Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Federal Department of Economic Affairs FDEA
Education and Research EAER
State Secretariat for Economic Affairs SECO
Labour market / Unemployment insurance

PES to PES Dialogue Peer Review on '*Performance Management in PES*' *Switzerland*

Peer Review, Copenhagen
21-22th March 2013

Simon Röthlisberger, Marc Dubach
State Secretariat for Economic Affairs SECO

Content

1. Agreement between cantonal governments and federal ministry
2. Benchmark: comparisons between cantons / REC’s
3. Review of the situation
4. Performance measurement on the level of counsellors

Agreement between cantonal governments and federal ministry

Federal Ministry (SECO) → Steering Committee ← Cantonal governments

Regulatory framework

Federal act / ordinance

- AVIG
- AVIV
- AVG

Financing

- operating cost
- vocational training

Steering tool (benchmark)

Measurement of efficiency (Result indicators)

Communication of results

Process and output indicators

Review of the situation

Exchange of best practices

Competition ↕ Transfer of best practices

Activity of cantons

Activity according to the law:

- Counselling
- Job placement
- Training
- Controls and sanctions

Outcome measurement

4 results indicators:

- Rapid reintegration
- Reduce long-term unempl.
- Reduce exhaustion of benefits
- Reduce re-registrations

Continuous improvement process

Management by results

- Steering no longer via **inputs,** but via **results** achieved on reinsertion of unemployed persons
- The federal level sets the goals for the cantonal level. The Confederation does not impose detailed regulations. No longer tells cantons **how** to reach objectives.
- Results-oriented **agreement**
  - between cantonal governments and Federal Department of Economic Affairs
  - first agreement in 2000, renewed 2003, 2006 and 2010
- **Budget** allowed to the cantons depending on the jobseeking rate and number of jobseekers in the canton.

➡ **paradigm shift** (NPM)

