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Staffing concepts and the role of
leadership in PES

Discussion paper

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Contents

| | | |
|-----------|--|-----------|
| 1. | Introduction | 1 |
| 2. | The challenge of diversity management in counselling roles | 3 |
| 2.1 | <i>What do we mean by diversity?</i> | 3 |
| 2.2 | <i>Main drivers and the business case for diversity as an HR concept</i> | 3 |
| 2.3 | <i>The PES response to diversity</i> | 4 |
| 3. | Tracing meaningful career paths for employment counsellors | 9 |
| 3.1 | <i>Mobility options outside the PES</i> | 9 |
| 4. | HRM approaches to fit changing life-cycle needs | 11 |
| 4.1 | <i>Solutions adopted by PES</i> | 12 |
| 4.2 | <i>Mechanisms for tapping into rich age-related knowledge base of counsellors with a long service record</i> | 12 |
| 5. | Role of management and mechanisms of ensuring quality in employment counselling | 14 |
| 5.1 | <i>Role of leadership in quality management</i> | 15 |
| 5.2 | <i>Lessons to be learned from the private sector – Talent Management (TM) ...</i> | 17 |
| 5.3 | <i>Leadership roles for PES management</i> | 18 |
| 6. | Conclusions | 20 |
| 7. | Literature..... | 21 |

1. Introduction

The challenges facing public employment services (PES) today seem to be increasing. As indicated in the PES 2020 Strategy Output Paper (2013), PES are 'expected to cope with present and future challenges at the same time'¹ and will need to support short term labour market needs of customers but also the long-term career objectives. The paper acknowledges that there is 'insufficient participation of low-skilled youngsters, people aged 55 and older, migrants, occupationally disabled persons, long-term unemployment, people in poverty and other disadvantaged groups' on the labour market. For them to get the 'specific services' they need, new forms of governance should ensue where institutions work together in a new Public Employment System of which the PES has a conducting² responsibility.

These challenges are facing the PES at a time when labour markets are becoming increasingly transitional resulting in frequent job changes, shorter working spells interrupted by periods of unemployment, inactivity or training. These trends are additionally made more challenging by the increasing diversity of customers which creates a need to identify and design specific services to achieve sustainable labour market outcomes.

At the same time there are pressures on the PES to increase their effectiveness but in a more cost-efficient way; this means that they have to do more with less.

The employment counsellors' role is changing in line with the new challenges and expectations.

The questions which we address in this discussion paper relate to challenges of diversity in transitional labour markets, the changing skill needs of employment counsellors, the training provision and quality assurance which need to be built into a sustainable system in the PES.

Furthermore, we look at methods of developing possible career paths for counsellors as a way to motivate staff in these positions who are subject to ever increasing job expectations. We consider lessons from the private sector on these issues and point to some possible solutions, the merits of which can be the basis for further discussion.

The Communication Towards a Job-rich Recovery (2012) indicates that '(T)he quality of the transitions will determine the quality of a worker's career' and that 'PES need to transform themselves into "transition management agencies" delivering a new combination of the "active" and "passive" functions that support sustainable transitions throughout workers' careers'.

On the other hand, the Output paper on the PES 2020 strategy (2013) puts forward the case for the PES role as a conductor of actions which have relevance for our present discussion. PES among others, conduct by:

- *enhancing* labour market transparency and providing evidence to support policy design – the need to **secure relevant and holistic information and intelligence on the labour market** including forecasts;

¹ PES 2020 Strategy Output Paper, European Commission, 2012. Pg 3.

² Ibid, pg. 6

-
- matching citizens and employers with appropriate and accessible services – **a profiling, job-broking and career guidance activity;**
 - acting as supplemental service providers where market failure occurs – mechanisms for **practicing positive discrimination** on the labour market through active labour market measures.

However, the role of conductor does not automatically imply that activities as such are being implemented by PES in isolation: the conductors' role is analogous to giving the cue to relevant others to act together in fulfilling a common goal.

2. The challenge of diversity management in counselling roles

The fundamental questions which we hope to put on the table for discussion in this section are:

To what extent is diversity management used in PES as an HR concept and what are the benefits of using such an approach in relation to attracting the best talent and providing the best service to a diverse client base? Is this a priority for PES and what different approaches are in place to achieve this?

2.1 What do we mean by diversity?

The first question that needs to be addressed is: What do we mean by diversity? In the early 70's it usually meant the higher penetration into the workforce of women and ethnic minorities³. Today, the concept of diversity is broader and takes into account other characteristics, including going beyond physical differences, all of which can influence labour market experience and outcomes. A report by Deloitte (2011⁴) includes the following definition

'Diversity is about recognising, respecting and valuing differences based on ethnicity, gender, colour, age, race, religion, disability, national origin and sexual orientation. It also includes an infinite range of individual unique characteristics and experiences ... that influence personal perspectives'.

