



Dissemination Conference:

'New developments, good practices and lessons learnt' (Brussels, 8-9 September 2011)

Executive summary

Introduction

The conference was dedicated to the discussion and dissemination of results from the first year of activities of the "PES to PES Dialogue" programme to both PES representatives and a wider policy audience.

The Commission launched this specific mutual learning programme for public employment services (PESs) in September 2010 to improve the efficiency of labour market interventions by increasing PES capacities for service delivery.

The PESs have played an important role in the achievement of the <u>European Employment Strategy</u> targets by turning employment policy orientations into concrete actions. This role is set to continue – if not strengthen – in taking forward the priorities of the <u>Europe 2020 Strategy</u> and the corresponding employment guidelines.

The activities of PES to PES Dialogue are guided by, and contribute towards, the work of the <u>European Network of Heads of Employment Services</u> (HoPES). Each of the topics to be addressed within the PES to PES Dialogue are key issues on the agenda of PES and are agreed with the HoPES network.

The topics discussed at the first dissemination conference of the PES to PES Dialogue programme focussed on optimising PES delivery mechanisms in a climate of increased budgetary stringency and the need for even greater financial and public accountability. The conference of the PES to PES Dialogue programme covered key policy areas, which had been discussed at peer reviews, conferences or explored by background papers during the first year.

1. Finding the right balance between flexibility and accountability: the pros and cons of PES decentralisation

Decentralisation can take the form of **managerial decentralisation**, which most often involves the reorganisation of the centrally coordinated PES services along the lines of management by objectives. In addition, there is a more recent trend of **political decentralisation**, which may take the form of devolving some PES functions to regions or municipalities. The main issue in both cases is to find the right balance between flexibility and accountability, which will depend on the surrounding institutional structures and the underlying political goals.

Increased flexibility is a clear advantage of decentralised institutions. Local agents may be better informed of local needs, can innovate and adapt their policy tools as needed and may also be more accountable – at the local level at least. The development of strategic and service partnerships at the local level also requires a degree of local autonomy. However, this also requires significant elements of





devolved budgetary control and relies on strong local capacity, as well as a common monitoring framework to assist benchmarking of good practice. Similarly, in order to ensure equity of provision is maintained in a decentralised framework, minimum service standards have to be elaborated.

Some PES functions may best be kept centralised (flexible centralisation). For example, **efficient job matching services require a national database in order to support regional mobility** and data collection must be standardised in order to ensure high quality and comparable information. These issues are discussed in more detail in an <u>analytical paper</u>.

2. PES and personalised services: strengthening individualised approaches and the spectrum of services

For a number of years, PES in the EU have been working towards an agenda of more individualised service provision, particularly for the most vulnerable groups. A greater targeting of services is also required as budgets become tighter. As a result various profiling tools and different delivery channels have been developed in order to identify those most at risk, enable individual who can do so to help themselves and to meet customers changing requirements.

Multi-channel management: short-term development costs v. long-term efficiency gains

In line with the Europe 2020 Digital Agenda PES in Europe increasingly offer online services such as: registration, vacancies advertisement, job search, automatic matching of jobseekers' profiles with jobs or communication via social media. "Integrated Multi-channelling" was the focus of the second Peer Review of PES to PES Dialogue.

There is wide variation in both the maturity of the various online services and media and in the penetration of such media in PES services across Europe. The growing interest in online channels and new (social) media is sometimes motivated by the need to cut costs, but the experience of several PES suggests that financial savings may only come in the long run, although operational savings can be faster to realise (e.g. giving advisors more time to work with the most vulnerable clients). Due to the complexity of these tools, it is essential that investments are carefully prepared and the right channels are selected for the right services and the appropriate client group bearing in mind the limitations of the spread of broadband technology and digital literacy among clients. It is also important to realise that multi-channelling is at least as much about change management than about information technology. This requires the strong involvement of staff and the piloting of services from the beginning.

New tools for profiling work better when staff are involved in development and trained at an early stage

In the context of often declining resources, profiling is becoming increasingly important to identify those individuals most at risk of long-term unemployment. At the same time, the greater emphasis on employability (rather than life-time job security) has brought increasing demands for PES to identify clients' soft skills and to assist them with lifelong guidance services.





