



# **Second assessment report on the PES capacity to implement the Youth Guarantee**

A contribution of the  
European Network of Public Employment Services

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## Headline messages

This report is based on a questionnaire through which Public Employment Services critically self-assessed different aspects of their capacity to implement the Youth Guarantee. It updates a similar assessment completed by PES in 2013.

Across the four areas of service delivery assessed, capacity has improved year on year between 2013 and 2014 in two areas: services for employers (+9 %) and activation and placement (+14 %). PES capacity in providing transparency of supply and demand has fallen (-5 %), while average PES capacity to provide a comprehensive range of services for young jobseekers (based on a series of new questions introduced in the 2014 questionnaire) scored 3.4. On average, PES assess their capacity as 'medium' in all four main areas of the survey with the highest average score in the area of services for employers.

**Table 1. A summary of PES self-assessment**

Indicators	Average score (0-5)		Change 2013/2014	
	2013	2014	%	Trend
<b>Area 1. Transparency of supply and demand*</b>	<b>3.6</b>	<b>3.4</b>	<b>-5</b>	<b>↓</b>
1.1 Supply side – young people*	3.7	<b>3.5</b>	-6	↓
1.2 Demand side - employers*	3.5	<b>3.4</b>	-3	↓
<b>Area 2. Provision of a comprehensive range of services for young jobseekers**</b>	NA	<b>3.4</b>	NA	NA
2.1 Counselling services**	NA	<b>3.3</b>	NA	NA
2.2 Career guidance**	NA	<b>3.5</b>	NA	NA
<b>Area 3. Services for employers*</b>	<b>3.2</b>	<b>3.5</b>	<b>9</b>	<b>↑</b>
<b>Area 4. Activation and placement*</b>	<b>2.8</b>	<b>3.2</b>	<b>14</b>	<b>↑</b>
4.1 Early intervention and activation*	2.9	<b>3.2</b>	9	↑
4.2 Identification and motivation of NEETs and young people at risk of dropping out of the system*	2.7	<b>2.9</b>	6	↑
4.3 Effective and efficient allocation of active labour market policy measures	3.4	<b>3.6</b>	5	↑

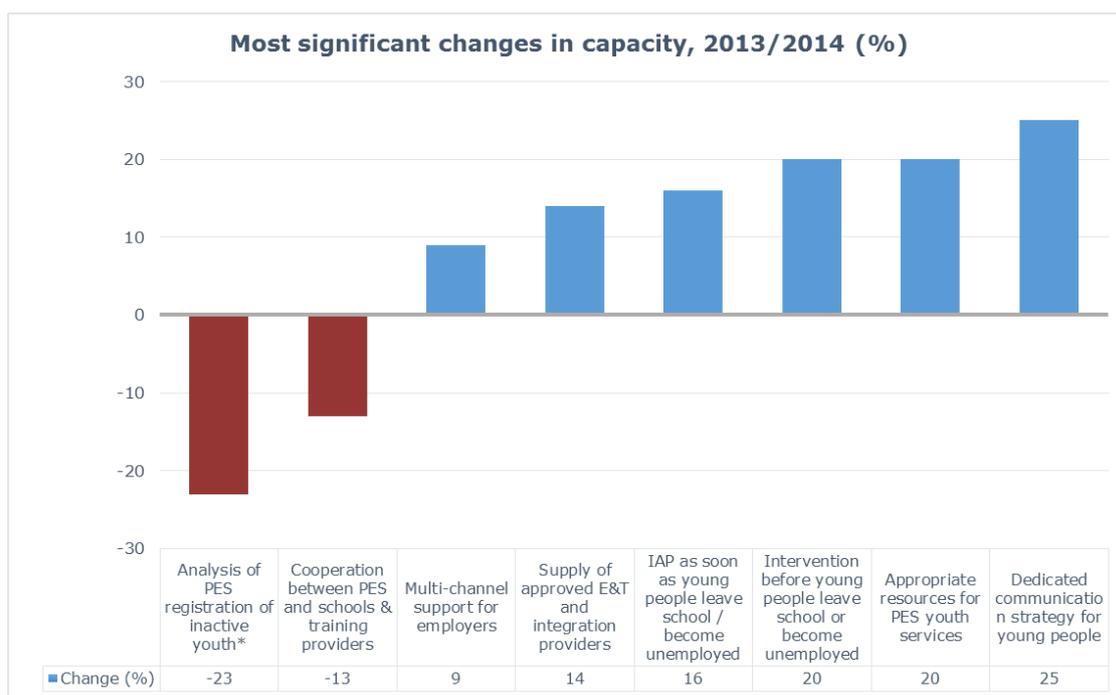
Notes: 2013 figures consist of responses from 31 PES, 2014 figures from 30 PES

\* Note: Trend figures are indicative only; not always directly comparable due to changes in the survey

\*\* Note: No trend analysis due to significant changes in the content of the 2013 and 2014 surveys

The chart below outlines the most significant - year on year - changes in PES capacity between 2013 and 2014. Assessed capacity to analyse the registration of inactive young people and of the quality of cooperation between PES and schools and training providers has substantially fallen (by -23 % and -13 % respectively). Conversely capacity has grown substantially (by one fifth or more) in interventions before young people leave school or become unemployed (+20 %), having appropriate resources for PES youth services (+20 %) and having a dedicated communication strategy for young people (+25 %).

**Chart 1. Most significant changes in PES capacity between 2013 and 2014 (%)**



Note: Based on responses from 30 PES, \*the result should be seen as indicative only due to changes in the formulation of the question

### **PES capacity for supply side transparency remain stronger than the demand side equivalent**

While PES capacity to provide transparency remains stronger on the supply side than on the demand side, supply-side transparency concerning 'inactive' youth needs to be improved to meet Youth Guarantee (YG) objectives. PES need to considerably increase their capacity to collect, analyse and exchange data in respect of inactive youth, through wider engagement with other stakeholders (e.g. schools and youth organisations) to effectively meet YG objectives. Where the identification and engagement of inactive youth is a statutory responsibility of other bodies, such as local authorities, PES can still play a role in the data management and exchange process and contribute to activation through referrals.

Demand-side transparency needs to be strengthened in vacancy handling, targets (e.g. for market share and relationships with private agencies) and in collecting and analysing labour market conditions. The latter is particularly important for those PES that have a weak understanding of the situation on the labour market. PES should seek to provide comprehensive vacancy databases which also list apprenticeship and traineeship vacancies. Additionally there is an ongoing need to strengthen overall PES strategic capacity for matching young job seekers with appropriate opportunities based on good market knowledge, and for setting specific placement targets for young people.

### **Progress towards delivering comprehensive services for young people**

Average PES capacity in delivering comprehensive services for young people is in the medium range: the average score for this service area in 2014 was 3.4, with the equivalent scores for counselling services and career guidance at 3.3 and 3.5 respectively.

While the 2013 report acknowledged the role that the YG would play in developing career guidance, findings from the 2014 survey demonstrates that it is indeed influencing service delivery. Available commentary from the PES acknowledges where the YG has and is making a difference to the service offer, e.g. introducing

communication strategies and campaigns, providing a rationale for systematic collaboration with stakeholders and entrepreneurship support.

Looking first at counselling, the survey results show that PES are confident that they deliver multi-channelled counselling services and an individualised service offer (average score 4.0). A key area where PES have improved their capacity concerns the use of communication strategies (average score of 3.4 in 2014, compared to 2.7 in 2013). That said, there is considerable room for improvement in how these strategies are evaluated (average score of 2.3) and in evaluating client satisfaction among young jobseekers (average score 2.9).

One area where counselling capacity has fallen concerns services to support entrepreneurship. Average capacity to deliver such support has fallen (down from 3.2 in 2013 to 3.1 in 2014).

Turning to career guidance, services are assessed in the middle of the medium range. Year on year data on the provision of individualised career guidance for young people with special needs remained the same (average score 3.5) while the new questions introduced in the 2014 questionnaire on career guidance both resulted in similar scores (3.6 for the significance of PES in providing career guidance and 3.5 on capacity to deliver multi-channel strategies for career guidance). Digitalisation is viewed positively and is being used to broaden available PES services hence allowing advisors to spend more time delivering guidance.

### **Strategies and processes in place to engage with employers, though room for improvement**

The scores are typically moving in a positive direction and performance is above average in the areas of vacancy submission and delivering proactive employer services. PES appear to perform less well on average concerning: employer engagement; matching tools; having adequate human resources to work with employers; the counselling services offer; and evaluation of the services provided to employers. Hence while activities to reach out to employers appear better developed, the detail of the services provided and analysis on whether it meets employers' needs is less well developed. This is an area for further improvement going forward.

### **Improvement in early intervention, activation and allocation of ALMP resources: improvement required in outreach and cooperation with schools**

As central players in the implementation of the Youth Guarantee in almost all EU countries PES have key responsibility in achieving the YG early intervention objective. Overall capacity to ensure early intervention and activation was rated medium and represented a 9 % year on year improvement. There was considerable year on year improvement in access to appropriate staff resources, preventative interventions and individual action planning. Capacity to monitor transition outcomes remained unchanged, while capacity to evaluate client satisfaction fell.

Results also show improved PES capacity for allocating ALMP resources, based on adequate funding and a good supply of providers. However there is a need to strengthen investment and capacity in monitoring, tracking and evaluation of ALMPs targeted at young people to maximise their effectiveness and efficiency.

A systematic PES involvement in outreach of NEETs and in cooperation with schools remains limited and needs to be strengthened. Increased partnership mechanisms are also needed to ensure better exchange of information with the education sector on young peoples' transitions.

Having processes in place for monitoring and following up with young people is foreseen as an integral element of the Youth Guarantee<sup>1</sup>. The results show that a

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<sup>1</sup> Council Recommendation on Youth Guarantee (2013), Journal of the European Union, p.5

majority of PES have established processes to follow-up on young people. However their scope is not yet comprehensive and needs to be expanded.

