



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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UWV – Werkbedrijf

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The seven-year programme targets all stakeholders who can help shape the development of appropriate and effective employment and social legislation and policies, across the EU-27, EFTA-EEA and EU candidate and pre-candidate countries.

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<http://ec.europa.eu/social/pes-to-pes>

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Introduction - uwv werkbedrijf

UWV stands for *Uitvoeringsinstituut Werknemersverzekeringen*, or 'employee insurance implementation institution'. UWV provides expert, targeted and efficient nationwide implementation of employee insurance and benefits, labour market and data services. We do this as an independent management body (ZBO-Zelfstandig Bestuurs Orgaan in Dutch) under contract to the Ministry of Social Affairs and Employment.

The UWV core tasks cover four areas:

- *Work* – we encourage and support our clients in staying in work or finding new work. We work closely with municipalities and private parties on this. We help employers find staff;
- *Assessment* – we assess sickness and incapacity for work according to clear criteria as the basis for reintegration and opportunities to be involved;
- *Benefits* – we provide benefits quickly and correctly if no employment is available, or available immediately;
- *Data management* – we ensure clients only need to give details of employment and benefits to the authorities once weekly.

UWV WERKbedrijf, the 'actual PES' is a division of UWV for the main task 'Work' as described above. UWV Werkbedrijf is involved in helping people find jobs and reintegrate with society. We aim to help as many people as possible find work through matching supply and demand.

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?

Vision and mission of UWV in general: "People are at their best when they can participate in society by working. Society functions best when as many people as possible participate in it by working. It is our mission to work with our partners to make a difference for people by promoting work. If work is impossible, we ensure that income is available quickly."

Our promise: "UWV stands for optimal performance of its tasks in the area of employment, reintegration, temporary income and data management. We always have the client's interest in mind in doing so. 'We offer people new prospects of participating in work and society' - that is what we promise our clients and society."

To be more specific on performance management: The ministry defines a set of goals (see question 2.3), we translate these goals to indicators, targets to get to one set of performance indicators / balanced score card in a transparent system. Directors / Headquarters management and regional offices employees (even front line counsellors) have insight in this Management Information Portal.

On evidence based policy / making the business case: In the Netherlands an evidence based approach is more and more embraced, first at the staff and top level. See for example the 'Kennisagenda 2012/2013': http://www.uwv.nl/overuwv/Images/UWV_Kennisagenda_2012_2013.pdf

Goal of this 'knowledge agenda': "To supply (semi-)scientific knowledge about what the UWV efficiently and effectively contribute to raising employment rates and, where possible, limiting the benefits paid"

Now in spring 2013 we're writing a plan to bring evidence based policy into the PES-organisation as a whole.

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

Line management is responsible for the performance itself. The staff facilitates; PES Netherlands has a unit 'business control and quality'. On UWV (the PES is a main part of this organisation as a whole), we have a quality bureau and an accountant's service unit.

Besides this on supplying information about effectiveness, we have a unit 'labour market information', the 'knowledge centre'; a staff unit of UWV, which is responsible for performance analysis and other analyses. . In 2013 a dedicated team on effectiveness has been formed

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

Type of model	Used? Yes /no Give details if requested
ISO9000	Yes (known publicly)
Balanced Scorecard	Yes (merely internal use), main methodology for performance measurement (management and control) within UWV Werkbedrijf.
EFQM	No
CAF	No
Other (please specify)	A three year plan from INK (Instituut Nederlandse Kwaliteit) – merely internal use
None	

2. Goals and target-setting

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

- There is an annual agreement with the ministry with respect to main target/goals. Moreover our organisation adds additional performance and process indicators to be even more in control.
- The indicators themselves are the same for each PES office, but targets are adjusted according to the difficulty of the labour market situation. Also district managers indicate ambition goals (how many vacancy fulfilments, et cetera), following this in some cases goals are adjusted.
- The most important indicators are summarised in a management contract that has to be signed by each individual (regional, district, local) manager. This leads to specific accountability for targets at managerial level.