However, recent experience has shown a certain **disillusionment with statistical profiling and self-help tools**, partly because the results of some purely self-help tools can lack reliability and partly because of hesitancy among PES staff to take-up even well-functioning tools. An increased understanding is emerging that the introduction of such tools needs to go hand in hand with **change management processes** involving staff in development and piloting. Communication and training for managerial as well as front-line staff is key to the success of such developments. In relation to in-depth dynamic profiling, partnerships with private providers are emerging who can offer specialist services which not every PES is able to provide inhouse.

Further information on innovative tools being developed can be found in the reports of the Dialogue Conference.

3. PES and Lifelong Guidance: opportunities for action and co-operation

Guideline 8 of the EU2020 Employment Strategy highlights the role of the PES in strengthening career guidance and access to training. An increasing number of PES see their role in the future as a 'transition broker agency' that would support people in making the many transitions during their working lives and employers in matching the rapidly changing job profiles with the competences of the available workforce. While some PES provide guidance services themselves, more work in strategic partnerships with specialised providers to deliver such services. The role which can be played by PES is discussed in detail in an <u>analytical paper</u>.

Partnership approaches are widely accepted and are also attractive as many PES are under resource constraints. Strategic and service partnerships with educational institutions is especially important and may yield added value if PES can support these institutions to adjust their guidance services to the needs of the labour market. Liaising with employers and their associations is also gaining importance to get more knowledge about changing occupational demand. Lastly, EU level networks of PES and other institutions involved in LLG play an increasing role as platforms for mutual learning.

The **European Lifelong Guidance Policy Network** (ELGPN) established in 2007 aims to deepen awareness of the four priorities of the 2008 Council Resolution on LLG, which concerned the importance of career management skills, access to LLG, quality assurance of guidance services, and coordination and cooperation among the various national, regional and local stakeholders. Further co-operation between PES and ELGPN was welcomed and encouraged.

4. PES and target groups: PES services and measures for vulnerable young people and older workers

Implementing youth guarantees and targeting young people most at risk

The new European Commission Initiative "Youth on the Move" emphasises the need for early intervention to prevent the scarring effects of unemployment (Youth Guarantee). The first <u>Peer Review</u> of PES to PES Dialogue focused on "Youth Guarantees: PES approaches and measures for low skilled young people".





In response, some member states have developed specific measures to ensure early intervention and prevention already in the 1980s. Some of these take the form of so called **youth guarantees** (e.g. Austria, Netherlands, Norway, etc), which establish the right of young job seekers to training and job opportunities and oblige the PES to offer such services. Beside early intervention it also appears important to use an integrated approach and tackle all the barriers (ranging from learning difficulties to family problems) to employment. **This requires the PES to cooperate with multiple actors, not only to identify vulnerable young people,but also to better reach them and to provide specialist services.** The Peer Review and discussions at the Dissemination conference provided several good examples of engaging with young people when they leave school and providing services through specialised counsellors or multi-professional teams of counsellors.

Effective ALPMs effectively combine training with workplace experience and incentives for employers to recruit disadvantaged young people.

Though their long term efficiency is widely accepted, the cost of youth-oriented PES services and measures may be prohibitively high. However, total costs can be reduced by **careful targeting**.

PES service delivery key to extending working lives

Given an ageing and shrinking workforce as a result of demographic change the Europe 2020 strategy recognises the need to increase labour force participation particularly amongst women, older workers and the inactive. **PES play a critical role in assisting older workers who face a significantly higher risk of long-term unemployment.** The PES service offer can include access to **specially trained counsellors**, peer group support to targeted measures such as employer subsidies, training provision and work experience.

At the same time, research indicates that prevention of unemployment among this age group can be more effective. This can be supported by supporting in-work training and assisting employers in awareness raising and developing appropriate age management strategies.

The accreditation of prior learning is particularly important for a target group, whose qualifications are often low or out of date, but how have accumulated significant capacities throughout their working life. The delivery of such measures often requires PES to work in partnership with a variety of actors.

An analytical paper is due to be published on this issue and the topic will be deepened by a Peer Review in 2012.

On the whole, the assessment of the first year of the PES to PES Dialogue process at the conference was positive, with emphasis placed on the importance of collaboration between labour market policy makers (through EMCO) and policy implementers, the PES.