

# PES Network Stakeholder conference **The power of PES partnerships**

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**Conference** Paper

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### Introduction

The labour market is changing very rapidly. Prior to the onset of the COVID-19 pandemic, the labour market across Europe was performing strongly overall, and across most member states. Nevertheless, high levels of employment co-existed with some important problems such as inequalities of skills, employment, conditions and pay in relation to gender, ethnicity, disability and particular challenges faced by specific social groups such as migrants or ex-offenders or some ethnic minorities (European Commission, 2020a). Young people have been particularly negatively affected by changes in job security and wages in the so called 'gig economy'.

The current COVID crisis is adding to these vulnerabilities, increasing unemployment generally and particularly among the insecurely employed, temporary workers, young people and the low to medium skilled. It has increased youth unemployment, and the rate of those Not in Employment, Education or Training and households have lost considerable income, especially at lower levels of the income distribution (European Commission, 2020b).

Further, the range of anticipated future changes that go under the banner of 'The Future of Work' may further compound inequalities and insecurities faced by sections of the population. The OECD predicts that **around 14% of jobs are at risk due to automation**, with significant variation of this risk between OECD member states, between sectors and occupational roles, with workers in manufacturing, agriculture, food preparation or communications occupations (postal, courier etc) most at risk (Nedelkoska, & Quintini, 2018). While new waves of automation over the last decade have not yet led to significant employment losses in any country, it is influencing employment growth between occupations and the skills demands within them. The lowest skilled are becoming more concentrated in the most vulnerable sectors and occupations (OECD, 2021). On the upside, technology acted to protect large numbers of jobs in the Covid 19 crisis, enabling workers to continue even when lockdowns prevented them physically going to work. The **uptake of telework** will likely lead to accelerated use of new technology after the crisis.

While recent job retention schemes have been effective at reducing and slowing redundancies and sustaining employment and business viability, they come at a cost to fiscal balances. The likelihood of slow output growth for several years and the need for further restorative public spending (for e.g., on physical and mental health and education services) will put public finances under considerable pressure for several years to come.

All this will have an ongoing impact on PES and accelerate pressures that they were already experiencing and responding to. PES will need to continue to demonstrate increasing effectiveness and efficiency and deliver results in helping the workforce and employers to adjust and 'build back better'. One means of PES responding to the multiple challenges that they and the labour market face is through further development of partnerships. This will involve review of existing partnership arrangements and further learning from the many strong examples of PES facilitating closer working across organisational boundaries. By sharing good examples and best practice PES can highlight and encourage further positive engagement between stakeholders in enhancing social and labour market inclusion through delivery of increasingly citizen centric services.

### The impact of COVID on the labour market

The COVID-19 outbreak, and more particularly the policies that have been implemented to mitigate risks it poses to public health and healthcare systems, put Europe and the world under unprecedented public health, economic and social stress. Though an improved employment situation was recorded in the EU before the pandemic (in 2019, the EU unemployment rate fell to the lowest level ever recorded, namely 6.7%; European Commission, 2020a), the impact of the COVID-19 crisis on the EU labour market has been immediate, with **nearly five million jobs lost** by the end of the second quarter of 2020 (Etui,

2020). Many people living in Europe today are in shorttime work, have lost their job or are at risk of losing it and hence are in/at risk of poverty and social exclusion. Nearly one quarter (24%) of the EU working-age population were below the at-risk-of-poverty threshold at some point during the four years of poverty measurement (European Commission, 2020a). Long-term and youth unemployment are high within the EU with demographic trends (ageing population, migration) affecting society and world of work (European Commission, 2020a, c).

#### The need for partnerships

Close collaboration between PES and other stakeholders has been a long-standing feature of PES delivery models. It is crucial to address policy challenges that would be left open by institutions working in isolation. Alongside the need for jointly responding to negative impacts of COVID-19 on vulnerable groups, further policy gaps are also observed especially regarding the digitalisation process (European Digital Strategy<sup>1</sup>). Policy must also respond to global scale challenges such as the 'transformation of the world' of the UN Agenda 2030 (UN; 2015). European PES are the main agencies executing employment policies facilitating labour market integration of jobseekers. They are the main actors implementing activation policies in the EU Member States and they play a vital role in facilitating successful labour market transitions and integration (European Commission, 2019). European PES are also increasingly required to assist new customers from those vulnerable groups farthest from integration by providing support services (Davern, 2020). Accordingly, PES have been called to enhance cooperation between stakeholders in the labour market (European Commission, 2019; European Union, 2014b, European Union 2020). They have already anticipated the need and are committed to partnership working, especially working in concert with other employment service providers to support the European Pillar of Social

Rights<sup>2</sup> and achieving the UN-Sustainable Development Goals (Davern, 2020; Nunn, 2015).