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	No
Annual	Yes
Multi-annual (please specify)	No
Specific points in time/circumstances that trigger a review/adjustment (please specify)	When the estimation of unemployment numbers deviates severely during the year, than adjustments can be made.
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	Yes
Ministry of Labour (Social Affairs, Economy ...)	Yes, the most important targets and performance indicators
Other policymakers (please specify level and type of policymaker)	See 'other PES staff'
Social partners	No defining and agreeing, but we consult them regularly
Other stakeholders (please specify who)	The same with municipalities (no defining and agreeing, just tuning)
Other PES staff (please specify who)	Yes, policymakers, business controllers, financial experts

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

Performance indicators are visible in a Management information Portal. Information is available at the level of districts, regions, local offices and individual staff members. There is a weekly update.

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	Table answers same as 2.1
Annual	
Multi-annual (please specify)	
Specific points in time/circumstances that trigger a review/adjustment (please specify)	
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	Table answers same as 2.1
Ministry of Labour (Social Affairs, Economy ...)	
Other policymakers (please specify level and type of policymaker)	
Social partners	
Other stakeholders (please specify who)	
Other PES staff (please specify who)	

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

The main goals set by the ministry are:

- Outflow to work
- Transparency of labor market
- Vacancy fulfillment for disabled people
- Application responses on time for disabled people
- Realization within budget for a) exploitation budget b) external re-integration of disabled people c) facilities for disabled people

The list of indicators is too extensive to mention completely, the most important ones are, besides the goals above:

- Outflow to work 0-3 months and > 3 months
- Usage of the E-channel
- Customer satisfaction (jobseekers and employers)
- Transparency of vacancies – vacancies on our website and in our systems as a percentage of total vacancies available in The Netherlands. To provide transparency in the labor market is a public statutory duty.
- Services for (young) disabled jobseekers
- Services for employers (placements of various target groups)
- Services juridical department – to grant dismissal permits, work permits
- Target related to enforcement (suitable job offer after 12 months)

What is the main rationale behind these goals and performance indicators?

The main rationale is outflow to (temporary, part-time or full-time) work for jobseekers with an unemployment or disability benefit. We are moving to a rationale of effectiveness (what reduces unemployment benefits?). The implications on our performance measurement systems in the future still have to be investigated, we're working on a performance indicator 'reduction of unemployment benefits'. Furthermore the huge budget and staff reductions that we face in the coming year have forced us towards a rapid growth of e-services (efficiency).

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

There are 4 main resources or actors involved in defining the key performance-indicators of UWV WERKbedrijf each year: the ministry of Social Affairs (at the contractual level with the board of UWV regarding budget, performances and priorities), the board of UWV itself (concerning general ambitions and performance targets), the director and the management team of UWV WERKbedrijf and since about 1.5 years the so-called horizontal, cross-sector performance-agreements between the sectors SMZ, Uitkeren and UWV WERKbedrijf within UWV. The purpose of these cross-sector performance agreements is to streamline customer processes.

The hierarchy of performance-indicators is this (cascade):

- PI's outlined in the annual business plan of the Board of UWV with the ministry of Social Affairs (= the contract at the highest organizational level);
- PI's outlined in the annual management contract of the Director UWV WERKbedrijf with the Board of UWV;
- PI's outlined in the annual 'internal' Businessplan of UWV WERKbedrijf itself.

Director, management team and the (operational) unit management of UWV WERKbedrijf define every year the main priorities for management, steering and -accountability within the range of PI's, the so-called "Prioriteiten" or "Focuspunten". See the yellow row at the right in the enclosed Balanced Scorecard at page 5 ("Prio", etc).

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

There is 1 (!) set of key performance-indicators at the national, regional and sub-regional level of UWV WERKbedrijf. Regional and sub-regional levels don't have PI's of their own.

Having said that, not all PI's are equally important for all units and services within UWV WERKbedrijf. The accountability for the scores of some PI's (i.e. the monitoring of some budgets) are centralized at the national level, mainly for pragmatic reasons (risk adversity).

Some PI's. like the outflow to work of disabled jobseekers, have a different 'internal' (= within UWV WERKbedrijf) and 'external' target (= board of UWV). Usually the 'internal' target is slightly more ambitious.

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

A pilot ProPOM (Professional Incentives, Objective Model) proved that fewer, result based indicators works probably better for local offices than a long list of indicators mainly based on throughput.

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

Targets, as concrete as possible, result based, fit to prove added value to society and to fit managerial tasks of local offices.

