

2nd PES to PES Dialogue Dissemination Conference:

Innovative and effective approaches to the strategic management of PES

Brussels, 19-20 September 2012

Executive summary

Public Employment Services (PES) have played an important role in taking forward the priorities of the [European Employment Strategy](#), the corresponding employment guidelines, as well as the [Employment Package](#) agreed in April 2012. Against this background, the final [Dissemination Conference](#) to mark the second year of the [PES to PES Dialogue](#) was dedicated to examining innovative and effective approaches to the strategic management of PES within the context of employment policy priorities.

Thematic strand 1: PES services for jobseekers and employers

The maintenance of strong working relationships with employers is critical to maximise job matching, secure pathways for vulnerable groups and improve labour market intelligence in the context of the new skills agenda.

Some PES have **specialist teams for employers**, enabling staff to focus exclusively on dealing with business needs, providing services such as acquiring vacancies and recruitment. Other PES have **generalists who deal with both employers and jobseekers**. Whatever the approach, **customer segmentation** to define strategically important or 'priority' employers (such as SMEs) is becoming more widespread in order to maximise placement outcomes and target resources effectively.

PES are using a **variety of cooperation partnerships** and channels to make initial contacts with employers, such as 'prospecting teams' and contacts with local chambers of commerce. PES nevertheless emphasise that **trust-building is critical** in the dialogue with employers and face-to-face, rather than digitalised, contact should feature strongly in any provision.

High-level agreements between PES and employers (and employer organisations), awards to companies and **commitments towards Corporate Social Responsibility** goals are used by many PES to encourage employers to offer opportunities to the hard-to-place. There is scope to develop these approaches towards SMEs as they have the potential to place disadvantaged groups. Building up relationships with international companies is also important in this respect.

Demographic ageing has led to a paradigm shift in employment policies from 'early exit' to 'extending working lives'. As a consequence, PES are increasingly focusing on preventive measures to retain older workers in the workplace, alongside reintegration measures for the older unemployed.

Research indicates that older workers are less likely to become unemployed, but once unemployed are likely to be so for longer. PES are therefore increasingly placing **emphasis on prevention**, rather than cure, in order to avoid long unemployment spells. Pushed by the crisis, many PES provide **'rapid response**

mechanisms' to give information and advice on site to workers who are affected by restructuring. There are potential efficiency gains in targeting these services at older workers.

Another preventative measure is to promote and support the **up-skilling and training of older (and other low-skilled) workers**, including human resource or qualification counselling for companies (SMEs) It is important to be mindful that this innovation can 'cross an invisible line' and raise delicate questions about the balance of responsibilities between the PES and the employer in workforce development.

There is a widespread consensus among PES that the best route to achieving the effective activation of older jobseekers is through **competent individual action planning** based upon resource-oriented profiling.

Age-specific measures for the older unemployed are effective *only if well targeted* to those in need (e.g. counselling in self-help groups and networking). However, when targeting, it is always important to avoid 'negative labelling' and be open to the idea that age-specific measures can in fact provide useful lessons for other target groups, such as the long-term unemployed, disabled or jobseekers in general.

Thematic strand 2: Personalised services and employment guidance

The last decade has seen considerable progress in PES approaches towards individual action planning, with quality employment counselling increasingly being seen as an important precondition.

Although PES tread a fine line between being the 'enabler' and 'controller' (of the requirements for benefit receipt), in many PES, the focus of employment counselling is placed on the **empowerment of jobseekers**. Innovative approaches for empowerment were discussed, such as an increased emphasis on co-production of the IAP, for example, by inviting the jobseeker to draft the action plan *before* attending the first interview.

Despite the term *individual* action plan, evaluations show that IAPs tend to be too standardised. One topic of discussion was how PES can work with **quality assurance** in this specific area. This implies establishing quality standards, putting systems in place to check and assess the quality of IAPs, as well as the wider issue of the training and development of PES staff.

