EUROPEAN NETWORK OF PUBLIC EMPLOYMENT SERVICES

PES Toolkit
Customer-centred service delivery
in a digital age

EUROPEAN NETWORK OF PUBLIC EMPLOYMENT SERVICES

PES Toolkit
Customer-centred service delivery in a digital age

Table of contents

Table of contents

INTRODUCTION

What is this toolkit about?

This toolkit provides a practical guide with concrete examples of how Public Employment Services (PES) can use more customer-centred approaches in the delivery of their services.

In most European countries, PES were originally set up to institutionalise the administration of unemployment benefit payments. They later developed job-finding services and have introduced more complex delivery models to include up and re-skilling and career management. They have therefore diversified their service delivery, using innovative approaches to meet the needs of different target groups and increasingly establishing various partnerships with other labour market actors.

In the new millennium, the development of technology in public services has additionally transformed service delivery for PES by increasing digital accessibility, reducing waiting times for in-person services and, through the use of algorithms, enabling faster matches to fill vacancies or upskill job seekers. Digital technology and the diversification of services is helping to drive more customer-centric approaches to PES delivery (European Commission, 2022c).

PES are currently investigating how to enhance their front-line delivery to **provide more customer-centred services** to avoid process-driven delivery and prevent fragmentation of delivery to meet the needs of the customers who require holistic employment support.

An early development to enable more customer-focused service delivery was the introduction of "one-stop-shops". These reduce the number of contact points which a customer needs to access in order to receive support. They have proved especially effective for engaging with and assisting groups often not well served by standard PES models. These include young people who are neither in education, employment or training (NEET), refugees, migrants, persons with disabilities and some women. Many PES, for example in Finland, South Korea, the UK, Denmark and India, have promoted customer-centred services through developing one-stop-shops often in partnership with local municipal providers or other regional and central government institutions.

Despite these developments, customer-centred delivery models are not yet standard. Whilst many PES have piloted aspects of customer-centred delivery (such as more direct dialogues with end users or more freedom of choice for the customers to choose a specific activation programme), there is still an overall lack of an overarching customer-centred strategy beyond more traditional customer-focused service philosophies such as the aforementioned one-stop-shop or the use of customer satisfaction surveys in evaluation processes (ILO, forthcoming; European Commission, 2022d).

The context of the current PES delivery is also significantly influenced by the so-called Twin Transitions towards a digital and green economy, for example by exploring the implications of the increasing application of Artificial Intelligence (AI) for the modernisation of PES delivery systems or by looking at contributions to environmentally sustainable economies being transformed through the 4th Industrial Revolution.

The link to human-centred design

A customer-centric approach is also changing staff attitudes with customer insights used to develop services that empower the customer.

Service delivery that focuses on customer needs is built on human-centred design of services and their delivery. Rather than starting to develop a service based on institutional procedure or custom, the **starting point of human-centred design is identifying what is important to a customer and building delivery systems based upon these insights**. Human-centred design starts with the premise that individuals' beliefs, values and ambitions are crucial to the successful functioning of societies and any ecosystem in which humans interact. As the labour market is defined by the perceptions and experiences of individuals, support designed considering these perspectives will be more effective than attempting to fit individuals into predetermined top-down programmes.

Human-centred design therefore inverts the traditional approach to solving labour market problems. It commences with gaining an understanding of key stakeholders to identify the causes of individual's barriers to integration and identifies unmet needs which, if they can be fulfilled, tap into hidden or underdeveloped client potential. The traditional approach departs from the objectives set by the organisation (PES) and then builds delivery systems with a view to these. In the later design stages, some tailoring is done to customer needs, but this is usually limited to fairly general customer characteristics. Human-centred approaches can help improve the outreach, quality and satisfaction of labour market services and achieve an increased impact on skills matching.

Figure 1: Traditional problem-solving approach vs. human-centred design approach
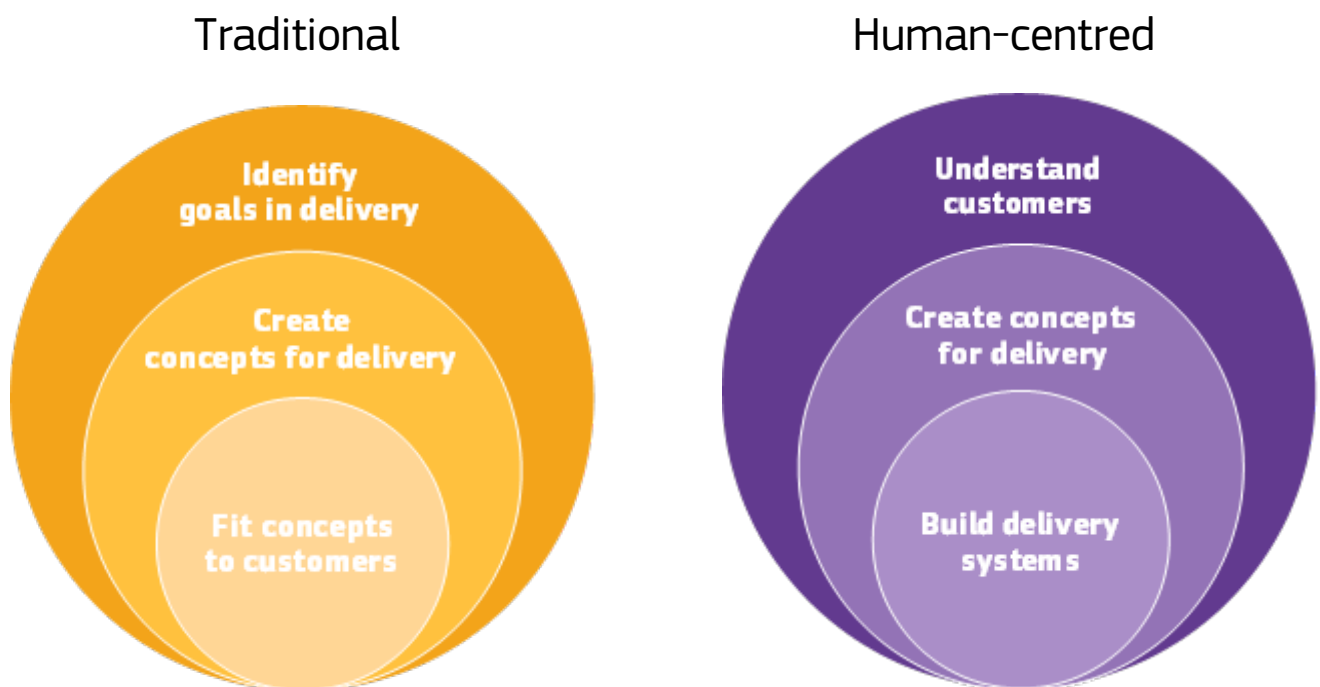
Source: Author based on Oxford Insights, 2022

This toolkit has been developed with the support of the EU PES Network, established in 2014[1] with its mandate recently confirmed up to 2027.

The toolkits are part of a series of actions undertaken by the Network to assist PES in better targeting active labour market policies (ALMPs) and improving the quality of delivery systems to meet the needs of different client groups. Similar toolkits recently published cover supporting people with disabilities, evidence-based services, knowledge management as well as communication and branding, services to employers, career guidance and lifelong learning.[2]

The examples and practices given in the toolkit are based on desk research from sources including the PES Knowledge Centre, the European Commission, the ILO, the OECD, as well as academic sources from the wider literature on the human-centred design concept.

A number of PES were contacted to enable a "deeper dive" into current approaches to channel management and customer-centred service delivery. Several video calls were conducted with PES contact persons from Flanders in Belgium, Estonia, Norway, Lithuania and Cyprus.

Who is the toolkit for?

This toolkit can be used by managers to identify which principles of customer-centred design can be introduced through implementing new service delivery tools and the changes in management this might entail, for example changes in culture and attitude or a more efficient use of partnership structures.

The toolkit can also be used by PES staff who work directly with customers, such as case managers, job counsellors, and employer counsellors. Overall, it is intended to inspire discussion and provide practical guidance on steps to implement a more customer-centred service delivery in PES. It explores how to better reach out to the customer, how to use data and technology to gain more effective insights for delivery, and which partnerships can be conducive to more customer-centred services.

How is this toolkit organised?

The toolkit is organised in three parts:

Figure 2: Structure of the toolkit

SECTION 1 gives an overview of which principles of customer-centred service delivery are already practiced in PES, how technology helps and why it is important for transitioning labour markets	**SECTION 2** shares examples of PES that are using new service delivery methods like behavioural insights or co-creation	**SECTION 3** suggests a set of steps to address the topic within PES and start preparing a longer-term approach to customer-centred delivery

---

1 DECISION No 573/2014/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, on enhanced cooperation between Public Employment Services (PES).

2 For more information consult the PES Knowledge Centre and Repository of PES practices at https://ec.europa.eu/social/main. jsp?catId=1100&langId=en

SECTION 1.

Why customer-centred service delivery should be at the heart of PES

Key considerations of human-centred design for PES

- Today's hyperconnected labour markets require an agile, customer-focused approach to deal with the changing employer staff and skills needs and non-linear career patterns.

- The massive increase in the collection and use of (big) data by PES enables tailored approaches to customers and personalised delivery of services.

- The current potential among PES for increased hybrid capacity and customer-centred approaches such as better segmentation and partnership working create a favourable environment for modernising service delivery.

- A basic purpose shift in the PES core business model from vacancy filling to acknowledging the complexity of careers and life stories is a precondition for customer-centred services.

- Bias in delivery can be reduced by including the individual voice of customers in the service.

- There needs to be a focus on upskilling the PES staff to sensitise them to human-centred design and their role in delivering individualised customer services.

1.1 Human-centred delivery is key for tackling future labour market trends

The rapidly evolving labour market calls for human-centred approaches for several reasons. Firstly, the post-pandemic landscape of skills shortages will require innovative approaches to close skills gaps. These include reskilling those jobseekers that are out of work or far away from the labour market to increase their employability whilst supporting employers to structure their jobs to better match labour market supply and demand. Secondly, employers need support in understanding the changing career needs of their employees who will increasingly need to navigate a series of transitions rather than being employed in one job throughout their working lives. According to a recent World Employment Confederation survey, about 40% of employees have never spoken to their manager about their career progression, mainly because management staff often lack the skills for such conversations to encourage employees to engage in upskilling or reskilling activities and make them more satisfied and likely to stay with the organisation (WEC, 2022).

Increasing and changing skills demands are empowering individuals as customers requiring personalised services rather than passive recipients of support. Jobseeker skills are becoming an increasingly sought-after resource that needs to be developed through tailor-made labour market support services that can enable individuals to fully understand the job environment into which they will be investing those skills. Jobseekers today, especially young people, also actively strive for more ownership of their customer journey with transparency concerning the different service steps and they want to have a bigger say in how services unfold or what their objective is (Jobs for the Future, 2022).

An additional aspect of today's labour markets, increasing the expectation for more customer centricity, is that they are ever more interconnected, calling for more transparency and quality information to be provided to customers. Therefore, systems that support communication in complex networks, such as human-centred approaches, for

instance through co-creation[3] , can better meet the needs of hyperconnectivity[4] . At the same time, the pace of a hyperconnected labour market risks excluding jobseekers who lack sufficient skills to keep pace with changes and increasing complexity. A lack of understanding and sense of detachment can lead to disengagement. Therefore, a human-centred approach, and in particular human-centred design can focus on the situation of people in such groups and on finding tools for engaging with and upskilling them in order to overcome vulnerability.

support jobseekers in self-managing their careers. PES are in an important position to address labour market discrimination, boost labour demand, and facilitate a sufficient supply of skilled labour. At the same time, PES are required to support their traditional customer group of vulnerable jobseekers that are at risk of being left behind in a rapidly changing new world of work, including those that are still in employment. Customer-centred service delivery can better address such complex requirements because they take into consideration the more multi-faceted conditions of jobseekers' changing situations and allow for more shared responsibility in owning customers' agenda.

Figure 3: Basic elements of human-centred design
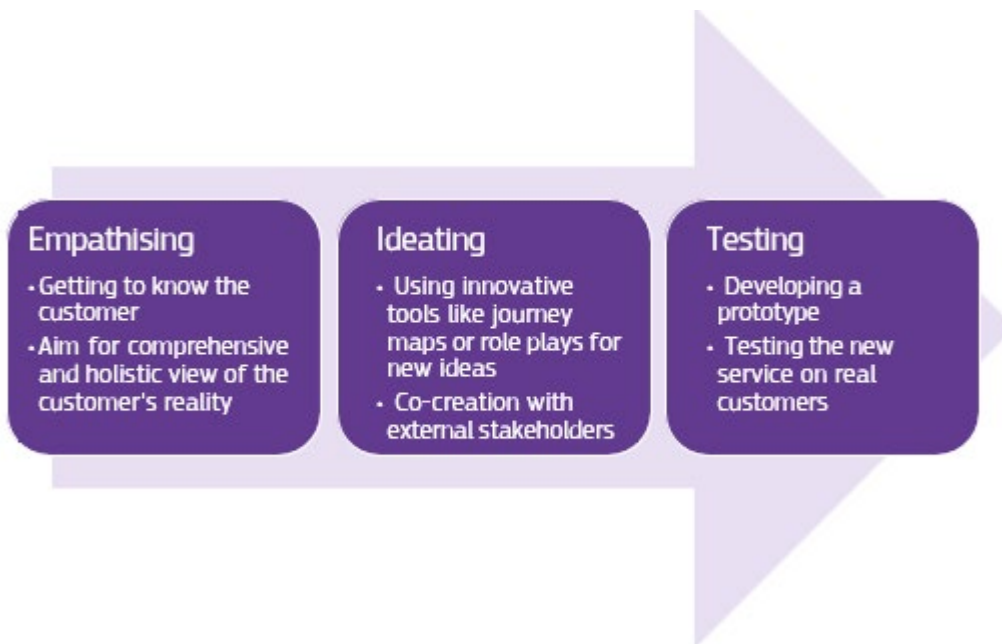
Source: Munger/van Daele, 2020

In summary, the rapidly transforming labour market in which new skills are in high demand and job changes increase is replacing traditional employment patterns. This calls for services that can help smooth transitions and increasingly

The position of PES within employment service ecosystems can support quicker responses to labour market transitions, providing a link between employers and jobseekers.

