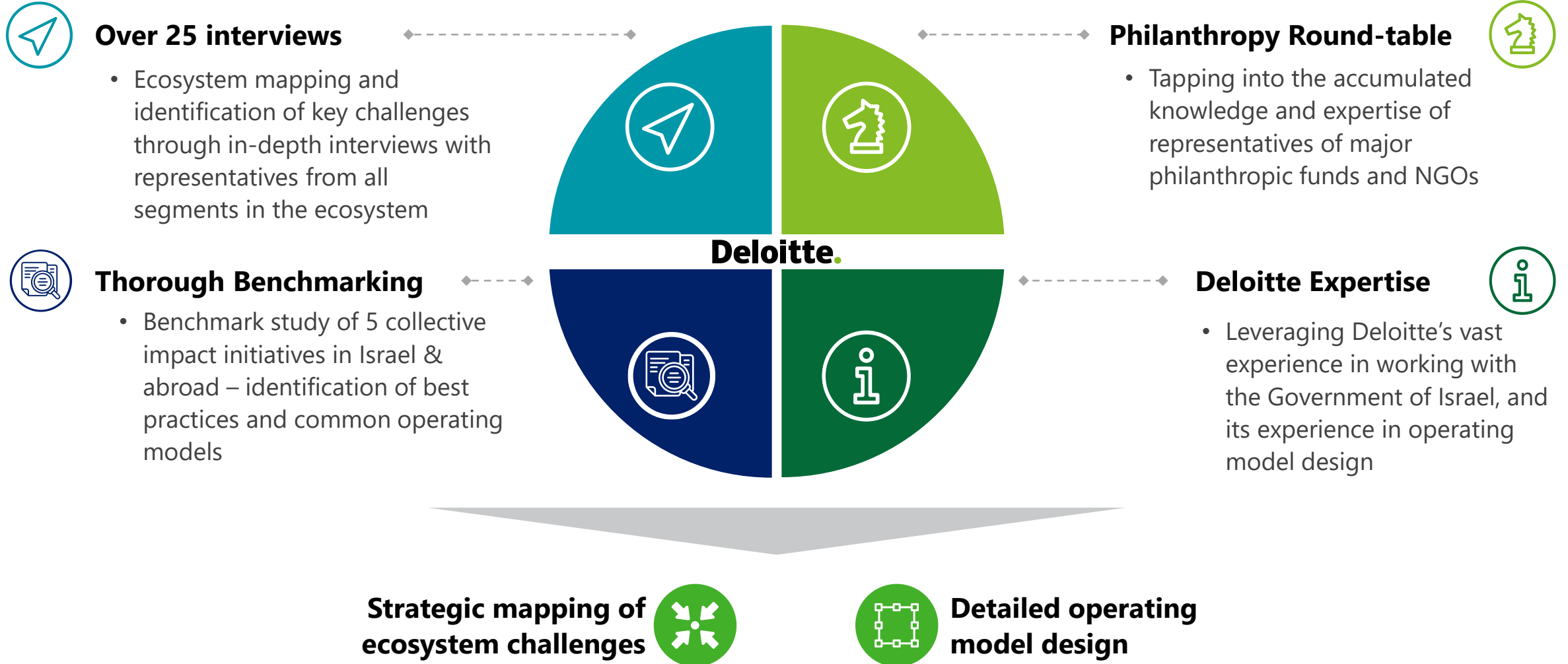
# Executive Summary (3/3)- Measuring success

- The initiative's success is dependent on the achievement of 4 key milestones in the coming year:
  - Establishing an active **steering committee** (routine meetings) comprising of all relevant sectors
  - Establishing a defined **partners' network** comprising of all relevant sectors
  - Articulating and approving a **common agenda** with a definition of the partnership's challenge and goals
  - Establishing **working groups** with defined topics and general working guidelines
- Progress will be **subsequently measured by 7 initial KPIs** (measuring the **importance** of the initiative and the **outcomes** of its activities)
- The **initiative's impact** will be measured by **monitoring quick wins** which are expected due to the positive effects of the various meetings and communication channels facilitated by the partnership.
- We believe that the multi-sector partnership will be **positioned to make progress** and reverse stagnation in Haredi employment





# The process includes combining several sources of information to generate insights



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**The Haredi employment ecosystem**