2.2 Main drivers and the business case for diversity as an HR concept

According to a study by the European Commission (2003), "The Costs and Benefits of Diversity", the five most significant advantages that "companies with active diversity policies" ascribe to diversity are:

- strengthening cultural values within the organisation;
- enhancing corporate reputation;
- helping to attract and retain highly talented people;
- improving motivation and efficiency of existing staff; and
- improving innovation and creativity amongst employees.

A subsequent study *The business case for diversity – Good practices in the workplace* (European Commission, 2005), found that just under half of all businesses responding to a survey of the European Business Test Panel indicated that they were actively engaged in promoting workplace diversity and anti-discrimination.

³ Marion Keil, et al. (2007)

⁴ Deloitte (2011); Only skin deep – re-examining the business case for diversity.

As an HR concept, diversity management plays an important role in an organisation's efforts to attract and retain skilled staff and provide them with a working environment which is open and supportive of their differences and maximises the advantages gained to integrate them into the company culture. What is good for employers more generally is also good for the PES as an employer. The business case here is the same as for private enterprises (and indeed other public service organisations). Indeed, there may be a perceived requirement for PES to act as a good practice example for other employers in this regard.

Similarly, because of the PES's increasingly diverse client base, there are also arguably advantages to having a diverse staffing profile which better represents the profile of their clients, both in terms of cultural or ethnic background, age of experiences.

This can be seen to be ever more important in a context where PES service models are changing, with a greater emphasis on digital services and the greater emphasis on self-help for those who are more job ready. The PES client base which is more likely to come into direct face to face contact with counsellors is likely to face greater diversity (and discrimination) challenges. Data show that low skilled young workers, older workers, disabled individuals, those with long-term mental and physical health issues, as well as migrants and minority ethnic groups are more likely to be represented among the long-term unemployed. Our goals of achieving integrated societies free from discrimination on one hand and the need to use human potential to the full in developing our economies on the other have made it necessary to address the diversity head on and design effective ways to manage it in every day work in the PES.

The challenge and the opportunity provided by diversity is facing not only the PES but all its clients as well. Employers increasingly have to abide by anti-discrimination legislation in the workplace but also need to tap into talent among the more diverse labour supply. This is important not least for the changing needs of their customers who are themselves increasingly diverse in the global markets.

As digital services become more prominent, further aspects of potential multiple discrimination are introduced for certain client groups (such as older workers and the economically or socially disadvantaged) as a result of lacking digital literacy or access to the required infrastructure.

The question for diversity policy within PES is therefore whether there is an added value in PES staff more closely mirroring the profile of its core client groups or whether awareness of the requirements of individuals from such specific groups is best acquired through diversity training and a holistic individualised approach. The second question is whether specific counsellors with dedicated training (and potentially more closely mirroring the characteristics of the client group) can achieve better results.

2.3 The PES response to diversity

The delivery of specific skills and staff profiles

Most PES have identified the diversity challenge and have designed ways of managing it. European Commission (Sienkiewicz, 2012) shows that countries like Belgium (VDAB), Croatia, Slovenia and Lithuania have separate job profiles for employment

counsellors for different client groups while Bulgaria, Cyprus, Finland, France, Latvia, Poland, Sweden, Romania, Hungary and Spain have generic job profiles for employment counsellors. Practices also include specialised PES centres for the young job-seekers, career development centres and networks of other institutions supporting special groups.

There is evidence that PES staff is becoming more diverse. It is not obvious, however, that this change is occurring due to specific staffing practices which reflect diversity in the client base despite some evidence to suggest that it may be helpful for certain target groups to be assisted by counsellors who are close to their age or ethnic profiles etc. This could partly be the result of more limited recruitment in the PES in recent years as budgetary restrictions have begun to bite (or the inability to continue promising pilot projects, as was the case in relation to the recruitment of youth counsellors in the Netherlands)⁵.

Evidence gathered during the PES to PES peer review on Youth Guarantees found that PES perceived some added value not only in having specific counsellors dedicated to working with young people, but also having the perspective and input of counsellors who are themselves young, who are more likely to 'speak this client group's language' and be aware of the sources they access for job search.

Employment counsellors for young people need to have a good grasp of education, training and apprenticeship/internship possibilities. The factors of motivation are certainly important for the youth counselling process and the ability to activate young people who may have dropped out, going either back to school or into work. This may require special skills such as: **understanding value systems and attitudes of young persons with lower qualifications, exploring possible interests of youth and understanding how to build career pathways for pursuing these interests**. These abilities are already within the repository of skills of employment counsellors as shown in the taxonomy of skills designed by Sultana and Watts (2006). They identify at least four career guidance skills which are used in the counselling process in PES and which are usually provided by employment counsellors:

- counselling skills of relationship-building;
- diagnostic/assessment skills to define the customer's needs, work experience, skills and qualifications relevant to his or her job-search;
- skills of making occupational/educational suggestions, based partly on the customer's needs and wishes and partly on the employment adviser's knowledge of the labour market and of employers' demands; and
- skills of supporting action planning.

