

ANNUAL REPORT

# EUROPEAN NETWORK OF PUBLIC EMPLOYMENT SERVICES



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Employment,  
Social Affairs  
and Inclusion

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# Foreword

In a context of geopolitical tensions, the horror of wars and human disasters, and the consequences of climate change that have arrived faster than we expected and all over the continent, PES in 2023 have worked hard to deliver and improve their core services. Over the past few years, PES have shown agility in responding to immediate crises and foresight in addressing labour market challenges. PES across Europe have turned to each other even more frequently for advice and knowhow. This annual report clearly shows what we can achieve when we work together and what support the PES Network brings to us PES, on a daily basis.

2023 began with the continuation of the stark reality of the war in Ukraine and the fear in our countries that the energy crisis would badly impact our most vulnerable jobseekers and their households, and energy intensive sectors. Again, Europe was looking at the possibility of massive job losses, just shortly after the impact of the Covid19 pandemic on the labour market. But quite opposite to what we feared, unemployment in the EU reached its lowest level in decades – in part thanks to our social security systems and active labour market policies – and the debate on labour market outlook and policies gradually switched to labour and skills shortages.

Designated as the European Year of Skills, 2023 brought into sharp focus the critical role of PES in shaping a skilled workforce, ensuring that Europe is equipped to navigate the challenges of the green transition and demographical and technological changes.

The PES Network's initiatives on green taxonomies, on a common approach to measuring shortages, on new forms of training and skills validation and on recruitment of third country nationals underscored its commitment to addressing skills shortages in a broad perspective.

As I write these words with a little help of ChatGPT, I can feel for myself how the fusion of artificial intelligence and human expertise is changing our jobs and the way we do them. In the working

group on digitalisation, experts from PES are putting their heads together to share their knowhow on how technology can open pathways for more personalised and efficient support and improve the way we do career guidance, profiling and matching. A thematic review specifically looked into how digital tools could be better used to support vulnerable jobseekers. Their access to decent work remains low and innovative approaches will be needed to also include their talents into our labour markets.

The PES Network's emphasis on evidence-based approaches was further put in practice with a study on the effectiveness of new types of active labour market programmes introduced during and after the Covid19 pandemic, the adaptation of our Benchlearning model and a working group on the latest trends in evidence-based design. These endeavours underscore our commitment to continuous improvement, ensuring that PES services are informed by the latest research and knowhow, and that PES are optimally positioned to meet the evolving needs of jobseekers and employers.

The pages that follow will tell you more about what PES and our Network have put in place this past year to respond to the changing labour market needs and to prepare for what lies ahead of us.

In the upcoming year, I look forward to continuing working closely together with all of you in our shared pursuit of facilitating meaningful employment and contributing to the well-being of individuals and societies across Europe and the globe.

**Caroline Mancel**

*Chair of the European Network of Public Employment*

*Deputy Director General for Actiris, the Public Employment Service for the Brussels-Capital-Region, Belgium.*

# 1. Introduction

## 1.1. PES Network in 2023

In 2023, the Work Programme of the PES Network was implemented in a rapidly changing context. While unemployment remained close to historically low levels throughout most of 2023 (6% in the EU27 in September 2023)<sup>1</sup>, labour and skills shortages grew across many sectors, and SMEs most notably struggle to find workers with the right skills. In the wake of inflation and anticipated recession in many European countries<sup>2</sup>, PES' expectations for short-term developments in employment and unemployment levels (as measured by the European Labour Market Barometer) have fallen consistently during 2023<sup>3</sup>.

The PES Network remained active in this context. Delivering a full programme of Mutual Learning activities (presented in Section 2), the Network also embarked in this pivotal year to revise the Network's Benchlearning methodology in the tran-

sition to the 4<sup>th</sup> cycle of assessment visits (presented in Section 3).

From a governance perspective, two Board meetings were held in 2023 in Stockholm (Sweden) on 8-9 June 2023 and in Gran Canaria (Spain) on 14-15 December 2023. Furthermore, two AFEPAs meetings were held in March and October 2023, and the Network's Chair participated in two EMCO reviews. The PES Network saw the appointment of a new Chair as of 1 July 2023, Caroline Mancel (Deputy Director General of the Belgian PES Actiris)<sup>4</sup> and a new Vice-Chair starting from 1 January 2024, Inga Balnanosienė (Head of the Lithuanian PES). Together, they will guide the PES Network's work and outcomes, as PES continue to face challenging times in 2024. Caroline Mancel and Inga Balnanosienė replace Johannes Kopf (Member of the Board of Directors, Austrian PES, AMS) as former Chair and Spiros Protopsaltis (Governor & Chair of the Board of Greek PES DYPA) as former First Vice-Chair.

Since 2014, the European Network of Public Employment Services (PES Network) works to enhance the co-operation between the PES. Its members are the Public Employment Services of all 27 EU Member States as well as Norway, Iceland and Liechtenstein and the European Commission.

The Network is governed by a Board where each country and the Commission are represented. The Board meets twice a year to conduct strategic discussions and take decisions on the activities of the Network. It also works in close co-operation with the Employment Committee (EMCO). Advisors for European PES affairs (AFEPAs) appointed in all participating PES are supporting and preparing the Board in the decision-making process.

A Secretariat, provided by and based within the European Commission, assists the Board. In co-operation with the Chair and Vice-Chairs, it prepares the Board meetings and supports the implementation of the Annual Work Programme.

