



OPTIMISING THE WORK
OF THE PUBLIC EMPLOYMENT
SERVICE (PES)

'Management by objectives' method to improve the quality of PES services

Information review: October 2015

LATVIA

The 'management by objectives' method provided a set of common goals and indicators for use in all 28 regional PES offices. It allowed for the collection of operational data supporting the assessment of PES services. The method was integrated into the agency's quality management system to streamline available resources towards the achievement of results. The practice included capacity-building activities, assessment of targets and setting performance indicators for PES services. The practice aimed to improve active labour market measures and better compliance with clients' needs. The evaluation found that the practice helped to link the PES outcomes and the impact of each employee's performance to the quality of PES services – and of the entire organisation.

Name of the PES	Nodarbinātības valsts aģentūra State Employment Agency
When was the practice implemented?	2010 – 2011 (12 months)
Which organisation was involved in its implementation?	The assessment of PES services and the development of the 'management by objectives' method were carried out by an external consultant (one service contract based on public procurement procedures), in close cooperation with the project working group. In addition, five regional training sessions were delivered by external experts (one service contract based on public procurement procedures).
Which social groups were targeted by the practice?	Employees of PES national and regional branch offices
What were the practice's main objectives?	The aim of the practice was to optimise the work of the PES and to increase the quality and effectiveness of its services at the national and regional level. The State Employment Agency's (national PES) Operational and Development Strategy 2008-10 set the task of developing a management system that would ensure effective implementation, monitoring and development of its services. Development and implementation of the 'management by objectives' method was the main action taken to develop an effective management system.
What activities were carried out?	The main activities included: <ul style="list-style-type: none"> ▶ Assessment of PES services, targets, performance indicators and current work methods, and elaboration of constructive suggestions and operational recommendations ▶ Development of the 'management by objectives' method ▶ Training of 200 employees of the national PES and its branch offices in the 'management by objectives' method ▶ Administration of the practice (planning, management and monitoring of activities), including publicity measures.
What resources and other relevant organisational aspects were involved?	The practice was implemented by the PES project working group (one project manager, one accountant). Project implementation was monitored by the PES project monitoring committee.
Source(s) of funding	European Social Fund

<p>What were the outputs of the practice: people reached and products?</p>	<p>People reached: 207 PES employees trained (over 200 planned) through seven training sessions</p> <p>Products:</p> <ul style="list-style-type: none"> ▶ An internal implementation procedure ▶ A new written procedure within the quality management system ▶ Training materials (hand-outs) ▶ A press release on practice implementation.
<p>What outcomes have been identified?</p>	<ul style="list-style-type: none"> ▶ A peer review (exchange of experiences) with the National Labour Market Office in Sweden (one study trip; involving five PES employees) ▶ An assessment report on PES services, targets and performance indicators (based on SWOT analysis) ▶ Development and implementation of the 'management by objectives' method.
<p>What are the lessons learnt and success factors?</p>	<p>The practice itself included the development of recommendations and a new methodology to improve PES services. Therefore the evaluation of the practice focused on assessing the outcomes achieved and their practical application.</p> <p>During the training sessions, PES employees gained knowledge and practical skills on how to implement the new method. The training included the 'cascading goals' methodology (linking agency goals and performance measures to individual employee performance targets).</p> <p>The working method developed within the practice was used to set agency targets and performance indicators for 2011 and is used to assess the quarterly performance of all PES offices in Latvia. The practice was included as part of the PES quality management system – for example, performance assessment now includes an overview of how efficiently the available resources have been utilised, and of whether the targets comply with the set of indicators.</p>
<p>More information on the practice</p>	<p>http://ec.europa.eu/employment_social/empl_portal/weesp/LV-4.pdf</p>



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