However, European PES are not the only institutions that are required to cooperate within the European labour markets. Other key stakeholders, such as those within the European Social Fund (ESF+) are urged to work in partnership too. All EU Structural Fund programmes apply the partnership principle because it adds value to the implementation of European public policies (European Commission, 2016). Article 5 of the Common Provision Regulation makes it compulsory for each European Structural and Investment Fund to work in partnership at all programming stages and at all levels.<sup>3</sup> The European Code of Conduct on Partnership was issued in 2014 (European Union, 2014a) and reviewed in 2018 (European Commission, 2018). The Review demands mobilising regional and local stakeholders to achieve the Europe 2020 Growth Strategy. Successful partnerships should realise benefits beyond the functional goals of cooperation. They can help to develop shared interests and align values, a key element of cooperation within the European Union. (European Commission, 2018).

<sup>1</sup> https://ec.europa.eu/digital-single-market/en/content/european-digital-strategy

<sup>2</sup> https://ec.europa.eu/info/european-pillar-social-rights\_en

<sup>3</sup> https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex%3A32013R1303

### The potential from ESF+

In the current Structural Fund period 2021-2027, the ESF+ will be the main financial instrument to invest in people (with a budget of 88.67 billion). ESF+ merges the previous ESF, the Youth Employment Initiative<sup>4</sup>, the Fund for European Aid to the Most Deprived<sup>5</sup> and the EU Programme for Employment and Social Innovation (EaSI)<sup>6</sup> (European Commission, 2021). ESF+ priorities will be more closely aligned with the recommendations and country analysis provided under the European Semester of policy coordination, and they will be geared towards making the principles of the European Pillar of Social Rights a reality on the ground.<sup>7</sup> The ESF+ will operate jointly with other funds such as the European Regional Development Fund<sup>8</sup>, the Cohesion Fund<sup>9</sup> and Erasmus+<sup>10</sup> under the Cohesion and Values headings of the Multiannual Financial Framework 2021-2027 (European Commission, 2021). The European Commission and the Member States should ensure coherence, coordination and complementarity between ESF+ and other Union funds, programmes and instruments. Synergies between activities co-funded by European means should be used and activities streamlined for the benefit of jointly achieving overall EU policy goals.

**ESF+ offers new opportunities for partnership working** since it will promote the involvement of all stakeholders throughout the different stages of its implementation, including public authorities, economic and social partners, relevant bodies representing civil society and bodies responsible for promoting social inclusion, fundamental rights, rights of persons with disabilities, gender equality and non-discrimination. Partnerships between all actors at the relevant territorial levels and the socio-economic actors are essential for implementing social innovation<sup>11</sup> and social experimentation<sup>12</sup> within ESF+. Social innovation will be supported, notably to re-design delivery mechanisms for employment, skills, social inclusion. This implies a new emphasis on bottom-up approaches based on partnerships and values of co-creation (European Commission, 2021). Member States may also support the upscaling of innovative approaches tested on a small-scale (social experimentations).

European PES are in an advantageous position to take an active role in deepening partnership work within the EU that is embedded in a fruitful 'ecosystem' (see below) where policy improvements are jointly taken by actors. This requires an organisational culture of openness and cooperation between partners, commitment from participating organisations, transparency, clarity of objectives from the outset, proportionate governance, and suitably regular monitoring (Davern, 2020). PES, however, need to adapt their partnership working: a consultation with stakeholders conducted for the evaluation of the PES Network found that 'there is some cooperation between the Network and other relevant labour market stakeholders (...), but that there is scope for improvement in the future by developing stronger relationships with partners at EU and national levels' (European Commission, 2019, p.6). In adopting the partnership mechanism, PES should approach partnership working in a conscious and reflective manner, using evidence to guide their decision making about partnership goals, structures and monitoring processes (Nunn, 2015).

