



European Network of Public Employment Services

Main outcomes of the third cycle of PES Benchlearning





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Directorate-General for Employment, Social Affairs and Inclusion
Directorate E – Labour Mobility and International Affairs
Unit E.1 – Labour Mobility, Public Employment Services and ELA
Contact: Bernhard Becking

E-mail: EMPL-PES-SECRETARIAT@ec.europa.eu

*European Commission
B-1049 Brussels*

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¹ DECISION No 573/2014/EU

Main outcomes of the third cycle of PES Benchlearning

The third cycle of benchlearning within the European Network of Public Employment Services aimed to support improvements in PES performance across Europe and came to an end early 2023. This report summarizes some of its main conclusions².

1. Introduction

The 3rd PES Benchlearning (BL) cycle was conducted while the COVID-19 pandemic exerted a massive influence on the labour market in general and on PES implementing measures to tackle the crisis. In spite of these challenges, the European labour market proved to be very robust. According to Eurostat, in the 2nd quarter of 2022 the overall employment rate was significantly higher than prior to the crisis and also the overall unemployment rate was lower than in the beginning of 2020. During this period, 31 external assessments of the 3rd BL cycle were completed, all of them, with one exception, in a new virtual format. For its implementation, a total of 70 PES representatives from 27 PES (out of 31) took part in 122 peer missions. This paper provides a short overview of the core findings of the 3rd BL cycle which are meant to inspire and support discussions on the future efforts of the PES Network.

Drawing comparisons – a short remark

There are two crucial caveats to be taken into account when drawing comparisons between cycles and deducing conclusions. From a methodological perspective, this is due to the decision to apply an approach of so-called blind scoring – meaning that external assessors were not informed about any previous self or external assessment score – during the external assessments to reduce any potential bias of assessors. This was not the case for previous assessments. Additionally, almost all assessments were carried out in a new virtual format. From a more practical perspective, it has to be noted that most PES were undergoing wide-ranging changes, many of them related to responses to the COVID-19 pandemic and/or within fundamental structural reforms of public administration. Hence, in this paper no immediate comparisons between the scores of the cycles are drawn to outline progress and challenges. Instead, the observations presented in this paper are based on the aggregated scores of the 3rd cycle as well as a qualitative analysis of the findings of the 3rd cycle as reflected in the Feedback Reports of the external assessments and the results of the combined qualitative-quantitative analyses.

2. Progress achieved with reference to the excellence model

The Benchlearning visits reveal the following progress which has been achieved over the recent years regarding the different Sections of Enablers of the excellence model³.