However, based on the above defined needs employment counsellors have additional needs linked to their new remit:

- Partnering and facilitation skills to foster cooperation with other institutions in serving the needs of youth
- Team work skills to contribute effectively in multidisciplinary teams

⁵ European Commission (2011a), Comparative paper for Peer Review on Youth Guarantees. Author: N. Duell and K. Vogler-Ludwig

- Leadership skills to design different individualised approaches and creatively use tools available not only in counselling but in the support available from other institutions (the Denmark example)
- Ability to use information from career guidance portals and various ICT supported services.

Similarly, the analytical paper⁶ and Peer Review on PES and Older Workers⁷ found that specific integration methods requiring specific skills can be particularly helpful for this target group. It was also remarked that older workers may find it more difficult to take advice and instruction from a very young counsellor than from someone more experienced or closer to in age.

There thus appears to be evidence of benefits of having a more diverse age profile among employment counsellors. As mentioned above, it will be interesting to observe to what extent such an age balance can be maintained among counsellors in different countries as recruitment becomes more restricted.

In certain countries, regions and particularly urban centres with concentrations of migrant communities, it may equally be relevant for PES staff to be more reflective – at least to generate an awareness of the cultural specificities of various client groups. Some evidence from interviews shows that diversity policy in PES was driven more by regulations on anti-discrimination and equal rights such as the provisions of the national action plan for integration in Germany. Austria has specific training activities to reach gender equality targets among its staff. **As we will see most PES have addressed diversity challenges by introducing support to employment counsellors through specific training provision.**

Another option for delivering such specific services and skills is to work with external providers who have the relevant knowledge base or staff profile. Some PES are therefore increasingly contracting with private or third sector providers in order to deliver such features.

Greater diversity awareness through training

The PES 2020 Strategy Output Paper mentions that transitional labour markets require a new anticipatory role in the response to potential career transitions by 'giving individuals a perspective and voice in their development'. In order to achieve this end, the PES need to move from 'conventional serving to facilitating, coaching and conducting'⁸. This is in line with the above discussed new training challenges which are outlined in the following table:

⁶ European Commission (2011b) *The Role of Public Employment Services in Extending Working Lives. Sustainable Employability for Older Workers*, Brussels, September 2011, Author: B.G. Hake

⁷ European Commission (2012a) *PES and Older Workers: Toolkit for PES*, Brussels, July 2012, Author: Ágota Scharle

⁸ PES 2020 Strategy Output Paper, European Commission, 2012.

Training challenges

| Requirement | Solution | Training needs |
|--|---|--|
| Holistic approach | Partnering with other institutions | Communication skills, team work, understanding different organisational cultures, shifting focus of partners on to the need to create positive employment outcomes (not benefits) |
| Individual approach for diverse groups | Leadership, entrepreneurial skills, deeper counselling abilities for specific customers | Ability to set goals, find solutions, self-driven, responsible for outcomes, deeper understanding of motivation and requirements of different groups, ability to liaise with relevant stakeholders, ability to empathise, ability to motivate oneself and others |
| Deeper understanding of and good relationship with employers | Building closer relationship with employers and understanding their needs | Understanding the business environment and human resource needs of employers, ability to design win-win situations with employers, have an understanding of HR practices in the private sector; negotiating skills; marketing skills. |

Most PES including Germany, Austria and VDAB⁹ have additional training for their counsellors on specific labour market groups. In VDAB there are courses on understanding different cultures, working with unemployed people aged over 50 years, understanding alcohol and drug related problems or psychiatric problems etc. There is no direct staffing policy which caters for special diversity groups but there are members of such groups among counsellors, although not necessarily counselling the particular groups to which they belong.

Out of the three new requirements shown in the table above, the second one - a deeper understanding of the individual needs of diverse groups - comes closest to the position that dealing with diverse group cultures, behaviours, needs and attitudes may

⁹ Based on responses of PES in Germany, Austria and VDAB Belgium to a questionnaire prepared for this discussion paper.

need participation of counsellors who themselves belong to these groups. The question arises as to whether this type of understanding is something that can be learned through practice without resorting to specific staffing policies. In the same way as employment counsellors mediating for specific occupations learn a lot about both the demand side and the supply specifics without actually having personal experience in this type of work, could counsellors mediating for ethnic groups also learn about them over time? It may be sufficient for counsellors to have key competences which include a general ability to listen, identify skills, promote openness and trust, to perform their job to the advantage of any customer.