- 6 https://ec.europa.eu/social/main.jsp?catId=1081&langId=en
- 7 https://ec.europa.eu/commission/presscorner/detail/en/MEM0\_18\_3922
- 8 https://ec.europa.eu/regional\_policy/en/funding/erdf/
- 9 https://ec.europa.eu/regional\_policy/index.cfm/en/funding/cohesion-fund/
- 10 https://ec.europa.eu/programmes/erasmus-plus/node\_en
- 11 'Social innovations' mean activities that are social both as to their ends and their means and relate to the development and implementation of new ideas that simultaneously meet social needs and create new social relationships or collaborations between public, civil society and/or private organisations, thereby benefiting society and boosting its capacity to act.
- 12 'Social experimentations' mean policy interventions that aims to provide an innovative response to social needs, implemented on a small scale and in conditions that enable their impact to be measured, prior to being implemented in other contexts including geographical and sectorial ones, or on a larger scale, if the results prove convincing.

<sup>4</sup> https://ec.europa.eu/social/main.jsp?catId=1176

<sup>5</sup> https://ec.europa.eu/social/main.jsp?catId=1089

### Advantages from cooperation

The spirit that has changed European PES from more bureaucratic 'top-down' institutions towards service-oriented agencies<sup>13</sup> during the late 1990s until (partly still) today, could now be harnessed for building fruitful learning eco-systems where PES take an active role in partnership development. The 'conducting' approach implies a strategic orientation for PES in which they sit at the centre of a Public Employment System incorporating a range of actors that provide specialist, sometimes complementary, overlapping or competitive services (Nunn, 2015).

*First*, well-functioning cooperation between employment service providers and their service users is essential for PES since **employment services can better be aligned to the needs of beneficiaries**. 'Co-creation' is key to becoming a client-centric organisation able to offer tailored and user-oriented services (Hägele, 2019). If designed appropriately, enhanced support models can encourage more jobseeker autonomy and ownership of their agenda. This can allow service users to exercise greater choice with better prospects for successful integration. In this regard, the PES may move away from *directing* and develop more of an *enabling* role, including for those farthest from the labour market.

*Second*, enhanced cooperation can give the PES **more opportunities to develop innovative, evidence-based policies** (European Commission, 2019). Because the ESF+ fosters social innovation and social experimentation, it can serve as a seedbed for new small-scale tested approaches that finally are adapted to national policy frames and hence upscaled. With the help of the mechanism of partnership, activities are made possible that otherwise cannot be implemented by PES alone, such as actions:

- adopting *integrated policy approaches* (i.e., holistic approaches by linking employment, social, and educational policies, to name just some policy fields),
- targeting outreach to the most deprived (research confirms that cooperation with NGOs is a key to engage with those far away from the labour market; for instance, Scoppetta & Buckenleib, 2018).

- employing preventive policy approaches

   (e.g., adjusting labour market measures and policies for future labour market needs); and
- offering person-centred approaches (i.e., offers that are adjusted to the needs of the individuals, taking the family situation and local circumstances into account, and aiming at eliminating the benefit trap such as enabling smooth transitions from social protection to employment measures).

To sum up, PES can achieve a better placement of vulnerable groups when working in partnership with other stakeholders.

*Third*, responsibility over labour market integration of specific groups of society is shared when cooperating with municipalities, NGOs, social partners and others. More collective ownership often goes hand-in-hand with **shared resources of partners** ('know-how', funding, structures, people, etc.). This is of particular importance in times of limited resources. EU Member States are expected to allocate an appropriate amount of ESF+ resources in each programme for the capacity building of social partners and civil society organisations.<sup>14</sup>

Moreover, in harnessing the ESF+ for the PES, **additional funding** is made available not only for testing innovative labour market measures but also for partnership development. Administrative burdens, however, must be considered when using ESF. ESF+ offers a policy frame for social change where **solutions tend to be more sustainable** since they can be mainstreamed, upscaled, experiences shared, and ideas transferred across the EU.

Because many ESF stakeholders are already skilled in partnership implementation, the ESF+ can also help PES in leading successful stakeholder cooperation: **structures and 'know-how' are available that can be utilised for PES at all governance levels**. Adopting the partnership principle within the EU is not unexpected. Partnerships exist in various forms and at the various geographical scales and governance levels (from the local to the regional, national and European level) since decades. EU wide partnership programmes implemented comprise the Territorial Employment Pact programme<sup>15</sup>

<sup>13</sup> Or customer-centric organisations (Hägele, 2019).