**Developing an evidence base to inform service delivery**

Looking across the service areas covered by the survey monitoring and evaluation stands out as relatively weak. In order to improve performance PES need to know what works, why, in what context and for whom. Indeed such information provides the evidence to review and reflect on whether the service offer is fit for purpose and if there is adequate complementarity between supply and demand sides of their service offer. Such evidence would be usefully complemented by the systematic collection of labour market intelligence (an area that – thus far - does not feature strongly in the questionnaire).

## Introduction

The Heads of Public Employment Services (HoPES) at the high-level Youth Conference in Berlin (3 July 2013) concluded that the Network of Public Employment Services will support the monitoring and the implementation of the Youth Guarantee and committed to produce an *Assessment Report on PES capacities to implement the Youth Guarantee* (referred to forthwith as the HoPES assessment report) and a *HoPES catalogue of measures for the implementation of the Youth Guarantee*.

The commitment to support the monitoring and delivery of the Youth Guarantee was reiterated and reinforced by the new Network of Public Employment Services established following a Decision of the European Parliament and of the Council on Enhanced Co-operation between PES<sup>2</sup>.

This report provides an update of the HoPES assessment report and offers analysis on public employment services (PES) capacity to implement the Youth Guarantee. The report is based on a questionnaire through which PES self-assessed their service offer, delivery strategy and capacity to implement specific aspects of the Youth Guarantee. The survey was launched after almost all Member States introduced the Youth Guarantee and reflects on how PES delivery capacity has developed since the release of the last assessment report. The report is complemented by two catalogues of measures describing results based / evaluated good practices for the implementation of the Youth Guarantee and for the outreach of NEETs.

The analysis is based on 30 questionnaires received from all PES operating across the EU.

### The research approach

The questionnaire covered four broad areas of capacity linked to the implementation of the Youth Guarantee: transparency of supply and demand in the labour market; providing comprehensive services for young jobseekers; services for employers; and activation and placement.

PES were asked to critically self-assess their capacity across these four areas using the scale outlined below.

Score	Level of implementation	Explanation (abbreviated)
0	None	Nothing, or very little, has been done in this area
1	Low	Basic implementation only, maybe some services/functions have been piloted or implemented on an ad hoc basis
2	Low-Medium	More than just basic implementation but falls short of being routinely implemented and integrated into the overall service package
3	Medium	Routinely implemented and integrated into the overall service package but recognised that the service/function falls short of what is required to achieve strategic objectives

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<sup>2</sup> Decision No 573/2014/EU of the European Parliament and of the Council on enhanced cooperation between Public Employment Services (PES), available from [http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C\\_.2014.163.01.0004.01.ENG](http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_.2014.163.01.0004.01.ENG). To know more about the role of PES in the delivery of the Youth Guarantee see: <http://ec.europa.eu/social/contentAdmin/BlobServlet?docId=12864&langId=en>

Score	Level of implementation	Explanation (abbreviated)
4	Medium-High	Established and well developed service/function that fulfils <i>most</i> requirements in relation to strategic objectives but does not achieve them all.
5	High	Established and well developed service/function that fulfils all requirements in relation to strategic objectives.

Throughout the remainder of this report the terms strong, medium and weak are used to categorise PES capacity. Strong corresponds to scores of 4 to 5, medium 3 and weak scores of 1 to 2. Examples presented throughout the report are based on material provided in the questionnaires. The examples are illustrative – rather than representative - of the complexity and diversity of PES implementation of the Youth Guarantee.

It is important to recognise that PES scoring the same in relation to any particular point may in practice have different capacities/strategies as the assessment is made without any benchmark level.

### **Structure of the report**

The remaining sections of this report covers:

1. Transparency of supply and demand in the labour market
2. Providing comprehensive services for young jobseekers
3. Services for employers
4. Activation and placement.

## Area 1: Transparency of supply and demand in the labour market

The HoPES concept paper for delivery of the Youth Guarantee identified the creation of transparency regarding supply and demand in the labour market, and determinants for unemployment, as integral to effective delivery<sup>3</sup>. Key identified elements to ensure transparency on the supply side were linkages with career advisory services and their transmission of relevant data to the PES, along with a database of young registered unemployed. Transparency could be further assured through early intervention by PES, individual profiling and action planning. Transparency on the demand side could be fostered through a vacancy database that can be accessed nationally, and a specialised approach to employers, including dedicated contact partners in the PES. A need for a more labour demand-oriented PES service package was also highlighted in the PES 2020 strategy<sup>4</sup>. These elements are reflected in the range of indicators used to measure transparency in the 2013 and 2014 assessments.

The 2014 findings show that while PES transparency on the market remains stronger on the supply side than on the demand side, supply-side transparency in regard to 'inactive' youth needs to be improved to meet Youth Guarantee objectives. Demand-side transparency needs to be considerably strengthened, particularly amongst those PES with limited capacity and processes for analysis of market conditions. Where other bodies, such as local authorities, have responsibilities in this area, PES can still play a supportive role in this process by contributing to both data collection and activation.

**Table 2. Results of PES self-assessment for Area 1 - Transparency of supply and demand**

Indicators	Average score (0-5)		Trend analysis: Change 2013/2014	
	2013	2014	%	Trend
<b>Area 1. Transparency of supply and demand*</b>	<b>3.6</b>	<b>3.4</b>	<b>-5</b>	<b>↓</b>
1.1 Supply side – young people*	3.7	<b>3.5</b>	-6	<b>↓</b>
1.1.1 Database of young unemployed registered with the PES; regular analysis and use in strategic planning	4.1	<b>4.3</b>	4	<b>↑</b>
1.1.2 Analysis of PES registration of unemployed youth**	3.4	<b>3.6</b>	4	<b>↑</b>
1.1.3 Analysis of PES registration of inactive youth**	3.4	<b>2.6</b>	-23	<b>↓</b>
1.2 Demand side - employers*	3.5	<b>3.4</b>	-3	<b>↓</b>
1.2.1 National database of vacancies & apprenticeships with clear standards; use in strategic planning	3.6	<b>3.8</b>	5	<b>↑</b>
1.2.2 Collection of information and regular assessment of market conditions (i.e. employment patterns)	3.3	<b>3.4</b>	3	<b>↑</b>
1.2.3 Strategy for vacancy handling, including targets for achieving a minimum market share and relationships with private agencies***	NA	<b>3.0</b>	NA	NA

Notes: 2013 figures consist of responses from 31 PES, 2014 figures from 30 PES

\* Note: the figures are not always directly comparable due to changes in the survey, including the division of questions 1.1.2 and 1.1.3 from one question into two separate questions and addition of question 1.2.3

\*\* These questions were included as one single question in the 2013 survey and were divided into two separate ones for the 2014 survey

\*\*\*Note: Question not included in the 2013 survey

### Medium capacity on market transparency, but stronger on the supply side

PES ranked their capacity to establish transparency in the market as medium (average score 3.6) in the 2013 assessment. Overall capacity to ensure transparency did not improve in 2014; with an average score of 3.4, in effect a 5 % decline.

<sup>3</sup> Heads of PES Concept for the delivery of the Youth Guarantee, p6.

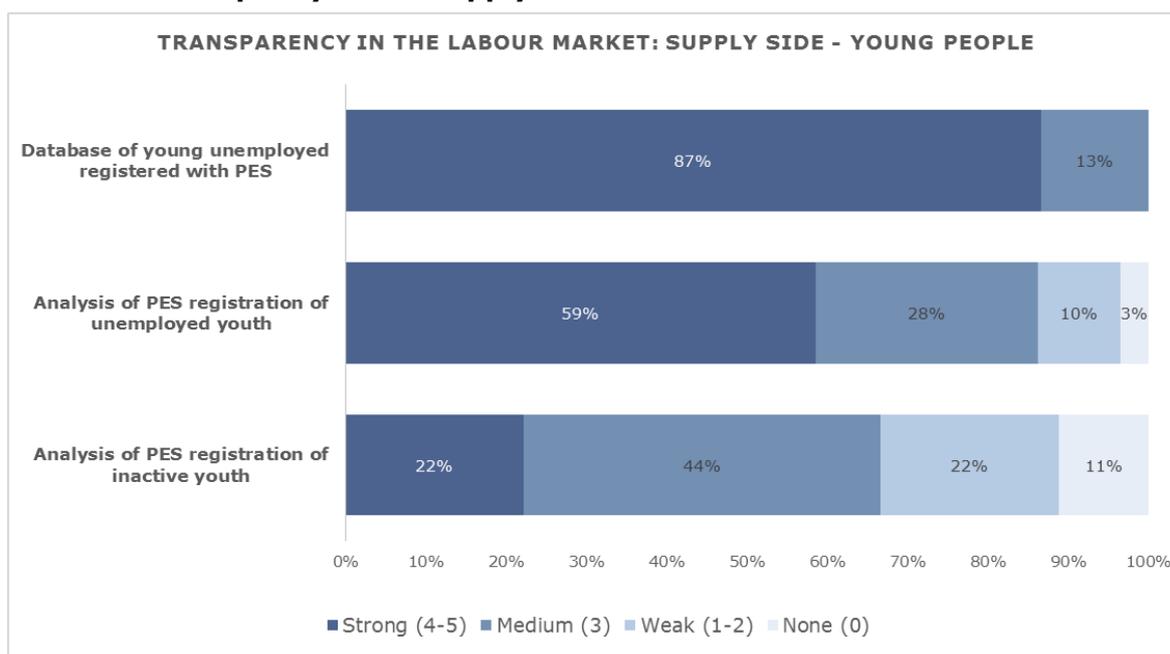
<sup>4</sup> PES contribution to EU 2020 – Strategy Output Paper, p4.

The 2013 report concluded that while PES had good capacity to ensure transparency they had a better understanding of the supply side of the market. A similar picture is reflected in the 2014 data. Supply side transparency (average score 3.5) remained slightly higher than the demand side (average score 3.4) in 2014. However there was a small decrease in both average scores in the twelve month period.