On the other hand diversity motivated staffing policies might bring some advantage, in specific cases where there are language barriers or gender barriers based on religious beliefs. As such they would apply to the needs of very specific communities where certain diverse groups dominate.

With experience comes understanding of specific behaviours and attitudes but there may be a problem with how to modify or adapt them and motivate the customers to adjust them in order to prepare them best for the labour market. Too much understanding can also be debilitating for action.

One overarching need emerging from the diversity management related competency profiles of employment counsellors is more autonomy, leadership and problem solving abilities. Individualisation and a holistic approach indicate that approaches to reducing barriers to labour market integration cannot be standardised easily. What works in one case may not be helpful in another. The ability to design tailor-made approaches requires a complex tool box of competences many of which hinge on soft skills like adaptability, innovativeness, creativity, empathy and ability to listen, motivate and design specific pathways. This requires skill levels which do not come automatically from affiliation to a certain diverse group. If all the generic skills are present and are further developed with training, mentoring and coaching, and if a level of professionalism has been achieved, such additional affiliation could be an added asset.

To enhance mutual learning it may be important to tap into existing practices in the PES, identifying individuals who may be particularly successful in placing members of particular groups who could share and transfer their experience to others. This would require either quantifiable individual performance indicators for employment counsellors which exists in some PES (Austria) or regular exchanges of experiences in a more informal way, i.e. feedback sessions which can be found in Denmark in career guidance centres for youth.

This may point to the need to introduce knowledge management systems where tacit knowledge is systematically made available for institutional learning. The PES has immense knowledge and information about the world of work, education and economic development. This diverse knowledge is expanding as institutions start working closer together in supporting individuals back into work and out of poverty. Making information available through intranet portals can only go so far in achieving this. There is often no time to read and learn in this way. Quick exchanges, insights, chat, and internal Twitter, Facebook, PES-ikipedia; these are technological resources which are dynamic and where instant learning is available in a non formal format. Skills for this type of interface include digital competences, sorting, browsing, selecting, probing, synthesising, grouping and analysing content. The question is how well versed are our employment counsellors in this respect?

3. Tracing meaningful career paths for employment counsellors

Rising skill requirements arising from the increasing diversity in job requirements expected of employment counsellors in the future necessitates a close look at possible career paths which will provide motivation for performance and impact.

Career wise, employment counsellors have both vertical and horizontal mobility opportunities. Within the PES they can advance to heading teams of counsellors, become trainers, coaches, mentors, become responsible for the mediating function at the regional or the national level, become a manager or move to other organisations where counselling is a core competence. Lateral moves from the public to the private sectors have been evidenced as well as some self-employment to the job-broking sector and to HR departments of companies¹⁰.

In VDAB, Belgium, Germany and Austria there are possibilities to advance from the counsellors' position provided that specific training and proof of competence is attained. In Germany there are two specific paths; vertical mobility to management positions and horizontal mobility to deepen expert competences. Both are usually supported by specific training for these positions. There are also some recent experiences mirroring similar practices from the private sector. To fill specific positions in more senior positions, assessment centres are used. This practice entails the development of competency profiles for the designated positions and a mixture of various tests to ascertain a good fit to the competences of the individual. Tools used are intelligence tests, aptitude tests, questionnaires of personal characteristics and interests as well as workshops which simulate situations where candidates can display behaviour important for undertaking certain tasks in the future workplace. This is very often the case in the private sector when top managers are chosen internally from second line managers.

In Austria there are no homogenous career paths but career counsellors can become managers, deputy managers and there is special training for women to access certain posts and fulfil gender equality targets.

Typically, the earning curves of employment counsellors are not steep in either of these countries. There is no significant fluctuation of staff in the PES and the mark-up for career moves to expert positions or team leader positions are not large but may increase if the degree of expertise is high.

3.1 Mobility options outside the PES

It is clear that ageing societies with rising levels of diversity will require more counselling type skills at all stages of the life cycle. The basic counselling competences can be applied in many occupations and will continue to do so in the future. Counselling usually requires a post-secondary qualification but is also a practical skill which needs to be developed through learning-by-doing. Therefore, a rising demand

¹⁰ Based on responses of PES in Germany, Austria and VDAB Belgium to a questionnaire prepared for this discussion paper.

for counselling skills may provide a motive for counsellors to invest in more demanding knowledge intensive skills for their future careers.