---

3 Co-creation refers to an approach in which design and delivery of services can expand to several partners beyond the traditional institution. Stakeholders would be invited to actively participate in the set-up of a service, give their views on how it can be improved and support decision-making. Like that, approaches get more diversified and create a stronger sense of common solution-seeking and finding at partner level.

4 Hyperconnectivity is a social science referring to the connection between members of a network through technology like e-mail, phone and in recent times through Web 2.0 and the Internet of Things. Hyperconnectivity implies a higher sense of availability of information and more connection points between network members, which also raises expectations towards a public service that targets networks, for example young people or specific skills groups.

1.2 PES have developed digital delivery channels that allow further tailoring of delivery

Multi-channels are an important aspect of a customer-centred approach to service delivery. Many PES have already modernised their service delivery channels, offering a more diversified contact model with digital and remote options. Since the COVID-19 pandemic, hybrid options have been introduced, acknowledging the changing needs of jobseekers.

A number of PES, supported by the **PES Network benchlearning programme**[5] have further developed their multi-channel approach to undertake a more general review of their work processes including customer journeys and internal staff activities to respond to customer needs. As digital technologies enable more flexible communication, customer services such as counselling, individual job placement and contact with employers can be more flexible, with rapid responses to online inquiries and more focused contact systems. This can support channel management approaches that digitalise the existing service portfolio while also upgrading service delivery structures with more channel options.

Box 1: Steps towards hybrid delivery were already taken in multi-channelling approaches before the pandemic

This toolkit provides information on good practices and examples of initiatives that PES have already adopted to modernise their services. This includes making customer choice more prominent through digital, hybrid and in-person channels. Digital delivery refers to accessibility and delivery of services through online tools such as websites as distinct from in-person services, delivered in an office with direct customer contact to staff. Hybrid delivery refers to service delivery where digital and in-person support is mixed according to individual customer needs and PES capacity.

Before the radical change in the use of technology due to the pandemic from 2020, a significant number of PES updated their channel strategy, paying service to the fact that they started managing more customer data and the increasing digitalisation of their services. Multichannel approaches with several ways to contact the PES evolved into more sophisticated systems like omni-channelling, which tried to integrate separate contact channels like phone, email and face-to-face into a more holistic service offer, where the first contact would mainly be digital and then broken down to further channel options according to the customer needs.

Several PES experimented AI-powered digital solutions with advanced assistants in bots handling the first customer contact instead of PES staff. For several years, many PES have been inclining towards user interface and user experience design for their services, with a rising use of apps and dashboards that allow jobseekers to navigate services and manage profiles without the direct help and supervision of a PES advisor. Already before the pandemic, several PES noted that digital services are challenging to access for clients that are far away from the labour market, as they often have low digital literacy or difficulties to access internet facilities. This means that PES need to maintain a certain face-to-face offer (Pieterson, 2019).

---

5 Benchlearning is the systematic process used by the PES Network to support improvements of the PES delivery. The organisational arrangements and performance of each PES are reviewed through both self- and external assessment (benchmarking) and the most promising drivers of improved performance are identified and leveraged through exchange with peer PES (mutual learning).

Box 2: Examples of channel management in PES

Ireland, Employment and Training hub

The Irish PES is striving to manage channels through an Employment and Training hub launched in May 2021 on the Department of Social Protection Gov.ie website. The hub provides information, support and guidance to help those on their pathway to employment by giving details of the range of services and support options available to get jobseekers back into work, participate in employment support and work placement schemes, upskilling or retraining programmes. This can allow for the customer-centred management of service options throughout the customer journey.

Cyprus, redefining staff roles with staff participation

The PES in Cyprus is at the beginning of a channel management reform process, having just introduced mandatory digital registration for customers. This shift towards more online customer traffic calls for new roles and responsibilities for frontline officers and employment counsellors, training for staff and clients, and new equipment such as cameras, laptops, etc. The necessary changes in channel provision have mostly been suggested by the PES staff themselves in regular meetings with the management of the PES.

Bulgaria, Employment Mediation

The Bulgarian PES uses a new procedure to update its staff known as "Employment Mediation", which reflects the current situation of the labour market and provides guidelines for day-to-day staff activities like registering and profiling customers, consultation and mentoring of customers after (re-)entering the labour market, mediators and case managers who work with the most vulnerable like long-term unemployed or members of the Roma populations. Channel management for different customer groups includes the shaping of front-line tasks and staff roles.

Austria, PRODOK quality management

The Austrian PES uses an online tool called PRODOK to document information related to projects carried out by PES offices. It documents this information in line with specific standards on content and the quality of the data it records, and within the context of the Austrian PES's overall quality management process. It also helps align the overall channel management strategy of the PES with the local approaches of the office's customer service.

Source: European Commission, 2022d

1.2.1 The impact of COVID-19 on PES delivery channel

COVID-19 widened the digital gap whilst hybrid service delivery enabled more individualised personal support models. A current worldwide ILO study of PES suggests that the pandemic has fast-tracked the use of customer-centred self-assessment tools for jobseekers (ILO global survey of public employment services, forthcoming). Increased opportunities for initial skills profiling has increased the potential to offer face-to-face options to those clients unable to navigate online options. Many PES have developed digital strategies to prepare and manage their enhanced provision of automated services. This has allowed for increased expenditure on digital solutions and strategies to avoid exclusion.

In the EU, PES restricted in-person meetings with clients during lockdowns and have since re-opened offices in the subsequent phases of the pandemic. Greater use of digital tools has included online customer registration now becoming standard with the introduction of tools to empower jobseekers including apps and webinars. Hybrid delivery systems have included an increasing mix of asynchronous (not real-time) tools such as email, digital messaging, online surveys and online courses combined with synchronous (real-time) service delivery tools such as digital video platform meetings, live-streams, or other collaborative technologies on the one side and face-to-face counselling in offices on the other (OECD, 2022a; European Commission, 2022b).

PES that had already invested in technology before the pandemic have been able to more easily expand customer choice, introducing alternative customer-centric delivery models. In contrast, those that have low digital maturity will need to upgrade their infrastructure to provide interconnected rather than stand-alone IT solutions.

Box 3: Digital first and customer-centred delivery of services is where many PES want to land

The rapid development and availability of digital channels has led a number of PES worldwide to opt for delivery options that increase the focus on encouraging customers to access employment services online. This is especially the case for lower threshold services such as registration or updating profiles. Some PES have attempted to introduce a digital by default service which would move almost all delivery online. Before the pandemic it had already became apparent that a number of customers will have issues in dealing with mainly digital tools and require a face-to-face alternative.

Today the PES of France, Flanders in Belgium, Sweden and the Netherlands are offering digital first services. These allow customers to enter employment services online with face-to-face delivery offered at a later stage in the service chain, for instance for career guidance or coaching, or when online delivery is identified as a poor option due to low literacy or accessibility challenges. A number of other PES are either currently reforming their delivery with a digital first rationale, including Germany or Australia, or have announced plans to do so in the near future, such as Cyprus (PES France, PES Flanders Belgium; PES Sweden; PES Netherlands; PES Germany, PES Australia; PES Cyprus).

1.2.2   Moving towards hybrid delivery

In a hybrid service delivery model, it is crucial to establish an essential minimum level of baseline capability and competency amongst PES frontline and back-office staff and managers. They should share a common understanding of what the customer-centred, hybrid service model can offer and guarantee consistent delivery. This can include workshops and dialogue for staff to cope with digitalisation and organisational change, training on cybersecurity, as well as learning about different options for remote communication with customers, including employers (OECD, 2022a).

Box 4: Perspective for hybrid services after the pandemic: What is ahead?

The important task for PES now is to strike a sensible balance between strengthening digital service delivery and keeping those in-person channels that work better than the online ones. Most PES are still reflecting on the extent to which service provision will be rolled back to how it was before COVID-19 and to what extent the more intense use of remote channels will become the norm. Recognising that some vulnerable groups or jobseekers with specific labour market barriers are better served through face-to-face contacts, discussions are ongoing as to how much automation of tasks and services is desired, where individualised services are needed for which groups, and through which channels individual and group services can be provided.

Opportunity for customer-centred use of technology: Automation could go as far as to generate individual activation plans on the basis of statistical profiling, while vulnerable cohorts with low digital skills would still get an in-person case management while they improve their employability, including their digital skills.

1.3   The features of modern PES support a customer-centred environment

1.3.1   Customer data

PES collect more customer data than ever before, supporting a greatly increased use of digital service delivery tools. This increased availability of larger data sets, often described as big data, generates potential to gain greater customer insight which can be translated into more customer-centred services. Many PES invested in data infrastructure and the integration of systems and processes prior to the pandemic, thereby laying the foundation for further digitalisation or digital transformation and the use of advanced analytics. Data analytics has great potential to help public employment services obtain labour market insight. Analysing extensive data sets not only allows for improved management and improved performance, but

also identifies trends which affect clients' job seeking and businesses' hiring decisions and planning. This can be a core of employment services design and delivery processes.

Box 5: Big data does not guarantee more decisions for a better service

A recent survey among PES from the ILO and the World Association of Public Employment Services (WAPES) signals that PES are not yet sufficiently using the data potential for structured analysis and evidence-based decision-making or the sharing of data with other government agencies. Worldwide, 97 per cent of the respondents affirmed using digital technology to collect, store and access data, but less than 36 per cent of them had applied targeted technology to analysis and decision-making (ILO, 2022).

Digitalisation of data collection and processing has considerably increased the capacity of PES to connect labour market information with delivery of customer-centred services, allowing PES to better customise their support for clients. While many PES refer jobseekers with skilling needs to existing training programmes, others design tailor-made vocational offers which respond to individual needs, including on-the-job training in employability programmes.

The channels used to register and transport data are also being diversified expanding from traditional desktop websites into mobile applications and social network presentations. These developments cater more for customers without access to wired networks and who prefer use of handheld devices.

1.3.2   Leaving no one behind

The pandemic has encouraged PES to adapt their programmes to support workers at risk of unemployment and adapt to the rapidly changed demand in some sectors. This has given rise to alternative programmes, including support for self-employment, cooperation with sector associations to adequately fill vacancies, and tailor-made training measures for bottleneck occupations such as the health sector and agriculture. In general, the focus of employability

measures has shifted from providing employment incentives to skills training prioritising longer-term skilling strategies over a rapid placement approach. Aiming to make workers fit for the future, the majority of EU PES have introduced specific programmes to upskill their customers for employment in green, IT, health, and other trending sectors (ILO, 2022; European Commission, 2022c).

Box 6: A traditional customer-centred service approach: Career guidance

The awareness for up-skilling, skills adaptation or re-skilling to meet the changing labour market demands also shows in an increased offer of career guidance. While career guidance in PES has in the past rather focused on preparing careers for academic professions, the concept of "career guidance" or "career advice" as a future-relevant task for employment services now includes accompaniment of all jobseekers along their career, providing direct advice on vocational considerations or job applications and helping jobseekers to acquire the career management skills to guide themselves. This traditional core human-centred approach is increasingly covering PES customers of all ages and includes more intense advice in times of crisis.

In the Netherlands, for example, workers over 45 years of age can take subsidised career development courses which help them to make a personal development plan leading up to retirement.

In Finland, the PES offers career coaching, which combines labour market information, counselling, guidance and support for clarifying vocational and career options and helps jobseekers prepare an individual career and employment plan. The plans are developed in groups adding collective dynamics and the sharing of ideas to the process of career guidance (Cedefop et al., 2021).

In the USA, the workforce development services in several states offers specialised services to a wide range of individuals, from veterans and youth to disabled and under-skilled workers to explain which are the employability options they have, since many of them find it challenging to understand the labour market programmes, let alone comply with those programmes' complex rules (ILO, 2022).

Box 7: Regional Career Centres in Lithuania

The Lithuanian PES has established a network of 14 Regional Career centres using local PES premises and offering an informal environment for job search and counselling. The centres also help to create a wider support ecosystem for young people by cooperating with a range of social partners including youth organisations, schools and universities, business support organisations, public institutions, and municipalities that combine their services centred on the customer rather than following a given institutional structure.

The centres mainly target young people aged 14-29, including school students, those not in employment, education, or training (NEETs), and adult jobseekers. Bringing together different institutions into one friendly space, the centres attract young people and offer a wider range of youth services and activities. Results from the pilot centre show a growing number of visitors (PES Lithuania).

The pandemic also reinforced the traditional mission of PES to support groups that are less likely to find jobs or be hired without support. One aspect of customer-centred approaches, especially the enhanced use of digital technology, can enable more targeted delivery and therefore free up the time of PES counsellors by digitalising some of their tasks and allowing them to use their extra capacity for more individualised face-to-face service delivery for such groups. **The French PES** Emploi Store, a system of online employment services for job search, training and skills development is an example of this. Driven by a strategic focus on optimising resources for career guidance, customers are encouraged to make independent use of online services/applications from the service catalogue curated by employment training professionals, public institutions, and private firms. Career advisors are consequently able to spend more time assisting clients, requiring more intensive support. Emploi Store provides a single online point of access to a range of internal PES and external digital employment support services (PES France).

Australia has been fully contracting out its entire public employment service provision since 1998 and has currently updated its delivery system **Workforce Australia**. This shifts service

capacity to those jobseekers that most need it, moving many lower threshold services online and empowering those jobseekers that are more digitally literate to make a broader use of self-service provision including uploading their resumes and designing their own job-plans which are required to receive income support. Customers document their work experience and their online job search behaviour is used to confirm their motivation to re-enter the labour market. This initiative to engage digitally literate jobseekers reduces caseloads for counsellors and creates more room for employability measures (Australian Government).

1.3.3 Shift from occupations to skills in service focus

The main underlying customer-centred assumption behind these pre-existing and updated PES service delivery trends is to base matching on skills rather than on a less agile occupation-centred methodology. While many jobseekers can be sufficiently served by a limited number of generic matching strategies, a significant number continue to require more tailored matching strategies offering alternatives if a straight-forward match is unsuccessful. This can require generating suggestions for alternative, similar occupations and highlighting which skills might be needed to improve the prospect of integration.