The Coalition's activity

The path forward – Multi-sector partnership

Detailed design of the partnership

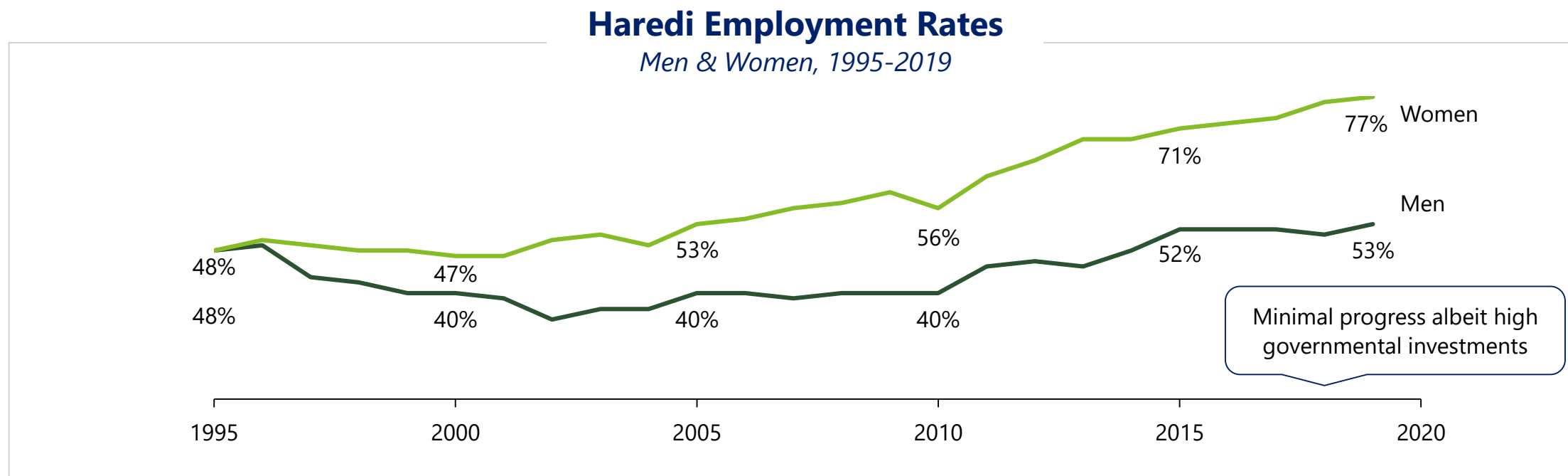
Progress measurement

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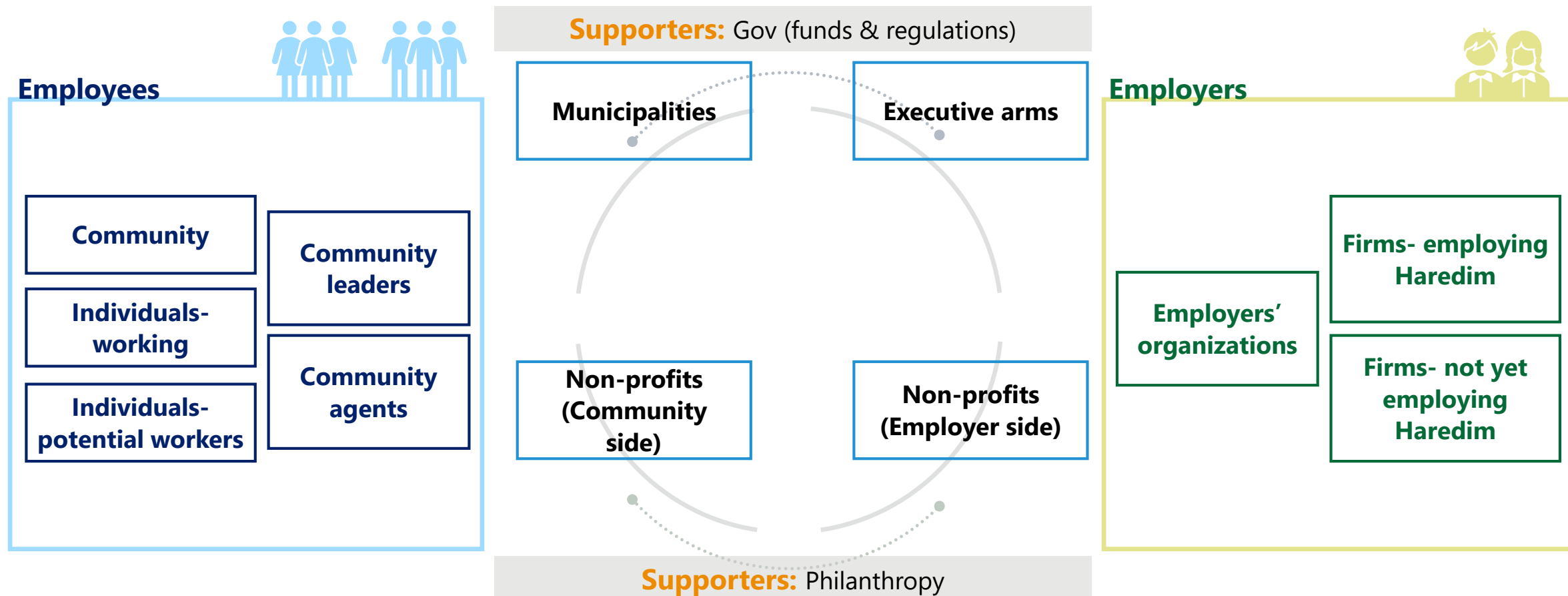
# After a substantial rise in the past, more recently Haredi employment levels have leveled off