1 [Statistics | Eurostat \(europa.eu\)](#)

2 GDP growth in EU27 in 2023 Q2 was 0.0%, the Autumn Forecast now projects GDP growth in 2023 at 0.6% in both the EU and the euro area, 0.2 percentage points below the Commission's summer forecast. [Autumn 2023 Economic Forecast \(europa.eu\)](#)

3 [European Labour Market Barometer - IAB - Institut für Arbeitsmarkt- und Berufsforschung](#) A monthly indicator reflects the expected short-term development of unemployment and employment in the European labour market.

4 'Leading the way for the PES Network' ([Podcast](#) with the new Chair of the European PES Network)

## 1.2. Snapshot of the 2023 Work Programme implementation

As presented in Annex 1, the 2023 Work Programme was articulated through four main themes:

- **Structural and labour market challenges:** adjusting strategies to deal with rapidly changing labour markets, including labour shortages and the green transition.
- **PES service delivery:** contributing to the European Year of Skills and encouraging continuous improvement and modernisation of PES' service delivery, one of the core tasks of the PES Network.
- **PES performance management:** enhancing capacity building as well as digitalisation (including harnessing the potential of AI and data).

- **PES governance and ecosystem:** deepening understanding of key trends in PES, enhancing the outreach of the Network and co-operation with partners.

This Work Programme was delivered through a combination of Benchlearning, Mutual Learning, and communication activities.

In the area of Mutual Learning, 16 mutual learning events were carried out. Finally, communications activities generated a series of products supporting the visibility of the PES Network, including 4<sup>5</sup> newsletters, 6<sup>6</sup> podcasts, and the development of a social media strategy, to be launched in 2024.

Benchlearning activities focused on carrying out six Thematic Learning Dialogues (bringing together 85 PES participants) and updating the Benchlearning methodology. One Benchlearning site visit was carried out in 2023 (Italy) and the 4th cycle will commence in January 2024.

Figure 1 PES Network activities in 2023



<sup>5</sup> Newsletters were published in February 2023, April 2023, July 2023 and December 2023

<sup>6</sup> Podcasts focused on upskilling and reskilling (January 2023), PES response to the Ukraine situation (February 2023), staff management (April 2023), Benchlearning (April 2023), mission and ambition with Caroline Mancel (October 2023) and the European Year of Skills (December 2023).

## 2. Addressing the complex challenges faced by PES

Throughout 2023, European PES worked jointly to support the labour market integration of persons displaced from Ukraine while continuing to search for solutions to persisting issues, such as skills and labour shortages, the need to upskill jobseekers in the context of green and digital transitions. The Network has also advanced PES' efforts to make their services further digitalised and personalised, more flexible, partnership-based.

The remainder of this section summarises the work and experiences of the PES Network for each of the four strands of the 2023 Work Programme.

### 2.1. PES responses to structural and labour market challenges

Throughout 2023, PES have continued to adjust strategies to deal with rapidly changing labour markets. While unemployment remained close to historically low levels, PES' expectations for short-term developments in employment and unemployment levels have fallen consistently. By October 2023, the European Labour Market Barometer had gone down for the sixth time in a row, confirming worsening prospects over the course of 2023<sup>7</sup>.

Figure 2 October 2023 European Labour Market Barometer outlook<sup>8</sup>

#### EUROPEAN LABOUR MARKET BAROMETER UNTIL OCTOBER 2023

Point values on a scale from 90 (very bad outlook) to 110 (very good outlook); 100=neutral



Source: October 2023 European Labour Market Barometer outlook

<sup>7</sup> [European Labour Market Barometer - IAB - Institut für Arbeitsmarkt- und Berufsforschung](#) - The European Labour Market Barometer by the PES Network remains the leading indicator of labour market health and trends, based on a survey of local or regional employment agencies in 17 participating PES.

<sup>8</sup> [Time Series European Labour Market Barometer 2018 until October 2023, European Labour Market Barometer - IAB - Institut für Arbeitsmarkt- und Berufsforschung](#)

### Employment of displaced Ukrainians is up, as the formal guidelines for PES emerge

In 2023, the overall number of displaced people from Ukraine in employment has kept increasing, though the number of displaced persons registered<sup>9</sup> at PES remained stable, with about 320 000 persons registered. This is reflecting increased transitions into employment and indicates a success of PES accompanying these transitions. While

persons from Ukraine registered with PES tend to be younger and have higher levels of education, matching their qualifications with specific sectoral demands remain difficult. Several PES are pushing for greater integration, for instance launching or extending measures on better job orientation, childcare, job trialling opportunities to minimise overqualification.

#### Common guidelines for PES

A marked development was the adoption by the PES Board of seven 'Key considerations', outlining lessons and PES strategies for the successful integration of displaced people from Ukraine and refugees<sup>10</sup>.

- Enhanced guidance: Providing accessible, up-to-date information for refugees and displaced people on how to enter the labour market
- Facilitating digital job matching: Facilitating online vacancy, CV portals and job matching directly between employers, refugees and displaced people
- Tailored language training: Tailoring language training to personal situations, skills and qualifications to increase job opportunities
- Recognising skills and qualifications: Improving the process for assessing, recognising and validating qualifications and skills to secure work opportunities corresponding to qualifications and experiences
- Sustainable inclusion: Balancing short and long-term perspectives of fast entry into the labour market and creating a more sustainable integration process to ensure skills are used efficiently
- Systematic collaboration: Brokering collaboration and information sharing as well as systematic involvement between authorities and civil society, closing service gaps to make it easier for refugees and displaced people to integrate into work and society
- Working directly with employers: Close collaboration between PES and employers is crucial to the successful integration of refugees into the labour market

#### Related Network activities

- The Network monitored the labour market situation of displaced Ukrainians through a regular survey and report<sup>11</sup>.
- A Working Group (led by Norway) focused on how to improve support to displaced Ukrainians and developed 'Key Considerations', outlining recommendations, practical guidance and examples of inspiring practices (adopted by the Board).
- A [Podcast](#) was published on 'PES Network responses to Ukraine – a story of European solidarity'

<sup>9</sup> [Support to persons displaced from Ukraine: survey shows that Public Employment Services are extending their support - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

<sup>10</sup> [PES Network adopts 7 recommendations to guide employment services assisting refugees and persons displaced from Ukraine - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

<sup>11</sup> [Support to persons displaced from Ukraine: survey shows that Public Employment Services are extending their support - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

### 'Future proofing' Active Labour Market Policies

Active Labour Market Policies are one of the key tools PES have at their disposal to support their customers. While much focus has been given in recent years to COVID-19 recovery measures, PES are faced again with the need to reflect on their strategies.

