

Germany's Hybrid Employment Service Model

Hugh Mosley

1. Hybrid System of Employment Services

- PES for insured unemployed and other jobseekers
- Jobcentres for unemployed on social assistance
- Both regulated by Federal Law
- Neither the PES nor the Jobcentres are directly subordinate to ministerial direction (*Rechtsaufsicht vs. Fachaufsicht*)

2. Jobcentre performance management problematical

- PES is a centralized organization that sets goals and quantitative targets for individual PES local agencies
- Performance management in Jobcentres problematic because managed partially (joint agencies) or completely (local option agencies) by the local authorities
- Why? The local authorities are entities of the German federal states and not directly subject to the control of the national government

3. New performance management system

- 1. Four principal goals are specified by law
- 2. Mandates a common set of data and indicators
- 3. Requires complicated multi-level negotiations
- 4. Establishes Federal –State Joint Committee to coordinate the new system

4. Multi-level negotiation of target agreements in two types of Jobcentres

- Ministry >> PES >> PES+local gov. >> Joint agency Jobcentres (303)
- Ministry >> 16 German state ministries >> state ministry >> Local Option Jobcentres in states (108)

5. Complexity of multi-level governance

- The fragmentation of the process and the lack of a clear hierarchical subordination
- Decision-making is based on negotiation and consensus building between the parties.
- The Ministry for Labour and Social Affairs, the only common actor plays a central role.

6. Relevance to Spanish PES

- The Spanish case is in principal most relevant to the German Jobcentres
- Both represent examples of political decentralization with coordination problems
- Main difference: the new Spanish system uses regional allocation of funding to steer regions
- German system for Jobcentres relies primarily on monitoring, dialogue and publicity



Thank You!