**Strong understanding of the situation of young unemployed, but limited analytical capacity in regard to the extent and profile of inactive youth**

Supply side transparency indicators show the extent to which PES have a good overall understanding of the young unemployed. Most (86 %) PES rate themselves as strong in having a database of young persons registered unemployed, undertaking regular analysis of the data, and using this analysis for strategic planning.

**Chart 2. PES capacity in the supply side**



Note: Based on responses from 30 PES

Well over half of the PES (59 %) rate themselves strongly in terms of undertaking regular analysis of the extent to which the young unemployed are registered with the PES. However 38 % indicate that they have only medium or weak capacity in undertaking such analysis, either in-house or in collaboration with partners.

PES have considerably less capacity in respect of undertaking regular analysis of the registration of inactive young people. Less than one-quarter are strong in this area, some 44% indicate medium capacity and one-third have weak or no capacity. Some PES indicated they obtain such information through inter-ministerial cooperation agreements covering education and labour (e.g. Bulgaria, Spain), while others indicated that the responsibility for such data collection and analysis rests primarily with other partners (e.g. Local Authorities in UK, Youth Guidance Centres in Denmark).

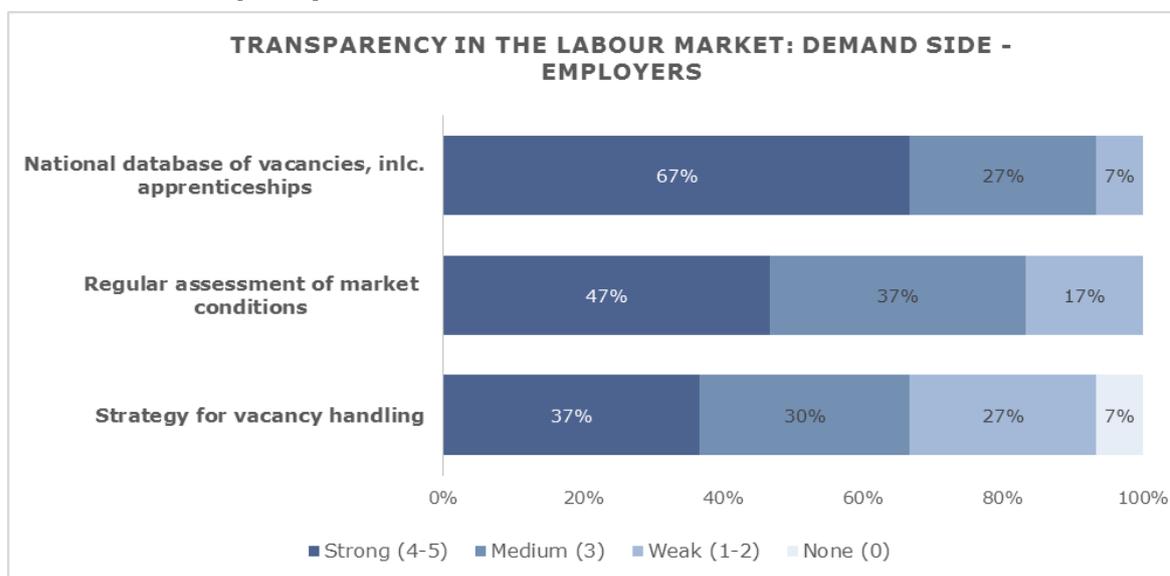
PES need to considerably increase their capacity to collect, analyse and exchange data in respect of inactive youth, through wider engagement with other stakeholders (e.g. schools and youth organisations) to effectively meet Youth Guarantee objectives.

**Capacity in demand-side analysis is improving, but needs to be strengthened**

Overall PES capacity to deal with transparency on the demand side with respect to knowledge of employers’ needs was rated as medium in 2014 (3.4), a slight decrease

on 2013. For most PES their main strength on the demand side relates to having a national vacancies database.

**Chart 3. PES capacity in the demand side**



Note: Based on responses from 30 PES

Over two-thirds of PES (20 of 30) rate themselves strongly in having a standard nationally accessible database of vacancies that includes apprenticeships and traineeships, and in using this database for analytical and strategic planning purposes. There was a small overall year on year improvement for this indicator (from 3.6 in 2013 to 3.8 in 2014). Eight of 30 PES indicated however that their vacancy database does not include apprenticeships and traineeships, in part due to overall responsibility for apprenticeships and traineeships resting with another agency or organisation.

Less than half of PES (14 of 30) are strong in collecting information that allows regular assessment of market conditions, focused on employers' needs, sectorial developments and employment patterns of young people. Five out of 30 PES are weak in this area.

In 2014 PES were also asked to indicate whether they had a strategy for vacancy handling, including targets for market share and relationships with private agencies. While the average PES score for this indicator was 3.0, the results indicate considerable variation in PES strategic capacity for vacancy handling and related targets. Over two-thirds report strong (37 %) or medium (30 %) capacity, while over one-third have either weak capacity (27%) or have no such strategy or targets (7 %).

While the data for 2014 indicates some improvement in respect of PES capacity to collect and analyse demand-side information in respect of young people, there is a need to build this capacity further, particularly amongst those PES that have a weak understanding of the market. PES should seek to provide comprehensive vacancy databases which also list apprenticeship and traineeship vacancies. Additionally there is an ongoing need to strengthen overall PES strategic capacity for matching young job seekers with appropriate opportunities based on good market knowledge, and for setting specific placement targets for young people.

## Area 2: The provision of a comprehensive range of services for young people

Given the importance of counselling and careers guidance in the delivery of a comprehensive service offer for young people, this section of the report has been expanded to cover these types of services. As well as 2013-2014 time series data, new and more detailed questions have been added to understand PES capacity in this service area. The questions on evaluation - introduced in 2014 - provide an interesting insight into the availability of an evidence base that supports the capacity ratings.

### Medium level average score linked to the provision of comprehensive services for young job seekers

The average score for the provision of a comprehensive range of services for young seekers in 2014 was 3.4. The equivalent scores for counselling services and career guidance were 3.3 and 3.5 respectively.

**Table 3. Results of PES self-assessment for Area 2 – Services for young jobseekers**

Indicators	Average score (0-5)		Trend analysis: Change 2013/2014	
	2013	2014	%	Trend
<b>Area 2. Provision of a comprehensive range of services for young jobseekers</b>	NA	<b>3.4</b>	NA	NA
2.1 Counselling services	NA	<b>3.3</b>	NA	NA
2.1.1 Multi-channelled strategy; information and services offered online, by phone and face-to-face	3.7	<b>4.0</b>	7	↑
2.1.2 Individualised services designed on the specific needs of young people**	NA	<b>3.7</b>	NA	NA
2.1.3 Provision of measures to promote entrepreneurship, particularly in sectors of economic growth (in-house or with appropriate partners*	3.2	<b>3.1</b>	-2	↓
2.1.4 Communication strategy targeting young people using appropriate communication channels (e.g. PR campaigns, brochures, websites, social media, apps)*	2.7	<b>3.4</b>	25	↑
2.1.5 Evaluation of effectiveness of communication for youth (increased awareness of YG among the young and of services offered by PES)**	NA	<b>2.3</b>	NA	NA
2.1.6 Systematic collaboration between PES and relevant stakeholders (social partners, education and training etc.) at national, regional local level to provide services to young people**	NA	<b>3.8</b>	NA	NA
2.1.7 Evaluation of clients satisfaction with the services offered**	NA	<b>2.9</b>	NA	NA
2.2 Career Guidance	NA	<b>3.5</b>	NA	NA
2.2.1 Significance of PES role in providing career guidance for young people**	NA	<b>3.6</b>	NA	NA
2.2.2 Multi-channelled strategy for career guidance, incl. digital careers information and face-to-face counselling by employment counsellors**	NA	<b>3.5</b>	NA	NA
2.2.3 Individualised career guidance for young people with special needs provided either in-house or in collaboration with appropriate partners	3.5	<b>3.5</b>	0	-

Notes: 2013 figures consist of responses from 31 PES, 2014 figures from 30 PES

\* Note: These questions were included in a different part of the 2013 survey, but have been moved to this section

\*\*Note: Question not included in the 2013 survey

Looking first at counselling services, there are three areas of service delivery for which year on year comparative data exists: multichannel strategies; measures to promote entrepreneurship; and communication strategies targeting young people. Capacity in two service areas has increased: multichannel strategies (average score up by 7 % from 3.7 to 4.0) and communication strategies (average score up 25 % from 2.7 to 3.4). PES capacity to provide measures to support entrepreneurship has fallen (average score down 2 %, from 3.2 to 3.1).

The average scores across the new areas for which capacity has been assessed in 2014 show positive scores at the high end of the medium category for the systematic collaboration between PES and relevant stakeholders to provide services to young people (3.8) and PES capacity to deliver individualised services (3.7). The new

questions on evaluation indicate there is limited capacity for evaluation. The average score for evaluating the effectiveness of communication – including increased awareness of the Youth Guarantee was 2.3 while the average capacity to evaluate client satisfaction among young jobseekers was also in the low - medium category (average score 2.9).