<sup>14</sup> https://ec.europa.eu/commission/presscorner/detail/en/MEMO\_18\_3922

<sup>15</sup> https://ec.europa.eu/regional\_policy/archive/innovation/innovating/pacts/down/pdf/pactfin\_en.pdf

in the end 1990s, followed by the EQUAL programme<sup>16</sup> that consequently led to nationally co-funded partnership approaches (Stott & Scoppetta, 2011, Nunn, 2015, Davern, 2020). PES thus can build on what is already there.

Fourth, the ESF+ offers options to **improve multi-level** arrangements. Within ESF+ policies are aligned alongside the different governance levels. The partnership approach of ESF is often implemented through devolution of funding and service delivery to local partnership and community structures (Stott & Scoppetta, 2011). The PES Network and individual PES can enhance engagement, for instance, in activities of the 'transnational ESF land**scape'**. This comprises participation in activities funded under specific ESF+ strands such as EaSI strand and other ESF activities like the ESF Transnational Cooperation<sup>17</sup> and the Mutual Learning Programme<sup>18</sup>. By engaging in these activities PES can learn from others what works and what does not work, as was practiced by the "Long term unemployment project" of the former Transnational ESF Employment Network<sup>19</sup> and within the EU Mutual Learning Programme<sup>20</sup>, to just name two examples.

*Finally*, partnership development within the ESF+ and under an active role of PES can also help to develop **adequate answers to the policy challenges faced regarding the changing world of work**. The strategic alignment of funds within ESF+ and coordination with other programmes can help to promote synergies between different policy domains, including labour market, education, health and social policy. Enhanced dynamic transitions in the labour market (i.e., more frequent and non-linear transitions are expected between life stages<sup>21</sup> and between various forms of paid work, unpaid work and leisure; Scoppetta, 2019) require responses that reduce existing policy silos and that require outof-the-box-thinking. Holistic approaches taken in the labour market and social policy include the change from age differentiation towards age integration and the shift from the 'classical school' of labour market transitions towards the incorporation of various forms of transitions that comprise also currently unpaid forms of work such as family care (Scoppetta, 2019).

#### European PES are asked to take a more active role

in building a fruitful and collaborative 'eco-system' since the various actors in labour market policy must come together and work in partnership for the benefit of the most deprived groups of society. This is especially important in light of the challenges posed by COVID-19, technological change and the changing nature of work. These challenges require enhanced and aligned policy responses from key labour market actors to help those left behind. The ESF+ offers new options for PES regarding ideas, partners, funding, structures, other resources and sustainability of measures. European PES consequently should utilise the ESF+ and target a more active role in partnership development during 2021-2027. They are asked to do so for the benefit of the vulnerable groups of our society and lately for the EU as a whole.

<sup>16</sup> https://ec.europa.eu/employment\_social/equal\_consolidated/

<sup>17</sup> https://ec.europa.eu/esf/transnationality/

<sup>18</sup> https://ec.europa.eu/social/main.jsp?catId=1047;

<sup>19</sup> https://ec.europa.eu/esf/transnationality/ltu-project

<sup>20</sup> e.g.," Peer Review on "Employer's service delivery" (26-28 October 2020, online)

<sup>21</sup> e.g., life-long learning phases are to be integrated into the employment phases.

#### Responding to the changing context

#### A conceptual model for the Labour Market as an 'Eco-System'

Responding to new and accelerating challenges requires PES to adopt new ways of thinking, continue to embrace new principles and incorporate 'big ideas' that can help guide policy, practice and organisational change. Several pre-existing and new ideas that might guide policy are relevant to PES partnerships. The concept of 'Decent Work' is well established in the European Commission (e.g. the legal framework for the PES Network (European Commission, 2019)) and partner organisations such as the ILO (International Labour Organisation) and the UN's Sustainable Development Goals. It can help guide the response to desirable job growth in the context of increased 'precarity'. The concept of 'transitional labour markets' (Schmid, 2008a, 2008b, 2015) can help focus attention on the need to support new, more complex and more numerous transitions throughout working life. This is especially the case in relation to frequent shifts between training and skills development, caring and other family responsibilities and work, and more frequent work-to-work transitions.