Box 8: The Green and Blue Economy Programme in the region of Sardinia, Italy

To support the development of the green economy, the Autonomous Region of Sardinia – through its Labour, VET, Cooperation and Social Security Directorate General – has developed a wide range of new training courses, in the frame of the Green&Blue Economy project launched in 2016, co-financed by ESF. The new courses, designed through a cooperation between local authorities and business communities, were related to skills sets within the green and blue economy, and training was provided by accredited vocational education and training professionals. One set of courses was designed to strengthen people's skills and knowledge in a subject area, with job coaching, internships, and training leading to certification. The second was designed to support people to start their own business through consultations with local and international industry professionals, with work experience at similar start-ups in other countries (European Commission, 2021).

SECTION 2.

Making delivery systems more customer-centred: existing approaches and success factors

This section presents concrete tools which PES can consider when introducing more customer-centred service delivery. As a first approach to customer-centricity, PES can consider three areas to accommodate the desired change in their service delivery: customer centricity, the use of technology, and the delivery framework.

Customer centricity. Customer centricity starts with knowing customers, i.e. the different PES customer groups and individual customers. For service delivery it is particular important to understand the customers' use of new technologies and media, as well as their needs and requirements regarding service delivery and channels (segmentation of services meeting diversity needs of jobseekers).

Use of technology. Recent technological development has placed additional demands on PES service delivery by shifting more service components online and introducing the option of hybrid delivery to cater to the needs of customers in the way that best suits them, replacing office visits as the default first contact. The use of technology in PES must be at the heart of a customer-centred approach because it has the potential to make delivery more accessible, smoother, interconnected and easier to evaluate. It should do so by creating digital processes and an online environment that guarantee customers easy access, integrated solutions, and in general a customer experience equal or better than the traditional contact. This can however create a new risk of disengagement for customers with low digital literacy. A multi-channel strategy remains therefore in order.

The delivery framework. Customer understanding and the use of technology have implications for the actual delivery strategies PES employ. First of all, supported by technology, PES services can be delivered in larger partnerships or ecosystems of labour market stakeholders. These new delivery systems are an advantage in a hyperconnected labour market, where state institutions alone will not be agile enough to navigate these new and differing requirements.

Secondly, the public image of the PES and its profile in society amongst its (potential) customers is key to better understand or work with customers and partners, and to ensure active use of the digital services offered by PES.

Finally, monitoring and evaluation of both the delivery framework and image are crucial tools. Outreach to ever changing customer groups, reviewing their needs and requirements, and canvassing their ideas all need to be accommodated. Full advantage must be taken of technological opportunities to improve the IT backbone required for modern service delivery. This is necessary to establish a long-term streamlined customer-centred service delivery model that is responsive to current trends and can easily mainstream adjustments to reflect ongoing changes in the customer base.

The application of these methods described below will be illustrated through description of PES experiences of introducing such tools, explaining how key elements can be prioritised and which other service delivery components factors will be affected.

2.1   Customer outreach

In order to be customer-centred, PES need to first understand their customers. This might require a departure from traditional ways of

providing established services that have not been well received by customers. Even effective and efficient services may not be sufficiently customer-centred in some cases where they are insufficiently transparent or accessible for customers. Therefore, a number of PES are using new approaches to ensure that they understand their customers and their customers understand the services offered. One form is the scientific methodology of using behavioural insight in service design and delivery, a second example is to find ways of including jobseekers and employers in the service development process, and obtaining more detailed feedback than is

available through traditional surveys.

2.1.1   Behavioural insight

Key considerations for using behavioural insights

- Behavioural science approaches help PES understand the biases of PES clients and staff and identify the fear of the unknown.

- Behavioural insights should be implemented into service design and delivery which is consistent with the capacities of clients. Internalising information and considering the balance between cognitive and non-cognitive perception.

- Behavioural science can help simplify complexity, for example in labour legislation or employment service delivery.

Observing the behaviour of customers can help improve the design of services that have not worked well previously, for example by establishing why certain service components have simply not been used by customers. Some PES including the Netherlands and Australia have started exploring this approach to understanding customers better and shedding light on the reasons why customers might prefer one service over another. In cooperation with research entities from universities they analyse the possible gap between what customers are expected to do by the PES and what they are actually capable and willing to do, for example in meeting the responsibilities defined in an individual action

plan. If activities are too difficult to complete, poorly defined for a client's personal situation or worded in a condescending manner, the jobseeker can be demotivated and discouraged from following them. A deeper understanding of which reasons and triggers drive people to certain behaviour can inform the design of products and improve the overall image of customers in the PES enhancing targeted service delivery to motivate and encourage customers to use these.

Figure 4: Circle of behavioural science approaches
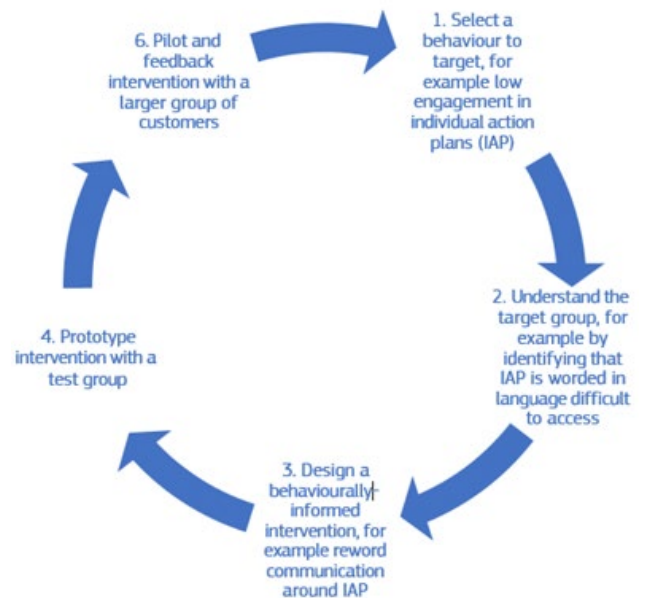
Source: PES Netherlands

Targeted employability services such as supporting jobseekers to open a business can also be informed by behavioural insights since entrepreneurship is inherently the exercise of a set of behaviours, from creating a product or a service to applying for funding. PES interventions to promote entrepreneurship, including counselling or other support can therefore be more effective if they are based on a realistic and evidence-based understanding of human behaviour. A study in Turkey by the Behavioural Insights Team (BIT) of a United Nations project and the PES found that new entrepreneurs were almost 30% more likely to apply for support funding if the government had been transparent about the challenges involved and provided step-by-step guidance on how to apply (UNDP, 2022).

13

SECTION 2.
MAKING DELIVERY SYSTEMS MORE CUSTOMER-CENTRED:
EXISTING APPROACHES AND SUCCESS FACTORS

Figure 5: Success factors of acknowledging customer behaviour in PES delivery
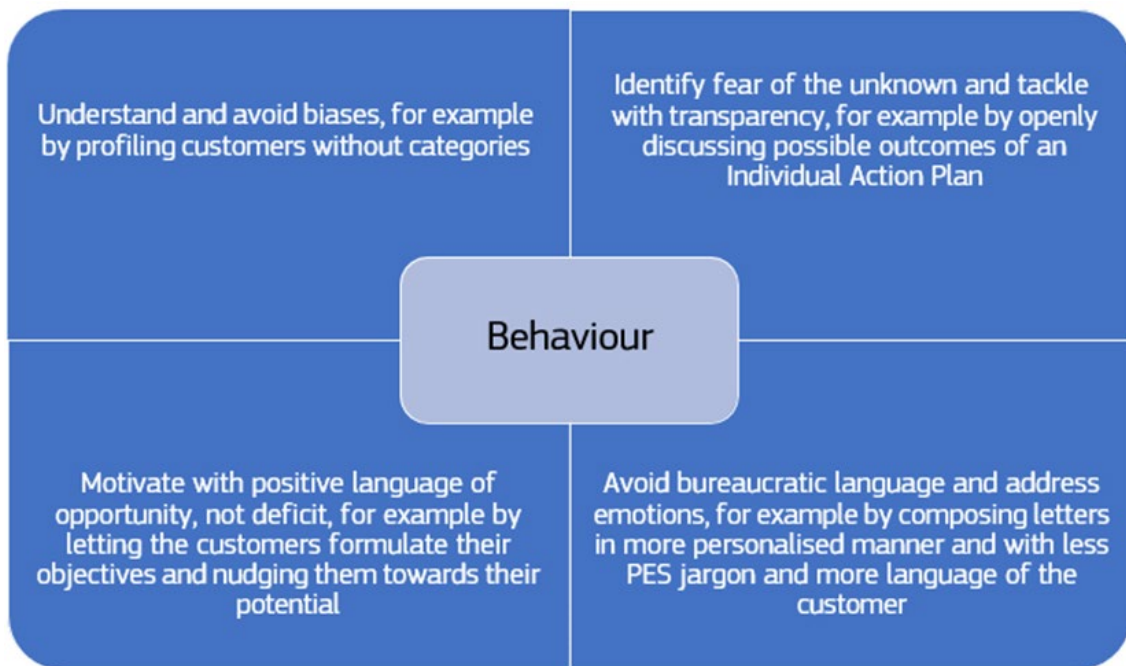
2.1.2 Behavioural science for PES staff

PES can equally use behavioural insights to improve the satisfaction and performance of their own staff by offering guided self-study material for employees who are motivated to change their behaviours at work and can follow recommended interventions provided by the PES.

A few PES have created a toolbox for behavioural science approaches such as nudging and educational videos that are offered to staff at all levels and include methods to obtain input and reflections on strategy, policy, and communication.

Some PES, including **Germany and Sweden**, focus on improving the performance of executives and aiming at modern leadership using both sides of the brain to help executives manage their current core business while developing a view of upcoming tasks and challenges to be able to shape the organisational future. This approach also helps define the observable traits in leadership behaviour to deliver desired outcomes and support new generations of leaders in training in developing and internalising those traits.

Box 9: PES Netherlands approach to human-centred design and behavioural science in their service delivery

UWV has revamped the customer journeys they offer under the principles of customer centricity and behavioural insights, striving to make customer experiences seamless across UWV offices and partner institutions related to employment support. UWV has forged stronger links to training institutes and social service institutions and has used feedback from customers to their service to adjust the formerly highly digitalised service into a hybrid delivery that provides several customer-chosen entry points to answer questions about access to work, (future) loss of work, illness, or partial incapacity for work and income among other service needs in the broad area of work, health and income for jobseekers and employers. For that, together with other government organisations they developed service standards, digital products and facilities, so that the people who use services are treated at UWV in the same way as they are treated at other government organisations.

The Dutch PES puts an emphasis on making the complex PES legislation and regulations that they implement accessible for customers, looking to ensure that people who use PES understand decisions and that existing legislation and regulations are practicable and explainable. The PES also feeds back to the legislative level in the Netherlands if the processes of implementing legislation and regulations does not pass that feasibility assessment.

Another aspect of a human-centred approach in the work of the Dutch PES is their recently enhanced focus on prevention of loss of work and job-to-job assistance, which they deliver based on customer evidence and in an ecosystem with municipalities, social partners, professional groups and organisations covering several holistic career and employability topics including financial or social issues (PES Netherlands)[6].

2.1.3 Co-creative approaches with customers

Key considerations for co-creation in PES

- The size and adequacy of a co-construction forum is a significant factor in successful development. Hackathons are better for digital service co-creation, workshops and roleplays better for considering quality or outreach questions.

- Full involvement of all co-creators in the process with face-to-face discussion and regular and transparent reporting systems to management.

- Choosing premises outside of institutional buildings to hold meetings can promote a co-operative environment.

- Establishing, agreeing, and following up on clear strategic aims.

- Surrounding co-creative settings with too many limitations like legal constraints and governance limitations can restrict creativity.

- Co-creative approaches need sufficient capacity and the right skills for facilitation to be successful.

- Unrealistic expectations concerning the technique can cause unmerited negative views.

- An open mind – no preconceived outcome or solution.

PES can use data, evidence and scientific analysis to learn about customer experiences and draw conclusions to inform and enhance their service delivery models. They can also use information obtained from more direct experience for instance by including service users in the actual creation or adjustment of services or development of new approaches.

The approach to involve jobseekers or employers in a co-creation process of the PES will depend on the individual capacity and policy of the

---

6 Listen to the PES Network podcast on the Dutch PES for more information: https://www.pesnetwork.eu/podcast/

PES in question. For successful communication between stakeholders it is necessary to consider some pre-conditions. Realistic expectations about the potential for real innovation, opportunities from common ideation and possible prototypes resulting from the process are essential for the successful use of co-creation.

Figure 6: Pre-conditions for co-creative processes

Vision of a viable service

Readiness for imperfection and error in process and result

Approval of senior management

Trust and communication with well selected co-creators

Flexible and supported process design

Figure 7: Possible co-creation scenario with PES partner

Identify and invite employer(s)

Prioritise ideas commonly

Manage expectations of feasibility

Create a safe and respectful place

No idea is a bad idea

Allow enough time

Agree timeline, budget and evaluation

Start with a blank sheet of paper

Create a prototype and test
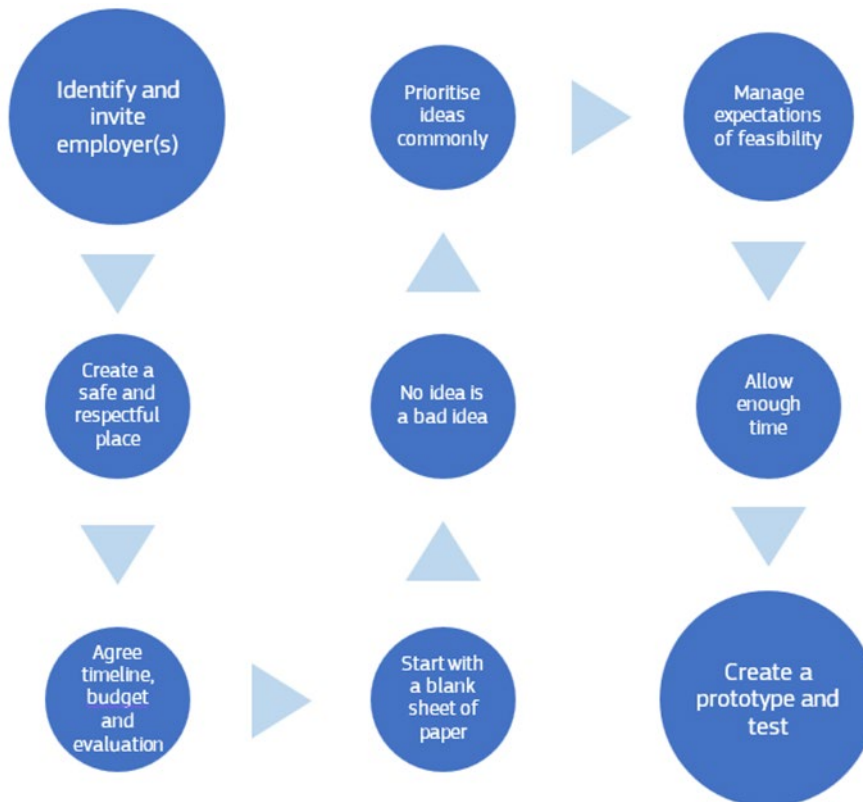
Co-creation refers to finding a space where external groups can participate in a structured conversation or activity with the PES to improve services. These can include IT, counselling or services for vulnerable groups. Co-creation spaces can have different forms ranging from sophisticated multi-stakeholder forums to a specific outreach initiative to support development of one service component. The relative lack of defined formats and the uncertainty of outcomes from co-creation, which is a human-centred design approach that projects into the future and works with very few reliable indicators, presents risks such as the difficulty of delivering immediate, tangible results. It can however deliver positive outcomes and valuable customer feedback.