Future prospects for counselling are good. The O*Net portal¹¹ of the US Department of Labour gives counselling a bright prospect and mentions occupations within this group as follows: Guidance Counsellor, Counsellor, School Counsellor, Academic Advisor, Career Counsellor, College Counsellor, Career Services Director, Academic Counsellor, Advisor, Career Centre Director. Counselling is also present in rehabilitation, mental health, substance abuse, psychological support, social work and others where it requires a mix of specific knowledge as well as counselling skills. Therefore, counselling will become a key competence for many other occupations where the focus is outside typical employment counselling. This aspect may not be as developed in the EU yet but an expansion of skills described above which includes more transferable skill components like leadership, entrepreneurial, and negotiation skills is likely to induce higher employability outside the PES context.

In Germany there is not much mobility for counsellors but those who do decide to leave tend to have been in the PES for 2-3 years and most frequently move to positions as employment counsellors within municipalities where they tend to deal with more difficult to place long-term unemployed job seekers.

More mobility of counsellors both within and outside of PES also requires the attainment of more transferable skills which can then be additionally attuned to the varied use of counselling skills. **So far, employment counsellors with their predominantly job-broking skills do not have adequate transferable skills for these possible lateral careers.** To attain more transferability, training of counsellors must include more elements of

- Flexibility/adaptability – to be able to apply the skills to different situations
- Innovativeness/creativity – to adjust to changing skill needs in reference to different customers
- More 'people skills' in dealing with individuals with diverse characteristics – to be able to understand behaviour and influence it in varied counselling situations not usually found in PES such as in social work, mental health care, for war veterans, or family counselling.
- Learning to learn skills – to enter new knowledge areas with speed and understanding
- Problem solving skills – to be able to face and resolve complex issues effectively.

Most of these skills are soft skills which, when coupled with sound traditional core counselling skills, should make job-to-job transitions easier for employment counsellors.

¹¹ www.onetonline.org

4. HRM approaches to fit changing life-cycle needs

Since PES counsellors enjoy relative job security there is a high likelihood that they will stay in their jobs for long periods of time. While experience and training can help the counsellor to become more professional and effective, counsellors may also exercise coping mechanisms which may be detrimental to the quality of the counselling process. Very often there is a loss of empathy for the job-seekers' predicament which could reduce the effectiveness of employment counselling. Loss of empathy is often related to the need to sustain long periods of stress from exposure to the stress faced by customers especially in labour markets where there is either a chronic excess supply of labour or where demand is high and PES are dealing with the 'difficult to place' clients.

Some of the factors which particularly contribute to occupational stress are:

- High case loads, particularly in recession periods, and with the accompanying frustrations of not being able to place job-seekers into work
- Difficult customers (the mentally ill as well as clients who may be aggressive, demanding, abusive)
- The need to fulfil certain targets and use of indicators to measure success in reaching them, particularly when targets may go against wider social justice principles
- Unclear responsibilities which are detrimental to motivation for work
- Bad management and unprofessional interpersonal communication / mobbing
- Frequent restructuring and rising competition levels in the PES which become more acute.

Concern with the ability of employment counsellors to handle these challenges in Germany have prompted the PES management to carry out an employee's survey on health related issues. They identified relatively high levels of frustration which are attributable to the insecurity created in the course of PES restructuring and the relatively unfavourable image of the PES in the opinion of the general public while considerable efforts were being made to restructure the institution. There is often a lack of recognition of the effort needed to change the public organisations which could be demotivating for the agents of change.

In Austria, frustration by counsellors grow when labour demand is weak or when barriers exist for placing specially targeted members of customer groups e.g. women. In countries with high unemployment, demotivating factors include the very high case loads while in some countries in Eastern and Central Europe this is further exacerbated by the relatively low salaries of counsellors.

4.1 Solutions adopted by PES

Some of the ways PES try to cater for these situations is by offering specific types of training which help counsellors deal with the above mentioned situations where customers are concerned. All of the PES who responded to the interview questions have training for stress reduction focusing on getting a better understanding of the causes of abusive and aggressive behaviour and how to deal with it. In VDAB counsellors are encouraged to develop leadership capacity through training which helps them to influence, modulate and redirect the negative emotions of customers to positive ones.

In Croatia, counsellors were able to reduce their stress levels by becoming more active in the development and implementation of projects. The PES have the dual role of being the contracting authority for EU funds but at the same time they can compete for project funds at the level of regional offices. Quite a few counsellors found the experience interesting since they could provide more individualised services to their customers by involving specialised organisations who had both the time, the skills and the motivation to help particular groups of the unemployed.

In Germany there is an attempt to apply a holistic approach to stress management. Based on practical experience the incidence of stress was often noticed to occur when the private situation of counsellors deteriorated. Bearing this in mind, various means such as professional advice on these matters or flexible work time models was offered to employees so that they could resolve the private causes of stress more easily. In Austria there is a practice of introducing more flexible working hours, sabbatical leaves, career development opportunities and mixing of counselling with other tasks which guarantee a smaller work load.