A strong message from PES has been the critical role of the employment counsellors and their **professionalism** in ensuring the quality and effectiveness of the individual action planning process. This includes the ability to create trust; be transparent (in handling their support and sanctioning roles); have a positive outlook on the jobseekers' prospects; and become a 'sales person' (in 'marketing' the vacancy to a jobseeker or the jobseeker to an employer).

The dual role of PES in 'supporting' and 'controlling' jobseekers is clearly evident in relation to monitoring and follow-up, although the **share of jobseekers actually sanctioned is low** at around 10%. Emphasis is being increasingly placed on more

regular monitoring as the frequency and intensity of contacts vary widely across European PES.

Thematic strand 3: PES organisation and management strategies

Performance management has become increasingly important and widespread as part of the modernisation of PES across Europe, pushed and informed by the introduction of public management models.

PES performance management is widespread. One of the most important measures mentioned is the **duration of the unemployment spell**, which links to the overarching performance management objective of making PES more effective in bringing people back into (sustainable) employment as soon as possible.

Most PES use a combination of output indicators (e.g. number of registered vacancies or completed interviews) and intermediate outcome indicators (e.g. placement of jobseekers into employment, vacancy filling). Some also explicitly apply input indicators (e.g. levels of spending, staff hours). Most PES combine indicators in some form of **balanced scorecard or other data presentation system**,

A key message from the PES discussions is that it is not necessarily the indicators that count, but the way in which they are used. As such, PES seem to be entering a more 'mature' phase of development insofar as they are **moving towards fewer, more focused measures and targets** and are increasingly concerned with the quality of the overall systems and procedures.

Performance management can also serve as part of a more evaluative approach to management, which focuses on substantive organisational learning and performance improvement. PES use a range of strategies and methods to **identify areas for innovation and improvement**, such as customer and stakeholder surveys, benchmarking, external assessments, performance dialogues and randomised trials.

In general, such approaches require a willingness to take risks and a **culture of trust, transparency and engagement**. Consequently, the focus should be on learning how to do things better, rather than punishment. **Leadership on all levels** therefore plays a crucial role in fostering a climate that raises, but also challenges and tests innovations at all stages.

Staff competences and training are critical for offering quality services to jobseekers and employers. A survey of 22 PES was therefore carried out during the second year of the programme.

The level of diversification of job profiles in a PES varies considerably, depending on the operational structure and priority tasks of each PES. However, there is a clear trend towards **separate job profiles for services for employers and for jobseekers**.

There are some **common core competences for employment counsellors**, including a combination of employment counselling, administration and social skills;



knowledge of the labour market, occupational pathways and regulatory frameworks; and an attitude comprising empathy, patience and flexibility.

There is **significant variation in PES approaches to the recruitment and especially the training** of employment counsellors. For example, whilst specialised inception training is provided to employment counsellors in all countries, the duration varies significantly, from three years (e.g. in Germany) to under 10 days.

Overall, the employment counsellor's role can be seen as an **emerging 'occupation.'** This deserves further attention in the future given the discrepancy between similar competence requirements, on the one hand, and diverging recruitment and training concepts, on the other.

The future...

The second year has seen the PES to PES Dialogue move from being a fledgling programme to an **established platform for mutual learning and exchange** between European PES. Building on themes from the first year, it has continued to focus attention on some of the key issues and challenges for the effective modernisation of PES in the context of Europe 2020. It has also gained recognition amongst national, European and international stakeholders as an important source of information on the latest findings regarding PES practice.

Looking to the future, the PES to PES Dialogue will continue to identify avenues for **continued analysis, discussion and collaboration.** It will go deeper into the management topics, such as performance and human resource management, and take a closer look at the situation of more vulnerable groups of jobseekers. The 2013 work programme for the PES to PES Dialogue will be adopted by the Heads of PES in December of this year. And as the new year of activities unfolds, the latest information will be available in the next newsletter and on the [PES to PES Dialogue](#) website.

Further information can be found in the "PES to PES Dialogue Report 2012", which will be published shortly.