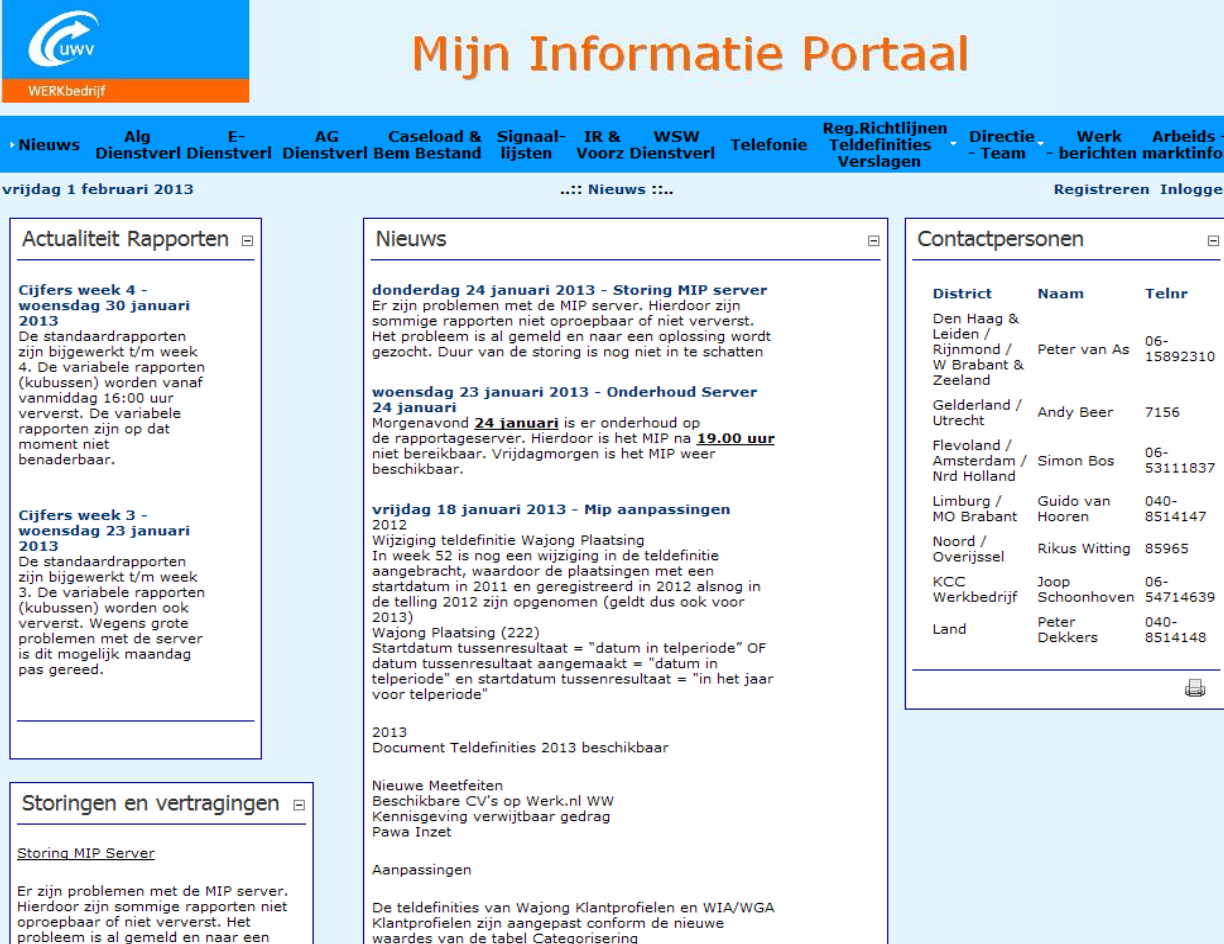
3. Performance measurement

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

There is a range of modern operational systems (workflow based), from which, on a weekly basis, data-export is being organized to a central Datawarehouse within UWV (the so-called 'DWH_FEZ').

Specific for the sector UWV WERKbedrijf is the presentation of all performance related data in an online environment (Intranet), which can be used by all (!) employees and managers of UWV WERKbedrijf, without any password. This management tool is the "Mijn Informatie Portaal". Data is available on national, regional, sub-regional ('office') and individual employee level. Every week new data are added. Most data is cumulative.