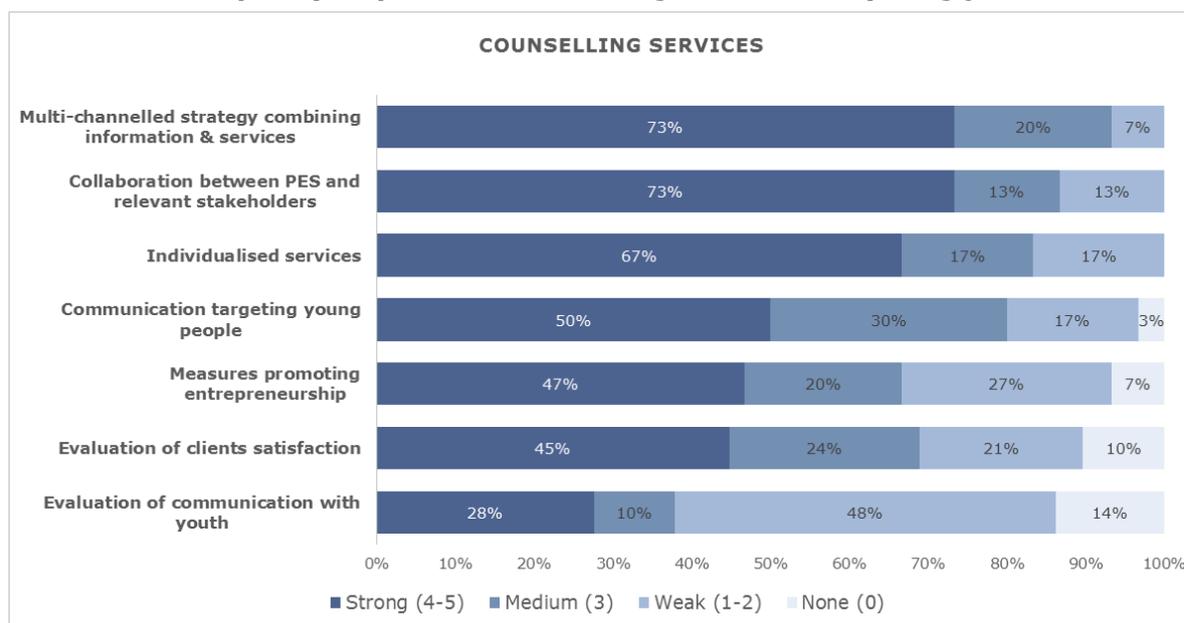
Turning to career guidance, there is only one service area where year on year comparative data are available: the provision of individualised career guidance for young people with special needs (delivered in house or in collaboration with partners). The average score for this service area remained the same (3.5).

The average scores for the two new questions on career guidance both resulted in 'solid' medium scores. Capacity associated with the significance of PES in providing career guidance resulted in an average score of 3.6 while the capacity to deliver multi-channel strategies for career guidance (including digital and face to face services) resulted in a score of 3.5.

**PES are confident that they deliver multi-channelled counselling services and an individualised service offer**

With an average score of 4.0, at the bottom of the medium – high range (up from 3.7 in 2013), some 73 % of PES (22 of 30) report that they have strong multi-channelled strategies combining online information and services with phone and face-to-face counselling services. This compares to 19 of 31 in 2013. Those reporting weak performance are the same PES that reported weak performance in 2013. In some instances e-services are being developed, though the respective strategies are assessed as strong already. Indeed, in Slovenia, an app was launched earlier in the year that provides young people with a different point of access to counselling support, entrepreneurship support and YG programmes.

**Chart 4. PES capacity to provide counselling services for young jobseekers**



Note: Based on responses from 30 PES

Similarly, the majority of PES are confident that their counselling service offer is tailored to the needs of young people. Some 20 PES scored their service offer as strong, resulting in an overall score of 3.7. That said, five PES scored themselves in the medium range and a further five as weak, hence there is some room for improving this part of the service offer.

### **Slight fall in the capacity to deliver measures to support entrepreneurship**

In 2014 the average PES capacity to deliver measures to support entrepreneurship scored 3.1 a slight fall based on the equivalent 2013 figure (3.2). Indeed two PES do not offer this type of support.

While the overall score has fallen, the Youth Guarantee has been used in some countries to deliver the entrepreneurship service offer (e.g. Spain, Italy and Latvia).

### **Scope for improvement in communication though the Youth Guarantee has helped introduce communication strategies targeting young people**

Albeit from a relatively low base (2.7 in 2013), PES are more confident in their capacity to use communication strategies to engage with young people (an average score of 3.4 in 2014). Only 10 PES scored themselves as strong in 2013 whereas 15 did so in 2014. Perhaps most significant only five PES scored themselves as weak in 2014, compared with 11 in 2013 (indeed only two of the five that scored themselves as weak in 2013 did so in 2014). Thus far there is little evidence that PES evaluate their communication strategies: the capacity score was 2.3, at the lower end of the low – medium range.

One noteworthy example is Spain, where their media campaign has been evaluated and demonstrated that – despite digital outreach - television generated the highest recall. Indeed 49 % of interviewees stated that they would seek more information on the measures covered in the campaign.

The evidence provided in the questionnaires shows that the Youth Guarantee has been particularly useful in launching communication strategies (e.g. Italy, Luxembourg, Latvia, Poland, Portugal and Slovenia). Similarly activities linked to the Youth Guarantee are expected to help PES evaluate the reach of their communication activities.

### **High score for systematic collaboration with stakeholders**

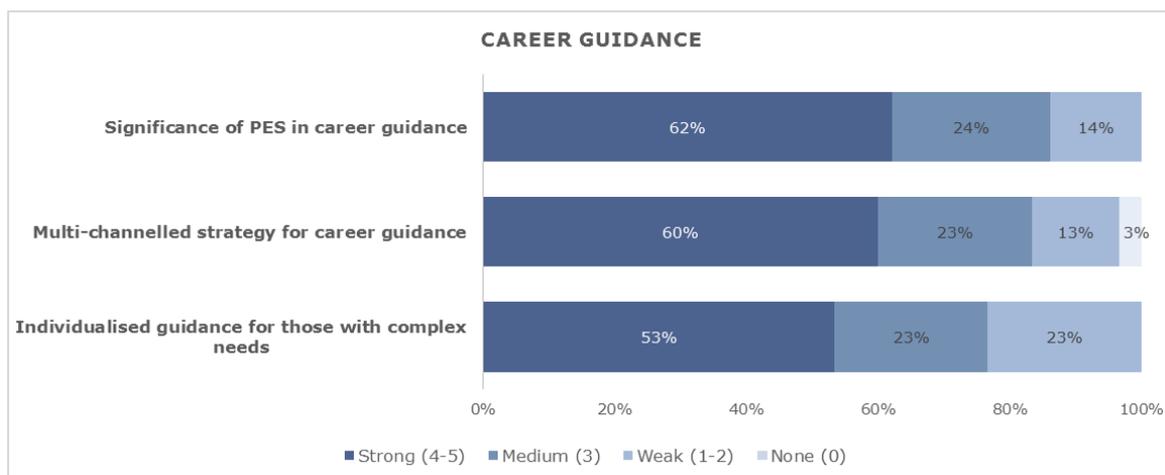
With an overall score of 3.8, at the high end of the medium range, the majority of PES rate themselves as strong in their collaboration with stakeholders (22 strong, 4 medium and 4 weak). Differences in approaches in terms of the level at which such collaboration occurs (national, regional, local) are identified, though local level activities typically include links to education institutions, municipalities, specialist service providers and youth associations.

Those PES reporting weak performance acknowledged that while collaboration takes place it is not formalised or that such activities are uncommon. That said, in Italy new forms of collaboration with schools and universities are being tested via the Youth Guarantee.

### **Anticipated activities acknowledge the need to improve the evaluation of client satisfaction**

With a score of 2.9, at the top end of the low – medium range, there is significant room to improve the evaluation of client satisfaction. Just 40 % of PES rated themselves as strong (13 of 30), with a further seven rating themselves medium and six weak. PES adopt different approaches to measuring client satisfaction: some use annual surveys (e.g. Belgium - Le Forem, Estonia and Latvia) whereas others focus on specific programmes or services (e.g. Bulgaria and the United Kingdom).

**Chart 5. PES capacity to provide career guidance for young jobseekers**



Note: Based on responses from 30 PES

In some of the PES scoring themselves as weak, evaluation activities are anticipated, though either are yet to be implemented or the results are not yet available.

### **Digitalisation of the service offer frees up advisors to focus on careers guidance**

The PES comments received show that digital points of entry and self-service modules (self-assessment tools including skills tests, games, quizzes and general information) allow PES to broaden their service offer and let advisors spend more time delivering guidance. Such digital services are considered a strong complement to advisors' face to face work. Portals and other electronic platforms also provide advisors with a connection to other careers guidance providers which assists them to signpost young people to specialist services outside the scope of the PES service offer.

### **PES engage specialist support to deliver services to young people with special needs**

A number of PES signpost to and / or work in cooperation with specialist providers to deliver services to young people with special needs (e.g. France, Hungary, Ireland, Latvia and the United Kingdom). Signposting is a key element of the PES service offer and is used where specific types of young people have needs outside PES competences. For example, in Hungary, despite special guidance services having been developed by the PES, they signpost young people with disabilities and young people with complex support needs to other agencies, for instance the National Office for Rehabilitation and Social Services and Family Assistance Centres. Similarly Disability Advisors work with local authorities and other specialist organisations to provide a holistic service in the United Kingdom.

### Area 3: Services for employers

As part of their modernisation process<sup>5</sup> PES need to strengthen the link with the demand side of the labour market and ensure that it is appropriately serviced. A multiple entry point service offer, discharged using professionally qualified staff and delivered in conjunction with the right labour market actors, including employers, is essential to support a positive education to work transition and minimise the NEET risk. Successfully working with employers, by understanding their needs and addressing their concerns (mismatches between labour supply and demand, the skills and competences of young people and the contributory factors that result in their NEET status) is changing the ways that PES are expected to work. The modern PES needs to operate proactively rather than reactively, anticipating employers' needs and this shift requires a profound understanding of the needs of the labour market and how such intelligence is translated into improvements in how services for employers are conceived, structured and delivered.

The 2013 HoPES Assessment Report acknowledges that PES require a clear strategy for identifying and engaging with employers coupled with a range of high quality services to demonstrate their professionalism in recruitment and workforce development. The core of the service offer comprises effective vacancy handling, proactive matching services and guidance to budding entrepreneurs, complemented by effective quality assurance. Capacity across these service areas is discussed in turn below.