An opportunity for alleviating stress can be found also via a team approach in cases of individualised counselling where the 'weight' is distributed more equally. Referring clients to more specialised support could reduce the pressure of numbers and the possibility of career advancement could provide better alternatives for employment counsellors who are discouraged by the prospect of years ahead with the same grind.

4.2 Mechanisms for tapping into rich age-related knowledge base of counsellors with a long service record

There are various ways in which the knowledge and experience of counsellors with long years of service could be used for improving the performance of PES. The ways chosen should always take account of the individual interests and needs of counsellors. Each individual uses different adjustment mechanisms over time in the work environment. The accumulated experience and knowledge of counsellors can be put to use in several PES activities:

- Recruitment (their profiling skills and knowledge of job requirements is important for successful recruitment of new employees) – HR role
- Training – from inception training to further training for professional development and development of training materials – HR role
- Mentoring – both on the job and for career development – quality assurance role

- Assessment and quality management – for those who have interest in entering this rather specific area – quality assurance role
- Developing new services and support to customers – innovative role
- Entering management and or team and project leader roles – career development options
- Working with labour market partners and stakeholders – networking role
- Analysis and knowledge gathering, systematising and adjusting for use on intranet, portals, training sessions – information/knowledge management role.

Quite a few of these roles fit well into the HR department of PES whose main task is to develop the PES human resources. However, management will often recruit the most capable to these positions rather than recruit according to seniority. Given that newer generations may be better educated and have also benefited from increasingly improved in-house training opportunities, some of these positions may be difficult to access by older employment counsellors. However, some of the roles such as mentoring and working with labour market partners and delivering training can also be developed as part of a career trajectory outside of the HR function.

5. Role of management and mechanisms of ensuring quality in employment counselling

Performance management is an important part of ensuring the quality of work in PES today. The overview of such practices was given in the publication *Performance management in public employment services* (2012) which shows that PES widely practice various forms of performance management for most of their key processes. New insights into the job profiling and training of employment counsellors were well documented in European Commission (Sienkiewicz, 2012) where it is concluded that the 'process of job and competence profiling of employment counsellors is well structured and regarded as important in shaping the quality of the service by meeting increasing job requirements in the analysed countries'.

The former study shows that the effectiveness of performance management practice is often limited due to the many external influences which affect the final outcomes of PES activities and which are outside of their control. This has led some PES to develop sophisticated benchmarking tools which take external factors (such as economic and labour market factors, as well as client characteristics) into account in order to allow for comparisons between regions or indeed counsellors.

The fact that PES practices are different makes comparisons of inputs, outcomes and outputs difficult between countries mostly due to the different objectives which have been set based on the different economic and organisational settings. Nevertheless, the PES benchmarking group has developed the following six performance indicators which are used by the majority of European PES:

- Transition from unemployment to employment
- Speed of transitions from unemployment to employment
- Transition after training interventions
- Providing access to vacancies
- Vacancy filling
- Customer satisfaction for jobseekers and employers.

An additional difficulty in getting the best out of performance management is the tendency of organisations (not just the PES) to become overly target driven, focusing only on those activities which will steer indicators in the right direction. This happens even to the detriment of achieving some of the more important overarching goals of the whole establishment such as provision of free mediation services in a non-discriminatory way and provision of equal access. The two pitfalls which are mentioned and which have to be avoided when designing a performance management systems are 'creaming' and 'parking', the temptation to provide help for those who are not in need and placement according to preferential criteria.

The above are challenges to be addressed through strong quality management and leadership in PES, often underpinned by relevant quality management training approaches for all staff.

Most PES use in-house training as a mechanism of building quality assurance competences into skill sets of employees. The content of training at all levels in Austria¹² tries to help employees to achieve:

- Goal orientation
- Competencies for achieving targets
- Professionalisation of steering the processes
- Knowledge in using tools, instruments and channels
- Good results of target values (client monitoring system).

In Germany PES ensure that good quality standards are well understood by all counsellors, as well as mechanisms of achieving them and indicators for measuring them. In VDAB adherence to standards is monitored by team leaders and coaches. In Croatia, trainers assess the work of counsellors, undertake training needs assessments and deliver the necessary training.

In Austria, sets of performance indicators are focused on achieving targets for difficult to place job-seekers rather than having general indicators as suggested by the PES benchmark group. Examples are:

- Transitions into employment of older persons within 6 months of registering
- Transitions of youth within six months into long term unemployment
- Transitions into employment of persons with less than 2 months work in the previous year
- Transitions of women after childbirth into training or employment
- Registered high skill vacancies etc.