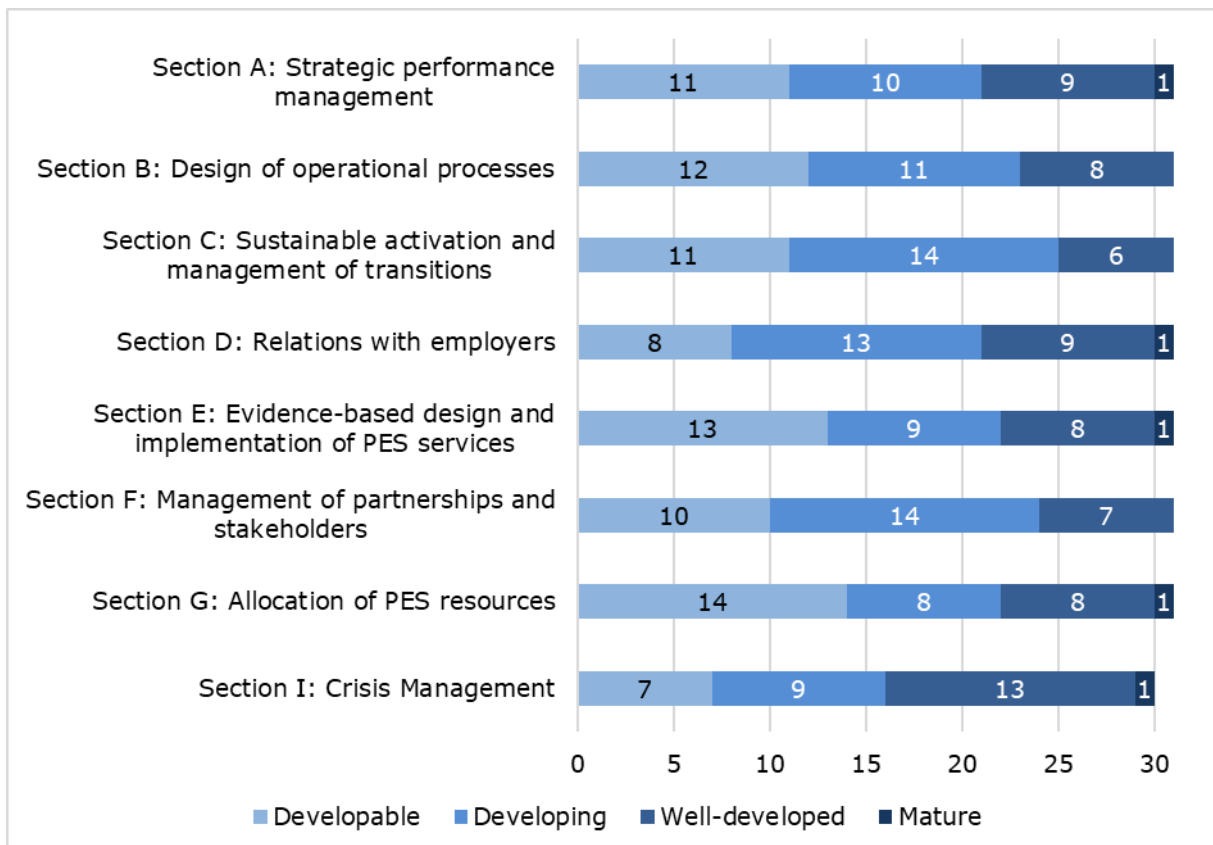
Within **Strategic Performance Management** (Section A), more and more PES have started to better align their Key Performance Indicators (KPIs) with their strategic objectives, reduce the number of KPIs, shift their attention from output-orientation towards outcomes, give a more active role to regional and/or local offices in the process

² More information on the methodology can be found in the latest benchlearning manual <https://ec.europa.eu/social/main.jsp?langId=en&catId=1100&furtherNews=yes&newsId=10211>

³ Annex 1 and 2 summarise the maturity indicators by Section and Enabler for each PES, respectively.

of target-planning and devote more resources to a structured dialogue between hierarchical levels on performance over the course of the year. All these activities aim at improvements and sustainable progress in a field which (according to the combined qualitative-quantitative analyses) has a significant impact on the overall outcomes of the PES performance. As displayed in **Figure 1**, 10 out of 31 PES have been assessed as well-developed or better for this section.

Figure 1: Maturity levels of sections



Note. The assessment in Latvia took place before the COVID-19 pandemic fully hit Europe and the approach had been adapted including the newly integrated section I.

In the field of **Design of Operational Processes** (Section B) notable progress was achieved especially in the area of offering customers different and flexible ways of interaction with the PES (channel management). During the lockdown phases PES displayed a high flexibility and were able to quickly supplement and/or replace former face-to-face contacts with phone, e-mail communication or digital services. Usually, these additional and refined channels and services were kept or further enlarged after the lockdown phases, so customers nowadays benefit from a wider range of support formats. As **Figure 1** shows, 8 out of 31 PES have been assessed as well-developed for this section.

A trend towards services which are more tailored to the specific needs of vulnerable groups could be identified for the area of **Sustainable Activation and Management of Transitions** (Section C). Since mass unemployment is currently no pressing issue in most European countries, PES have started to diversify and customise their services according to the specific needs of an increased share of customers who are hard to place

on the labour market. Vulnerable groups such as long-term unemployed, migrants, refugees, persons with disabilities, older unemployed, NEETs and/or early school leavers are increasingly supported with tailored services addressing their needs. With 6 PES being considered as well-developed and none as mature, there is a lot of room for improvement for the 25 other PES (see **Figure 1**) in this area.