Objectives and indicators

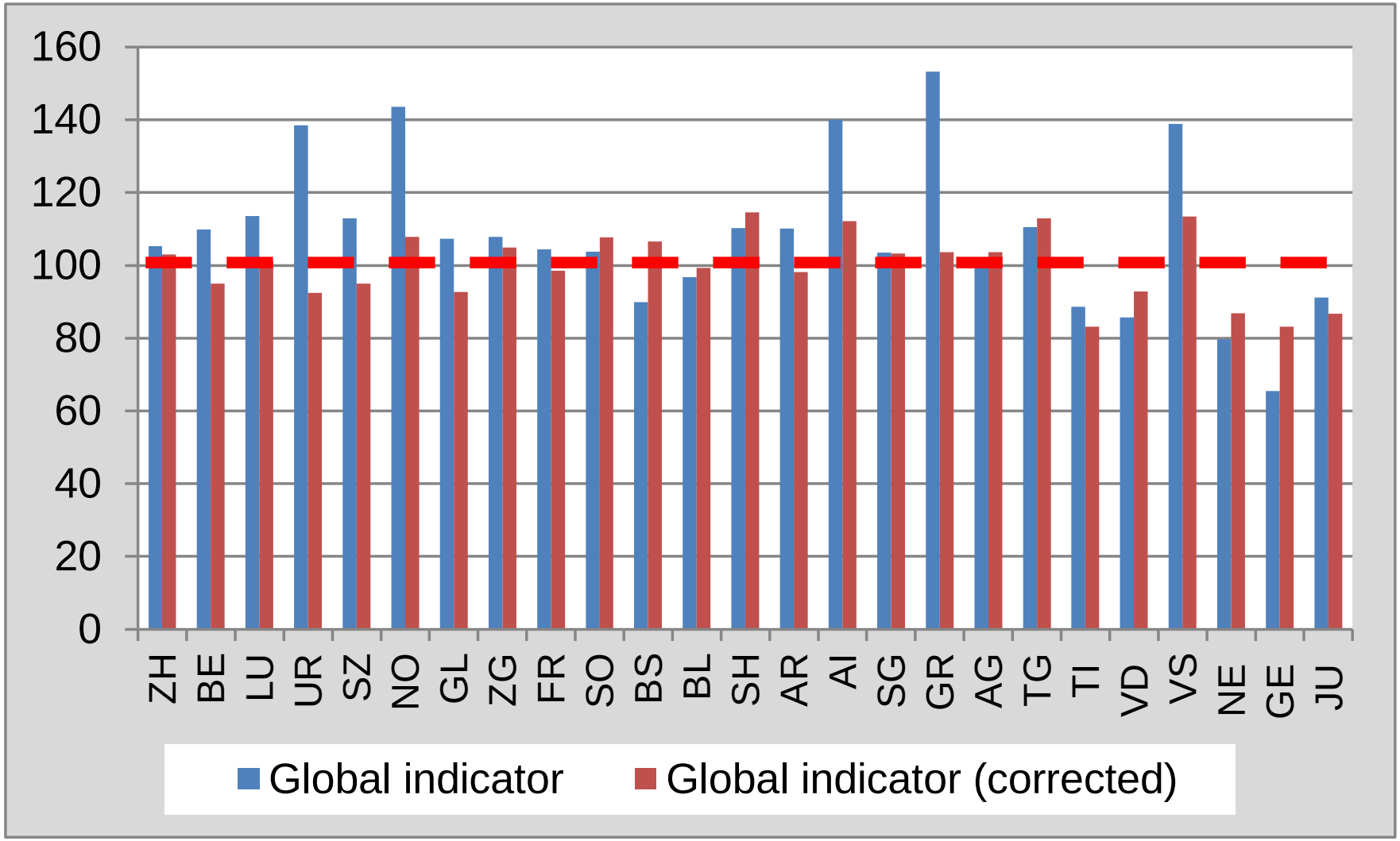
	Objectives	Indicator	Weight.
1	**Rapid reintegration**	Avg. no. of benefit days drawn by former beneficiaries.	50%
2	**Prevent/reduce long-term unemployment**	Entrants to long-term unemployment divided by the # of persons who entered a new framework period 13 months earlier.	20%
3	**Prevent/reduce exhaustion of benefits**	# of exhaustions of benefits in the reporting month, divided by the # of persons who entered a new framework period 2 years earlier.	20%
4	**Prevent/reduce re-registrations**	Proportion of benefit recipients who re-register within 4 months.	10%
	Rapid and sustainable reintegration	**Global indicator**	**100%**

Management by results : The econometric model

- Purpose: Enable **comparisons** between cantons
- How: By eliminating the influence of special **regional features** (exogenous factors):

  - Labour market situation
  - Seasonality
  - Nationality
  - Frontier workers (persons living abroad and working in Switzerland)
  - Size of agglomeration
- Calculated and published once a year, at the beginning of June of the following year.

Example of relative Benchmark results



Review of the situation

- Cantons with repeated negative results or one-time substantial deviations in the result measurement submit to a special Review of the situation
- The canton must develop and implement concrete measures with respect to the identified fields of action, with the goal of achieving a better result
- In the past, there are two different approaches:
  - Responsibility lies with the canton, process is accompanied by SECO
  - External audit financed by SECO

Exchange of best practices

New set-up since 2012:

- Exchange of best practices as an ongoing process
- Homogeneous composition of participants

Performance measurement on the level of counsellors

- So called «Interpretationshilfen» contain statistical information on the performance and activities of counsellors and the characteristics of their jobseekers' portfolio

  Content

  - Result indicators
  - Sanctioning behavior,
  - Number of interviews
  - Use of ALMP's
  - Jobseeker's age distribution

  Distribution

  - by e-mail twice a year (counsellors receive their own statistics only, heads of REC receive statistics of their counsellors)
  - made accessible via online-tool