It is widely accepted that the labour market is an 'ensemble of institutions and relationships' between actors (Schmid, 2016). Institutions and actors co-regulate one another's behaviour and the flow of information between them also helps to shape decision making within and between these institutions. For example, households make decisions about when to invest in training and which household members to invest in based on their understanding of future employment prospects. These decisions are also related to the availability of childcare or training. Similarly, employers shape their investments in labour demand, training or technology based on their understanding of how households will behave and the quality of skills developed by training (and certified by qualifications) (Nunn and Morgan, 2018). That means that accurate and adequate information flow between households, employers and a range of labour market stakeholders (e.g. PES, skills providers etc) is crucial to ensuring 'positive complementarities' (e.g. policies that encourage households and firms to invest in skills) and 'beneficial constraints' (e.g. policies which prevent involuntary non-standard work contracts constraining innovation) (Streeck, 1997).

This understanding of labour market institutions can be further strengthened by the contribution of feminist economists who have drawn particular attention to the way that the formal labour market is dependent on household or community processes (Elson, 1998) that generate **'social reproduction'** or the regeneration of society on a day-to-day and intergenerational basis (Steans and Tepe, 2010). This includes the often gendered and unpaid (or gendered and low paid) care, provisioning and the transfer of stabilising values and ideas. Designing services to support transitional labour markets and generate positive constraints and complementarities requires that social reproduction be integrated into the analysis of the way that the labour market operates as an institutional ensemble (Nunn, 2018).

Social Innovation and the concept of 'co-creation' can help to understand how services can be designed to meet the needs of different actors and institutions which make up the labour market as an institution, including the role of social reproduction. Co-creation means the inclusion of service users and potential users as 'problem solving... experts on their own experiences ... creation of (long-term) outcomes by changing the relationships, positions and rules between stakeholders and customers" (Hägele, 2019). It means recognising the interests of service users and empowering them to direct the composition and desired outcomes of services. Evidence on the aggregate effects of 'nonstandard work' suggests that services which empower workers to make decisions over their employment status at different phases of their life can be both rewarding and lead to productivity growth in the context of changing work (Schmid, 2016).

By utilising these 'big ideas' it is possible for PES to play a more effective role in the wider 'eco-system' which makes up the labour market as an institutional ensemble. It suggests that PES play an important role in facilitating and channelling the behaviour and decision-making of a range of different actors and, importantly, facilitating information flow between them. This is close to the 'con**ducting' role of PES** that has been taking shape for the last decade now and requires that PES operate in a range of effective partnership structures. Conducting implies that these partnerships go beyond now old-fashioned approaches based merely on contracting-out, and extend instead to a form of 'inclusive governance'. This involves all social interests associated with labour market policy (including service users and their advocates) joining a conversation about future delivery of PES services. This would include input on setting policy objectives, the design and management of services and interventions intended to realise them, and the monitoring and evaluation of progress toward those ends. Inclusive governance recognises the diversity of the agents and relationships involved in the wider eco-system of the labour market and focuses on the co-creation of solutions to shared understandings of labour market problems.

#### From changing service user needs to changing PES services

Even before COVID-19, the changing economy and society meant that there was a need to adapt PES services to support new and more complex transitions throughout the life course (Scoppetta, 2019). The combination of longer-term social trends and the catalytic effect of COVID-19 means that PES will increasingly deal with new types of service user and jobseekers/changers with new needs. As these trends develop, PES may find that they are dealing with higher skilled service users with more ability to co-create their own labour market journeys or that co-creation is more necessary to overcome entrenched and complex labour market barriers. There will be a need to ensure that PES service users have access to skills updating across the life course and that lifelong learning opportunities respond dynamically to overall changes in the economy. These will need to be shaped locally and across different sectors and occupations. This is central to ensuring that trends such as automation, digitalisation and AI lead to job-rich and high productivity growth. PES services will need to be further targeted at existing inequalities (for e.g., skills, gender, ethnicity and disability employment and pay gaps), ensuring that employers adjust their Human Resources practices to these new realities and that services support people to access second and third chances for education, training and social inclusion through decent work. **Life course transitions** need to be seen by PES as opportunities to deliver supportive services and reduce inequalities (Scoppetta, 2019).