Box 10: Success factors of co-creation in the Brussels- PES

The Brussels-Region PES Actiris has gained experience in running co-creation projects with external stakeholders, usually organisations delivering the services or co-financing them after being asked by the Regional Government to invest in the development of local ecosystems. The PES has therefore adapted a general strategy of co-creation when developing and delivering services, for instance by identifying a number of characteristics of programmes which have their origin in community level co-creation activities.

First, it is important to create buy-in for potentially challenging decisions. Second it makes sense to thrive for consensus among partners/co-creators by integrating all needs. Lastly, co-creation can have the positive effect of building trust and a positive collaborative atmosphere. When embarking on co-creation initiatives, PES as traditionally "top-down" organisations must concede some power to third parties, particularly citizen service users. Also, the development of delivery ecosystems is an inevitable consequence of the expansion of data utilisation and digital connectivity. In this regard co-creation and the development of the employment services delivery ecosystem are increasingly intrinsic to each other.

The Brussels PES response builds on a long tradition with a locally important spatial dimension and a focus on vulnerable or very specific groups. This includes regional and local level policy development and provides an excellent frame within which to foster co-creation initiatives (PES Brussels, Belgium).

Box 11: PES Norway: Co-creating with young customers

The Norwegian PES has set up a co-creative dialogue with the youth including Mental Health Youth, young people with disabilities and the student organisation as well as user councils from regions, altogether representing some 300,000 young people nationwide. The collaboration started in 2021 with insight meetings allowing to get to know each other and the issues to resolve giving way to wider-scale co-creation of a new national digital learning arena for youth counsellors. The young people involved in the process receive a salary as advisors. Young people are also involved in acting as advisors in the development of digital information and guidance services elevating the PES to be more customer-centred by understanding the needs better and including them into design and delivery (PES Norway).

2.1.4 Co-creation as part of contracting

Outside of the EU, the employment services in **Australia** have been at the forefront of public/private co-production developing service provision by private and third sector providers for the most vulnerable job seekers. The concept of awarding service contracts to organisations best aligned with reflecting and meeting customer needs can provide strong encouragement to co-production, especially in a system such as in Sweden which prioritises the customer's choice of provider.

In larger co-creation initiatives, it is important that PES define the target group well and aim for relevant user participation. They must ensure real involvement, spend time building trusting relationships and include the co-creators from an early stage of development work and in relevant strategic discussions.

2.1.5   Innovation labs

Key considerations for using innovation labs

- Innovation labs complement the co-creative approaches described above.

- They can be held with customers as well as PES staff.

- Innovation labs foster out-of-the-box thinking and an innovative culture.

PES that are already more advanced in experimenting with human-centred design methodologies such as co-creation may want to establish an innovation lab dedicated to experimenting with new approaches and involving customers and other external stakeholders in a protected environment which need not be directly linked to the line management of PES delivery.

The **French PES** has opened an innovation space called Le LAB Pôle emploi, where PES staff co-create with stakeholders to improve customer journeys, test new products in showrooms and test and trial prototypes that would take longer to be developed in larger organisational environments.

The **Flemish PES** has used an innovation lab since 2014 built on the disruptive principles of delivering services in a group of actors with mainly digital means and consequently including the client in the creation of products and services (EU Commission, 2019b).

The **Swedish PES** uses an innovation incubator called greenhouse. This involves jobseekers and employer customers in deep interviews to understand clients' needs, sharing insights about how a challenge has been understood and finally in testing prototypes of future services. They also involve all departments potentially impacted by subsequent service delivery changes to avoid non-viable prototypes being developed as delivery solutions and implemented across the entire organisation.

Process management focuses on mainstreaming a culture of innovation into the entire institution and its contracted partners.

Extrapolating success factors of innovation labs

PES that do not want to invest in a lab infrastructure can also consider establishing innovation retreats for their staff to capitalise on the passion of a number of colleagues to pursue innovative ideas outside of their standard job roles. This can also facilitate an innovation culture within the organisation which can also encourage more appetite for change at the executive level. Some PES including Sweden or Flanders in Belgium are already channelling initiatives through programmes that allow for several days of focused design thinking outside of day-to-day work. The intention is to dedicate time to developing new solutions to concrete challenges rather than seeking to address these issues alongside and in addition to delivering day-to-day activities. The retreats can also include co-creative customer or stakeholder involvement at different points to obtain a range of significantly different external views on ideas, challenge perceptions and promoting new service prototypes.

Table 1: Do's and Don'ts for establishing a culture of innovation in customer-centred delivery

Do's	Don'ts
Create challenges for staff members to tap into their front-line knowledge, develop innovative ideas and take these ideas to an incubator supported by a risk budget to promote trial and error	Over-regulate or centralise decision structures for services
Listen to customers who usually do not have a voice in service design and delivery	Focus solely on indicators and targets that refer to processes and tools
Implement a culture of learning that can allow a problem to remain unsolved to fully understand an issue and take time to ask the right questions to solve it	Gear your service structure towards quick-fixes
Empower staff and customers to be part of an innovation culture	Introduce innovation as threatening of change and distortion
Put technology at the service of innovation	Overwhelm innovation with technology

2.2 Use of technology in customer-centred service delivery

In a world where services are being increasingly digitalised, PES are also diversifying their customer communication and at the same time ensuring that they can continue to serve a core customer group of vulnerable jobseekers with low/limited digital literacy. Many PES strive to build customer journeys that are self-service driven, mainly digital, and ideally seamless without repetition of service steps or entry points. In several PES, the digital first strategy enables those customers that can successfully navigate digital tools and have relatively high employability to autonomously manage their PES journey often supported by AI technology such as bots or advanced matching algorithms. The group of customers that do not feel comfortable managing their cases online will have a remote planning meeting with a PES counsellor or, if they require, face-to-face contact with PES or partner staff.

2.2.1 Labour market intelligence

Key considerations

- It is advisable to participate in the discussion about which skills will be needed in a transformed, human-machine world of work.

- Data security and privacy needs to be placed on top of the IT strategy of PES and partners.

- Exchange of data with other stakeholders can break down silos and innovate partnership delivery models of PES.

- Prepare PES staff for a more digital environment and frequent use of data-driven conclusions for the customer-centred service delivery.

PES can make structured use of the amount of labour market information conveyed through specialised internet portals and services growing exponentially over the last years (ETF, 2019). Several job matching services freely generate valuable employment data. These include advertising job vacancies, services for sharing training curricula, and the creation of a network of professionals that shares and exchanges labour market opportunities.

The increasing use of AI

Several national and regional PES increasingly rely on AI-assisted customer segmentation. The **Wallonia Regional PES in Belgium** introduced a new profiling service in early 2022 using a machine-learning approach to generate a predictive job proximity model. The Luxembourg PES utilises AI to assess a jobseeker's odds of returning to employment based on their profile

Table 2: Possible questions that can be answered in a more customer-centred manner with big data

• Which occupations will grow in the future and where?
• What skills will be most in-demand for companies and firms in the next few years?
• What skills should one acquire during their lifelong learning path?
• Which jobs are really new, and which ones are just an evolution of old existing jobs that require new or technological skills?
• What is the impact of digitalisation within professions?
• What is the role that soft skills play within existing jobs and which are the most significant soft skills to gain?

Digital labour market information can provide a great opportunity for real-time labour market monitoring, to better understand labour market dynamics in detail, and capture skills needs and trends focusing on different dimensions such as territories or sectors. This can support policy design and evaluation activities through evidence-based decision-making and provide feedback to assist in delivering customer-centred services. Rich labour market data can also help develop PES capacity for example to assess how much time counsellors should spend advising customers and informing decisions about where this limited capacity can be deployed most efficiently and effectively.

and identifies the most suitable services for them. The PES in Denmark has recently introduced a tool that analyses the wording of vacancies to identify the skills most in demand by employers. This information source can then be used to navigate jobseekers towards the most promising jobs.

The **PES in South Korea** has employed various advanced methodologies to create a tool that recommends and provides information on services tailored to each individual jobseeker, including suitable job openings and training programmes. Jobseekers can obtain these recommendations online without needing to engage with PES staff.

Box 12: Labour market intelligence in Spanish national PES and Basque regional PES

Spanish skills needs analysis

- In order to tackle skills mismatch in Spain, the PES carries out qualitative research about selected occupations in order to identify skill shortages and the main changes in skill demands due to shifts in technology or regulation.

- Approximately 200 rapidly growing occupations are selected every year, using data from employment contracts and qualitative research with expert groups consisting of employers, HR managers, trade unions and business associations representatives, high skilled workers, excellence centres of Technical and Vocational Education and Training (TVET) training and universities.

- At least three experts are interviewed to define the skill gaps in each occupation. The concrete skill gaps are recorded into a database and published in labour market reports for forecasting and identification of skills needs.

Bizkaia Basque Talent Observatory

- Using big data, the Basque Talent Observatory analyses 13 different online and offline public and private job-posting platforms focused on positions for people with a university degree in the Basque Country only to provide knowledge about requested profiles with soft and hard skills on the Basque labour market. PES staff and several labour market stakeholders like employers and universities or other educational entities are thus provided with information on the kinds of profiles, degrees and skills currently requested by sectors and geographical area.

- The system analyses more than 100 000 job vacancies in the Basque Country over 12-month periods filtering them to ensure a 100% match with needed criteria like qualification, skills level and preference of jobseekers to work in the Basque Country. The following web sources are used: Adecco, Bizkaia Talent, University of the Basque Country, Indeed, Infoempleo, Jobydoo, Infojobs, Lanbide (the Basque public employment service), Mondragon People, Mondragon University, Monster, Randstad and Studentjob. This big data approach allows PES and other human resource management stakeholders to adapt their training and employability measures to current reality and trends in a customer-centred manner.

- The platform is a free-access system, only requiring registration on www.bizkaiatalent.eus or www.bebasquetalentnetwork.eus. (PES Spain).

Box 13: An overarching necessity when working with advanced data technology: Data protection and avoidance of bias

The General Data Protection Regulation (GDPR) of the European Union addresses many concerns around data protection and privacy in the use of advanced data management such as the use of AI or machine learning. It offers detailed rules for protection concerning the processing of personal data and expects the data controller to implement suitable measures to safeguard the data. In addition, the EU Artificial Intelligence Act would place responsibility on developers prior to putting an AI product on the market, identifying possibly biased AI systems used in employment as "high risk" and arguing that they "may perpetuate historical patterns of discrimination". The emphasis on data quality is motivated by a desire to ensure that "the high-risk AI system [...] does not become the source of discrimination prohibited by Union law". Bias and discrimination are being tackled by anti-discrimination law and data protection legislation as well as consumer protection legislation, but need continuous monitoring, for example through audits of the advanced technology used.

More transparency in the use of advanced data technology can for example be achieved by requiring recruiters and other organisations to inform jobseekers about the use of algorithms and ensure that humans are involved in processes like matching to avoid rubberstamping of purely automated decisions.

PES are well-advised to prioritise the topics of data protection and bias when dealing with data and choosing a software provider to build and maintain profiling and matching systems. (Broecke, 2023).

2.2.2 Customer-centred IT solutions

Key considerations

- Keep in mind that technology is not innovation per se, but a tool to streamline an innovative strategy.

- Digital first contact strategies with an option for face-to-face contact where needed can provide a seamless and tailor-made customer journey which can empower jobseekers and employers to take own choices as to how they want to be serviced.

- Automation can process repetitive tasks and free up time for more customer-centred personal services.

The pandemic and shift to more digital services has reinforced the notion that online and hybrid delivery channels can increase scope in PES for delivery of individual solutions and support enhanced customer-centred services. Now PES have to decide which services will be more customer-orientated if provided digitally and which are better delivered in person.

The months following the pandemic have shown that digital advancements and online user coverage have been most evident in the areas of job-search support and counselling as well as training, where over 70% of OECD countries is engaged in initiatives to enable digital or remote delivery. In contrast, initiatives that focus on in-work experience for jobseekers could not be substituted with digital alternatives as easily (OECD, 2022).

Box 14: PES delivery after the pandemic – a mix of in-person, hybrid and digital services

The restrictions on in-person meetings as well the reduction of PES office hours as a result of the pandemic led to an increased use of digitalisation and digitalisation plans. Online registration is now an integral part of service delivery in many PES, whilst others have introduced additional channels like apps (e.g. Germany, Italy, and Greece). Many PES are using video-conferencing tools for counselling and recruitment, and some have implemented e-job fairs (e.g. in Belgium – Actiris, Estonia and France). New job-search training courses or webinars were developed and provided online (e.g. in Sweden and Portugal). Now that many offices are re-opened most PES continue to use the digital tools increasingly in a hybrid manner. Some PES with less developed IT-supported processes are now developing or improving automated matching tools (e.g. Greece and Slovenia). Other PES kept more traditional options for face-to-face or phone communication as a main service channel to make sure older customers or those with access barriers are included in the service offer (e.g. Bulgaria and Greece). (European Commission, 2022b)

Box 15: IT partnership for job starters

The **Flemish PES in Belgium** shares its large labour market data generated through AI and users who agree to have their data processed with agile labour market partners to create further customer-centred matching solutions.