**While employment rates of males remain low, female rates are high but with qualitative challenges-**

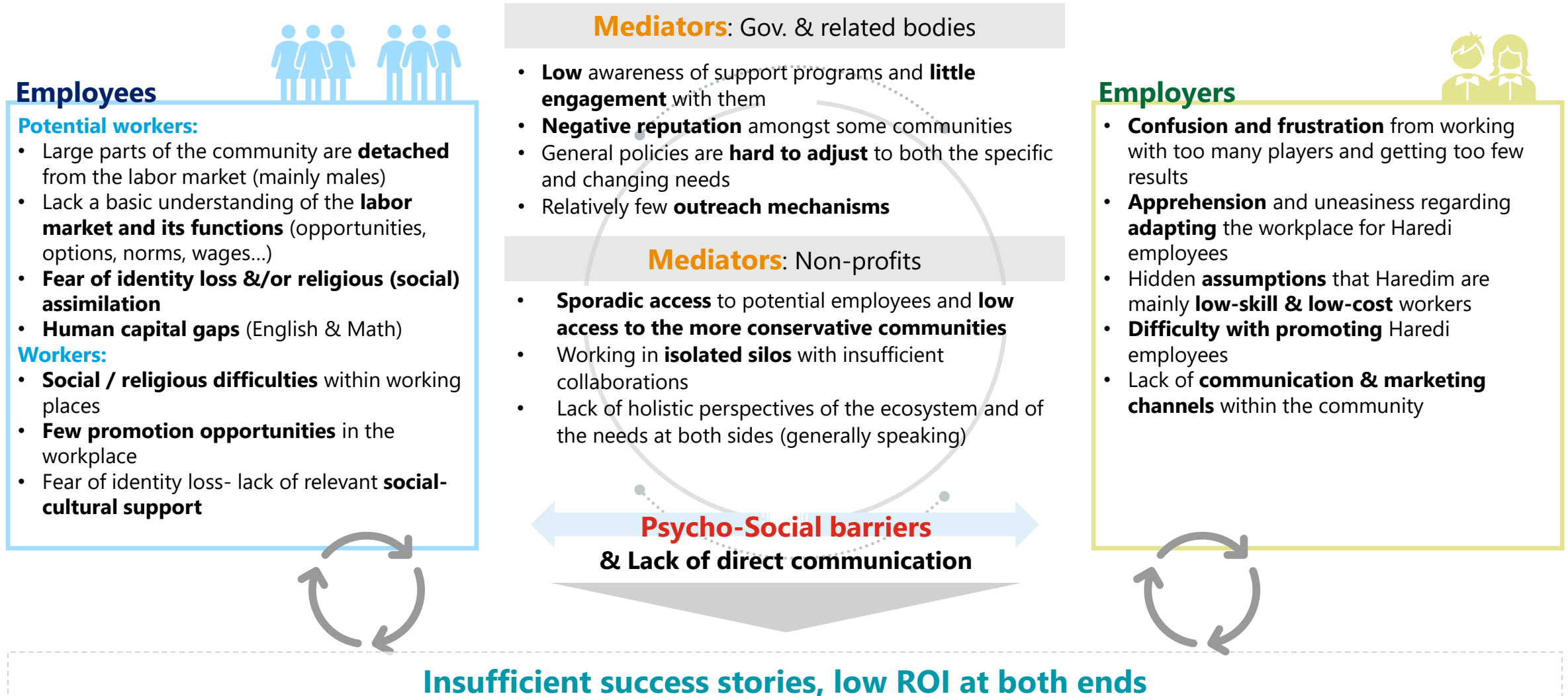
- Employment rates among **males**: ~5% change in 25 years, ~**0% change** in last 5 years
- Employment rates among **females**: **Only 37% in full-time** jobs, many females in **low wage** occupations