Rising to these challenges requires that PES continue to develop their existing positive reforms in relation to dynamic service provision. Training will need an even greater focus on new needs and will need to be mapped to local employment opportunities and skills gaps. There will be an increasing need to integrate not just unemployment benefits but social protection with PES **services** to ensure that there is seamless support across transitions and to facilitate labour market adjustments (Scoppetta, 2019). Targeted Work Placements might support particularly vulnerable groups but will need to be aligned to growth sectors and occupations. Like other workers, PES Staff will need to have their expertise, knowledge and skills constantly updated. Inclusive governance is the means to ensure partnership working and co-creation between those most expert at knowing what services PES need to offer: employers, service users and those who work with them.

### Partnerships and Technology

In this changing context and as PES roles continue to evolve, there will be a need for even greater use of partnership working. This section reviews what we already know about partnership working among PES and their stakeholders and maps out possible future directions for PES work in this area.

#### **Building successful partnerships**

Mutual learning between European PES has already focussed on 'what works' in developing effective partnerships (Nunn, 2015; Scoppetta, 2013). Recently the PES Network has revisited this work, strongly endorsing the need for PES to work in a range of partnerships (Davern, 2020):

- **Agile** for producing quick solutions to time-limited and specific problems as they emerge.
- Sub-contracted assigning or outsourcing specific tasks to external organisations which may have competence, resources and skills relevant to the delivery of that task. There are different forms of sub-contracting arrangements from traditional contracts through to black-box payment by results arrangements. Each of these have strengths and weaknesses and are suited to the sourcing of different forms of expertise in different market conditions.
- Co-constructed enable partners to share power, responsibility and expertise. They are particularly useful to integrate service users – such as jobseekers and employers – into the process of designing and delivering services.
- Supportive are "catalysts for the growth and success of participants and provide space for members to grow, succeed, and generate innovative ideas". They may be looser in structure and less about the delivery of specified outcomes and outputs but the development of organisational and network capacity.

Successful partnerships involve structures and partners well suited to their objectives, adequate resources, high quality leadership, and involve shared understandings, values and motivations. There is more detailed guidance in the various reviews and summaries produced by the European Network of PES (Davern, 2020; Nunn, 2015; Scoppetta, 2013).

#### **Technology in PES partnerships**

New technology is central to partnership working in inclusive governance in several respects:

- **Technology can facilitate more effective partnership working**, facilitating the transfer of information, the development of shared meeting spaces and output development. IT can also support performance management and rapid response to changing labour market information.
- Partnerships are required around growth sectors, many of which will be related to IT/Digital technology to better understand their employment and skills needs. This will be crucial so that PES can more effectively support employers with their recruitment needs and jobseekers with acquiring the skills required to access new opportunities.
- PES can also use partnerships to support the uptake of technology in wider sectors as part of the development of their competitiveness and productivity. This includes making links between employers and sharing information in terms of mapping training provision to the needs of these employers.
- Big data offers the opportunity for real-time mapping of changing balances between skills demand, supply and training provision. It will also mean drawing data from a wide range of labour market actors. This will enhance complexity as well as the need to co-create analysis to ensure that the implications and limitations of data from multiple sources are fully understood.
- PES will need to use technology to help jobseekers improve their skills through digital training opportunities. While there are many downsides to the COVID-19 pandemic, one of the upsides is cultural and behavioural change in relation to the uptake of digital and online training (OECD, 2021; World Economic Forum, 2020, 2021). The approach of many PES already seeking to ensure that key groups of vulnerable workers and unemployed have the basic IT digital skills will need to become standard. This will enable priority clients to access online learning. PES may then act as a broker and commissioner to ensure that there are sufficient learning opportunities available to meet and match employer and jobseeker needs. Some of this may mean entering further partnerships to support training provision, an increased focus on guality assurance and facilitating certification to overcome common challenges in validating the skills developed via online or digital learning.

In some cases, it may also mean providing infrastructure to facilitate access for those without IT resources. While this will require investment and new ways of working with new partners, the potential payoffs in terms of efficient and tailored access to training provision are substantial. PES partnerships to facilitate provision, demand and access to training via digital media can help to overcome some of the most significant barriers to adult learning (e.g. time, financial resources, location) (OECD, 2020). Many countries already have established platforms for training providers such as the 'Smart Training Education Platform' in South Korea. In France, the Ministry of Labour has established a platform for sectoral skills development (for e.g., via Massive Online Open Courses in skills related to food processing). In Germany, the Federal State of Baden-Württemberg provides a platform for online learning. In several countries, the government made online training available for free during lockdown periods (e.g., Ireland, Spain, Croatia, Romania, Sweden) or spread free training usually only available to the unemployed to those on short-time working or pay subsidy schemes.