A PES Network review of trends since 2015 shows that ALMPs have become richer and more comprehensive over the years. Key changes include more integrated services (covering aspects such as mentoring, coaching, counselling and follow-up for the most disadvantaged), as well as stronger partnerships. New approaches to lifelong learning and addressing skills shortages have also emerged, with more effective linking of training measures to labour market needs.

Moving on from the previous years' focus on COVID-19 recovery, recent interventions shifted to addressing the needs of economically 'inactive' people (especially young people) and supporting workers at risk of losing their jobs. This shows how PES have responded to the new dynamic labour market conditions in a post-COVID-19 context. Yet, the green and digital transitions will demand even more creative and dedicated efforts. Going forward, PES should reinforce activities to respond to demographic change (e.g. better targeting older workers, migrants and women in particular) and serve disadvantaged groups, strengthening partnerships to close skills gaps and overcome skills shortages (including via cooperation with employers), and reflect on the potential future role of job retention schemes.

#### Related Network activities

- The study on '[New forms of active labour market policy programmes](#)' reviewed recent developments in the design and implementation of ALMPs and their use by Public Employment Services since 2015<sup>12</sup>.

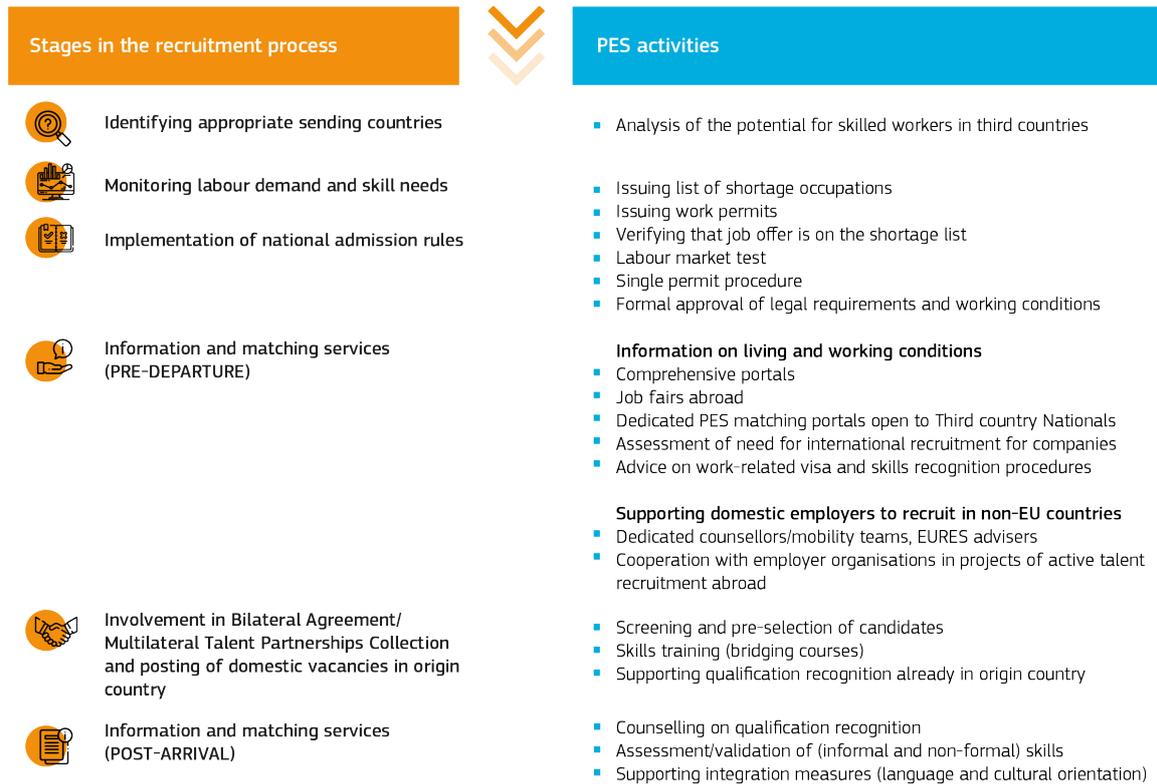
<sup>12</sup> [How can labour market interventions help people into work? - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

### Skilled labour migration: a new role for PES?

Some PES are increasingly taking a role in attracting and recruiting skilled talent from third countries. While their involvement has been mainly centred on administrative tasks in the past (e.g. administering labour market tests, evaluating and

issuing work permits), more pressing labour shortages as well as new national and EU initiatives (such as the Talent Pool and Talent Partnerships) have provided an impetus for them to take on more proactive roles.