Vick is a digital platform aimed at guiding recently graduated students in Flanders looking for a first job experience. With VDAB data in the background, the app offers suggestions and tools to answer questions like: "how do I find my dream job? What are my chances of finding a job with this master's degree? Or Can I find ex-student job-market experiences?" The program links realistic job market information to individual profiles with regard to current job availability data and economic circumstances.

The platform was developed with start-ups in the Flemish PES innovation lab and the prototypes were co-developed within an IBM and PES-hosted contest (PES Flanders).

Understanding jobseeker needs is a crucial pre-condition for deciding the future delivery mix and targeting channel support accordingly. Some PES have increased their remote counselling and learning options including developing partnerships with external learning providers such as Coursera[7] to reach more customers that prefer accessing PES services from their home.

PES can consider responding to customer-generated online data with tailor-made suggestions for job search. These can be delivered through use of smart tools that provide jobseekers and employers with various suggestions to help them refine and streamline their jobseeker profile or vacancy description. Such tools analyse information provided by the user and detailed taxonomies describing the job tasks and skills requirements associated with each occupation.

PES can build an entire customer-centric service offer considering alternative hybrid service delivery models. Given their automated component, digital or hybrid services can also provide 24-hour coverage and therefore significantly increase PES visibility and capacity. Chatbots or virtual assistants can answer questions outside of office hours and create a well-informed entry point to further, more individualised services.

---

7 Coursera is an online platform streaming so called Massive Online Open Courses (MOOC), on numerous skilling areas. The courses are designed by partnering universities and recognised by a growing number of employers, mainly in North-America.

Box 16: Holistic approach in Brussels, Belgium

The service delivery vision 'Guaranteed Solution for All' from the Brussels-Region PES will be provided to customers accessing services through a digital key which opens their Unique Citizen File (UCF). This approach planned for 2023 will provide them with access to a range of employment and social support from a range of service providers forming a support ecosystem within which the PES will have a key role. This will include profiling and segmenting customers seeking employment opportunities and proposing targeted services according to their needs delivered through the channels they can best respond to. The Brussels PES enriches this vision for a holistic ecosystem component of their customer-centred delivery with a diversity policy for collaborations with industry sectors. The PES helps employers build 'Diversity Plans' advising on recruitment and selection, people management and external positioning of a diverse workforce including vulnerable groups (PES Brussels, Belgium).

2.2.3   Solutions to tackle the digital gap

Key considerations

*   Make technology work for all by designing and delivering holistic hybrid models responding to customer needs including targeted efforts to close the digital gap.

*   Design intuitive and user-friendly solutions for a seamless customer journey.

*   Make teaching digital skills a core task for PES to ensure that staff and customers are able to make use of digital channels.

*   Provide alternative delivery channels for people unable to use digital ones.

A number of PES are also using enhanced digital channels to reach out to vulnerable and inactive groups. **Regional PES in Italy** and the **national PES in Romania** for example utilise apps and mobile teams to reach out in a hybrid manner to young persons not in education, employment, or training (NEETs). The tele-counselling service myDYPAlive from the **Greek PES** is increasingly used to reach and service the most vulnerable customers including people with disabilities, migrants, and citizens resident in remote locations.

Despite positive developments the digital skills gap persists potentially excluding customers that are insufficiently digitally literate to use online services. According to the ILO, more than 50% of adult workers in the EU need to develop their digital skills with over 10 % having a significant need to do so (ILO; 2022). Therefore, teaching digital skills is now a core task for PES. This is necessary to not only improve customer access to services but to also establish a foundation for providing more employment opportunities in jobs requiring digital skills.

PES should concentrate on developing digital skills of those customers that need it most, that is, those furthest from the labour market. This requires prioritising lower-educated and older workers, women, people in low- or semi-skilled jobs and employees in smaller-sized establishments. Training provision must be closely correlated with labour market inclusion needs.

Whether public employment services opt for implementing digital-first policies or only digitalising selected services, they are well advised to make their services work for all people. This includes investing in integrating technology, skilling staff, and ensuring a good digital governance as well as robust cybersecurity.

Customers unable to make full use of digital services need to be able to make use of other channels, such as face-to-face or phone contact.

Box 17: The French PES Pôle emploi serving multiple customer groups

Gamification for skills profiling and matching

The French PES has opted for a holistic digital service portfolio that addresses many challenges. Gamification has been used in several pilot initiatives for young people, for example, gaming has been used as a lever to promote new career paths for jobseekers. The PES uses games to identify soft skills that make customers more employable, with the objective of solving problems for jobseekers and recruiters. The methodology encompasses exploration, experimentation, launch, scaling-up and consolidation. For the gamified recruitment processes, the PES has used virtual reality and augmented reality technology as well as a web-based game called Minetest inspired by the popular Minecraft and co-developed with the University of Sorbonne. According to the French PES, 90% of jobseekers who have participated in this experiment found the soft skills assessments useful, while it also helped counsellors to evaluate skills potential and approach employers.

Digitalising the internal customers

The environment DIGIT@all has been created to implement a digital working culture at the French PES and address the necessity of having digitally trained staff who can then help their customers acquire and update relevant digital competencies. DIGIT@all uses an in-house mentor scheme of more than 2000 digital ambassadors who help train staff in digital skills and have increased the IT capacity of local offices.

Closing the digital gap among customers

The French PES offers a digital skills development pathway that seeks to meet the needs of each jobseeker. With the direct support of PES staff, jobseekers can participate in several digital advice workshops that help them discover and navigate the PES online offer. They can learn how to communicate online with the PES and partners including employers and commonly explore the potential of digital technology to accelerate their return to employment for example by enhancing customer profiles on social networks.

2.3   Delivery framework

Employment services in recent years have seen a shift to more holistic and concrete approaches to address labour market inclusion, especially for vulnerable groups. Traditional institutional settings present challenges to obtaining a comprehensive picture of a customer's situation case, especially as in most cases employment and social welfare functions are delivered by different entities, several approaches are seeking to break these silos and establish customer-centred, cross-institutional collaborations, including through building ecosystems and new innovative approaches to contracting.

A number of PES collaborate with labour market partners in formalised contracts. These should also enable flexibility to support the introduction of new customer-centric delivery models without causing disproportionate extra costs. Ideally the service structure of a PES enables a cross-fertilisation relationship with customer feedback to avoid the continuance of inefficient and unpopular programmes and practices in employment services which may otherwise continue despite producing no meaningful results. PES can set up mechanisms and identify avenues to keep in touch with their customers beyond scheduled meetings with counsellors and can create environments where customers find space to say freely and comfortably what they think about the service and what they would wish to be improved. Targeted efforts to understand clients' use of technologies or preferences for certain communication methods can help with the design of new services. Interventions conducted with the help of scientific actors can help raise and analyse data on behaviour to enable development of some underlying principles which explain why some jobseekers will react in a certain way to specific approaches. PES can also consider including jobseekers and employers in the design of services, not only through high-level social partner representations in executive boards, but from practical human-centred exchange and ideation with actual customers using the service.

2.3.1 Delivery partnerships

Ecosystems for vulnerable groups

Key considerations

- Investigate institutional cooperation to create a seamless customer journey even if the journey temporarily moves outside of the PES mandate.

- Foster ecosystems that include relevant stakeholders and function with structured communication and common goals.

- Update service delivery contracts and frameworks to allow for a larger and more flexible cooperation with private and third sector providers opening more service choices for customers.

A number of PES have started to share expertise on supporting vulnerable customers with other institutions including social services or specialised training and coaching entities. This can assist in profiling, advising and placing disadvantaged persons, such as those with disabilities into jobs. **The Lithuanian PES** regularly organises joint meetings and round table discussions with non-governmental organisations and local authority departments for social support to discuss opportunities for cooperation in the employment of disadvantaged groups or cohorts threatened by poverty. The PES in Luxembourg has set up and is leading an inter-Ministerial group with the Ministry of Labour, the Ministry of Health, the Ministry of Integration as well as with a socio-professional guidance centre, hospitals, psychologists, a re-education centre and the employers' association to co-design active labour market programmes for persons with disabilities (OECD, 2021).

PES can seek collaborations which allow for development of greater customer insight through sharing staff capacity, data bases and or reporting systems among institutions.

Box 18: Managed cooperation with private employment services and other providers to centre around the customer

Public–private employment service partnership in Flanders, Belgium. In Flanders, the PES has a history of cooperation with Federgon, the Belgian private employment services association comprising temporary work agencies, search and selection companies, private training providers and partners providing other related services. The formalised agreement between the two employment service market leaders enables common funding of activities, better exchange of vacancies including those for vulnerable groups, cooperation in the field of career guidance and training of jobseekers and employees, and the organisation of outplacement services. Both organisations assure quality and certify providers in a common system (Struyven/Van Parys, 2016).

Local employment service ecosystems in Canada. In Canada, the employment service in the region of Ontario is mainly delivered online, on a self-service basis. By contrast, the most vulnerable groups can receive support from specialist providers, in the form of targeted advice and placement, and from training providers, health care services and other actors that deliver in a customer-centred ecosystem. These services are delivered by a network of 170 contracted providers from more than 400 delivery points across Ontario. The Ontario Government plans to further extend this ecosystem approach by introducing new service managers in three pilot regions of the province, who will aim to create an effective employment service that responds to the needs of everyone, including those who receive social welfare or have lowered workability (Government of Ontario, 2020).

Labour market partnership management in Estonia. In the Estonian PES the in-house counsellor capacity invested in customer-centred service grows with the need of support of the client, but mainly to manage the ecosystems of external partners. Customers closest to labour market entry are guided to help themselves, whilst those customers who have reduced but considerable work-ability will be case managed with the support of an ecosystem including municipalities and social workers. Those customers with the biggest barriers to employment will receive the most intense PES counselling, but also the highest rate of partner participation like mental health care workers, rehabilitation professionals, etc.

In addition to reaching out to other organisations case by case, the Estonian PES head office and regional offices co-operate with other organisations to provide specific services (e.g. organising coaching for working life or job clubs together with municipalities or providing career counselling in schools in co-operation with them). Furthermore, employers' counsellors at the Estonian PES, whose main purpose is to support employers to find the labour force they need, have also dedicated working hours for networking activities (PES Estonia).

Creating partnerships following customer journey mapping

These approaches also illustrate that the case management of persons with reduced employability does not necessarily have to be delivered directly by government institutions. PES can develop delivery models that focus on jobseekers with multiple barriers in cooperation with social workers or health professionals according to the challenges of an individual jobseeker. In some cases, responsibility for client support may be passed entirely to mental health services to address motivational issues prior to the client being referred back for coordination through the PES when employability has been increased.

PES can consider establishing mapping systems to assess jobseeker needs which can be used to define possible intervention routes combining the input of PES with other partners to deliver an integration pathway. The **PES in Luxembourg** has introduced a social assistance map (hosted on a website), which can be used by case managers working with jobseekers to refer persons with assistance needs to relevant institutions. This year the **PES in Greece** is introducing a new digital Individual Action Plan process which aims to provide enhanced jobseeker needs identification and recommendations as to which partners should be included in the process.

PES can benefit from the fact that funding for mainstream employability programmes in some countries has been shifting from block grants or service payments to payment-by-results. This can diversify the outreach and impact of employment programmes laying the ground work for more customer-centred delivery frameworks.

Employment service supply chains

PES can further diversify their contracting systems to reduce capacity shortages in their in-house portfolio through buying in expertise to support target groups thereby building a more customer-centred delivery ecosystem. Systems for contracting employment services such as in Australia include national contracts centrally-designed and managed by the PES but tailored for local delivery using a prime contractor model with options to sub-contract with specialised providers.

Contracting models do not have to focus only upon commercial companies; they can also include third sector representatives from organisations which traditionally have strong customer-centric orientation. Social enterprises and not-for-profit organisations for example have a long tradition in delivering skills, employability and social inclusion measures and in some countries play an important role in providing a granular understanding of local communities and needs which larger national organisations may not possess. Smaller organisations tend to deliver specific elements of programmes including confidence building, developing transversal skills and positive attitudes to work and learning or focusing on specific customer groups rather than delivering end-to-end measures.

Social economy actors and non-for-profits in Australia provide up to 75% of contracted employment services. They are the largest group in the employment services market and deliver customer-centred services to the hardest-to reach including customers in remote regions and indigenous communities.

Box 19: The social economy in Brussels as customer-centred job creation for vulnerable groups

The region of Brussels has combined customer-centred services to vulnerable groups with job-creation. The Brussels PES collaborates with regional cooperatives from the public and non-for-profit sector offering real jobs in social restaurants, bicycle repair stations, transportation services for disabled and maintenance works for buildings. This tailored market is not sheltered outside of the regular labour market but consists of jobs for unemployed who need to improve their low employability and are expected to be able to enter open work opportunities within the next few years. The Brussels PES funds the employment temporarily with a subsidy of either two years with up to 100% of salary coverage or with a five-year subsidy of 10,000 EUR annually as a longer-term employability support including coaching. Social companies can be in the two programmes with different employees. The Brussels PES also guides jobseekers to the available jobs in the social economy, especially those who are not in a position to choose themselves or will not have sufficient access to relevant information about the employment opportunities. To be eligible for funding, the participating companies need to apply for a label presenting the content of their planned employability job offer to vulnerable groups and the social set-up of the company (PES Brussels).

Box 20: New Swedish delivery model is built on customer-centricity

The recent reform in the Swedish PES resulted in an increase in employment services contracted-out to independent providers and is shifting the focus of the Swedish PES mandate towards monitoring of providers and working with different stakeholders in guiding and implementing labour market policy. The reform was called to improve the quality of services and the satisfaction of clients by diversifying the service offer and focusing service provision more on employability and skills development than on top-down programmes. The new approach contains several customer-centred aspects, for example that clients are to be given the opportunity to influence the choice of provider. The prices paid to providers depend on the employability of the client they service to avoid providers focusing their capacity on the easiest to employ, and the requirement towards providers to be locally present and knowledgeable to be able to offer face-to-face service and know the local market opportunities. The Swedish PES is still in charge to close the service gaps in cooperation with municipalities (PES Sweden).