# The current Haredi employment ecosystem can be segmented into three main groups of players: employees, employers & mediators

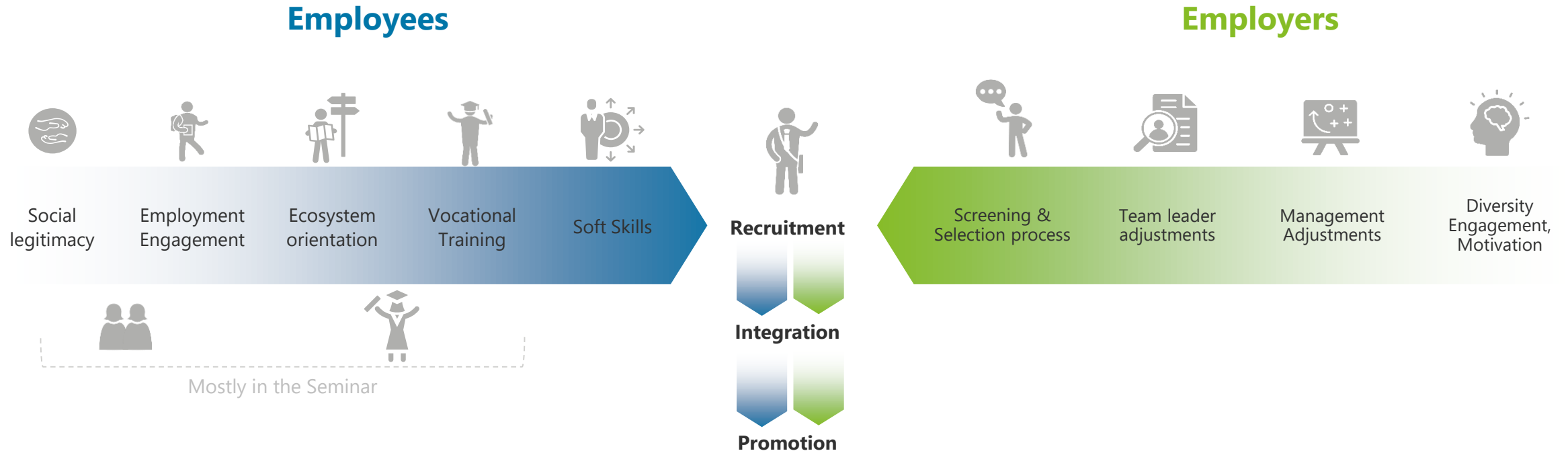




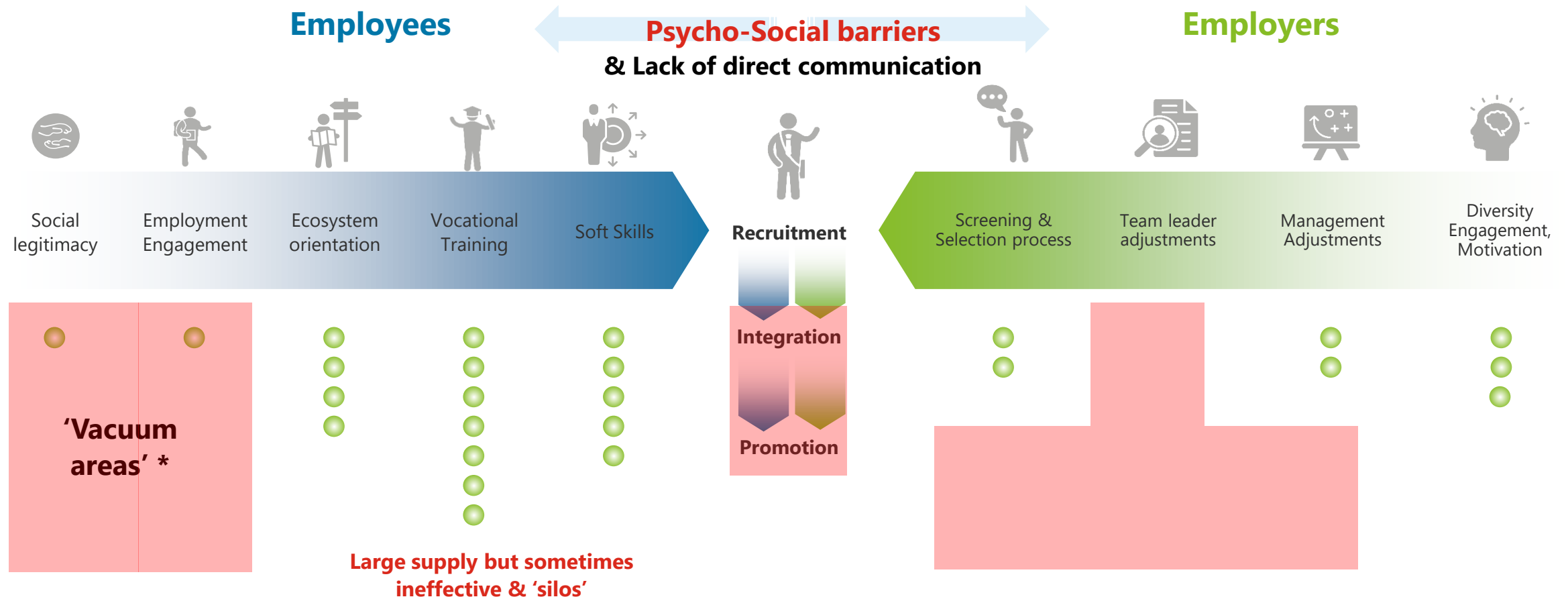
# Major difficulties across the entire ecosystem undermine motivation and collective efforts, creating a vicious cycle