 PES are well placed to use their traditional role as an exchange for information between employers and jobseekers to help shape the quality and content of available online learning and training to meet the needs of growth sectors. Partnership working will be central to this. Partnerships can help to facilitate the exchange of information between new **and existing firms (within and between sectors) and training providers** to ensure that skills development supports business and wider economic growth, especially at local or regional levels.

- Technology can help PES develop new co-constructed partnerships with service users. Technology offers a mechanism for jobseekers to access flexible support from PES staff as and when it is needed and to provide timely information about the barriers they face and therefore the services development and innovation required to support them to overcome these.
- Technology also offers the opportunity to engage a wider range of stakeholders in inclusive governance, helping to co-create labour market goals and services to achieve these, as well as to make monitoring and evaluation more transparent and inclusive.
- PES can use triage over the ability of PES service users to access their own online or digital services to identify those jobseekers who require basic skills and basic IT skills. Such service users are likely to face barriers to labour market entry and progression and it is therefore essential that they are targeted for specialist support to ensure that they are not left behind.

### Conclusions

Digitalisation and automation were driving considerable changes in the labour market even before the COVID crisis. Evidence since the advent of the pandemic is that pre-existing trends have been exacerbated by the impact of the economic downturn on labour demand and the changes in job design driven by employers' responses to health and safety concerns. PES are facing an increasing challenge in assisting job seekers and employers to deal with these changes, especially the impact on citizens farthest from the labour market. Enhancing partnership working is a valuable tool for generating capacity and identifying specialist expertise to meet the needs of harder to integrate customers. Further to this, advances in technology offer considerable opportunities for an increasingly dynamic and fluid relationship between a range of providers, including PES, PrEAs, and NGOs. The potential to expand choice and personalisation of labour market integration services is therefore reinforcing the PES partnership agenda irrespective of the trend towards joint working in response to the current crisis.

The impact of both advances in technology and responses to the crisis in enhancing the PES partnership agenda is reflected in the direction of European Employment policy. There is an increasing emphasis on partnership working as an intrinsically beneficial device to promote mutual learning and more strategic utilisation of European funds. In this regard, changes during the new programme period, with the inception of ESF+, can provide a catalyst for social innovation and experimentation to promote inclusion. The evolution of an employment services ecosystem provides the delivery framework within which PES and other providers can combine to provide bespoke solutions to meet the requirements of individual cases. This support can increasingly be provided within an overall institutional framework where organisational boundaries are less rigid and of decreasing importance.

Building upon good foundations from a long tradition of developing and leading partnerships, **European PES are in a good position to take an active role** in promoting the development of an employment services ecosystem. This can identify positive multiplier effects with potential for a greater return on investment from increased collaboration. This can foster more effective integration services through cutting across silos, identifying and bridging gaps, and eliminating service duplication. Achieving this will require PES to prioritise partnership working as a specific objective to identify synergies. Deeper collaboration with potential partners will need to be based upon identification of shared goals and objectives. Whilst a culture of transparency and openness, shared strategic ambitions, and joint commitment to effective governance are prerequisites for effective partnership operation, there are considerable variations in the type of joint working models which can be applied. The nature of partnership adopted is therefore a key consideration with a range of possible informal and formal arrangements, and degrees of inter-organisational cohesion. Different approaches will be appropriate for meeting the needs of delivering different policies to specific groups in particular situations.

The structure of partnerships will therefore vary on a case by case basis, notwithstanding the need to emphasise and endorse basic partnership principles. Provided that due regard is taken to considering the implications of individual organisations, ethos, objectives, legal frame, and internal structures and geography, partnerships can offer one of the most promising vehicles for improving integration. This opens the prospect for more personalised support packages, with increased choice for employment service clients, and the possibility of developing data-driven systems to improve case management and further social and labour market integration. Such an approach can actively assist greater autonomy for more self-sufficient clients, provide more intensive support for those in need of greater assistance, and offer flexible support to all with provision available from a variety of service users as appropriate. This can establish customer-centric provision to shape and drive re-integration journeys which make optimum use of the wider range of support possible from more developed cooperation.

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