With regard to **Relations with Employers** (Section D) PES have intensified their activities for reacting effectively to the increasing pressure of bringing together a growing demand for skilled labour force with a growing share of jobseekers displaying a considerable distance to the labour market. The latter is due to multiple obstacles such as a lack of formal qualifications, skills, work experience, insufficient language skills, health and psychological problems and/or difficulties on the private level. Therefore, many PES have revised and successfully adjusted their matching systems, achieving improvements of the quality of matching results and the matching process as such. Other activities of PES for meeting the needs of employers include upskilling of low-skilled workforce, target-group specific training and increased efforts at integrating Third Country Nationals including refugees. 10 of 31 PES are considered as well-developed or mature in this section (see **Figure 1**).

An important result within **Evidence-based Design and Implementation of PES Services** (Section E) was the observation that nearly all PES in the Network make extensive use of pilot projects for testing new services and ALMPs before rolling them out. This is mirrored by mature or well-developed maturity levels for 13 PES for the corresponding Enabler (E2); one of the Enablers with the highest share of high maturity levels. Overall, there are 9 PES which are considered as at least well-developed in this section, as **Figure 1** shows.

In line with the adjustments introduced in the model of the European Framework for Quality Management (EFQM) which is one of the methodological pillars of the BL approach, a strong embedding of PES in their ecosystems has been confirmed during the assessment visits as a relevant prerequisite for the achievement of strategic PES objectives. In the corresponding Section **Management of Partnerships and Stakeholders** (Section F), all PES have established functioning partnerships at the different organisational and regional levels, and usually all relevant stakeholders are addressed in these partnerships. However, what is missing in many PES is a genuine partnership strategy starting with a mapping of potential partners with reference to their contribution to the PES objectives. This is reflected in the overall maturity for section F, where just 7 PES are considered as well-developed and none as mature (see **Figure 1**).

In the field of **Allocation of PES Resources** (Section G) the external assessment teams especially gained rich evidence of highly motivated and engaged staff in all PES of the Network. Staff engagement and commitment remained high during the COVID-19 pandemic and can be considered a crucial pillar for all PES for successfully managing the continuity of services, ongoing individualised customer support and the payment of benefits, where applicable. The fact that only 9 out of 31 PES are considered as at least well-developed in section G (see **Figure 1**) also points to substantial room for improvement in this area for the majority of PES.

Within the area of **Crisis Management** (Section I), some PES managements strengthened leadership and empowerment approaches to achieve a trustful working atmosphere despite the huge challenges posed by the COVID-19 pandemic, thus making