The employment process Haredim and their potential employers undergo (the employment “value chain”) is another prism through which the ecosystem can be viewed:



# Current activity across the employment value chain is not ideally coordinated (even within stages), and includes problematic 'vacuum areas'



\*Illustrative summary of differences in scale of activity on different parts of the chain

# The ecosystem's situation and challenges combine to create a complex, large-scale and pressing issue

## Structural challenges hinder large-scale success

- **Complex ecosystem** with varied stakeholders - **different sectors** and different perspectives
- Unbalanced and **un-coordinated activity** & lack of direct **communication channels**
- **Psycho-social barriers** and prejudice on both ends of the employment 'chain' - & **political** / (growing) **social tension**
- *These effects undermine progress achieved by many important players*

## Stagnation on a national level

- **Over 100M NIS** GOI invested annually<sup>1</sup> as well as **Dedicated functions** within the government,
- **Disappointing progress**  
*(e.g., ~0% change in male employment rate in recent years, only 37% of females in full-time positions)*

## A pressing and broadening issue

- The stagnating rates impose a **massive challenge to the Israeli economy and society**
- **Demographic trends** imply an even greater importance of the issues: If employment rates persist, **the Israeli economy will lose 40B NIS or more by 2030**

**Any effort to 'Move the needle' will require a coordinated, cross-sector, innovative and large-scale activity**

(1) The Budget Key- <https://next.obudget.org/i/budget/00364201/2022>

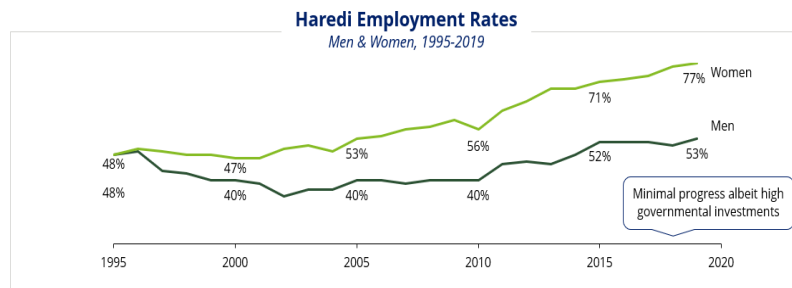
(2) [Calcalist](#) - based on calculations conducted and presented by the Budgets Department, Ministry of Finance



# The Coalition's commitment to national progress in Haredi employment entails scaling up the activity while emphasizing:

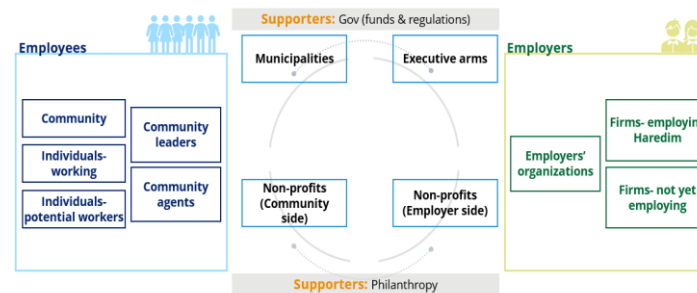
## National level

Large-scale collaboration with multiple partners, to ensure sufficient coverage on a national impact