#### Across the board improvements in services for employers with above average performance in vacancy submission and delivering proactive employment services

While the 2014 overall score remains in the medium range (at 3.5, representing an 9.0 % increase), year on year results show across the board improvements in PES capacity to deliver services for employers in five of the seven areas of service delivery.

**Table 4. Results of PES self-assessment for Area 3 – Services for employers**

Indicators	Average score (0-5)		Trend analysis: Change 2013/2014	
	2013	2014	%	Trend
<b>3 Services for employers*</b>	<b>3.2</b>	<b>3.5</b>	<b>9.0</b>	<b>↑</b>
3.1 Strategy for identifying and engaging with employers to create employment or training opportunities for young people	3.2	<b>3.4</b>	7	↑
3.2 Provision of proactive employer services	3.5	<b>3.7</b>	7	↑
3.3 Provision of automated matching tools	3.4	<b>3.6</b>	7	↑
3.4 Allocation of adequate human resources for employer services; clear targets for numbers of specialist advisors or time dedicated to employer services by generalists	3.1	<b>3.2</b>	4	↑
3.5 A range of counselling services (e.g. rapid response service, HR consultancy, diversity management, training, legal advice, service offer for SME etc.) provided either in-house or in collaboration**	3.1	<b>3.1</b>	-1	↓
3.6 Multi-channelled strategy (i.e. e-services, telephone, face-to-face) for vacancy submission with tailored support available when required**	3.7	<b>4.0</b>	9	↑
3.7 Evaluation of client satisfaction with the services offered	3.2	<b>3.2</b>	0	-

Notes: 2013 figures consist of responses from 31 PES, 2014 figures from 30 PES

\* Note: the figures are not always directly comparable due to changes from the 2013 survey

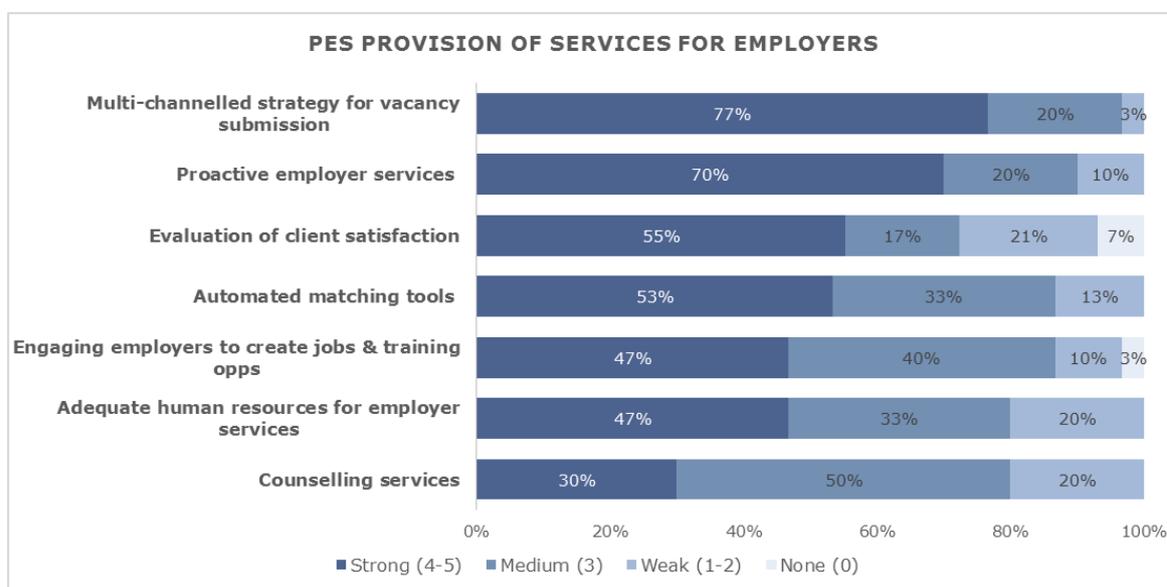
\*\* These questions were included in a different part of the 2013 survey, but have been moved to this section

The scores are typically moving in a positive direction and performance is above average in the areas of vacancy submission, delivering proactive employer services and providing automated matching tools. PES appear to perform less well (i.e.

<sup>5</sup> Public Employment Services' Contribution to EU 2020, PES 2020 Strategy Output Paper, available from <http://ec.europa.eu/social/main.jsp?catId=105&langId=en> (checked 24/10-14)

capacity is assessed as below average) in the following service areas: employer engagement; having adequate human resources; the counselling services offer for employers; and evaluation.

**Chart 6. PES capacity to provide services for employers (within YG context)**



Note: Based on responses from 30 PES

The only areas of service delivery where the scores remain the same are in the counselling services offer for employers (3.1) and in the evaluation of client satisfaction (3.2). In both of these areas, the scores are low relative to others and percentage changes are negative, indicating a slight decline in the service offer (-1 % and -0.7 % respectively).

### **Collective / cooperation agreements, programmes and tools and resources used to engage with employers and provide employment and training opportunities for young people**

With a score of 3.4, up from 3.2 in 2013 (+7 % increase), PES are improving their strategies to identify and engage with employers. The share of PES scoring themselves as strong has increased (14 from 30 responses or 47 %, compared to 11 from 31 responses or 35 % in 2013).

Strategies adopted include both direct and indirect links to employers. Direct links include for example: collective agreements (Netherlands) and / or cooperation agreements (e.g. Estonia, France); different types of programmes, for example, employer subsidies (e.g. Cyprus, France, Poland), traineeships (e.g. Belgium - Forem) and the development of sector specific qualifications (e.g. Luxembourg) and the development of tools and resources, such as an employment portal (e.g. Spain) and a skills bank (e.g. Malta).

Some PES identified that their strategies are reactive or that they currently lack an explicit strategy for employer engagement.

### **Strengthening the delivery of proactive employment services**

With some 21 out of 30 PES (70 %) scoring themselves as strong in the delivery of proactive employment services, this area of service delivery scored 3.7 up from 3.5 in 2013. This represents a 7 % year on year increase. The survey identifies some new examples of job brokerage services including the introduction of one stop shops, offering mediation and recruitment services and information on training opportunities and other active labour market programmes.

### **Room for improvement in the provision of automated matching tools**

While the average score for the provision of automated matching tools remains in the medium range (3.6), this represents a 7 % increase on the equivalent 2013 average score (3.4). More than half of the responding PES (53 %) scored themselves as strong in this service area, while four countries described themselves as weak given problems in matching professional skills and because matching tools are not yet fully functional.

### **The adequacy of human resources remains at the lower end of the medium range**

The average score for the allocation of adequate human resources for employer services, targets for numbers of specialist advisors etc. improved - albeit slightly - between 2013 and 2014 (up by 4 % from an average score of 3.1 to 3.2 in 2014). Hence the average score remains at the lower end of the 'medium' range. Some 14 PES scored themselves as strong, a further 10 scored themselves in the medium range and six acknowledged weak performance in this service area.

On a positive note some countries report on specialist teams (e.g. Belgium Actiris, Bulgaria, Estonia, Luxembourg, United Kingdom), which can include sectorially orientated services (Belgium Actiris). Other countries recognise that budget constraints affect the delivery of services to employers (e.g. Latvia), that a lack of targets and delegated authority to the regional level (e.g. Italy) means that the coordination of the service can prove difficult.

Notable in the responses received are the efforts made in Estonia to ensure adequate human resources to meet employers' needs. The PES has special employers' advisors in every regional office who are empowered to recognise the needs of employers and determine the employer service offer. The client staff ratio is considered adequate and the PES is reviewing the profile and tasks of the employers' advisors to ensure active engagement with employers and increase employment opportunities for specific client groups, including young people.

### **'No change' in the average score for the delivery of counselling services for employers**

With the average score for the delivery of counselling services for employers remaining at 3.1, i.e. at the lower end of the 'medium' range, there is room for improvement in this service area. Indeed the percentage change figure indicates a slight fall in the delivery of counselling services (-1.0 % year on year).

Less than a third of PES scored themselves as strong in this area: nine PES in total, the lowest proportion across all of the employer services. Half of the PES (15 of 30) assessed their counselling service offer as medium and six as weak.

### **Highest score achieved for strong multi-channel strategies for vacancy submission**

With a score of 4.0 (up from 3.7 in 2013) multichannel strategies for vacancy submission is the only area of service delivery reported in the 'strong' category. Some 23 of 28 PES who responded to this question scored themselves as strong. The precise approach to serving the needs of employers varies on a country by country basis, though digital platforms – sometimes complemented by telephone and face to face contact as appropriate.

### **Evaluation stands still**

While more than half of the PES responding (55 %, n=29) score themselves as strong in their evaluation work linked to their employer service offer, evaluation is the area for which the highest proportion of PES scored themselves as weak (21 %). While a range of client satisfaction surveys are undertaken, more systematic approaches are anticipated linked to new employment policy in Denmark in 2015 and from Germany

there is an acknowledgment that the results from such surveys can be used to improve services for employers.

## **Area 4: Activation and placement**

Early intervention and activation allied with supportive measures for labour market integration is core to the Youth Guarantee, with PES seen as a key player in providing the appropriate services for young registered unemployed and for NEETS<sup>6</sup>. Central PES functions in this role are creating action plans, facilitating effective placement of young people in employment or training, and effective allocation of labour market policy measures. Ensuring sustainable activation outcomes is also a key principle<sup>7</sup>. As documented in the HoPES Concept Paper<sup>8</sup>, the Youth Guarantee concept with its specific focus on NEETS, requires PES to initiate and realise a range of institutional changes and develop additional service concepts. Progress made by PES in addressing these specific elements is outlined in this section.

### **Improved capacity for activation and placement of young people (medium score)**

The overall score in regard to PES capacity for activation and placement of young people in 2014 was medium (3.2), an improvement on the low level average of 2.8 in 2013. Improvement was reported in all indicators associated with this measure: early intervention, addressing NEETS, effective ALMPs, and follow-up of young people.