Figure 3 Examples of activities in some PES on recruitment from third countries



Source: PES survey in preparation of the PES Mutual Learning Seminar on 'Attracting skilled talent from third countries: The role of Public Employment Services' (2023)

Most PES already have a deep knowledge and up-to-date information on changes in the labour market, making them key players in the identification of labour shortages. Certain PES have also developed well-established cooperation with stakeholders, and some have significant experience operating targeted placement projects with third countries in strategic sectors. Nonetheless,

experiences still vary considerably across European PES: their role is shaped by national labour migration strategies, as well as by their own institutional set-up and capacities. Besides, the mandate of PES in active talent recruitment remains limited in most countries, and the role of the PES in recruiting skilled talent has been questioned in discussions.

### Related Network activities

- The PES Network was among the first stakeholders consulted in Spring 2023 in the context of the development of the Talent Pool.
- A Seminar 'Recruitment skills and talents from Third Countries; the role of Public Employment Services' took place in November, prepared via a dedicated survey. A thematic paper will be published early 2024.
- The topic of recruiting and integrating skilled talent from third countries was explored at the Annual Stakeholder conference.<sup>13</sup>

*Leading the taxonomy working group has helped the Swedish PES develop their own work on this particular topic and the Working Group's teamwork has moved internal projects forward in the PES as well. This level of collaboration and knowledge sharing has made the PES's progress and work more visible internally.*

*In addition, the PES participation in activities has led to valuable networking, trust-building among peers, and at times, led to discussions for bilateral project partnerships in different areas.*

*Source: short impact survey 2023, Swedish PES*

### Preparing PES to support greening labour markets

The greening of labour markets across Europe is expected to impact on the volume of job-to-job transitions and on skills requirements. PES are among key actors to mitigate negative labour market effects, smoothing the transition towards a greener economy and helping companies to access a pool of skilled workers.

An increasing number of PES have now included the green transition in their strategies and develop specific measures. Close to half the PES have adopted internal sustainability strategies that cover various aspects,<sup>14</sup> such as improving building efficiency, reducing waste, and promoting sustainable mobility. Skills is the most pressing area for PES in the process of adapting to the green transition, with three-quarters of them providing

training opportunities to up- and re-skill workers. Most PES also cooperate with employers to adapt to the green transition, by identifying skills needs for green jobs, supporting steps in industrial restructuring, and implementing employment subsidies for green jobs set in law.

Managing the green transition is regarded by many PES to be more complex than previous economic restructuring processes: this requires the elaboration of clear criteria and definitions of green jobs. Several PES have conducted or commissioned studies or are partnering in research activities on the taxonomy of green jobs, green companies and sectors and related skills. To help them advance in their activities, continued efforts are needed within the PES Network to further elaborate common definitions of green sectors, companies, jobs/activities and skills.

*For the Spanish PES, mutual learning activities have increased the PES' awareness of attracting talented people from third countries. In addition, the PES took away lessons the standardisation of a model for the identification and exchange of best practices within the National Employment System, through the new network of public centres for guidance, entrepreneurship, support and innovation for employment (COE).*

*Source: short impact survey 2023, Spanish PES*

<sup>13</sup> [PES Network Skills Conference Highlights Urgency for Collaborative Action to Bridge Skills Gap - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

<sup>14</sup> *Source: PES Capacity Report 2023*

### Related Network activities

- PES' role in supporting the greening of labour markets was the focus of a Thematic Review Workshop (hosted by Germany) in February, followed by a [Thematic Paper](#)<sup>15</sup>.
- The Working Group on Labour Market Taxonomy (led by Sweden) adopted Key Considerations on Green Concepts in Labour Market Taxonomy and launched a survey to map PES approaches to defining green jobs and skills across EU labour markets. Work will be pursued in 2024.

## 2.2. Improving service delivery while supporting those most in need

A key focus in 2023 was to encourage continuous modernisation of PES' service delivery, whilst ensuring that vulnerable groups are not left behind.

Bridging the skills gap, tackling shortages

PES have an important role to ensure that job-seekers have appropriate skills and that labour market gaps are addressed. But matching peo-

ple's aspirations and skillsets with existing employment opportunities remains a challenge. In 2023, many PES took action to address structural and short-term shortages, including filling vacancies and encouraging applications in key shortage sectors (especially those affected by green and digital transitions). Across the EU, innovative PES approaches have emerged to deal with challenges ranging from limited attractiveness of specific sectors to a lack of (digital) skills amongst job seeking clients.

### Mapping PES' approaches to measuring labour shortages

In 2023, the PES Network has started exploring the potential of a common approach to measuring labour shortages shared in the Network. Work will continue in 2024.

A survey was launched to map current approaches. It shows that PES play multiple roles when it comes to measuring labour shortages (data collection, elaboration and analysis, communication, stakeholder engagement, decisions on lists of shortage occupations). Most define occupations in the list according to a standard occupation classifications (e.g., mainly ISCO and ESCO). Many compute ratios between job vacancies and job seekers.

Skills assessments remain central to addressing the skills gap: innovative approaches to recognise and validate skills will be essential to fully harness the 'untapped potential' of the European workforce. In 2023, new forms of skills validation have focused attentions and PES have taken new steps in this field, shifting from occupation-based approaches towards skills-based approaches in their profiling and matching activities. There is also increasing recognition of the need for more comprehensive multi-level skills assessments, combining self-assessment, interviews, professional testing, and practical assignments.

PES have capitalised on EU initiatives and funding programmes on skills, showcasing good practices in developing green and digital skills, matching

jobseekers' competences with employers' needs and bridging the skills gap in Europe with support from EU funds. This was further emphasised in the Annual 2023 Stakeholder conference<sup>16</sup> on 'Empowering the Workforce, Bridging the Skills Gap', which highlighted collaborative action and innovative approaches to tackle the skills challenges faced in the EU labour market (with more still needed).