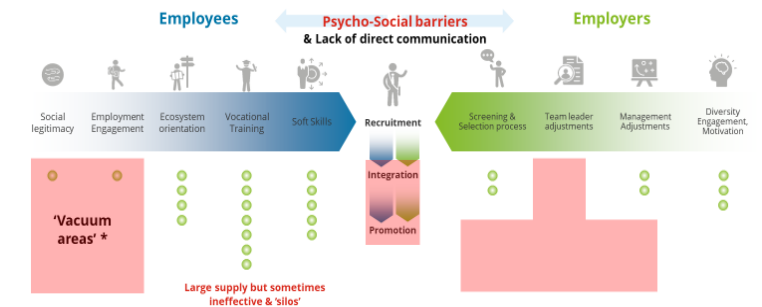
## Partnerships

Forming long-term partnerships with representatives across all sectors to create coordination across the ecosystem



## Wider activity areas

Leveraging current activity and creating additions to address stages of the 'value chain' at both sides



# In recent years, the Coalition achieved considerable impact in several key areas

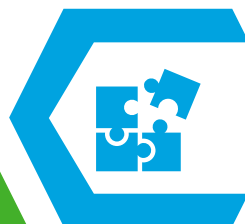
## The Coalition

► Next Generation Of Haredi Employment ►

Concentrated support for  
several employers



Creating connections in  
specific sectors



Innovative training models



Research and insight  
generation



Policy initiatives

- **So far**, the Coalition's method focused on addressing **certain focal points** in the construction, steel, dentistry, finance, and tech sectors

# In accordance with the working model, the Coalition's impact so far has not reached scale



Amongst all addressable sectors, the impact was limited to the **specific sectors** chosen for pilot projects



On the **employee's side**, the activities focused mainly on **training & skills** (with fewer activities before and after training)



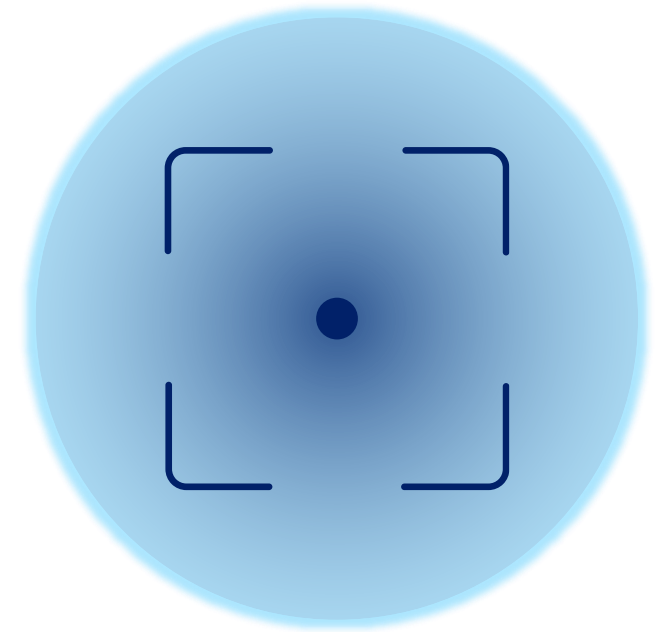
On the **employers' side**, the focus was on **recruitment processes**, with no long-term support



The activities were conducted mainly **within the 3<sup>rd</sup> sector**



Multi-sector **collaborations** were formed on **ad-hoc basis** in specific activities



# The multi-sector partnership initiative will be positioned to 'move the needle' and reverse stagnation in Haredi employment

## Pressing issue - a massive challenge to the Israeli economy and society:

- **Complex ecosystem** with varied stakeholders from **different sectors**
- **Unbalanced and un-coordinated** activity and un-optimized conduct
- **Psycho-social barriers**, prejudice & (growing) **political / social tension**



## A breakthrough for the Haredi community, and the Israeli economy & society:

- **A unified platform** involving **all sectors**, creating **common language and goals**
- **Coordination and synergy creation** through process management and integration between players in the ecosystem
- **Shift in perceptions and attitudes** enabled by direct & effective **communication channels**