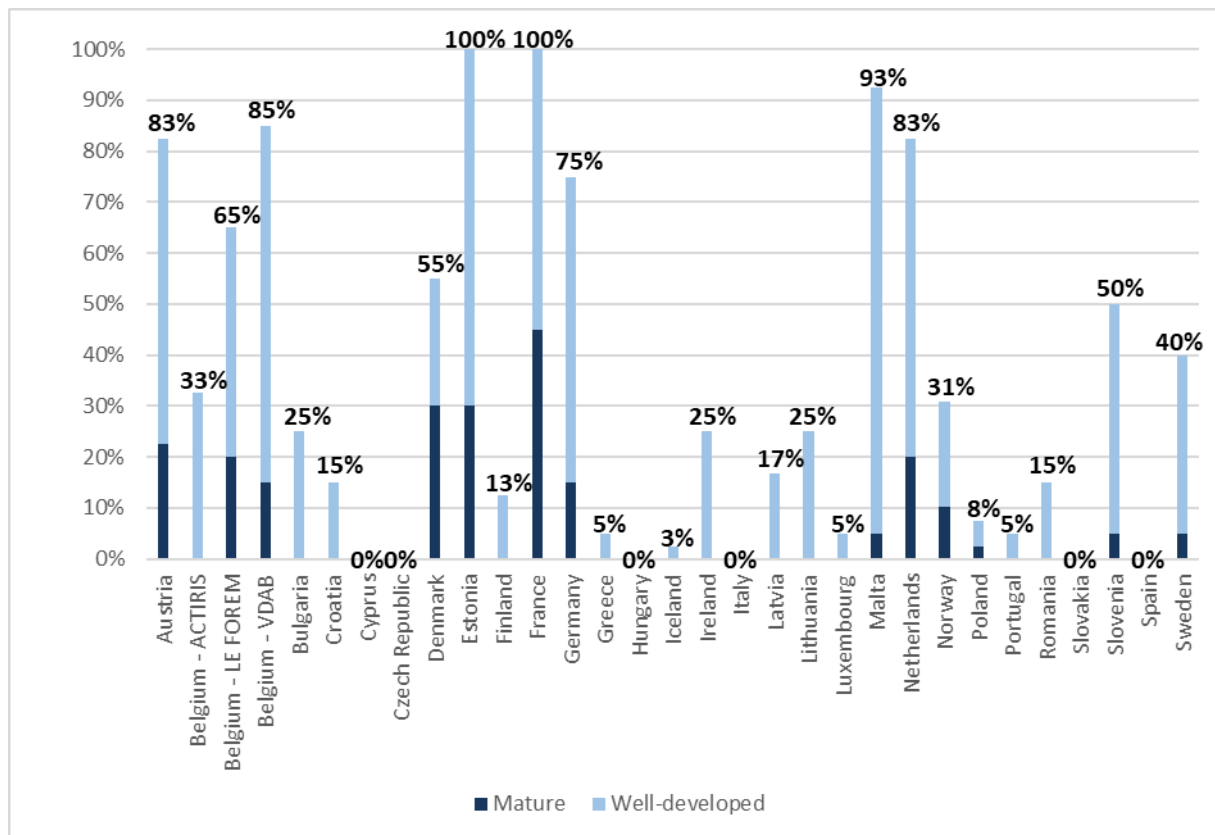


best use of staff competences and commitment. Almost half of the 31 assessed PES for this section (14 PES) proved to be at least well-developed, making this the Section with the highest overall maturity (see **Figure 1**).

3. Challenges

A first and very general challenge is related to the overall maturity of PES. As can be seen in **Figure 2** below, the disparities in organisational maturity among the members of the PES Network remain considerable. While 10 PES are mature or well-developed in at least half of the Sections and Enablers as well as overall, the remaining 21 PES were considered developing or developable in the majority of Sections and Enablers as well as overall. 6 of these PES were even assessed as developing or developable for all Sections and Enablers. Although, due to the limited comparability between cycles because of the limitations outlined above, it is difficult to say whether this gap has further widened between the 2nd and 3rd BL cycle, this finding points to the need for support to some PES as a measure towards convergence. At the same time, the results of the external assessments also prove that for each and every Enabler and Section there is more than one PES which can be considered mature or well-developed. Hence, there is sufficient opportunity to provide support among the members of the Network, learn from good practices and encourage progress. The Thematic Learning Dialogues (TLDs) of the 3rd cycle offer a valuable opportunity of learning and support for each PES in this context.

Figure 2: Share of high maturity levels across PES⁴



With regard to section-specific challenges, it has to be noted that for the Section of **Strategic Performance Management** only one third of PES (10) are considered mature or well-developed, while one third is each considered developing or developable. To provide support to those PES displaying the highest distance to the leaders in this area and therefore most in need of support from the Network regarding relevant organisational solutions, a TLD on outcome-focused KPIs was conducted in February 2023.

For the PES performance area **Design of Operational Processes** only 8 of 31 PES have been assessed as well-developed and none as mature during the 3rd BL cycle. The reason for this is that this area includes the Enablers **Quality Management** and **Implementation of Support Structure** (meaning the IT system that supports operational processes) and both remain problematic for many PES. However, the awareness of the importance of the IT infrastructure also became evident during the 3rd BL cycle, since several PES were at different stages of the complex process of overhauling their IT infrastructure or implementing a completely new one.