Overall, the European Year of Skills 2023 has provided an impetus for PES to reflect on their evolving role. In this context, the PES Network called for closer links between the education and employment sectors, and for stepping up skills intelligence to ensure a better response to labour market needs.

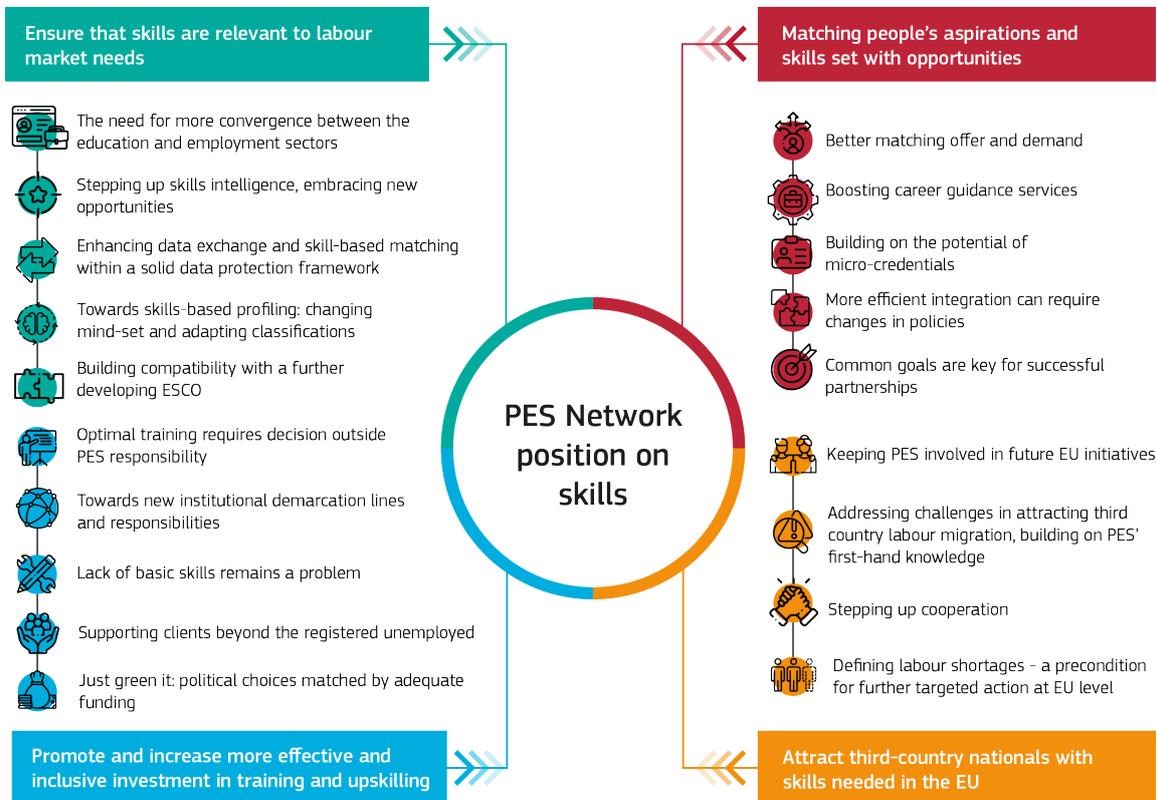
<sup>15</sup> <https://ec.europa.eu/social/BlobServlet?docId=26998&langId=en>

<sup>16</sup> [PES Network Skills Conference Highlights Urgency for Collaborative Action to Bridge Skills Gap - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)



Source: Graphic recording by SCRIBING.IT - M.Lobiatti & G.Peddes

Figure 4 PES Network Opinion paper on skills: key messages



Source: PES Network Opinion paper on skills: key messages

### Related Network Activities

- A Seminar<sup>17</sup> held in February and [thematic paper](#) reviewed the use of new forms of training and skills validation (including via micro-credentials) across PES services.
- The European Year of Skills was the main focus of the PES Network annual conference in April ([synthesis paper](#)).
- The Network contributed to the European Year of Skills through an [Opinion Paper](#)<sup>18</sup> adopted by the Board in June.
- [Three videos](#) were published on PES approaches<sup>19</sup> to develop green and digital skills, match jobseekers' competences with employers' needs.
- The Network mapped PES approaches to measuring labour shortages and started exploring a potential common approach.
- A [Podcast](#) was published with the Latvian PES on 'Why skills are the new gold'

### Inclusive access to PES and digital tools

The COVID-19 pandemic accelerated the transition towards digital online working and services. This has brought to light groups of PES clients who either lack basic digital skills or lack the resources to access digital devices and/or broadband internet. These jobseekers are at significant risk of being left behind, making it imperative for PES to make digital services more accessible and improve the digital skills of vulnerable customers.

Ensuring that no jobseeker is left behind in the move towards digital-first approaches is a growing concern for PES. Understanding the needs and abilities of each individual and tailoring PES approaches is key. Digital outreach activities can play a role in motivating individuals, but they can also be used to promote and engage those who are already somewhat digitally active (e.g. via social media). PES also play an important role in delivering basic digital skills training, either by delivering the training or by providing voucher schemes. By participating in such training, vulnerable jobseekers (including Young People Not in Education,

Employment or Training – NEETs – and the Long Term Unemployed) can develop the digital skills required by many employers and they can have the skills required to access digital self-services in the future. Finally, complementary services including (digital) post placement support have emerged as important services in some PES.