These types of indicators indirectly measure activity of the employment counsellors and other support services available for these groups. Targets are negotiated on an annual basis between the decentralised regional offices and the central tripartite management board. These negotiated regional targets are then broken down to individual targets for employment counsellors. Performance is monitored according to targets which are agreed upon.

5.1 Role of leadership in quality management

Strong leadership has an importance role to play in performance and quality management. This applies at all levels of the organisation, from the setting and communication of strategic targets to the monitoring of their implementation at individual level. For individual employment counsellors, arguably the most relevant

¹² Susanne Loudon (2012): Training concepts for Austrian PES staff, presentation at conference, Bruxelles, July 2012, <http://ec.europa.eu/social/main.jsp?catId=105&langId=en&newsId=1667&moreDocuments=yes&tableName=news>

level at which different methods for performance management and quality control have an impact is at the level of the team and in line management.

In this context the successful implementation of quality management requires that:

- Skills and knowledge need to be **developed** in order to ensure ability to follow quality standards and procedures
- Resources and activities need to be **designed** in order to ensure the rising skill and knowledge levels needed to implement the Quality Assurance (QA) concept, i.e. quality attainment comes at a cost which must be weighed against quality related gains.

Setting up a quality assurance system in the PES is the same as in all other organisations and is usually organised by the human resource departments. The steps include the following:

- Set objectives for employment counsellors to achieve
- Plan and document processes which will deliver those objectives
- Implement the processes
- Monitor the outcome of the processes
- Review the outcomes against objectives with adjustments as required.

Thus the most important issue regarding successful Quality Assurance Systems is establishing PDCA principles (Plan, Do, Check, Act).



PLAN – establishing objectives and make plans (set targets and develop plan to achieve them)

DO – implement plans

Check – measure results (define monitoring and measuring system – key performance indicators, KPI's)

ACT – correct, improve and learn from mistakes in order

to achieve better results next time.

Quality Management Systems ensure consistent standard of work, accurate measurement of KPIs, planning of long-term goals and reduction of risk.

Determining KPIs is one of the most important processes in a QM approach, since they represent strategic and quality milestones that should be achieved. They need to be achievable, motivating and have a time dimension.

Through redefining the organisational structure it is important that the employment counsellor's job/task is defined clearly, together with instructions and clearly defined expected job outcomes – aligned with KPI's.

In Austria, the leadership development for managerial staff is considered to be crucial for assuring quality performance. During the whole life cycle of manager development, from recruitment, training and career development, special care is taken to identify talent, give them development opportunities and steer them towards positions which are best suited for their specific competences. As they point out, good quality leaders lead to good quality performance indicators and performance. There are several aspects to this statement. Firstly, goal setting is seen as a process where line managers interact with counsellors and jointly come up with realistic, measurable and clear goals. A balanced score card system is in place to monitor achievement of labour market targets, satisfaction of job-seekers and employers and process indicators of the 3 main processes which exist in Austria. Regional offices are ranked according to the achievement of goals and premiums are paid for good performance. Those lagging behind are offered support to improve their ranking.

This approach to improving quality of services by focusing on leadership roles of managers is also present in VDAB in Belgium but there is more emphasis on the leadership roles of counsellors themselves. Promoting individual development mechanisms for leadership is particularly conducive to addressing diversity related challenges in view of what has been said on the subject above.

In both approaches, performance related dialogue, as well as individual meetings with line management or team members to assess the extent to which objectives have been met, is good practice. There are many forms for this dialogue to take place including case conferences, working groups, regular office meetings sharing information based on performance data etc.

A recent peer review in Denmark showed that an increasing number of PES are seeking to motivate staff and using performance information to calculate team or individual rewards. Such systems require careful handling in order to avoid perverse incentives or demotivating effects. Little remains known about the impact of such systems on individual counsellors and teams and there is value in exchanging good practice in good leadership in effectively managing such systems to the mutual benefit of counsellors and clients.

5.2 Lessons to be learned from the private sector – Talent Management (TM)

Regarding the whole range of different HR tools, Talent management (TM) is the one which supports the highest level of alignment between the needs of the organisation and needs of individuals. TM is the systematic attraction, identification, development, engagement, retention and deployment of those individuals who are of particular value to an organisation, either in view of their 'high potential' for the future or because they are fulfilling business/operation-critical roles.

The concept hinges on the idea that best performance can be achieved when individuals are chosen for their talents, interests, competences and attitudes which are also important for performing to standard in a particular job. **Where this fit is good, management will not have to set up elaborate motivation structures but need**

only to support the achievement needs of individuals who are developing their own talents and following their interests.

