



**The European Commission Mutual Learning Programme
for Public Employment Services**

DG Employment, Social Affairs and Inclusion

PEER PES PAPER

**Peer Review “Peer Review on Performance Management in Public
Employment Services (PES)”**

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1. Overall approach to performance management

1.1. Are there any guiding principles that define and underpin the overall approach to performance management? If so, what are they?

There are different approaches to Performance Management which ensure its efficiency.

- The complex approach – overall activities of the organization are planned, assessed and measured
- Transparency of results and easy access to information
- Democratic approach – discussions throughout the process of defining the employment policy, of priorities and goals, targets, system of indicators, etc.
- Comparative approach
- Continuity and consistency in the activities in regards with performance
- The local autonomy is within certain boundaries.
- Transfer of information and good practices

1.2. Which structures or individuals have overall responsibility for performance management in the PES?

Senior management of the Employment Agency, directors of directorates at the Head Office (national level), Heads of regional and local directorates.

1.3. Does the PES use a quality management model to assist in managing and improving performance?

The EA is certified to ISO9000 and performance management is functioning using this quality management model which guarantees a certain standard of the process.

Type of model	Used? Yes / no Give details if requested
ISO9000	Yes
Balanced Scorecard	
EFQM	
CAF	
Other (please specify)	
None	

2. Goals and target-setting

2.1. What systems are in place to define and agree the goals, performance indicators and (quantifiable) targets?

A system of consecutive activities for setting of priorities, goals, targets and quantitative indicators has been elaborated within the Action Plan of the Employment Agency

The goals of EA are defined on the basis of the employment policy set up in the Europe 2020 Strategy, Updated Employment Strategy 2012-2020, employment measures included in the National Programme for Reforms 2012-2020 and on the basis of the National Employment Action Plan for the respective year. EC recommendations have been also taken into account. The mission of the Employment Agency is defined in the Action Plan as well as the priorities for the respective year. A system of qualitative indicators is elaborated in line with them. These indicators are subject to monitoring throughout the year.

How often are the goals, performance indicators and (quantifiable) targets set?

Frequency that goals, performance indicators and (quantifiable) targets are set?	Yes/No and give details if requested
6 months	
Annual	Yes for the Goals
Multi-annual (please specify)	
Specific points in time/circumstances that trigger a review/adjustment (please specify)	Monitoring of the implementation of the qualitative indicators in the Action plan is performed monthly and if it is needed reallocation of resources for active policy is undertaken and redirection towards more effective initiatives on the labour market.
Other (please specify)	

Who is involved in defining and agreeing the goals, performance indicators and (quantifiable) targets?

Who is involved in defining and agreeing the goals, performance indicators and (quantifiable) targets?	Involved? Yes/No and give details if requested
PES senior management	<p>Yes</p> <p>Action Plan Goals and the quantitative indicators are defined by the senior management of PES, in regards to the National Employment Action Plan and are endorsed by the Minister of Labour and Social Policy. In addition, more detailed action plans are elaborated for the regional and local structures of the Employment Agency. The main goals defined into the PES Action Plan are valid for the regional and local offices too. Directors of the regional offices define the goals for the local structures in agreement with their directors and then they exercise the monitoring. The management of EA defines and agrees the action plans for the regional offices and the PES senior management is responsible for the monitoring of the implementation and measuring progress in achieving the goals...</p>
Ministry of Labour (Social Affairs, Economy ...)	Yes, endorses the Action Plan
Other policymakers (please specify level and type of policymaker)	
Social partners	Active participants in the discussions regarding the employment policies and the achieved results.
Other stakeholders (please specify who)	<p>Ministry of Education, Youth and Science</p> <p>Ministry of Economy, Energy and Tourism and</p> <p>Ministry Regional Development and Public Works</p>
Other PES staff (please specify who)	Directors of the Regional and Local Labour Offices of the Employment Agency

2.2. What systems are in place to review and adjust the goals, performance indicators and (quantifiable) targets?

How often are the goals, performance indicators and (quantifiable) targets reviewed and adjusted?