The COVID-19 pandemic was used by most PES as an opportunity to further their digital services. But getting everyone within the organisation on board and at the same time keeping an atmosphere of trust and confidence with PES customers and partners vis-à-vis an increased **digital service delivery** remains a challenge. This holds especially true

⁴ The maturity levels for each Enabler, Section and overall maturity of a PES are based on the scores of the external assessment. The rules of aggregation for the scores as well as descriptions of the individual Sections are described in detail in Annex 2 of this paper.

for those PES which just started automatisisation and digitisation processes. Also, providing support and facilitating access for those jobseekers who lack resources or skills for using digital services often hampers or restricts the digitalisation of services. These challenges are also mirrored by the maturity levels of PES for the corresponding Enabler (B4 Channel Management): only 6 PES are considered well-developed and 2 mature while 11 are considered developable.

Although most PES are already active in the area of **quality management**, most of them lack a coherent and overarching approach to this topic. This is reflected in the fact that only 2 PES are considered mature and 4 well-developed for the corresponding Enabler (B3 Quality Management). At the same time, a systematic approach to quality management has been recognised as an important foundation to coordinate and bundle all quality-related activities of a PES. Accordingly, recommendations regarding the further development of quality management were among the most frequent recommendations given to PES during the external assessments. One measure taken by the PES Network to address issues related to this Section is the implementation of three TLDs, two on Systematic Quality Management (one in November 2022, another in February 2023) and one on Digital strategy (in March 2023).

The strengthened focus on vulnerable groups in the area of **Sustainable Activation and Management of Transitions** in some cases leads to a tendency among PES to devote most of their attention to these target groups while not including regular unemployed persons into early activation measures. This runs the risk of also these persons becoming long-term unemployed. Since only 6 PES are considered well-developed and none mature for this Section, this also highlights that there is still a lot of room for improvement for the majority of PES in this area.

While PES have increased their efforts at ensuring suitable workforce in times of labour shortage, in many cases the approach to **Relations with Employers** lacks a strategic perspective and systematic approach; a challenge which is acknowledged by most PES. As a consequence, a lot of PES expressed their interest in participating in the TLD on Employers' strategy. As one third of all PES is considered well-developed or mature for this Section there are good examples to learn from and to support less experienced peers.

The intensive use of pilot projects in most PES has been highlighted as a relevant achievement in the area of **Evidence-based Design and Implementation of PES Services**. However, the degree of monitoring and evaluation of pilot projects and the use of their results for informing the decision-making process at the strategic level varies significantly between PES. This is reflected in the lower maturity levels for the corresponding Enabler (E1 – Ex-ante and ex-post evaluations) with 7 PES considered well-developed and 3 mature. Thus, the development of a culture of systematic evaluation was pointed out as a recommendation in 7 external assessments.

One challenge that remains in the area of **Management of Partnerships** refers to the absence of a genuine partnership strategy, starting with a mapping of potential partners with reference to their contribution to PES objectives. This is evident throughout many PES. Accordingly, the overall maturity for section F shows that only 7 PES are considered well-developed and none mature.

In the area of **Human Resource Management** some PES are facing a situation with a substantial share of staff reaching retirement age. Given the existing shortage of

qualified workers on the labour market, more and more PES have to develop new strategies or adapt existing ones to ensure both a quantitative replacement for staff turnovers and the qualitative safeguarding of institutional knowledge to be kept within the PES. 12 PES proved to be at least well-developed in Human Resource Management which again highlights the fact that there are sufficient good practices to learn from in the Network, also reflecting different organisational and institutional contexts across the PES which are of particular importance in this area. A TLD in February 2023 addressing topics of decentralised PES models might prove to be of particular importance in this context since this institutional context usually strongly affects a PES' influence on Human Resource Management.

Finally, the external assessments pointed to the fact that in the area of **Crisis Management**, a dedicated strategic approach such as the use of risk registers or business continuity plans helped PES in dealing with the challenges posed by the COVID-19 pandemic. This in turn implies that PES relying on ad-hoc strategies faced more problems in adapting to this new situation. Thus, developing and implementing more strategic preventive approaches is likely to make PES more responsive to potential future crises. This challenge was addressed by another TLD with the topic of organisational resilience (held in December 2022).