The technique being used is 'Online Analytical Processing' (OLAP). This technique makes it possible to generate and construct user defined tables by a web-based tool.



Mijn Informatie Portaal

vrijdag 1 februari 2013

Actualiteit Rapporten

Cijfers week 4 - woensdag 30 januari 2013
De standaardrapporten zijn bijgewerkt t/m week 4. De variabele rapporten (kubussen) worden vanaf vanmiddag 16:00 uur ververs. De variabele rapporten zijn op dat moment niet benaderbaar.

Cijfers week 3 - woensdag 23 januari 2013
De standaardrapporten zijn bijgewerkt t/m week 3. De variabele rapporten (kubussen) worden ook ververs. Wegens grote problemen met de server is dit mogelijk maandag pas gereed.

Storingen en vertragingen

Storing MIP Server
Er zijn problemen met de MIP server. Hierdoor zijn sommige rapporten niet oproepbaar of niet ververs. Het probleem is al gemeld en naar een oplossing wordt gezocht. Duur van de

Nieuws

donderdag 24 januari 2013 - Storing MIP server
Er zijn problemen met de MIP server. Hierdoor zijn sommige rapporten niet oproepbaar of niet ververs. Het probleem is al gemeld en naar een oplossing wordt gezocht. Duur van de storing is nog niet in te schatten

woensdag 23 januari 2013 - Onderhoud Server 24 januari
Morgenavond 24 januari is er onderhoud op de rapportageserver. Hierdoor is het MIP na 19.00 uur niet bereikbaar. Vrijdagmorgen is het MIP weer beschikbaar.

vrijdag 18 januari 2013 - Mip aanpassingen 2012
Wijziging teldefinitie Wajong Plaatsing
In week 52 is nog een wijziging in de teldefinitie aangebracht, waardoor de plaatsingen met een startdatum in 2011 en geregistreerd in 2012 alsnog in de telling 2012 zijn opgenomen (geldt dus ook voor 2013)
Wajong Plaatsing (222)
Startdatum tussenresultaat = "datum in telperiode" OF datum tussenresultaat aangemaakt = "datum in telperiode" en startdatum tussenresultaat = "in het jaar voor telperiode"

2013
Document Teldefinities 2013 beschikbaar

Nieuwe Meetfeiten
Beschikbare CV's op Werk.nl WW
Kennisgeving verwijtbaar gedrag
Pawa Inzet

Aanpassingen

De teldefinities van Wajong Klantprofielen en WIA/WGA Klantprofielen zijn aangepast conform de nieuwe waarden van de tabel Categorisering

Contactpersonen

District	Naam	Telnr
Den Haag & Leiden / Rijnmond / W Brabant & Zeeland	Peter van As	06-15892310
Gelderland / Utrecht	Andy Beer	7156
Flevoland / Amsterdam / Nrd Holland	Simon Bos	06-53111837
Limburg / MO Brabant	Guido van Hooren	040-8514147
Noord / Overijssel	Rikus Witting	85965
KCC Werkbedrijf	Joop Schoonhoven	06-54714639
Land	Peter Dekkers	040-8514148

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

Yes, we do. See the text above.

The types of data can be categorized like this:

- inflow of jobseekers (in all possible variations);
- services being provided, face-to-face, electronic/e-services (idem);
- caseloads (idem);
- outflow of jobseekers (idem)

Purposes:

- performance measurement at all levels, including benchmarking;
- steering by the management;
- accountability;
- information for teams and individual employees (i.e. caseloads, outflow tot work);
- tables/content by writing management reports.

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

We use a method of clustering. We have an objectifying labor market model to benchmark as objectively as possible. This means that regional / local labour market situation and difficulty of the region is taken into account. Also we are working on new benchmarks on the reduction of unemployment benefits, following from the earlier mentioned pilot ProPOM.

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

See the answer at 3.1, especially the "Mijn Informatie Portaal".

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

Without doubt: the quality and consistency of the registration by employees in the regional/local offices of data in the operational systems.

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

Quality programs and audits.