Frequency that goals, performance indicators and (quantifiable) targets are reviewed and adjusted?	Yes/No and give details if required
6 months	
Annual	Yes, the Action Plan Goals
Multi-annual (please specify)	
Specific points in time/circumstances that trigger a review/adjustment (please specify)	The qualitative implementation of the indicators is monitored monthly and, if it is needed for more efficient utilization of the resources for active policy, reallocation of funds is undertaken in different periods in line with the current implementation of the goals.
Other (please specify)	

Who is involved in reviewing and adjusting the goals, performance indicators and (quantifiable) targets?

Who is involved in reviewing and adjusting the goals, performance indicators and (quantifiable) targets?	Involved? Yes/No and give details if required
PES senior management	Yes
Ministry of Labour (Social Affairs, Economy ...)	Approves the reallocation
Other policymakers (please specify level and type of policymaker)	
Social partners	
Other stakeholders (please specify)	
Other PES staff (please specify who)	Directorates from the Head Office of the EA, Planning Department, Directors of the Regional and Local Labour Offices.

2.3. What are the main goals and performance indicators for the PES?

The main goals are subject to the vision for the respective year of the National Employment Action Plan, based on the challenges of the labour market in the country and in line with the employment policy of the EC. The vision for 2013 is "Support for sustainability and increase of employment through provision of quality workforce and compensating part of the employers' expenses for hiring of unemployed from disadvantaged groups in the labour market, with priority for regions recovering less successfully from the crisis".

The goals and targets of the Employment Agency's Action Plan for 2013 are as follows:

1. Employment promotion and limiting unemployment through fast and effective work placement of unemployed both in the primary labour market and through programmes and measures under the Promotion Employment Act and through the Human Resource Development Operational Programme.
 - Support to employment in SMEs.
 - Active provision of mediation services
 - Implementation of active programmes and measures pursuant to the Employment Promotion Act and Human Resource Development Operational Programme for subsidized employment from disadvantaged groups in the labour market, with priority for regions recovering less successfully from the crisis
 - Limiting the youth unemployment and inactivity
 - Activating discouraged and inactive people
 - Improving the mobility of workforce
 - Promoting entrepreneurship
 - Support for increasing the "green" and "white" jobs in SMEs
2. Improvement of the quality of the workforce through acquisition of new qualifications and skills of employed and unemployed to address the demands of the labour market due to the restructuring and technological changes to the economy and better job matching.
 - Promoting participation in life long learning – for employed and unemployed
 - Improving vacancy matching through improving the quality of education / training
3. Development of the regional labour markets and improving the provision of employment services for limiting the unemployment in regions with high levels of unemployment
4. Development of the social dialogue at all levels.
5. Protection and regulation of the labour market. Effective integration into the European labour market.
6. Strengthening of the institutional capacity of EA.

The indicators which are used to measure these are: level of unemployment, announced vacancies in the primary labour market, placement of unemployed into jobs in the primary labour market, organized job fairs, including EURES job fairs, unemployed included into programmes and measures, enrolled in training, and in different projects and schemes under the HRD OP, controlling activities, staff training, Roma inclusion Decade. The above indicators are valid for all level as indicators for the action plans, only

the last one (projects and schemes under the HRD OP) is in the Action plan only at national level.

2.4. Is there any rationale behind the number of indicators set, and if so, what?

The number of goals is determined by the main challenges in the current labour market. The challenges also define the priorities in the EA's Action Plan, for overcoming the problems. Targets are elaborated in line with the main priorities and they are linked to indicators relating to financial resources.

2.5. Are the indicators common to all the PES structures and levels (national, regional and local) or is there some degree of tailoring?

Most of the indicators are common to all PES structures and levels. Only the activities which are managed at the central level are not included in the action plans of the local and regional structures and respectively, those which are managed at regional level are do not affect the local. The indicators for the regional structures are unified for all regions. The indicators for the local structures are also unified to enable comparison. There is no difference in the number and specifics of the indicators for each region and the same applies for the local offices. The indicators at the national level are most comprehensive. The quantitative indicators for the different regions and local offices differ and comply with their specifics. For example the number of vacancies is an indicator for all local offices, but the quantity of this indicator varies for the different offices according to the specifics of the local market.

2.6. Based on your experience, what are the main challenges faced in ensuring effective target-setting?

On the basis of the goals and indicators for the respective year it is challenging to define the incentives which could stimulate the implementation of the targets.