4. Conclusions

The findings presented in this paper on the one hand show that PES proved to **be effective in handling the COVID-19 pandemic**. This can be seen in the recovery of the labour markets to which PES contributed as well as the relatively high overall maturity of PES regarding crisis management (Section I). In many cases the crisis helped speeding up developments, especially in the area of digitalisation of services which is becoming more and more important. On the other hand, the gap between well-developed and mature PES and those PES considered developing or developable highlights the need for additional efforts among the Network to support the less developed PES in their endeavours.

To promote the further development of PES, the **learning formats of the Network** are of particular relevance. In this context, the **TLDs** can be considered the most specific and targeted format since the topics are based on the most relevant needs of PES and the events are immediately linked to change projects of each participating PES. Thus, the TLDs could prove to be crucial in providing support to the Network members with specific needs in achieving progress. At the same time, it is important to ensure that also the more advanced PES can benefit from this format by organising TLDs which also address relevant issues they are facing. The current calendar covering 9 TLDs from November 2022 to March 2023 tries to do justice to the diverse needs of the PES Network by including both events immediately related to recommendations from the 3rd BL cycle such as Quality Management and Channel Management but also to other specific topics in which some PES expressed to achieve progress, such as the specific challenges of PES operating in a decentralised institutional model.

Another element that could encourage the development of PES is the more intensified **sharing and application of good practices** throughout the Network. The PES Practices collected during the assessments and other events which are published in the PES Knowledge Centre are a valuable resource. But additional efforts at exchanging good practices and encouraging their adaptation, e.g., through other formats like the Jour Fixe



meetings, Thematic Review Workshops or PESPod, might be worth considering. Since in many cases learning is based on learning from mistakes, it could also be interesting to consider approaches for PES sharing their lessons learnt from mistakes regarding specific topics. This way, attention could be raised among PES for crucial pitfalls which should be avoided when addressing these issues. Also, Mutual assistance projects with the individualised and focussed support of PES have a lot of potential and could be considered more frequently by developing and developable PES.

Annex 1: Distribution of organisational maturity by PES, 3rd BL cycle

PES	Section A	Section B	Section C	Section D	Section E	Section F	Section G	Section I	Overall
Austria	Mature	Well-developed	Well-developed	Well-developed	Well-developed	Developing	Well-developed	Well-developed	Well-developed
Belgium - ACTIRIS	Developing	Developable	Developing	Developing	Developing	Developing	Developing	Well-developed	Developing
Belgium - FOREM	Well-developed	Well-developed	Developable	Well-developed	Well-developed	Developing	Mature	Well-developed	Well-developed
Belgium - VDAB	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Developing	Well-developed	Well-developed	Well-developed
Bulgaria	Developing	Developing	Developing	Developing	Developing	Well-developed	Developing	Developing	Developing
Croatia	Developing	Developing	Developing	Developing	Developing	Developing	Developing	Well-developed	Developing
Cyprus	Developable	Developable	Developable	Developable	Developable	Developable	Developable	Developable	Developable
Czech Republic	Developable	Developable	Developable	Developable	Developable	Developing	Developable	Developable	Developable
Denmark	Well-developed	Developing	Developing	Developing	Mature	Well-developed	Developing	Developing	Developing
Estonia	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed
Finland	Developable	Developing	Developing	Well-developed	Developing	Developable	Developing	Developing	Developing
France	Well-developed	Well-developed	Well-developed	Mature	Well-developed	Well-developed	Well-developed	Mature	Mature
Germany	Well-developed	Developing	Well-developed	Well-developed	Developing	Developing	Well-developed	Well-developed	Well-developed
Greece	Developable	Developable	Developable	Developing	Developable	Developable	Developable	Developable	Developable
Hungary	Developable	Developable	Developable	Developing	Developable	Developable	Developable	Developable	Developable
Iceland	Developable	Developable	Developable	Developing	Developable	Developable	Developable	Developing	Developable
Ireland	Developable	Developing	Developing	Developing	Developing	Developing	Developable	Well-developed	Developing
Italy	Developable	Developing	Developable	Developable	Developable	Developable	Developable	Developable	Developable
Latvia	Developable	Developable	Developable	Well-developed	Developing	Developable	Developing		Developable
Lithuania	Developing	Developing	Developing	Well-developed	Developable	Developing	Developable	Developing	Developing
Luxembourg	Developing	Developable	Developing	Developing	Developable	Developing	Developing	Developing	Developing
Malta	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed
Netherlands	Well-developed	Well-developed	Developing	Developing	Well-developed	Well-developed	Well-developed	Well-developed	Well-developed
Norway	Developing	Developable	Developing	Developable	Well-developed	Developing	Well-developed	Well-developed	Developable
Poland	Developing	Developing	Developable	Developing	Developable	Developing	Developable	Developing	Developing
Portugal	Developable	Developable	Developing	Developable	Developable	Developing	Developable	Developable	Developable
Romania	Developing	Developable	Developing	Developable	Developable	Developing	Developable	Developing	Developable
Slovakia	Developing	Developing	Developable	Developable	Developable	Developable	Developable	Developable	Developable
Slovenia	Well-developed	Well-developed	Developing	Developing	Developing	Developable	Developable	Well-developed	Developing
Spain	Developable	Developable	Developable	Developable	Developable	Developable	Developable	Developing	Developable
Sweden	Developing	Developing	Developing	Developing	Developing	Well-developed	Developing	Well-developed	Developing