Capacity for early intervention was most improved (+9 %), with 6 % improvement in the focus on NEETS, and 5 % improvement in the provision of effective ALMPs.

The highest average score in 2014 in regard to activation and placement capacity was for effective and efficient allocation of active labour market policy measures (3.6), followed by early intervention (3.2).

However, PES capacity to identify and motivate NEETS and young people at risk of dropping out of the system remains low (2.9 capacity score).

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<sup>6</sup> Council Recommendations on establishing a Youth Guarantee, Official Journal of the European Union, pp.3-4

<sup>7</sup> PES Contribution to EU 2020 – Strategy Output Paper, p.7.

<sup>8</sup> HoPES Concept Paper, pp.3-4.

**Table 5. Results of PES self-assessment for Area 4 – Activation and placement**

Indicators	Average score (0-5)		Trend analysis: Change 2013/2014	
	2013	2014	%	Trend
<b>4 Activation and placement*</b>	<b>2.8</b>	<b>3.2</b>	<b>14</b>	<b>↑</b>
4.1 Early intervention and activation*	2.9	<b>3.2</b>	9	<b>↑</b>
4.1.1 Service concept for intervention before young people leave school, finish VET or come to the end of their work contract in case of dismissal to ensure an offer of employment, education, training, apprenticeship, traineeship as soon as possible after the young person becomes unemployed/leaves education (HoPES concept)	2.5	<b>3.0</b>	20	<b>↑</b>
4.1.2 Service concept for setting up and monitoring (supporting) an individual action plan as soon as possible after the young person becomes unemployed/leaves education (activation guarantee) (HoPES concept)	3.1	<b>3.6</b>	16	<b>↑</b>
4.1.3 Appropriate resources allocated for the provision of PES services for young people (i.e. suitably skilled staff, appropriate staff to client ratios)	2.8	<b>3.4</b>	20	<b>↑</b>
4.1.4 PES staff are specifically trained in or dedicated to working with young people***	NA	<b>3.1</b>	NA	NA
4.1.5 Monitoring outcomes of transitions and their sustainability in terms of employment, training leading to certification, education relevant to labour market needs etc.	3.1	<b>3.1</b>	0	-
4.1.6 Evaluation of client satisfaction with the services offered	2.9	<b>2.8</b>	-4	<b>↓</b>
4.2 Identification and motivation of NEETs and young people at risk of dropping out of the system*	2.7	<b>2.9</b>	6	<b>↑</b>
4.2.1 Significance of PES role in the outreach and activation of NEETs and young people at risk of dropping out of the system***	NA	<b>2.8</b>	NA	NA
4.2.2 Quality of cooperation, including exchange of information, between PES and schools/training providers**	3.0	<b>2.6</b>	-13	<b>↓</b>
4.2.3 Quality of cooperation, including exchange of information, between PES and youth services**	3.0	<b>2.8</b>	-6	<b>↓</b>
4.2.4 Outreach, career guidance and counselling services by PES or PES in collaboration with other providers in schools and companies as well as other places where young people gather	3.0	<b>3.2</b>	7	<b>↑</b>
4.3 Effective and efficient allocation of active labour market policy measures	3.4	<b>3.6</b>	5	<b>↑</b>
4.3.1 Funding: Sufficient resources available to offer appropriate ALMPs for young people who cannot be integrated into employment, education or training without additional support	3.6	<b>3.6</b>	1	<b>↑</b>
4.3.2 Processes in place to organise the provision of measures and track these	3.7	<b>3.6</b>	-4	<b>↓</b>
4.3.3 Supply of approved education, training and integration providers	3.3	<b>3.8</b>	14	<b>↑</b>
4.3.4 Monitoring and evaluation of ALMPs targeting young people and using evaluation results for improvement of the measures	3.4	<b>3.4</b>	-1	<b>↓</b>

Notes: 2013 figures consist of responses from 31 PES, 2014 figures from 30 PES

\* Note: the figures are not always directly comparable due to changes in the survey, including the addition of questions 4.1.4 and 4.2.1 and division of questions 4.2.2 and 4.2.2

\*\* These questions were included as one single question in the 2013 survey and were divided into two separate ones for the 2014 survey

\*\*\*Note: Question not included in the 2013 survey

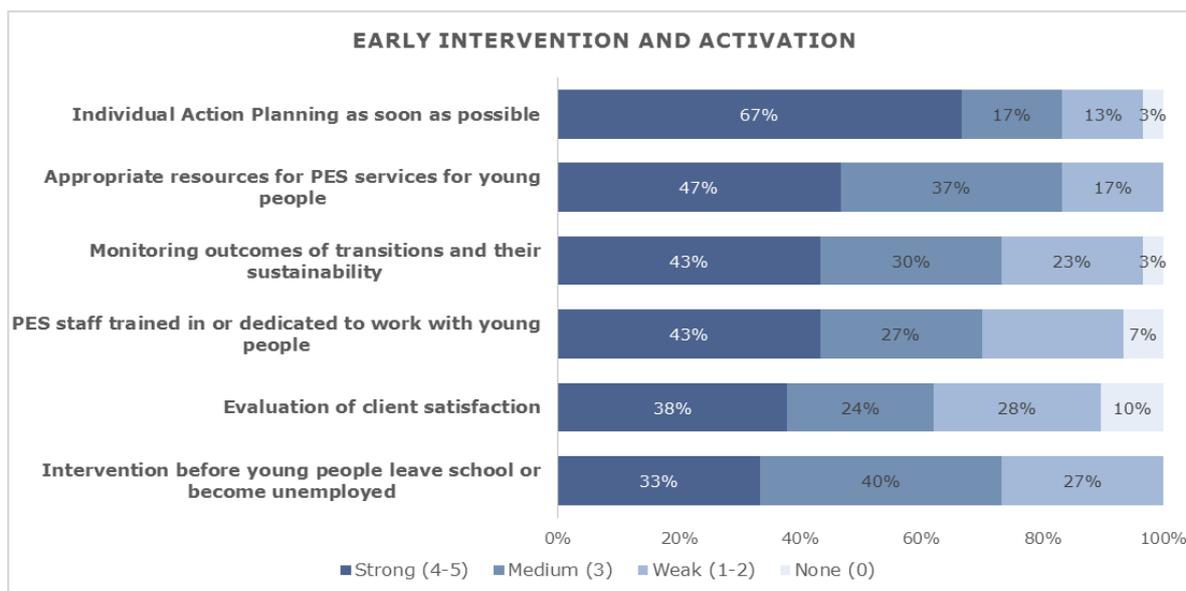
#### 4.1 Early intervention and activation (medium score)

The 2014 findings show that while PES have considerably improved resources and capacity to intervene early to enhance activation of young people, there is a need to strengthen monitoring and evaluation capacity to assess the sustainability of activation outcomes.

##### Improvement in early intervention and activation

Overall capacity to ensure early intervention and activation was rated medium for 2014 (average 3.2) and represented a 9 % improvement from 2013 (average rating 2.9). This encompassed capacity in individual action planning, appropriate and dedicated staff resources, monitoring of outcomes and client satisfaction, and preventative interventions. There was considerable year on year improvement in access to appropriate staff resources (+20 %), preventative interventions (+20 %) and individual action planning (+16 %). Capacity to monitor transition outcomes remained unchanged, while capacity to evaluate client satisfaction fell.

**Chart 7. PES capacity in the field of early intervention and activation**



Note: Based on responses from 30 PES

### Majority have capacity in individual action planning

With a score of 3.6, up from 3.1 PES indicate considerably improvement in their service concept of early development and support of Individual Action Plans (IAPs) for young jobseekers. Over two-thirds indicate they are now strong in this area. However 16 % rate themselves as weak or not having capacity for the early development of IAPs, and this includes Southern European countries with particularly high levels of youth unemployment. The time frame for drawing up an action plan is generally within four months although some countries have drawn up much stricter targets in this field (e.g. two weeks in Finland). Others have specified the minimum number of meetings between young jobseekers and PES advisers, such as a minimum of two meetings with a client adviser in Slovenia.

### Improvement in allocation of appropriate resources

The recent EEPO study on PES Business Models concluded that the impact of the Youth Guarantee on PES services in most countries related to improvement or adaptation of the offer to take better consideration of the needs of young people<sup>9</sup>. This is reflected also in the findings from this assessment. With a score of 3.4, up from 2.8 in 2013, PES indicate an improvement in the adequacy of staff resources and staff-client ratios for the provision of services for young people. One in five PES (20 %) reported some improvement, but less than half (47 %) of PES rate themselves as strong in terms of having the appropriate resources, and 17 % rate themselves as weak. Nine<sup>10</sup> PES commented that there was an increased number of staff working face-to-face with young people; these included job-coaches, employment advisors or counsellors. Malta, Ireland and Slovenia however commented that despite increased resources staff-client ratios currently remained high.

### Limited allocation of staff to work specifically with young people

This indicator was not included in the 2013 survey. PES provided a medium average score of 3.1 concerning staff that are specifically trained in or dedicated to working with young people. However only 43 % scored themselves as 'strong' on this indicator, and almost one-third (30 %) rated themselves as weak or having no capacity. Four

<sup>9</sup> EEPO (2014) Small Case Study on PES Business Models, Executive Summary.,p.iii, <http://ec.europa.eu/social/BlobServlet?docId=11972&langId=en>.

<sup>10</sup>BG, B.Actiris, ES, FR, HU, IE, SL, LU, MT.

PES indicated that additional specialist training was being provided for those employment advisors working with young people (Bulgaria, Hungary, Italy and Slovenia). A further two have allocated staff to work with specific groups of young people (e.g. those with a disability – Netherlands) or apprentices (Czech Republic). Estonia anticipates introducing support to young people with disabilities from January 2016.