2.7. Based on your experience, what works best in ensuring effective target-setting?

The goals and indicators are discussed in advance and this enables their fulfilment and effectiveness. They are complex and sufficient in number.

Many factors are of importance for achieving the required performance results - the management, the availability of precisely chosen indicators, the flow of information in all direction, etc.

3. Performance measurement

3.1. What are the main systems and tools in place to collect data and measure performance according to the agreed indicators?

Do you use a data warehouse? Which types of data are collected regularly and for which purposes?

All data is collected from our own data base or internal sources.

The Action Plan indicators are monitored on a monthly basis at national and regional level. The structures of the Employment Agency report on the performance every six, nine and twelve months, and more frequently, if required. The data is collected and processed by a designated unit – the Planning Department at the Head Office of the Employment Agency. The results are analyzed by the Management and adequate and timely action is undertaken. Data about the quantitative indicators is collected at all levels. Performance is measured and managed on the basis of reported data.

3.2. How do the performance measurement systems compare the results of different PES offices to be used for benchmarking?

The indicators used in the different PES offices are the same and allows comparison among them for measuring the results.

The tables with indicators can be compared, which allows a comparative analysis of results, thus leading to applying of adequate management reaction. The system of rating offices includes different indicators with different weight, which take into consideration the annual targets.

3.3. Please describe one of the most effective systems or tools for collecting data and measuring performance in greater detail.

The collection of data is retrieved from the administrative statistics of the Employment Agency or from other documents in the related areas of activities. For example the data for the implementation of the employment programmes and measures is retrieved from the administrative statistics of EA. The data for the parameters of the primary labour market are received from the national database. On the basis of these two databases the overall picture of the performance is achieved. The planning and managing performance mechanism works effectively. It is dynamic and when required changes are made to improve it.

3.4. Based on your experience, what are the main challenges in collecting data and measuring performance?

Information sources for assessing the indicators are regulated and allow continuous monitoring. The process of collecting data works well. We do not experience difficulties with non-completion of information. All offices submit the required information on time.

3.5. Based on your experience, what works best in ensuring effective performance measurement?

The continuous monitoring and comparison of performance management information with the current situation in the labour market, its requirements and challenges.

4. Performance management, continuous improvement and learning

4.3. Part 1: Performance management, continuous improvement and learning within PES

4.4. How are the goals, performance indicators and targets communicated to wider PES staff?

Every employee of the Employment Agency has an annual action plan. The annual action plans of all, at all levels are linked compulsory and in line with the Agency's goals, specific to the unit they work at and the defined qualitative indicators for the year. In this way the duties and responsibilities cascade from top to bottom for achieving the indicators of the performance plan. Individual employees are given specific quantifiable targets in line with the overall EA targets on the basis of their jobs – some have only quantifiable targets, some have others too.

4.1. What systems and tools are in place to use the results for the continuous improvement and learning of the PES?

If the analysis show that there is poor performance in any way, measures are undertaken for improving the performance with concrete management decisions. The qualification of staff is constantly improving. A criterion that something works well is the achieved result of the respective action plan. This is analysed to identify the approach and the tools for achieving this. Good practices are shared at national and regional meetings and study visits are organised.

4.2. Please describe what works best in giving concrete impulses for the continuous improvement and learning of the PES at all levels.

The system for evaluating the action plans and the rating of local offices according to their performance helps stimulate continuous improvement and learning. The exchange of good practices between the regional and local labour offices has also been a positive influence.

In 2012 resources for active employment policies were re-allocated on two occasions. This action was provoked after monitoring the actual implementation of qualitative indicators of the action plan of the EA and its regional levels. The demand was monitored and the interest which different programmes and measures for employment and training provoked in the whole country and in different regions. On this basis the funds were reallocated – from initiatives which were not so efficient to others which had a better effect. The practice showed that these reallocations were correct and this was a successful approach for achieving better results from active employment policy. For example some funds which have been designated for measures for business start-up, for which measure there was not sufficient interest, were reallocated to measures for young people and disabled. A partial change of the operation of One Stop Shop was implemented and now every officer provides all services to jobseekers. This has a good impact on the performance of the labour mediators, every officer provides activities for registration of unemployed and labour mediation services.