Annex 2: PES performance enablers and construction of indicators for organisational maturity

Information for qualitative benchmarking were collected using a tailor-made Common Assessment Framework-model for PES. In a first step, each PES conducted a self-assessment. This self-assessment was validated during the external assessments between 2020 and 2023, whereby assessment teams assigned external scores in order to derive an assessment of each organisation that is comparable across countries.

The following eight sections (A-G & I) comprising 31 single performance enablers were part of the third cycle of assessments⁵.

A. Strategic performance management

- A.1 Establishing the fundamentals of performance management by target-setting
- A.2 Translation of targets into (key) performance indicators and measurement
- A.3 Following up performance measurement
- A.4 Making use of the results of performance management

B. Design of operational processes

- B.1 Process definition and standardisation
- B.2 Implementation of support structure
- B.3 Quality management
- B.4 Channel management and blended services

C. Sustainable activation and management of transitions

- C.1 Holistic profiling
- C.2 Segmentation
- C.3 Individual action plan and ALMP-measures
- C.4 Early intervention to avoid unemployment
- C.5 Early engagement to reduce the duration of unemployment
- C.6 Implementation of service and activation strategy

D. Relations with employers

- D.1 Employer strategy and management
- D.2 Specialised unit for employer services
- D.3 Matching vacancies and jobseekers

E. Evidence-based design and implementation of PES services

- E.1 Ex-ante and ex-post evaluation
- E.2 Pilot projects
- E.3 Communication of evaluation results
- E.4 Management of change and innovation

F. Management of partnerships and stakeholders

- F.1 Identification and structuring of relevant stakeholders
- F.2 Partnership building
- F.3 Management of partnerships with supervising authorities
- F.4 Management of partnerships with social partners
- F.5 Management of partnerships with service providers

G. Allocation of PES resources

- G.1 Human resources
- G.2 Financial resources

I. Crisis Management⁶

- I1: Organisational Resilience
- I2: Reaction to an emergency situation
- I3: Communication, information and empowerment for a culture of error tolerance

⁵ Based on key areas defined in Decision No 573/2014/ EU and Decision (EU) 2020/1782 establishing the PES Network

⁶ Section I has not been part of the assessment in Latvia.



From the externally validated scores, quantitative indicators were generated for each potential performance enabler, designed to reflect the proximity of each PES to the theoretically defined excellence level. This proximity can also be considered the maturity of the organisation with respect to a given benchmark. The following aggregation rule was used for the construction of quantitative indicators for each potential performance enabler:

- A **mature** organisation with respect to the potential performance enabler X is achieved if all four external scores in the PDCA cycle are 5 or higher.
- A **well-developed** organisation with respect to the potential performance enabler X is achieved if at least three of the four external scores are 4 or higher.
- A **developing** organisation with respect to the potential performance enabler X is achieved if at least three of the four external scores are 3 or higher.
- In all other cases, the maturity of the organisation is considered **developable**.

Additional information on the methodology and the construction of indicators for organisational maturity can be found in the Benchlearning Manual.