2.3.2 PES image as a customer-centred service provider

Key considerations

- Create a sense of purpose within the PES and partner staff that can be conveyed by each individual stakeholder in their customer contacts.

- Consider image campaigns that promote the service over the institution and include solid delivery partnerships with expert entities.

- Present the service offering as transparently as possible.

- Work on appearing as an attractive and competitive employer in the labour market that has a unique selling point to offer to their staff members and a clear purpose in society.

Positive perceptions from potential service users and a transparent offer are essential for a successful transition to customer-centred service delivery. Many PES, even after significant improvements to their services, struggle from negative public perceptions. This suggests that offering quality services is often not enough to make a public institution appear attractive to jobseekers and employers. There needs to be investment into effectively communicating what services are currently available and into building a positive brand around the PES and its purpose.

Until recently brand management was perceived as a function exclusive to commercial organisations. However, the experiences of several governments have shown that branding can be an effective tool for establishing and streamlining a coherent service strategy through enhancing clarity of purpose and consistency in communication. Both citizens and PES staff can benefit from branding efforts by being better informed as to what the PES stands for and how it is adjusting to changing labour markets to maintain its relevance as a modern public service provider.

Internal communication for branding and innovation

To create a strong image that can be presented to customers, PES need to motivate their staff members to identify and participate in the branding process through them being familiarised with the range and interconnectedness of services offered, and by being able to contribute their own ideas to improve the profile of the PES.

The **Wallonia Region PES in Belgium** for example uses coordinated internal communication to keep their staff informed and interested in current PES developments. The tools include use of different channels including messaging, radio and short videos clips. Staff members are encouraged to distribute information via their personal accounts on Facebook, or Instagram. The PES can thereby source staff expertise to raise internal PES brand knowledge.

Box 21: The German PES has a growing tradition in staff brand engagement

Germany pursues an ongoing strategy of sourcing staff ideas through a sharing platform on which employees are encouraged to propose suggestions for processes improvement and service delivery reform to improve customer satisfaction and effectiveness of programmes. This bottom-up approach allows for a multidisciplinary and open approach to gather front-line experiences on what customers need and where possible use them for institutional development and improvement of the PES brand.

The innovation initiative Future BA looks at how the current business model of the German PES which was designed for a labour market with high unemployment in 2001 can be changed to be more responsive to current challenges such as skills shortages and globalisation, therefore making it more centred on and visible to customers. The project DigiLAB involves students from the PES University HdBA in testing, risk-assessing and refining new digital BA products before they are rolled-out. In an effort to catalogue and structure the institutional and personal knowledge of staff, BA has introduced a social intranet aiming to make systematic organisational intelligence visible and open opportunities for linking knowledge and cross-fertilisation.

From the staff's perspective, the social intranet is additionally seen as a tool facilitating a sense of belonging and identification with the organisation, also expressed in the hashtag #weareba, which helps create a strong internal brand by showing that the PES consists of human beings rather than being an abstract public system (PES Germany).

Branding towards customers

PES intending to sharpen their brand as customer-centred organisations must create clear, value-driven messages about what they do, what their vision is and why employment services are there to help people have a better life. The messages should ideally be worded to best connect with specific target groups through adopting language familiar to the audience which is easy to understand. This might require a clear break from the traditional and sometimes bureaucratic way in which PES have communicated with their customers. Several local **PES in German**y, for example in Cologne, have launched the Youth and Career agency together with municipalities and local youth centres. These

are facilities where young people can obtain career advice and support for employment without being aware that they are visiting a PES facility. The branding and wording has been completely revised to appeal to young people and centre the services around the needs of dealing with school, vocational training, family and personal issues rather than with the overriding initial focus of dealing with unemployment (PES Germany).

The messages to the different target groups need to be clearly communicated on a variety of accessible online and on-site channels to jobseekers and employers as well as to other partners that can help spread and enrich the message. In ecosystems a common branding helps create a positive image promoting a joined-up approach to multi-agency delivery of employment and wider social support services.

Box 22: Colombian PES: from decentralised service to managed brand

In Colombia several organisations including training institutes, universities, employer associations and municipalities were offering employment services independent from each other and with varying levels of quality and recognition. The government has subsequently introduced a common brand for a public employment services ecosystem ensuring wide data sharing, exchange of expertise and investment into service quality ensuring staff capacity building. This model builds upon the pre-existing strengths of delivery partners to allow for more effective geographical targeting. It includes the collection and analysis of localised data, which is particularly important in fragmented delivery scenarios, where the national government can struggle to establish a top-down coordinated model and effective delivery has not been possible in some localities. Through this expanding and now coordinated ecosystem the outreach and service provision to different groups of customers is both easier to access and more comprehensive (PES Colombia).

The **Lithuanian PES** rebranded its organisation 30 years after its inception. It now emphasises partnership working as core to its customer-centred delivery which increases the interest of customers in using the service and has also resulted in media outlets becoming more involved in promoting the availability of labour market expertise. Publishing good stories of how PES renders effective and

efficient services and interesting research data can help to establish the PES as a source of expert information and reliable forecasts of labour market trends which extend beyond the basic government task of providing unemployment statistics.

The credibility of PES as a source of labour market and employment expertise also increases when the PES is perceived as a good employer, popular with staff and potential employees applying for vacancies.

Box 23: Making the PES itself an attractive employer focused on customers

Estonia – The Employer Branding project

The Estonian PES started their Employer Branding project in 2018 to improve their public perception as an employer by better targeting potential candidates and introducing an employer value proposition laying out the advantages of working for the PES. An employer branding slogan was created – Together we change the world of work – reflecting a sense of purpose in delivering employment services and hinting at an employee-inclusive, fast-evolving organisation with highly competent employees. Ninety employees volunteered as PES ambassadors, supporting the branding project and sharing their views about the organisation on their own social media networks. Between 2018 and 2021, among other positive image results, the branding project has increased the number of candidates applying for different positions at the Estonian PES and PES followers on social media (PES Estonia).

The Netherlands – Zinhoud

The Dutch PES launched the Zinhoud campaign to create and reflect a sense of purpose among the staff of the organisation and create an employer brand that would also present a positive external image towards the wider public. Zinhoud is made up of the Dutch words for meaningful (zinvol) and fulfilment (Inhoud). Staff members were asked to name their Zinhoud and based on their answers the PES built stories of employee pride in doing PES work that aligns with their values.

The campaign site registered almost more 140,000 unique visits to the PES website in 2020 and resulted in more candidates being interested in working at the Dutch PES.

2.3.3 Evaluation of customer-centred service delivery

Key considerations

- Assess possibilities for indicators to be introduced to measure outcomes from steps in service innovation including partnership models, image campaigns and agreements. Develop realistic evaluation goals.

- Consider innovative evaluation methodology such as social listening[8].

- Publicise results as announcements of even limited improvements and keep communication on innovation flowing.

- Use randomised control trials where possible.

Innovation is difficult to measure and it is not easy to map increases in customer focus through applying indicators. A few components of innovative customer communication activities can be measured, such as the use of social media. Whilst the number of views, likes and shares alone do not provide much information on the actual impact of the posted content, a deeper analysis of the available social media movements might help draw valuable conclusions.

Social listening is an approach where organisations can track how they are perceived on social media and react accordingly to positive and negative images. Social listening as well as any kind of reviewing or ranking on platforms that measure customer satisfaction can provide insights into what the organisation is expected to provide, adjust or improve, which groups favour particular platforms and how the mix of social media providers can be adjusted to take into account those results, which can feed into the design and delivery of customer-centred delivery, also for PES.

---

8 Social Listening also referred to as social media listening, is the process of analysing online conversations about a brand and industry to find out more about an audience. It includes monitoring social media channels for instances when an audience mentions brands or offers feedback. It is actively listening to customers at scale to conduct sentiment analysis to improve marketing. See coursera.org/articles/social-listening

Table 3: Potential use of social listening in PES

- **Brand Monitoring:** How do users perceive your PES?

- **Issues Monitoring:** Which complaints and questions come through social media?

- **Stakeholder Monitoring**: Who else is talking about your PES?

- **Trendspotting:** Which emerging trends that could be relevant for PES show in social media posts?

- **Data Mining:** Which input keywords and key phrases could help build powerful messages?

Partnerships with external providers are easier to measure given the contractual framework and the outcome-based delivery agreements. However, evaluation always depends on the exact design of a contract, the way evaluation criteria are considered, and ultimately on the availability and quality of data gained during the implementation of the measures.

Randomised control trials in Ireland

RCTs have been used for example by the Irish PES for their JobPath programme targeted at long-term unemployed customers. The evaluation method must be planned in advance of a programme implementation to be feasible. However, since it works with a comparably low amount of data, RCT can be used as a fair and transparent way to assign scarce programme resources in the face of potentially costly interventions.

Table 4: Three main types of impact evaluations often used in public services

Randomised control trials (RCT)

This, the most rigorous, evaluation method randomly assigns comparable individuals (for example vulnerable jobseekers with a specific barrier to employment) either into a group that undertakes the innovative programme or measure, or into a group not receiving any "treatment", called the control group. Both employability results are then compared and conclusions drawn about the effectiveness of the measure.

Observational studies based on individual-level data

In this approach more data is fed into the compared groups potentially taking in more external scenarios such as economic crises or long-term statistical development of specific target groups. It manages larger data sets and also constructs scenarios with the help of machine learning techniques.

Observational studies based on aggregated data

This method works with estimated effects of large-scale interventions in environments like cities or countries comparing them and relying on a significant availability of many data points.

Source: OECD, 2022

Further, they can also be used on data gained in smaller pilot efforts, which innovative approaches often are. When pilots are rolled out, however, a lack of external data in the evaluation might fail to capture other effects that will get relevant on larger scale (OECD, 2022b).

Observational studies as a policy memory tool

Observational methods require more data granularity over a longer time and will be expensive and complex to apply to customer-centred design initiatives that have not yet generated enough delivery data. Providing employment services in general is a complex task involving a multitude of operational challenges which are difficult to estimate or map using data. The so called "policy memory", i.e., experiences of which programmes worked in the past and which did not can help bridge that data gap but might perpetuate approaches that lack an innovative edge, therefore moving away from and potentially diluting a customer-centred approach. It can be challenging to compare regions or even countries in evaluation approaches because the implementation and impact of innovative measures themselves varies immensely across countries depending on institutional factors such as the duration of unemployment benefit or the qualifications of the PES or provider counsellors.

It is easier to evaluate more institutionalised customer centred programmes, although the results of evaluations do not usually produce qualitative evidence and hard facts. They more frequently support plausible assumptions derived of what approaches may be successful and indications of what can be improved for future development. The social economy programme of the Brussels PES as previously mentioned is followed up by the PES through monthly inspection visits to different employers to check use of funding and customer satisfaction. The monitoring is not strictly outcome-based, and serves rather to decide whether the participating companies will have their social economy labels renewed. Nevertheless, it still enables the PES to assess and respond to customer satisfaction feedback and adjust services accordingly, which supports a customer-centred approach (PES Brussels).

Ireland's JobPath programme led to strongly positive employment and earnings outcomes across a variety of hard-to-place client groups and the programme costs were found to compare

positively with PES provision, which made the use of the RCT efficient in the favourable data conditions it operated. Other RCT conducted in innovative programmes of the PES in Denmark, France or Germany showed at best mixed results for contracted provision and concluded that they were unlikely to have reduced the cost of employment service provision (OECD, 2022b).

PES need to decide which type of evaluation they want to build in into a more customer-centred service delivery model and the weight they want to give to the results. While it is recommended to have some monitoring of customer satisfaction and cost-outcome ratios from the outset of service trials, the initial phase is likely to produce only very limited results. This should not hamper more immediate forms of customer outreach and communication to secure feedback and identify possibilities for service adjustments.

Even if evaluation results are initially limited it may still be of benefit to communicate these to the public to keep them informed about new PES service developments. The **National Centre for Public Service Innovation in Denmark** recommends making the communication on innovation results livelier, for example by using direct quotes from citizens, employee or experts involved in the service innovation process and visualising the knowledge from questionnaires, records or registry data in diagrams, graphs or info-graphs rather than in lengthy reports (COI National Centre for Public Sector Innovation, 2018).

Table 5: Check list for making delivery systems more customer-centred

Item	Capacity adjustment needed	Who to involve for adjustment
Conducting an overview of customers the PES needs/wants to service		
Consider buying-in of behavioural science knowledge		
Apply behavioural insights in the day-to-day delivery and staff development		
Finding ways to develop co-creation		
Create spaces to test prototypes of co-creative processes		
Identify new technologies and optimise their use for data management and service delivery		
Provide more engaging customer experiences with the help of technology		
Establish a strategy to include every customer		
Consider service contracting policy		
Rebrand the PES image and communication towards promoting a customer-centred service		
Test new forms of evaluation and key performance indicators		

SECTION 3.

Increasing customer-centred service delivery: a five-step roadmap for PES

In this section, five concrete steps are suggested which PES can follow to start delivering more customer-centred services and generally embrace innovative approaches.

The first step is to ensure that PES have an infrastructure that allows for innovation and therefore a transition towards more customer-centred services. It encourages PES to map the openness to change the institution's human resources, the flexibility of delivery partnerships to accommodate or adjust contracting and develop a clear understanding of how the PES can use data to extract more information on customer needs.

The second step is to decide how the approach to make services more customer-centred can fit into the wider PES strategy, for example its response to megatrends, the targeting of customers and the effectiveness of programmes. It is crucial that the PES considers strategic use of the larger amounts of available customer data and finds responsible ways to gain insights into customer needs.

This should be complemented by additional communication with customers to obtain first-hand feedback on services.

The third step is to onboard stakeholders that will benefit from and facilitate a shift towards customer-centred service delivery. It suggests mapping the potential partners and assessing the role they could take in developing a more innovative service approach to decide initial actions before implementing a change.

The fourth step lists a simple set of action points and a timeline to capitalise on the current PES infrastructure for innovation and to set the scene for longer-term service strategies.

The fifth step encourages keeping track of changes from first actions and how to communicate them.

The steps described here are ideally followed sequentially but can also be taken addressed in parallel if necessary. Depending on the maturity of the PES regarding new approaches to service delivery, not all steps may be necessary.