4. Performance management, continuous improvement and learning

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

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

Everyone has access to the same intranet based 'Mijn Information Portaal'. A summary is sent directly to district managers. In the pilot ProPOM we also send the benchmark each month actively to regional managers.

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

Quality programs and audits.

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

- Performance benchmarks at regional and sub-regional levels.
- Quality programs, in which a selection of operational managers and employees have participated (bottom-up element).
- Culture of good or best practices (bottom-up element).
- Outlining and standardization of the main service delivery processes (formulated top-down, but with strong bottom-up impulses).

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

- The above mentioned transparency in the availability of management data on all organizational levels, including every front line employee.
- Feedback on results/performances of teams and individual employees.
- Practical tools for checking the quality of the registration in the main operational systems, available in the 'Mijn Informatie Portaal' for every front line employee.
- Learning circles between local offices to discover and share new best practices.

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

The actual use of (all) the provided systems and tools by the operational management and the service delivering employees, including the understanding of the complex datasets. The awareness of the importance of good registration and quantitative data for the image of the organization as a results-driven public service delivery institution.

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?

Besides the Management Information Portal, where we can benchmark the regional offices on a set of indicators to measure performance, we started some experiments:

1) ProPOM - What about focus on benefit costs combined with another steering logic (decentral empowerment)? This turns out to be quite successful, leading to a reduction of benefit costs.

2) Natural Experiment - With the cut of re-integration budgets in 2010, two groups of people could be easily compared (people who had access to this budget and people who didn't anymore). First analyses seem to indicate that merely the activity of PES-front line counselors contributes to shortening of employment duration. How to interpret this outcome in relation to the reduction of PES-staff utilization of e-channels we're still investigating (see for example the following experiment 3).

3) Net-effectiveness Experiments - One experiment on intensive service versus e-service and one on PaWa (intensive form of bringing long term jobseekers in contact with employers, arranging interviews, et cetera). These experiments just started, so in about a year we have some first results.

4.7. How is the wider knowledge of successful (and less successful) employment policies and measures shared with others (e.g. social partners and policymakers at different levels)?

- All kinds of memos, a few on effectiveness, are published on the general website of UWV.nl.
- The Ministry of Social Affairs and Employment is involved in all these experiments.
- We spread our knowledge also on conferences and meetings with municipalities, social partners, et cetera.

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?

Mainly through our yearly report, we also have an abstract, we send this to all kinds of stakeholders.

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)?

If possible, please provide 2-3 concrete examples of where the performance results have been shared with others resulting in changes in service delivery or ALMP measures.

This is still in progress, we want to start with this approach on the new budget we have for helping out the 55+ group job seekers. The analysis we make now, we want to share right away with social partners, so we can determine how the budget should be used.

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?

We would like to hear more from the other countries how they deal with outcomes of analyses that are not want to be heard by other stakeholders (for example, theoretically: what if there's budget for people with much distance from the labor market, but that doesn't seem to be cost-effective..)

5. Conclusions and questions

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

- Involve the local offices for best approaches to get unemployed persons to work,
- Focus on output (real output that counts), not on throughput (although you can monitor it)
- Be transparent, benchmark between offices and set the best as an example/goal
- Use one set of indicators transparent to the organisation as a whole.
- Performance is the responsibility of the line manager, the staff need to be equipped with the right processes and tools.

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

- Understanding and grasping the profit of evidence based working, to do only that what is proven effective.
- Focus on what really matters, the actual result, rather than throughput.
- Up to date and as automatic registration as possible, a deep understanding of why registration is important on the workplace.

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?
Overall approach to performance management	3	How to change the culture (top and workplace) to grasp and work according to performance management How do other countries deal with the autonomy of local offices.
Goals and target-setting	3	Is the view fewer result based indicators shared among other PES? How to involve the line more in goals and target-setting.
Performance measurement	5	How do other countries measure net- effectiveness performance (what kind of effort of the PES leads to results and benefit costs reduction?) How do PES correct for market situation. E.g. how can we prove the results of shortening average unemployment duration really is the result of the labour of PES? How to measure performance of e- services? Is there also a 1 set of indicators 1 management information system approach?
Performance management, continuous improvement and learning	5	- How do other countries learn from their local offices? - How to communicate 'inconvenient' evidence to stakeholders (ministry, social partners, et cetera)?