4.3. Based on your experience, what works best in ensuring continuous learning and improvement within PES?

The offices both at regional and local level have a competition between them and at the end of each year there is a rating in different categories for the best local and best regional offices at a big ceremony with the participation of the Minister, all social partners, employers, etc. this is one of the moral incentives.

4.5 Based on your experience, what are the main challenges in linking performance measurement to continuous improvement and learning within PES?

The main challenge is how to assess correctly the labour market demand, the critical areas and the identification of the right tools for affecting the challenges. The continuous training of staff is a good prerequisite for supporting management decisions for change.

Part 2: PES business case: using information from performance management in the dialogue with policymakers and social partners

4.6. How is the wider knowledge of successful (and less successful) employment policies and measures collected?

The Ministry of Labour and Social Policy collects data from many institutions for implementation of the active policy on the labour market, which is formed with the participation of the social partners and other stakeholders. The implementation of the Action Plan of EA is the main source of information for the implementation of the National Employment Action Plan. On a monthly bases the EA reports to the MLSP how the plan is implemented.

4.7. How is the wider knowledge of successful (and less successful) employment policies and measures shared with others?

There are tripartite structures at the Ministry of Labour and Social Policy and at the Employment Agency at national, regional and local level; they regularly discuss employment policy and the National Employment Action Plan, and the Employment Agency's Action Plan respectively. Proposals are made and decisions are taken. On the basis of information on the implementation of the Action Plans of all structures at the Ministry of Labour and Social Policy a document is drafted and is reported to the National Council for Promoting Employment, a tripartite structure at the MLSP.

4.8. How are the goals, performance indicators and targets communicated to other stakeholders (social partners, ministries) if these are not involved in the process?

Every month there are meetings with social partners at Employment Agency and its structures at regional and local level. At the Head Office there are meetings of the National Council for Promoting Employment at the Executive Director of the EA, at regional level the participants in these meetings are called Employment Commissions and at local level there are Cooperation Councils at the Local Labour Offices. Information for the implementation of active policy is discussed, and also the level of unemployment, what measures and programmes work well and how to improve those which are not so successful, the current situation in the labour market, the implementation of the National Initiative "Work for young people", etc.

4.9. How are the results from PES performance management (in terms of what works best, ideas for continuous improvement) shared with others (policymakers, social partners)?

Information about PES performance management and results are reported to the Ministry of Labour and Social Policy, and they report to the National Council for Promoting Employment and the Commission for Labour and Social Policy at the Parliament. We collect data, assess what works well and what should be changed make a report to the MLSP to convincing them for the need of the change. Social partners are also informed through their representatives at the tripartite councils and commissions at all structures of the Employment Agency, listed in the previous response.

On the website of the Employment Agency there is space where all reports for the implementation of the Employment Agency's Action Plan are published for the respective year. Information is also disseminated at different forums or through mass media about job fairs, about the remote offices and mobile teams of labour mediators, about the voucher mechanism for training of unemployed and employed people and others.

4.10. Based upon your experience what are the main challenges and what works best in ensuring the dialogue of PES with other stakeholders about results from performance management?

Important precondition for effective performance management is the achieving of dialogue at all levels with all stakeholders at every stage of the process.

5. Conclusions and questions

5.1. What lessons have you drawn from your experience in performance management?

Very important:

- The precise defining of goals, targets and indicators
- Continuous monitoring
- Correct, timely and adequate managerial decisions throughout the process of performance management

5.2. What are key issues for the way forward in your organisation in relation to performance management?

- All levels – national, regional and local are committed to the assigned responsibilities
- Adequate incentives and fair evaluation of performance
- Exchange of good practices.

5.3. In the Peer Review discussions, on which of the following topics would you most like to focus and what would you most like to learn from others?

Topics	Importance of the topic (scale: 1 = very unimportant, 5 = very important)	What would you most like to learn from others in the topic(s) you are most interested in? (maximum three bullet points)
Overall approach to performance management	5	
Goals and target-setting	5	How often the goals, targets and indicators are assessed.
Performance measurement	5	<ul style="list-style-type: none"> • Indicators for active policy; • Systems for performance management; • Good practices
Performance management, continuous improvement and learning		