TM focuses on ensuring the most important long-term strategic goals of the organisation – assuring the right knowledge, skills and quality to fulfil these goals. For successful development of a TM system within the PES several questions should be answered regarding strategic goals:

- What type of 'talent' are we looking for (competencies, knowledge, skills)? – we should define them through a competence matrix / job description;
- What do we need this 'talent' for? – what are the expectations from employment counsellors in PES processes.

Useful examples of competency profiles can be found in European Commission (Bimrose) (2012) where practices of PES in Slovenia, England and Ireland are scrutinized. The focus of the paper is on competences needed for developing SMART individual action plans (IAPs), an activity which is key to individualisation and the holistic approach which we have ascertained as crucial in diversity management. These findings are relevant to our theme as IAPs are a clear orientation to customer empowerment concepts and a step away from the directive approaches inherent to previous counselling practices. Diversity management approaches also need to introduce more empowerment tools which put the customer in the driving seat of their career development. Career counsellors for diversity management goals need to have competences to steer the customer towards this path.

In order to achieve this, recruitment tools need to assess the existence of chosen competences in candidates and training systems need to develop the required knowledge and skills for the job. This system will require more developed career development strategies within the PES which follow the growth of development potential and career choices of employment counsellors.

5.3 Leadership roles for PES management

The change from a public servant mentality to leadership concepts within PES has been pursued in some countries during their major institutional restructuring efforts (Germany, Austria, VDAB). Not only were persons from the private sector intentionally recruited to manage the change but the learning practices continue to use private consultants and explore private sector solutions.

Mechanisms of quality management shown above and instruments of measuring individual performance have introduced a dimension of competition not usual in the PES and have largely changed the culture for good. Nevertheless, ultimate mechanisms for improving performance are still much "softer" than in the private sector where redundancies, golden hand-shakes and other forms of easier or harder separations are the norm.

Since the carrot and the stick are not as clear cut in the PES, there is room for enhancing leadership roles of PES management as well as counsellors themselves. Managers who do not have the freedom or the ease to change and adjust their workforce easily must have even greater leadership qualities to lead their semi-fixed human resources through periods of change without the benefit of easy motivational mechanisms. Furthermore, a greater leadership role for counsellors themselves which

is needed in the future requires flatter hierarchical organisations and more coaching and team development skills from the management. There is an overall need for managers to assume some of the HR roles in their work if they are to be able to motivate, help develop and grow leadership in their teams. However, such content is not usually currently contained in many training curricula for managers.

Therefore, recruiting for leadership traits and bolstering them through focused leadership training could go a long way to developing new approaches to managing public servants and allowing them to manage themselves.

6. Conclusions

1. Diversity is about recognising, respecting and valuing differences based on ethnicity, gender, colour, age, race, religion, disability, national origin and sexual orientation while striving to achieve equal access, opportunity and support in a changing and increasingly competitive labour market setting.
2. PES have responded to growing diversity in different ways but there is a 'cross the board' presence of training based approaches but little evidence that staff were recruited on the basis of belonging to a particular group as a part of diverse staffing policy. Introduction of diversity in staffing is driven more frequently by anti-discriminatory regulations.
3. Career paths of employment counsellors are usually rather flat but there are trajectories to management positions or to positions of team leaders, mentors, coaches, trainers, career guidance counsellors. Fluctuation is not significant even though earning curves are not steep. Mobility to jobs outside PES are not frequent but forecasts for future needs of counselling skills in many occupations are good (O*Net).
4. Most PES have recognised the life-cycle difficulties experienced by employment counsellors who have long years of service and have introduced training to alleviate the stress and prevent burn-out and interruptions of work by sabbatical leaves and more flexible work arrangements. There are some innovative attempts to address the work / life stress together and give support in a holistic way (for example Germany).
5. There are many roles within PES activities which could be filled by employment counsellors with longer years of service on the basis of their experience and knowledge. Many of them are in the domain of human resource development (training, mentoring, recruitment) but also to support diversity management possibly with older customers if all other skill requirements are in place.
6. Measuring performance of employment counsellors is difficult and almost impossible to compare between PES. Setting achievable targets and developing indicators which measure the success of placing hard to place groups like in Austria seems to provide a case of good practice to learn from.
7. Methods of introducing quality assurance in employment counselling are mostly rooted in the training outcomes – from initial or basic to further training of employment counsellors. The existing evidence of QA in the PES would need to be expanded for better understanding of practices in this field.
8. A private sector practice which could, among others, be useful for PES is talent management and leadership practices which make use of individual talents and build them up with focused management and occupation specific training. If the PES continue to offer limited career development opportunities and expand the remit of employment counsellors at the same time, intrinsic motivation aligned with the achievement of PES strategic goals will be the best method of achieving, developing and attaining quality standards. In such conditions leadership qualities in PES management and in employment counsellors themselves could be as important, if not more so, than in the private sector.

7. Literature

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