Earlier in 2023, PES explored customer-centred services to better meet the needs of their customers, with human-centred design as the starting point for some PES when designing new systems. Emerging practices by PES show early success in this area, notably where PES innovate in the delivery of on-stop shops in partnership with other public service providers, in enhancing customer outreach, in giving greater customer choice in selecting activation programmes, or in improving the use of data and technology. What is clear is that PES are responding with increasingly diverse portfolio of services they are expected to deliver to different target groups, in a context where technology is also transforming service delivery.

17 [PES Network Seminar on New forms of skills assessments and validation - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

18 <https://ec.europa.eu/social/BlobServlet?docId=27000&langId=en>

19 [Bridging the green and digital skills gap in Europe: new PES Network videos - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

### Related Network Activities

- A Thematic Review Workshop was conducted in November 2023 (hosted in Croatia) in relation to PES digital tools for the successful integration of vulnerable groups, with a focus on NEETs and long-term unemployed.
- ALMPs and reaching out to disadvantaged groups was the subject of a Webinar in April 2023<sup>20</sup>.
- A [Toolkit](#) was released in August 2023, providing a practical guide for PES considering and/or designing customer-centred approaches in the delivery of their services in the digital age<sup>21</sup>.

### Collaboration on green transitions and the Youth Guarantee

Most PES (19) cooperate with employers to adapt to the green transition, by identifying skills needs for green jobs, managing industrial restructuring, and implementing employment subsidies for green jobs. On PES Governance in the context of the Youth Guarantee, PES have made progress in supporting the reinforced YG, with more PES taking responsibility for the different phases of YG

delivery. It shows that more PES offer support services in the preparatory phase, such as career guidance, counselling, and short-term training. It also shows that 71% of PES provide post-placement support services, demonstrating their commitment to youth employment. Moreover, 64% or 18 PES have set specific targets in 2023 to measure the impact of YG schemes, using monitoring and evaluation mechanisms.<sup>22</sup>

### Stepping up support to young NEETs

A survey was carried out over the summer to analyse the administrative capacity of PES in implementing the Youth Guarantee scheme and its evolution, contributing to the Employment Committee's monitoring of the Youth Guarantee<sup>23</sup>. The survey has shown that, compared to 2021:

- There has been notable progress in the implementation of the YG, including increased PES responsibility and delivery of phases of YG offer;
- Most PES either fully manage or collaborate with partners in managing the reinforced YG, with an increase in PES taking responsibility;
- PES are actively involved in all YG phases, often collaborating with partners for target group identification and outreach;
- A larger number of PES provide support services during the preparatory phase and post-placement services;
- Numerous initiatives were introduced

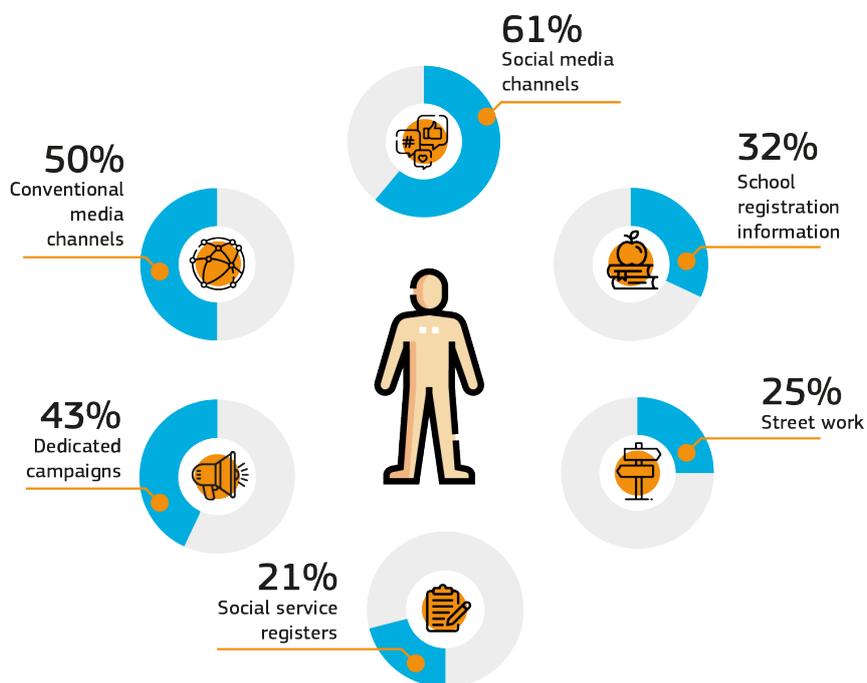
<sup>20</sup> [How are Public Employment Services reaching people farther from the labour market? - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

<sup>21</sup> <https://ec.europa.eu/social/BlobServlet?docId=27079&langId=en>

<sup>22</sup> Source: PES Capacity Report 2023

<sup>23</sup> <https://ec.europa.eu/social/BlobServlet?docId=24936&langId=en>

Figure 5 Outreach to get in contact with unregistered NEETs



Source: 2023 PES Capacity Questionnaire Part II

### Related Network Activities

- As part of the PES Capacity Questionnaire 2023, a survey was launched on the administrative capacity of PES in implementing the Youth Guarantee.

### Developing more evidence-based PES services

Evidence-based service design refers to an approach where data and outcomes are used to improve the PES operations and inform which services (and modes of delivery) will lead to best possible effects, taking into account contextual information and PES customers.

An evidence-based approach has been implemented in European PES for many years<sup>24</sup>. Recent developments include Randomised Controlled Trials (RCT) methodology and econometric analysis, pilot projects and the analysis of labour mismatches. Across the PES Network, some practices have transferred from one PES to another, such as work profiling tools, showing the value of PES exchanges and experiences over the years. In 2023, renewed focus on evidence is seen in PES, some setting up specialised units or departments dealing with data analysis, also in cooperation with private or public (academia) sectors. And while

some PES focus on their data infrastructure for better analysis, new data-warehouses and the use of data science agreements are emerging.