### **Medium level capacity to monitor outcomes**

PES rate their capacity to monitor outcomes of transitions and their sustainability at a medium level (with an average score of 3.1, unchanged from 2013). Some 43 % indicate strong capacity in this area. Most capacity is reported with respect of monitoring of placement rates into training or apprenticeships (e.g. Belgium – Actiris – for placement into traineeships in companies, Bulgaria, Estonia, France), with less capacity for monitoring employment outcomes. Over a quarter of PES (26 %) indicate weak or no capacity to monitor outcomes. The PES in Ireland monitors transitions through a newly developed 'episodic' data base. Only the United Kingdom indicated that it was giving attention to monitoring the 'sustainability' of work placements.

### **Limited capacity to evaluate youth client satisfaction with services**

The 2014 assessment confirms the finding of the previous EEPO research on PES Business Models<sup>11</sup> that evaluation practices are not widespread in all PES. PES capacity to evaluate client services, for example through follow-up surveys scores at a low rate. PES gave an average score of 2.8 in 2014, representing a decline of 4 % since 2013. While over a third (38 %) rate themselves as strong in client evaluation, almost one-quarter (24 %) have medium strength and 38 % rate themselves as having weak or no capacity. Six PES indicated that they undertake annual or regular sample client satisfaction or follow-up surveys measuring young people's satisfaction with PES services (Belgium Le Forem, Estonia, Ireland, Latvia, Netherlands, United Kingdom).

### **Increasing role in preventative intervention**

PES capacity for intervention before young people leave school, finish VET or a work contract has improved but ranks at the low end of the medium range (3.0). This represents a five-fold increase (20 %) from an average of 2.5 in 2013. Much of this activity is with schools and training institutions through group information and awareness workshops or sessions (e.g. Bulgaria, Czech Republic, France, Latvia). However just one-third of PES (33 %) rate themselves as strong in this respect, while the largest proportion rate themselves as having medium capacity to ensure early activation (40 %), and over a quarter (27 %) have weak capacity for early intervention.

## **4.2 Identification and motivation of NEETs and young people at risk of dropping out of the system (low score)**

While the 2014 assessment shows improved PES cooperation with different youth services and organisations, PES involvement in outreach and in cooperation with schools remains uneven and needs to be strengthened. Increased partnership mechanisms are also needed to ensure better exchange of information with the education sector on young peoples' transitions.

### **PES role in identification and motivation of NEETS remains limited**

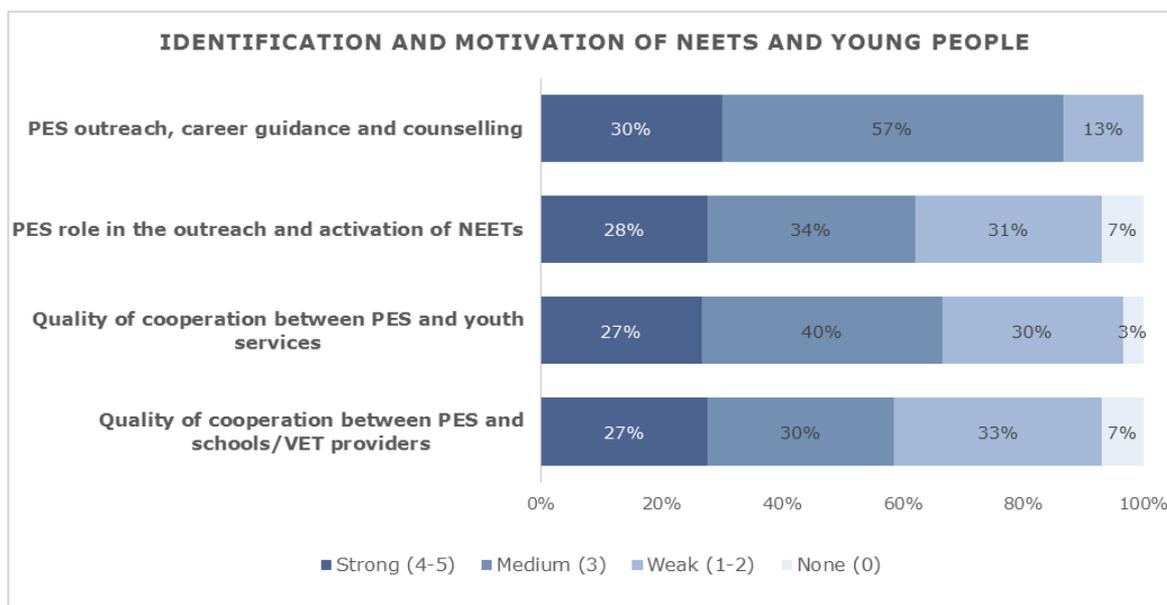
Identifying and reaching out to NEETS who are not registered with the PES, and/or unknown to social and youth services is a key challenge for PES and partner agencies

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<sup>11</sup> <http://ec.europa.eu/social/BlobServlet?docId=11972&langId=en>

across Europe<sup>12</sup>. The 2014 overall score for identification and motivation of NEETS remains low (average score 2.9) with only marginal year on increase<sup>13</sup>. A medium level score (3.2 average) was reported for PES involvement (directly or collaboratively) in outreach, career guidance and counselling services in schools and companies; this was an increase on the 2013 average of 3.0. However, PES provided lower scores for their role in outreach and activation of youth (2.8), and for the quality of their cooperation with youth services (2.8) and with schools and training providers (2.6).

**Chart 8. PES capacity in the field of identification and motivation of NEETs**



Note: Based on responses from 30 PES

### **PES role in outreach and activation of NEETS is mostly not very significant**

PES rate the significance of their current role in outreach and activation of NEETs and young people at risk of dropping out of the system as low overall (average score 2.8). However, capacity varies significantly among PES. Twenty-eight per cent rate themselves as having a strong role in outreach activation of NEETs and over one-third (34 %) indicate medium capacity. However, well over one-third (38 %) rate themselves as weak or having no role. Some PES indicated that their role does not extend to non-registered young people (e.g. Latvia, Netherlands), while others specified that this role was the responsibility of the Ministry of Education (e.g. Estonia, Ireland) or municipalities (e.g. Finland, Sweden). Others indicated that the role was carried out by PES in partnership with other agencies, NGO's or third-sector organisations and in some case with other specific, or specialised provider (e.g. Belgium Le Forem, France - in cooperation with Mission Locales, United Kingdom). While some PES have no statutory duties in this field, a small number indicated that they are involved in implementing project-based activities in this field or collaboration through referrals with bodies/agencies leading work in this area.

A concern for some PES is that success in outreach will result in increasing unemployment registration among NEETs, thus inducing growth of registered unemployment.

<sup>12</sup> See Key policy messages from the Peer Review on Youth Guarantee, Finland, Sept. 2014, further information from

<http://ec.europa.eu/social/main.jsp?catId=1070&langId=en&newsId=2068&furtherNews=yes>.

<sup>13</sup> Precise comparison not possible due to introduction of two new indicators in the 2014 survey.

### **Quality of cooperation with schools and training providers is low**

PES rate the quality of their overall cooperation, including information exchange, with schools and training providers at a low level (average 2.6). One-third rate their cooperation with schools as weak (33 %). In some cases good cooperation is reported, but without a regularised system (protocol or electronic) for exchange of information (e.g. Czech Republic, Luxembourg). For others, there is better quality information exchange between PES and training institutions than with schools (e.g. Estonia, Spain).

### **Quality of liaison with youth services is low**

PES rate the quality of their cooperation with youth services at the low level (2.8). While over a quarter rate the quality of their cooperation with youth services as strong (27 %), almost one third rate it as weak (30 %) or of no quality (3 %). Cooperation ranges from information exchange, meetings and workshops, to joint cooperation in projects and programmes (e.g. Bulgaria, Latvia, Luxembourg, Malta). The cooperation with youth services can be happening at a variety of levels - national (Spain) regional (Netherlands) or municipal level (Spain). New frameworks for increased cooperation are being developed in France, Spain and Italy. Legal data-protection constraints to information exchange with youth organisations were noted in Ireland.

### **Improved PES role in guidance and counselling in schools and companies**

PES rate their direct or indirect engagement in outreach, guidance and counselling services in schools, companies and other relevant facilities at a medium level (3.2), a year on increase from a rating of 3.0 in 2013. Most PES (57 %) rate themselves as having medium level capacity in this role, with less than one-third rating themselves as strong (30 %). Participation in school-based outreach, information and guidance activities was specifically noted by PES in Belgium – Le Forem, Bulgaria, Germany, Luxembourg and Poland. PES in the Czech Republic and Estonia noted plans to encourage school pupils to seek information or employment guidance in PES offices from 2015. Four PES noted their provision of information, guidance and counselling services as a response to notified company redundancies (Estonia, Luxembourg, Malta, Netherlands).

## **4.3 Improved allocation of active labour market policy measures (medium score)**

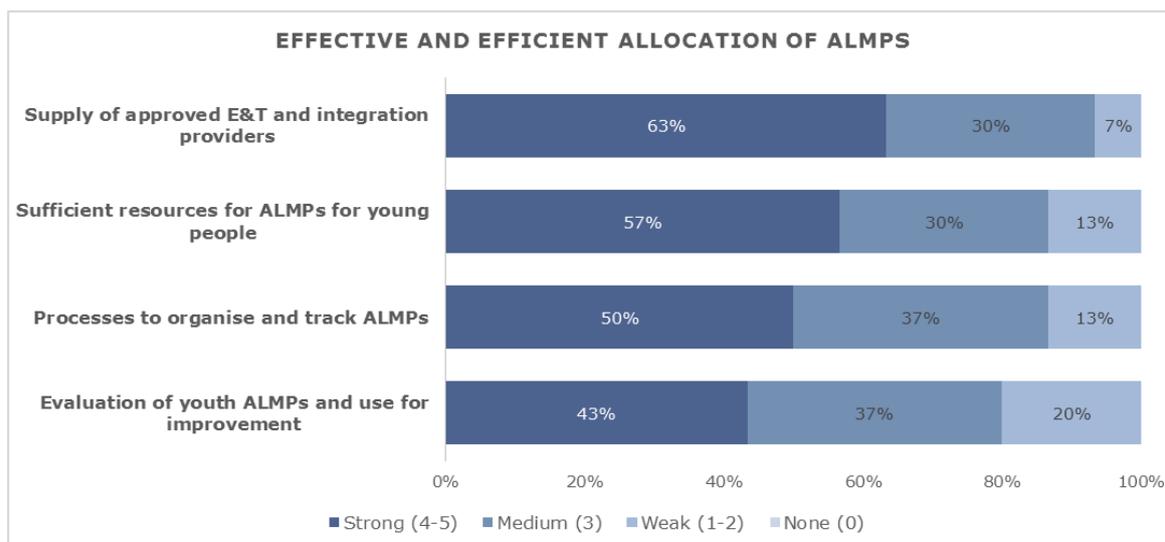
2014 assessment results show improved PES capacity for allocation of ALMP resources, based on adequate funding and good supply of providers. However there is a need to strengthen investment and capacity in monitoring, tracking and evaluation of ALMPs targeted at young people to maximise their effectiveness and efficiency.

