

# PES to PES Dialogue: the European Commission Mutual Learning Programme for Public Employment Services

## Peer Review: Performance Management in Public Employment Services

The National Labour Market Authority (AMS),  
Copenhagen, 21-22 March, 2013

AMS, the Danish PES, hosted the fifth Peer Review of the PES to PES Dialogue in Copenhagen on 21-22 March. Representatives from fifteen PES attended the meeting with the aim of identifying good practice in performance management systems in PES. The main messages from the Peer Review include:

### Performance management systems can contribute to effective coordination and accountability in countries with regionalised or strongly municipalised PESs

Tools for effective coordination of a regionalised PES may range from establishing a unified national performance management system for all PES, through building financial incentives into budgets allocated by the central government to interregional benchmarking and establishing a central knowledge base (e.g. the Danish knowledge bank). The key to success in designing a performance management coordination system appears to be that the system should generate reflection, awaken ownership and provide feedback for all partners.

### PES use a wide variety of tools to detect and disseminate good practice

A prerequisite to designing efficient incentives is the accurate measurement of performance, and most importantly the correction for local external factors, such as labour demand. Such systems can then contribute to benchmarking between PES (or indeed individual counsellors).

Most PES use financial as well as non-financial incentives to promote continuous improvement. Financial incentives may apply to either branch or individual managers or

counsellors, but the former is more common, and probably more efficient as well as it is less likely to generate perverse incentives e.g. concerning the sharing of vacancy information. Soft incentives may include feedback from managers, consultancy by dedicated expert groups (e.g. Belgium Flanders), awards, and all forms of ranking. The combination of consultation with external experts, good local leadership which provides clear management messages on the desired behaviours from managers and counsellors and ranking (or financial incentives) may help to reduce the risk of perverse competition. PES employ a wide variety of procedures to

share practices and experience. Importantly, **qualitative expert assessments, workshops, conferences and similar tools can be used even in countries where the performance management system is still being developed.** Information technology tools, such as data warehouses and banks of good practice (e.g. the knowledge database in Denmark), can also help cut costs on pooling and sharing information.

### Recent budget cuts have increased pressure to have clear evidence on the value and relative effectiveness of PES services

As the introduction of more rigorous evaluation methods implies changes within the organisational culture, however, the process has to be gradual in order to ensure acceptance by staff. **The use of performance management tools borrowed from business may also help by improving the image of the PES as a modern and efficient service agency.** These may include practices such as summarising PES performance in a few, clearly documented indicators that are easy to interpret, publishing data on savings to the national budget, or even a full cost-benefit analysis of the PES services.

More information on the Peer Review is available [here](http://ec.europa.eu/social/pes-to-pes).



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## Using the results from PES to PES Dialogue 2012

Targeted notes about key lessons from the second year of the PES to PES Dialogue programme have informed the meetings of the Heads of PES (HoPES) network in December 2012 and the Employment Committee (EMCO), an advisory committee set up to implement the European Employment Strategy and to promote coordination between Member States on employment and labour market policies, in March 2013. The results have also been presented at the plenary meeting of the European Lifelong Guidance Policy Network (ELGPN) in February.



## What's next on PES to PES?

### PEER REVIEWS

**“PES and the integration of low-skilled adults and young people: work first or train first?”**

6-7 June 2013, Vilnius, Lithuania

### DIALOGUE CONFERENCES

**“Quality management: professionalism of employment counsellors”**

17-18 April 2013, Brussels, Belgium

### Dissemination conference

October, Brussels, Belgium (date to be confirmed)

### ANALYTICAL PAPERS

**“Making the business case for PES”  
(May 2013)**

The paper will explore the arguments for investing scarce resources in PES and how PES measure the cost and benefit of their interventions, as well as systems for measuring efficiency and effectiveness of PES services and measures.

**PES approaches for sustainable activation of low-skilled adults and young people: train first or work first? (May 2013)**

The relative contributions of ‘work-first’ and ‘train-first’ approaches to activation of the low-skilled are reviewed in this paper with examples of some innovative PES measures, supports and services in Member States.

**“PES and green jobs” (June 2013)**

The role of PES in the wider ‘green jobs’ agenda will be explored in this paper, including the role played in relation to skills anticipation for a greening economy,



and what PES services and measures are effective in the reintegration of jobseekers into green jobs.

**“PES and people with disabilities” (July 2013)**

This paper will review the services and measures provided by PES to achieve the sustainable activation of people with disabilities, including how PES work with partner organisations to provide specialist services and measures to this group.

**“PES – the right mix of central steering and local autonomy” (July 2013)**

The paper will build on the findings of the analytical papers on [Performance management in PES](#) and [Decentralisation of PES](#) to look at how PES can best achieve sufficient local autonomy to meet local labour market needs whilst still ensuring effective steering at central level.