Nonetheless, further evidence is needed to fully understand the effectiveness of measures and their causal relationships for different target group, should PES want to focus on the customer when designing service delivery. While some PES collect feedback through large qualitative and quantitative surveys, many stress that analysis and communication of results to decision-makers and frontline staff is key. Looking ahead, new trends in data analysis and behavioural science are worth exploring through the PES Network, and these topics will be discussed in future activities. Evidence-based service design is key from a PES Network perspective within the context of PES Benchmarking, where it will play a key role in the 4th cycle of PES assessments (Section E - Benchmarking Manual).

<sup>24</sup> European Commission (2019) *How Public Employment Services could create and use evidence about their services for organisational improvement* and European Commission and (2020) *Practitioner toolkit on evidence-based services*

**Related Network Activities**

- A new Working Group on Evidence-Based Service Design (led by Denmark) started work in October.

**2.3. Improving performance, driving quality**

The COVID-19 pandemic accelerated the use of digital approaches, including digital-first services. With developments in Artificial Intelligence (AI), the PES Network looked at how and why it could be used, establishing the business case for its use and how PES already use AI in their business processes.

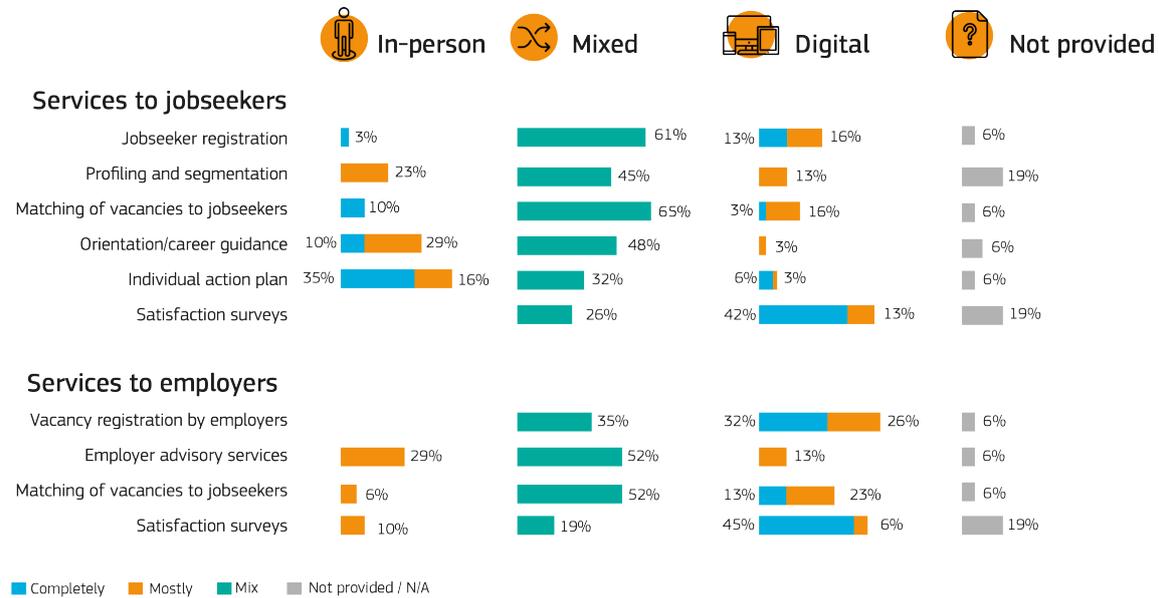
**Machines delivering the PES services? Digitalisation and exploring the power of AI**

Digitalisation developments for PES remain important. Most PES are working on designing and implementing (or revising) a sound digital transformation strategy, accompanied by inclusive

governance models, reviews and optimisation of PES operations. A sound hybrid digital-first strategy was advocated by the Working Group on Digitalisation. The aim is to ensure that no customer group is at a disadvantage, and where digital skills are not sufficient, alternative support channels are offered.

For several years now, a significant number of PES have updated their channel management strategy, due to PES managing more customer data and increasing the digitalisation of services. Multichannel approaches to contacting PES evolved into more sophisticated systems well into 2023, integrating separate contact channels like phone, email and face-to-face into a more holistic service offer. In 2023, more than two thirds of PES reported offering digital services to job-seeking customers.

**Figure 6 Status of digitalisation of PES services to jobseekers and employers**



Source: PES Capacity Questionnaire 2023

PES have been moving towards user interface and user experience design for their services for several years now, 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.

In the wake of AI, PES are now exploring the busi-

ness case for AI, how they are currently using AI, and ethical considerations associated with AI (including privacy, data security and how data could and should be used). As the PES Network remains attuned to the latest challenges in its digital eco-system, results from recent and future PES activities on AI will help to develop intelligence to develop appropriate responses.

*The Latvian PES has found it particularly useful to participate in the Thematic Learning Dialogue on Key Performance Indicators organised by the Netherlands – as Latvia was in the process of reviewing the KPIs of their own institution. The PES has found it helpful to hear from others about the type and number of KPIs which are in use in their PES, gathering experiences of how PES bring KPIs to life. The Latvian PES is keen to ensure that their KPIs reflect the PES' actions and the results which help clients in their job search. The PES states that "in the process of developing our institution's strategy for the next period, we will take these examples of good practice into account".*

*Source: short impact survey 2023, Latvian PES*

### Related Network activities

PES discussed digitalisation and the digital transformation of their organisations, associated best practices, challenges and success factors in numerous forums across year.