### **Medium level capacity for ALMP resource allocations**

Key features of effective and efficient allocation of active labour market policy measures identified in the 2013 assessment were adequate financial resources, processes to plan and organise provision of measure, follow-up mechanisms and appropriate and flexible supply of suitable training. In 2013 PES overall had a medium score of 3.4 in regard to allocation of ALMP measures. A reasonable PES capacity to allocate ALMPs effectively and efficiently was also reported for 2014 with an improved medium level rating of 3.6 in 2014.

PES rated themselves highest in regard to having an adequate supply of education, training and integration providers (3.8), a 14 % increase on an average score of 3.3 in 2013. Medium ratings of 3.6 were provided for sufficiency of funding for ALMPs, and for processes to organise the provision of measures. Capacity for monitoring and evaluating ALMPs targeting young people continues to be less developed, with an average score of 3.4, and representing a slight fall from the 2013 rating -1 %.

**Chart 9. PES capacity in the field of ALMP resource allocations**



Note: Based on responses from 30 PES

### **Sufficient funding resources for appropriate allocation of ALMPs**

Funding for ALMPS was not found to be a major concern in 2013. With a continued medium-strong score of 3.6 in 2014 most PES indicate that they have sufficient funding to offer needed support measures to young people to assist their integration into employment, education or skills training. Such supports may include vocational training or subsidised employment. Well over half of PES (57 %) rate themselves as having strong capacity to allocate such funding for ALMPs .

Funding of ALMP measures for young people is provided mainly through national governments and the ESF/YEI, with planned allocations documented in national Youth Guarantee Implementation Plans. For most PES ALMP measures are being funded within the ESF 2014-2020 programme. PES in Hungary commented that reallocated ESF funds in 2012 had already been specifically earmarked for such labour market integration measures for young people.

### **Variable capacity to organise and track ALMP provision**

Availability of funding enabled the majority of PES in 2013 to indicate that they were equipped to appropriately manage and track ALMP provision, with professional project management resources. This continued in 2014, but with a small decline in capacity (average score decreased from 3.7 to 3.6). Such processes for 'external' delivery in 2014 include contracting-out provision (e.g. Belgium – Actiris, Ireland) and/or voucher systems (e.g. Poland and Latvia). PES monitoring and tracking processes for 'in-house' ALMP provision include IT systems for oversight of budgets and expenditure (Belgium Actiris), quality management (Latvia), and outcomes measurement (Italy). Half of PES rate their capacity to put such processes in place as strong, while over one-third (37 %) indicated medium level capacity.

### **Increased supply of approved ALMP providers**

A flexible supply of providers is integral to efficient ALMP provision. The majority of PES in 2013 considered that they had a sufficient supply of training providers to react to varying demand and changing profile of ALMP measures. PES ratings on the supply of approved education, training and integration providers further increased (by 14 %) in 2014 to an average medium-high rating of 3.8. Two-thirds of PES (63 %) rated provider-supply as strong, and just under one-third (30 %) as medium. Only two PES rate their supply of ALMP providers as weak.

## Capacity in monitoring and investment in evaluation of ALMPs needs to be strengthened

PES are aware of the increased need for evidence-based strategies and approaches<sup>14</sup>. Evidence of what works and what does not, and use of evaluation results for measure improvement is necessary for effective allocation of ALMP measures for young people. This requires that monitoring and evaluation processes are in place. PES had medium-level (3.4) and variable capacity in this area in 2013. Capacity in this area has not increased in 2014, with a medium score of 3.4. Considerably less than half (43 %) rate themselves as strong in this area, while one in five rated themselves as weak.

Greater investment in evaluation is required to improve quality and effectiveness of ALMPs and to ensure that financial resources are not wasted.

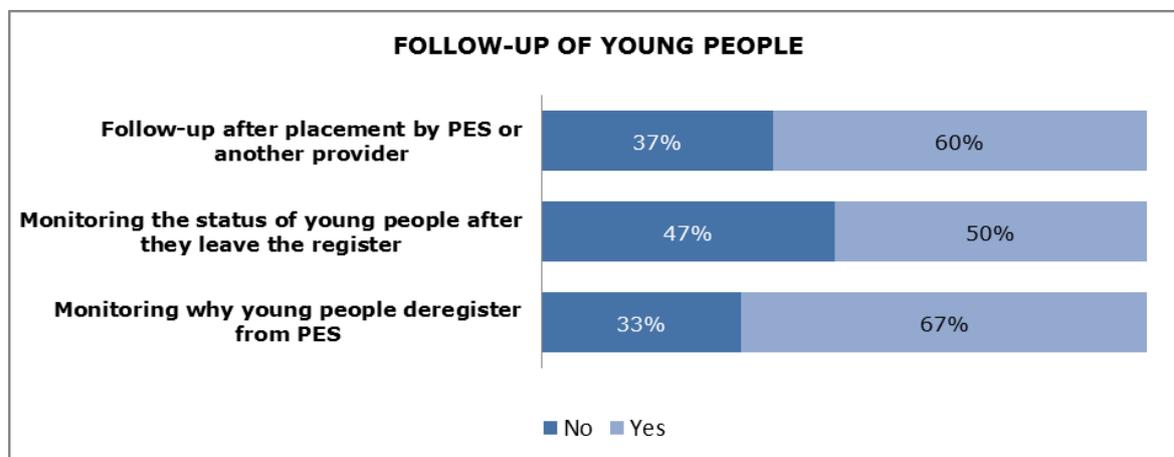
### 4.4 Follow-up of young people

Having processes in place for monitoring and follow-up young people is foreseen as an integral element of the Youth Guarantee<sup>15</sup>. New indicators on follow-up processes were included in the 2014 PES assessment. The results show that a majority of PES have established processes to follow-up on young people, however their scope is not comprehensive and needs to be expanded.

#### Most PES have established some monitoring and follow-up processes

Most PES indicate they have some capacity to monitor or follow-up young people after placement or deregistration. Two-thirds (67 %) indicate they have processes to monitor reasons for deregistration of young people from PES. 60 % of PES have processes to ensure follow-up after placement either themselves, or in cooperation with another provider. Half of PES report they have processes to monitor the status of young people after they leave the unemployment register.

**Chart 10. PES capacity for follow up**



Note: Based on responses from 30 PES

#### Processes for monitoring reasons for deregistration of young people from PES are not comprehensive.

Two-thirds (67 %) of PES have IT systems that enable some reporting on why young people de-register. However the provision for recording of such information may not be mandatory or may need voluntary disclosure (e.g. Czech Republic, Ireland, United Kingdom), and therefore does not always provide a complete picture.

<sup>14</sup> PES Contribution to EU 2020 – Strategy Output Paper, p.10

<sup>15</sup> Council Recommendation on Youth Guarantee (2013), Journal of the European Union, p.5

Other PES (e.g. Bulgaria, Netherlands) indicate that such processes are in place only for those registered young people who have received unemployment benefit payments. The PES in Bulgaria for example, provided some further detail on reasons for deregistration, based on monthly analysis. The main reasons for deregistration of young people in Bulgaria were: starting a job; failure to follow action plan; refusal of a job or training offer. Other reasons for deregistering included return to full-time education or maternity.

**PES processes to monitor the status of young people after they leave the unemployment register need further development.**

PES vary considerably in their capacity to monitor the status of young people after they leave the unemployment register. Nearly half of PES (47 %) do not have processes in place to monitor young people's status after they leave the unemployment register. Other countries have processes that yield partial information. For example, PES in Germany, France and Ireland commented that some processes exist but that they are not standardised and nationwide. PES in Croatia and Latvia indicated that their monitoring processes cover those young people who transfer into labour market or training programmes organised by the PES, but that such information is not available for those who obtain a job, or return to full-time education. PES in Latvia and Bulgaria indicated that agreements with the Revenue Authorities enable exchange of information on employment status.

**Processes to ensure follow-up after placement by PES need to be expanded to a wider range of young people.**

A majority of PES indicate they have established processes to ensure follow-up of young people after placement, either directly by the PES or in cooperation with another provider (60 %). However, such processes are often restricted to follow-up of those who have been placed in active labour market programmes or measures rather than in open labour market jobs. For example, PES in Estonia confine follow-up to those young people who have received wage subsidy, business start-up grant, or traineeship. PES in Sweden follow-up those who have been placed on PES ALMPs, but not those placed into work or study. Belgium Le Forem likewise, do not follow-up those who have had a 'positive' placement outcome into employment or training. PES in the Netherlands undertake follow-up only in respect of young people with a disability. Other PES indicate that the extent and nature of follow-up will vary by region (Germany, Ireland). PES in France, Poland and Belgium Actiris report that they are currently in the process of developing and establishing processes to ensure post-placement follow-up for young people.

PES follow-up processes currently focus mainly on those young people who are in transition to placement in the open labour market. Follow-up needs to be expanded to include those who gain employment to assist the integration of young people and that young people are being placed in jobs which are sustainable.