Figure 8: Steps to take to make PES services more customer-centred
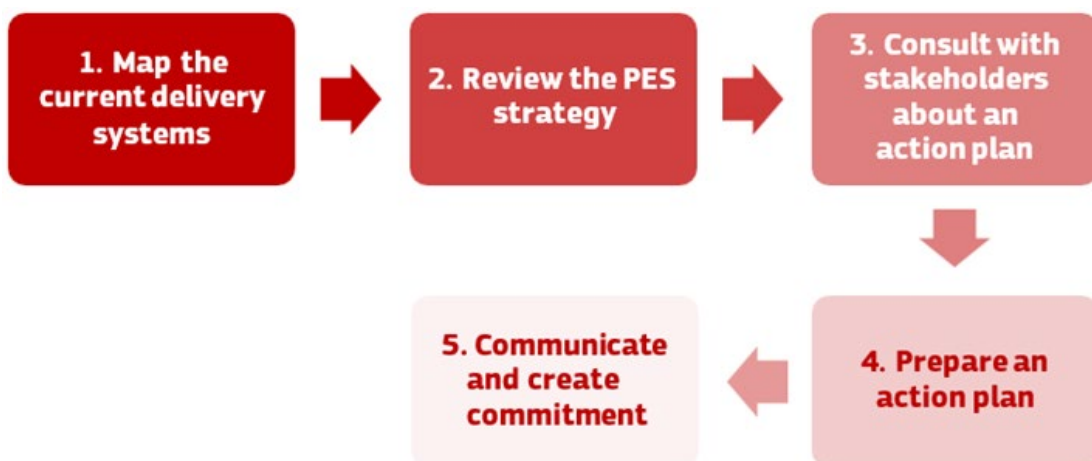
## 3.1 Map the current delivery systems

Firstly, to change current delivery systems into more customer-centred ones, it is recommended to map the existing pre-conditions in the institution, the mind-set of the staff and management, the delivery framework, the customer interface and the scope to obtain more information about customer needs and their ability to use technology.

A basic understanding of human-centred design and the readiness to test and apply it for service delivery is key. It is therefore important to have overall management support for approaching new forms of service delivery, and in particular a preference for more bottom-up solutions and customer involvement.

The principles of human-centred design as depicted in the triple diamond model (see Figure 9) illustrate the approach to testing and prototyping new delivery solutions, digital, hybrid or in person. They acknowledge that the first results from test groups might not be perfect, and discourage investing more time and money in developing and delivering a new service before it has been tested with customers.

Furthermore, management, counsellors, case managers and other front-line staff should be comfortable with the increasing involvement of customers in feedback and providing them with more room to take decisions in their customer journey.

Figure 9: Triple diamond model for trying new services approaches
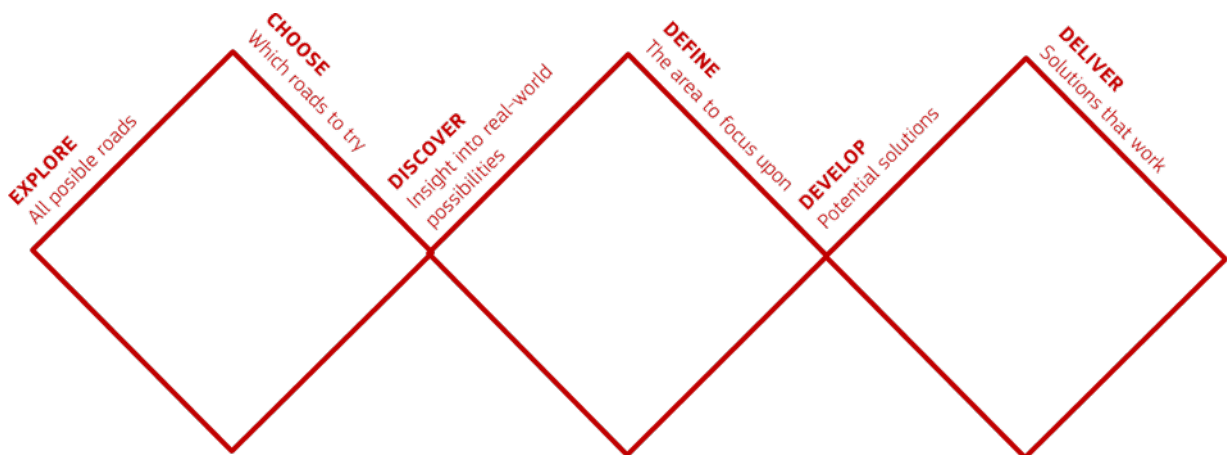
Secondly, it is worth considering whether the delivery framework that the PES uses to provide their service to the customer can accommodate more customer-centred approaches. A number of questions must be considered as follows:

- Do the contracts with private or third sector providers allow for customer feedback or even co-creation of service delivery?

- Do existing PES partnerships involve customer-centred approaches, for example by providing for direct communication with the partners to promote open feedback on service quality and if needed radical changes?

- Are there only high-level feedback or communication mechanisms or do they also include service delivery level dialogue, for example by enabling PES counselling staff to directly create and deliver services together with partner organisations such as training institutes or social economy actors?

Thirdly, PES should review their arrangements for obtaining customer feedback and seek to increase their involvement in the management of their customer journey, including investigating:

- In digital first approaches, are there ways for customers who self-manage their case to get involved in service improvement through sharing their experience and offering suggestions for improvement?

- Which other customers should be involved in testing new service approaches?

- How can those customers that are currently difficult to reach, for example because they do not appear on PES records or have difficulties using existing channel options be reached more efficiently through new approaches, and how can the PES acquire evidence that these new approaches will be more successful?

- Finally, using current technology is key to modernising and implementing customer-centred service delivery. PES should therefore assess which customer data it can use to obtain insights into customer journeys, the impact of different channels and services, and whether and how it can apply these conclusions to improve delivery. New efforts to modernise services should

be accompanied with a channel strategy to determine how the PES will develop digital, hybrid and face-to-face options to provide alternative contact methods for customers.

3.2 Review the PES strategy

A stronger customer focus should align with the wider agenda of labour market policy and be consistent with PES objectives, especially supporting transition to a green and digital economy. Human-centred design can cater to wider EU macro-trends, such as stronger cooperation with the social economy, and supporting young people in the post COVID-19 labour market to overcome scarring effects including disrupted learning. It can take advantage of emerging opportunities in the platform economy and markets with skills shortages while ensuring digitalisation is developed with necessary protections for citizens. A customer focus can therefore help to ensure inclusive transitions for all, especially the most vulnerable groups on the labour market.

Making data use a strategic tool

The use of big data, for example, can enable qualitative insights to be obtained before decisions are taken on how to approach customers or plan service adjustments. Data analysis can help to extrapolate trends in customer needs and behaviour and build strategies to better target them. Data can hint towards recurring topics and patterns that provide support structures for customers which PES may take advantage of to involve them in service design. Similarly, quantitative data can also be enriched by additional qualitative information obtained from customer interviews or targeted surveys.

Box 24: Lithuanian PES use of big data

The PES of Lithuania has taken a strong role in assessing the effectiveness of its employability programmes by linking up different data sources of customer journeys, for example the jobs they applied for and customer behaviour for example which skilling preferences they have, drawing conclusions for adjusting the programmes and improving the delivery. Lithuania has opted for a combination of linking administrative and survey data and has therefore also made considerable progress in improving its monitoring and evaluation framework to support evidence-informed policy making. The monitoring of ALMPs covers the key elements of the results chain (inputs, activities, outputs and outcomes), prioritises the outcome indicators as the key performance indicators, and disseminates the monitoring results publicly. The PES can collect and link customer information regarding profiles, results of interventions and take in social security data as well as vocational training information. This holistic source material allows for a view on personal characteristics of the jobseeker including possible barriers to employment, constructing their employment history and responsiveness to activation measures.

As an outcome of a more targeted impact evaluation of programmes, the Lithuanian PES has further specialised customer services in recent years with clearer delivery difference between the counselling, career guidance and employer engagement portfolios as a result of this targeting review. It has also helped to better target customers with multiple barriers or with conditions that could formerly be labelled only as inactive, such as lone parents, persons with high debt profiles or customers living in remote locations.

A more decisive inclusion of data across the country has also helped standardising services in a more customer-centred manner from the formerly rather fragmented delivery landscape of almost 50 legal entities delivering services in different regions and locations.

In a study on Lithuanian evaluation measures, the OECD has recommended several data management measures to further advance the PES's customer-centred strategy, for example (i) to include indicators such as employment quality in the evaluation of activation measures in order to understand their effects beyond inclusion into employment, and (ii) to automate customer satisfaction surveys to have a persistent feedback of acceptance by the customers (OECD, 2022b).

Making user experiences a starting point of service design

PES can also take several practical steps that simulate and illustrate customer experiences fed by real data or customer feedback to support more direct outreach. This is particularly useful to better identify and address customers' future service delivery needs:

Journey Maps can simulate the customer route through a particular service component or the general journey. It may focus on the "pain points" of a specific service experience, such as unfriendly staff, over-complicated systems, unnecessary contacts, etc. PES can then work with customers to redress these problems.

Personas, sometimes called typologies, can help create theoretical customer types that can be used to gather the characteristics of different real service users and create profiles for peer groups, characteristics and experiences (these can be different vulnerable groups such as youth or long-term unemployed). They can help in identifying patterns common to specific groups and barriers and enable service adjustment or process simplification.

Role plays with selected counsellors involving them taking the part of a jobseeker or another customer can raise awareness of the customer perspective and increase awareness of counsellors' perceptions of their role as service providers. In a further step, obtaining insights from simulation can be replaced by exercises involving real contacts with customers. The PES can open its doors to customers to participate in exercises including role plays in which staff, jobseekers and employers swap roles to increase insights into their own behaviour and how this impacts the outcome.

Journey maps and personas can also be set up with the help of jobseekers to validate and correct conclusions from underlying data through supplementing it with opinions from their experience as customers. This can also offer insight into PES and partnership working to help reduce negative feelings that some customers might feel towards a state institution so that they become more open to visit and use PES services in the future.

Box 25: Customer experience network in Flanders PES

In Flanders, the PES follows a co-creation approach for service design called "CX", which encompasses both customer experience and employee experience. This new approach started as a project in 2020 and has been developed into a structured approach to ask customers about their views and suggestions for adjusting services. The customers are usually involved through surveys that are co-designed with universities in Flanders and in which details about service steps and ideas for improvement are asked.

Many teams work around the customer and employee experience (i.e. the department handling complaints, the user test team, etc.). All these teams are connected to each other through a PES-wide network called "CX-cell".

All the processes have been developed and the PES is starting to roll them out organisation-wide. The end goal is for all service trials to be run through the "CX filter" presenting the idea for a change to the teams in the PES. Therefore, the customers can pre-check the approach as part of an internalised PES process that is not only applied to improve existing services, but also to provide an initial and immediate real customer test of new services. Once fully implemented, this mechanism will evaluate the evidence for introducing an idea, enabling a new approach to be grounded.

The CX network was staffed with PES counsellors that worked directly with customers and were interested in developing a cross-cutting approach putting customer and employee satisfaction at the centre of delivery, thereby developing human resources that promote customer-centred approaches. Increasing over time and with the approval of line managers at PES offices that are needed to support the CX network, the approach has now developed into a larger co-creation effort with its own CX coordinator headquartered in Brussels.

Customers and impacted employees are now not only involved in commenting on service delivery through surveys, but through focus groups considering particular service components, IT user mock-ups ahead of the launch of software updates or completely new digital products. The system fosters a mindset of testing and prototyping with the real users (and the readiness to fail with an imperfect first product), rather than working in user-unconnected, data-driven programme design departments only that aim for a perfect product.

Finally, the counsellor network also created togetherness and a backbone of innovation in the PES (PES Flanders, Belgium).

3.3 Consult with stakeholders about an action plan to make service delivery more customer-centred

After reviewing PES infrastructure and strategy and its aptness to accommodate a more customer-centred delivery, concrete action points need to be agreed, ideally together with those stakeholders that will be affected by it: the PES staff, customers and the delivery partners.

Getting the staff onboard

Using customer-centred approaches to service delivery can have various positive effects on PES staff. The bottom-up principle of human-centred design alters traditional line-management decision structures and can empower both customers and frontline service staff. They will be likely to become more involved in sourcing customer feedback and in particular seeking ideas for improvement.

Additionally, customer-centred approaches can also release frontline staff from nugatory work and activities with little added value. AI-driven solutions can enable pre-assessment interventions for customers and allow counsellors to invest capacity into those cases that need it most.

There are, however, also challenges. Experiences from some PES show that the use of algorithms to assess customer needs and suggest interventions have not always been welcomed by counsellors. Some maintain that the assessment was not as accurate as one obtained through a human intervention, or fear that their work might become obsolete. In many cases these concerns have been overcome by making the range of algorithms transparent to staff and leaving the ultimate decision on customer journeys to human counsellors, regarding the AI-generated solutions as suggestions and support.

The introduction of customer-centred design to employment services should in general be accompanied by a thorough discussion with staff members about advantages and disadvantages and allow for discussion and feedback generating ideas concerning concrete aspects of service delivery.

Involving customers and partners

Customers are the ultimate recipients of reformed service delivery and are therefore the most important stakeholders. However, further partners such as employers, training institutes, social institutions etc. can form part of the supply chain of customer-centred employment service delivery and should be involved in establishing and updating it.

The following list of partner examples can help to plan the steps to establish where and how to target the different PES partners in this exercise.

Table 6: Assessing the involvement of stakeholders

Partner	Partnership type	Ideal role in a supply chain for more customer-centred service delivery	Best ways to consult in design phase
Customer	Service Provision	Satisfied customer that helps refer positive image	Actively involve in sourcing of user experiences
Employer	Agile	Providing minimum standard work vacancies that can be potentially carved to better match jobseeker skills	Include views on future skills needs and jobseeker work testing
Training Institute	Sub-contract	Seamless provision of employment service components for skilling of customers	Define and refine entry points for skilling in customer journey
Social institution	Intergovernmental	Seamless provision of employment related service components to reduce multiple barriers to employment	Include in strategic service development
Organisation for vulnerable groups	Co-creative	Seamless provision of employment service components for employability of customers	Formulate ideas in an open space setting

3.4   Prepare an action plan

Agree concrete first steps to create change in the
service delivery. This can be based on a simple
action plan that includes the following aspects
and perspectives.

Table 7: Simple action points for customer-centred service delivery

Establish a basic sense for customer-centred design in the PES by

- Actively stimulating open discussion of customer-centred service delivery in the PES.

- Establishing an interest, mobilising PES staff discussion about customer-centred service delivery.

- Involving PES partners to ascertain their views.

Tap into the concrete skills of the PES staff in customer-centred design by

- Establishing an internal competencies framework to identify and develop staff members who are interested in taking up co-creator roles or otherwise have ideas regarding how to improve service delivery to customers.

- Involving staff in developing guidelines based on their day-to-day work on how the use of technology and other tools can help to implement customer-centred service delivery.

Make use of hybrid service delivery with useful, user-friendly and trustworthy tools by

- Enhancing or creating accessible channels which allow the customer to choose and decide how much of their journey can be routed online.

- Avoiding a technical tools patchwork and striving for a functional, integrated technical solution.

- Securing and anonymising all data obtained.

- Identifying digital intersections with partners where systems can be unified or simplified for a more seamless customer experience, especially when customers have to change institutions during delivery of services.

Laying the ground for a longer-term customer centred service culture in the PES by

- Providing evidence of customer-centred initiatives to input to strategic considerations and budget discussions.

- Standardising and communicating information on innovative practices in general and customer-centred service delivery in particular.

PES now face the challenges of streamlining human-centred approaches into more customer-centred service provision. This includes testing potential new services through trial and error, acknowledging that not all proposals will be subsequently developed and implemented.

Human-centred approaches have the potential to improve many aspects of PES performance, including its public image. Positioning PES as more agile organisations with an innovative vision to improve the transparency of partnership working by allowing more customer insights can inform and improve service development.

Figure 10: Timeline for running the action plan

3.5   Communicate and create commitment for the changes in service delivery

Keep communicating with stakeholders

The successful introduction of more customer-centred services, as part of an overarching reform of the PES general strategy or an improvement in the delivery of certain aspects of service, depends to a significant extent on the perceptions of customers and the PES staff. Therefore, it is highly recommended that both groups are included in all steps of the change process and every opportunity is taken to enable joint input, especially after the introduction of new services.

Questioning assumptions and preconceptions to adjust delivery mechanisms to the reality of customer and staff experiences can increase customer and staff satisfaction with increased empowerment through participation ultimately achieving better results.

Box 26: German PES uses first contact and self-assessment tool New Plan

In 2020, the German PES has introduced "New Plan", an online self-assessment tool for vocational orientation for people in working life, which has been developed based on customer experiences with PES services. It mainly targets jobseekers who want to change jobs in an early intervention effort before they get unemployed. The tool consists of six different modules that can be taken in any order the customer wishes, with a duration of approx. 15 minutes each. The modules navigate the customer through better naming and mapping their skills beyond the official (and possibly outdated) qualifications, offering inspiration in new job opportunities beyond the current job as well as suggestions on how move into a new job, for example through further training for specific skills.

The hybrid tool helps the PES to show that concrete new service changes are taken which empower the customer, centre around their needs and build on changes with further employment service steps. The tool is promoted through the partner networks of BA such as training institutes or employers positioning the PES in an ecosystem of customer-centred service delivery (PES Germany).

- Supporting and preparing new approaches for delivery of employment services, for example, new methods to reach out to specific target groups more successfully.

- Systematising and disseminating concrete innovations such as PES branding/marketing tools.

- Creating and testing prototypes, such as a new active labour market programme, so that models can evolve and be adopted at the national or EU level. These prototypes can also be implemented as 'minimum viable' products, i.e. that are designed to be as effective as possible with low-resource input.

- Analysing and evaluating the impact of (innovative) programmes and developing proposals for how they should be used in the future, for example to reduce the number of programmes or obsolescent training events.

- Carrying out research and making policy recommendations, for example, on how to simplify a programme or accelerate its use.

- Building skills and changing institutional culture, for example by offering train-the-trainer programmes for innovation teams or cultural change training to management staff.

Ideally communication about a shift towards human-centred services is developed from within the organisation by a network of front-line practitioners supported by their managers and co-created with partners and clients. In this way, the PES can represent its role not only as a public institution, but ultimately as an important service provider to the community.

Seeing the bigger picture of social innovation

Customer-centred service delivery also develops as part of wider innovation, and a longer-term commitment to the idea of trying out new approaches can be gained by making this transparent. Research and discussion with PES that have invested in developing more customer-centred services reflect that they have not yet developed tangible quantitative indicators, however work continues to contribute to the bigger picture and identify these through:

Box 27: New indicators for customer-centred delivery

In Lithuania, the PES measures the success of its newly delivered, more customer-focused service delivery. This consists of a mix of video-conferencing support, online webinars and individualised support in regional career centres for specific professions or specific vulnerable groups such as refugees. Measures cover not only job placement or the rate of filling of job vacancies, but also the satisfaction rate of customers. The PES reported that early results had been overshadowed by the consequences of the COVID-19 pandemic, the Great Resignation and the security crisis. Even factors that are not directly influenced by the PES will have an impact on how their services are perceived, however satisfaction indicators are nevertheless essential when measuring new interlinked service concepts.

Box 28: Send@ - a new customer management tool shows first results

The Spanish PES digital tool SEND@ assists employment counsellors in guiding clients to job openings and/or ALMPs based on past successful outcomes amongst similar clients. Counsellors receive a recommendation on which job to offer to aim for a high inclusion rate, as well as information on which employability measures were taken in similar cases before the entry onto the job was successful. The first evaluation efforts have shown that individuals counselled with SEND@ are not only more likely to become employed and to enter into a permanent employment contract, but also to have better career chances in the future resulting in better quality occupations relative to their target occupations compared to similar jobseekers who were not counselled with the tool.

FINAL OBSERVATIONS

1. A customer-centred approach to service delivery can help overcome fragmentation and a silo approach and promote seamless quality delivery. To achieve this, a customer-centred approach needs to be part of the overall PES strategy.

2. Service delivery approaches need to recognise that increasing and changing skills demands are empowering individuals as customers requiring personalised services rather than as passive recipients of support offers.

3. Multi-channel approaches are a first step into a more customer-centred service approach.

4. Generally, digitalisation of data collection and processing has considerably increased the capacity of PES to connect labour market information with delivery of customer-centred services allowing PES to better customise their support for clients.

5. Observing the behaviour of customers can help improve the design of services that have not worked well previously, for example by establishing why service components have simply not been used by customers.

6. Co-creation can be a powerful tool for getting to know, and involving, customers in service design and delivery if stakeholder expectations are managed well.

7. The contractual frame in which services are delivered might have to be reviewed to accommodate more agile and customer-centred solutions with increased innovation.

8. Positive perceptions from potential service users and a transparent offer are essential for a successful transition to customer-centred service delivery.

9. Most PES are as yet at the beginning of their journey to customer-centred service delivery. The benchlearning programme is an appropriate platform to facilitate further exchange and learning.

REFERENCES AND FURTHER READING

Broecke, Stijn (2023), Artificial intelligence and labour market matching, OECD Social Employment and Migration Working Papers, OECD, Paris.

Cedefop (2022), Challenging digital myths. First findings from Cedefop's second European skills and jobs survey, https://www.cedefop.europa.eu/en/publications/9173

COI National Centre for Public Sector Innovation (2018), A guide to evaluating public sector innovation, https://co-pi.dk/media/49950/guide-to-evaluating-public-sector-innovation-coi.pdf

Deloitte Insights (2022), Elevating the human experience. Using human-centred design in health and human services programs, https://www2.deloitte.com/us/en/insights/industry/public-sector/health-human-services-innovations-reform/elevating-the-human-experience.html

European Commission (2022a), Working Group on supporting PES visibility and branding. Outcomes and lessons learned. Author: Kate Holman

European Commission (2022b), Service delivery by PES in the wake of the COVID-19 crisis. Author: Nicola Duell

European Commission (2022c), New forms of service delivery. Discussion Paper. Author: Eamonn Davern

European Commission (2022d), Trends in PES: Assessment report on PES capacity 2022. Author: Marjolein Peters

European Commission (2021), Greening of the labour market – impacts for the Public Employment Services. Small scale study. Author: Nicola Duell

European Commission (2019a), Co-creation of services. Thematic review workshop. Author: Helmut Hägele

European Commission (2019b), Building up a PES EU Innovation Lab. Concept Paper. Author: Miguel Peromingo

ETF (2019), Big data for labour market intelligence. An introductory guide, https://www.etf.europa.eu/en/publications-and-resources/publications/big-data-labour-market-intelligence-introductory-guide

Hogenboom, A. (2021), Matching Lab. Targeted matching strategy optimisation driven by data and domain knowledge, WCC Group Publishing

ILO (2022), Global report. Technology adoption in public employment services. Catching up with the future, https://www.ilo.org/emppolicy/pubs/WCMS_840767/lang--en/index.htm

Jobs for the Future (2022), What human-centred design looks like in the workforce system, https://www.jff.org/what-we-do/impact-stories/awake/what-human-centred-design-looks-workforce-system/

Langenbucher, K. and M. Vodopivec (2022), Paying for results: Contracting out employment services through outcome-based payment schemes in EOCD countries, OECD Social Employment and Migration Working Papers, OECD, Paris.

Munger, J.; Van Daele, R. (2020), Putting people at the heart of policy design. Using human-centred design to serve all, Asian Development Bank

OECD (2022a), Harnessing digitalisation in public employment services to connect people with jobs, https://www.oecd.org/els/emp/Harnessing_digitalisation_in_Public_Employment_Services_to_connect_people_with_jobs.pdf

OECD (2022b), Technical report: Impact Evaluation of Vocational Training and Employment Subsidies for the Unemployed in Lithuania, Publications Office OECD Paris

OECD (2021), Disability, Work and Inclusion in Ireland: Engaging and Supporting Employers, OECD Publishing, Paris, https://doi.org/10.1787/74b45baa-en

Oxford Insights (2022), Towards a human-centred vision for public services: Human-Centred Public Services Index, https://www.oxfordinsights.com/insights/2022/9/30/towards-a-human-centred-vision-for-public-services-human-centred-public-services-index

Pieterson, W. (2019), Digital technologies and advanced analytics in PES, Luxembourg: Publication Office of the European Union

Pieterson, W. (2017), Multi-channel management in PES: From blending to omni-channelling, Luxembourg: Publication Office of the European Union

UNDP (2022), A behavioural insights toolkit for entrepreneurial programming, https://www.undp.org/publications/behavioural-insights-toolkit-entrepreneurship-programming

World Employment Confederation (2022), Better, faster, stronger: public employment services enabling sustainable transitions, https://wecglobal.org/opinion-piece-post/better-faster-stronger-private-employment-services-enabling-sustainable-transitions/

ANNEX I.

Overview of practices in this Toolkit

PES	NAME OF PRACTICE	CUSTOMER CENTRICITY
Australia	Contracted co-creation	Requesting local involvement of employment service providers and capacity to co-create as award-critical criteria in procurements
Austria	PRODOK	Uses quality management criteria to align local customer project approaches with national requirements
Brussels, Belgium	Co-creation	Fostering local community development and building of ecosystems by co-financing approaches of co-creation for better employment services
Brussels, Belgium	Social economy	Creating jobs by subsidising real employment options for vulnerable groups
Brussels, Belgium	Guaranteed solution for all	Giving customers with a digital identity key access to holistic service delivery around employment and social support
Bulgaria	Employment mediation	Increasing relevance of initial profiling, career guidance and case management by regularly training front-line staff to also cater to labour market needs
Canada	Delivery ecosystem	Networking with local providers to offer the services behind a digital first strategy with customer choice
Colombia	Managed ecosystem	Creating a common employment service brand with grown provider network by focusing on customer centricity and offering tools to implement it
Cyprus	Reorganising staff roles and procedures	Involves front-line staff to inform a structured update of customer service processes

PES	NAME OF PRACTICE	CUSTOMER CENTRICITY
Estonia	Labour market partnership	Networking with peer institutions and support entities to increase individual service provision where needed
Estonia	Employer branding project	Making PES an attractive employer by defining customer centricity as a job purpose
Finland	Career and employment plan	Customers co-develop a plan to influence their career options
Flanders, Belgium	Vick platform	Offering labour market evidence offered by PES and companies to guide job starters
Flanders, Belgium	CX network	Create a UX network that screens services before they are rolled out
Flanders, Belgium	Public-private employment service partnership	Building partnership with representation of public employment services to exchange vacancies and run customer-centred programmes together
France	Holistic digital strategy	Targeting all customer groups to benefit from digital services including gamification and digital literacy trainings for customers and staff
Germany	Staff brand engagement	Involving staff and internal students to co-create design and delivery of services based on their experiences and ideas
Germany	New Plan	Empowering jobseekers to profile their own skills portfolio with the help of modular online mentoring
Ireland	Employment and training hub	Gives detailed overview of available service options to the customer in the individual journeys
Italy	The Green and Blue Economy Programme	Cooperation between local PES authorities and business communities to set up trainings for skills in the green and blue economy to make better use of matching into employment and entrepreneurship

PES	NAME OF PRACTICE	CUSTOMER CENTRICITY
Lithuania	Regional Career Centres	Ecosystem driven information centres for customers to relate to job openings and training opportunities
Lithuania	Big data management	Linking up data from different customer journeys to design programmes and evaluate their efficiency and effectiveness
Lithuania	New indicators	Basing key performance on customer satisfaction and successful job entries
Netherlands	Career development courses	Targeting customers over 45 to take ownership of their remaining working life
Netherlands	Zinhoud	Branding campaign featuring staff to make PES more attractive as an employer
Netherlands	Behavioural science insights	Making customer journeys between institutions more seamless and language used more understandable based on customer expectations and service evidence
Norway	Co-creation with young customers	Understanding the target group better by creating neutral spaces to communicate about services and co-create new delivery approaches
Spain	Skills need analysis	Combining real-time data analysis with qualitative research to pinpoint labour market development and adjust activation programmes
Spain	Send@	Guiding employability efforts for jobseekers by using evidence of past successful inclusion
Sweden	Contracted-out service delivery model	Offering a range of employment service providers and letting the customer choose
USA	Overview employability options	Making employment service programmes more accessible to vulnerable groups through lower threshold presentation