- A study exploring the implications of Artificial Intelligence for the PES was launched to be published in 2024.
- A Mutual Assistance project was launched to support Luxembourg in the design of its new digitalisation matching tool, with support from PES from Sweden and Belgium-VDAB.
- Two meetings of the PES digitalisation working group (led by the Netherlands) took place.
- An internal 'Jour Fixe' meeting was organised by Austria in November on the use of ChatGPT and other AI solutions by PES.

### Thematic learning dialogues and mutual assistance

Optimising PES performance continues to be a core pillar of the PES Network's mandate. Building on the challenges identified and the recommendations formulated during the 3rd cycle of external assessments (2020-2022) of Benchlearning (see section 3), six Thematic Learning Dialogues (TLDs) were held between PES in 2023. TLDs in 2023 focused on a wide range of PES challenges, such as: employers' strategy; Key Performance Indicators

focused on outcomes; operating in a decentralised model; digital change strategy; and change management strategy.

TLDs, like the three Mutual Assistance Projects carried out in 2023 (MAPs, below), offer a concerted and bespoke model of immediate PES to PES support across the Network, directly linking the learning to the PES performance and direct improvements as measured through the Benchlearning (BL) methodology. (see Annex for more detail).

**Mutual Assistance Projects** (MAPs) continued to offer highly bespoke expert support to the individual PES in concrete improvements of their services or activities.

With a third closing meeting, the Latvian PES received targeted support in the implementation development of an integrated quality management system, building directly on the experiences of the systems and processes which have worked well for the Austrian, Estonian, and Belgian-VDAB PES.

In much the same way, a new MAP started in 2023 to benefit the Luxembourg PES in the design of its digital matching tool, applying directly the lessons learnt from the Belgian-VDAB and the Swedish PES.

## 2.4. PES governance and its ecosystem

The PES Network continues to focus on developing partnerships across the PES ecosystem, moving away from bilateral partnerships to working collaboratively with other actors in the labour market.

### Reforms

PES have been concerned with further increasing their efficiency and performance in recent years, well into 2023. Since May 2022, several PES introduced reforms to their institutions and service delivery models and tools, with 12 PES (39%) having implemented reforms in 2023. Reforms that have been introduced concern the service model of PES in two PES, with one PES adopting a new multi-annual strategy and defining associated Key Performance Indicators (KPI). In most cases, reforms have centered on a specific capacity area or on the organisational structure of the PES.

### Working across the PES ecosystem: employers, stakeholders and Private Employment Services

PES continue to play a critical role in connecting employers with qualified workers, especially in times of labour and skills shortages. Methods that have been newly introduced or more extensively used by PES to reach out to employers include the use of new digital tools which have increased use of services by employers, direct outreach to more employers, mobile teams, group activities with employers, organisation of direct meetings with employers and jobseekers, and increased organisation of career days. Some PES have also established implementation plans to contact employers and several PES intensified their consultations with employers' and workers' organisations, and with broader groups of stakeholders such as chambers and sectoral associations. Intensified cooperation relate mostly to skills needs for PES. More specifically, cooperation has been intensified around specific skills areas, such as digital skills, IT skills, engineering competencies or specific finance-based knowledge.

Finally, PES have also reinforced cooperation with other agencies to implement ALMPs and services, with some signing cooperation agreements with public agencies around innovation and entrepreneurship (for example). As a general trend, cooperation between public and private employment services has been evolving over the past years, with several PES having broadened and reinforced recently their cooperations with private job portals and private employment agencies, or planning to do so.

### PES Governance on green transitions

On the subject of PES Governance in the context of green transitions, 48% of PES have adopted internal sustainability strategies that cover various aspects, such as improving building efficiency, reducing waste, and promoting sustainable mobility. Furthermore, 34% of PES have set specific objectives or key performance indicators to monitor and reduce environmental impacts, while 41% report that their sustainability plans have influenced their digitalisation processes.

### Financing and Human Resources

Finally, changing unemployment rates, the ending of some EU funds programming cycle 2014-2020, and the internal reorganisation have had some effects on PES staff deployments. While PES staff numbers did not change significantly last year, the turnover rate increased to 9% across PES. The share of front-line staff also remained stable, and hybrid and remote work arrangements are becoming more prominent.

The main spending areas for PES remain Active Labour Market Policies (ALMPs) and staff costs, which indicate a continued priority on delivering quality services and assisting jobseekers in their search, training and transition between jobs. The ESF/ESF+ is one of the EU funding used more widely by PES (25 PES). In 2022, ESF/ESF+ spending totalled EUR 546 million across the 12 PES providing data on ESF/ESF+ budget spending for that year.

TLDs have proven to be particularly important in terms of designing and organising process changes, and in gaining inspiration from good practices from the Estonian and French peer PES. As a follow-up activity of the TLD on Systematic Quality Management, the Greek PES trained a number of its staff members in the use and importance of the Common Assessment Framework, which the PES will implement as a Total Quality Management tool. The Greek PES is also developing new customer-satisfaction surveys to enrich and strengthen various dimensions of its quality management system.

From the TLD on Change Management, the Greek PES focused on establishing a systematic approach to identifying, prioritising and implementing new innovation ideas collected from staff at all organisational levels. This further and consciously promotes a bottom-up approach to service design and delivery.

Source: short impact survey 2023, Greek PES

### Related Network activities

- The PES Network Stakeholder Conference ‘Empowering the Workforce, Bridging the Skills Gap’ held on 30 March 2023 brought together a wide range of stakeholders who PES engage with on the subject of skills. Collaboration has been synthesized into a [paper](#) published on the PES Knowledge Centre<sup>25</sup>.
- The forthcoming annual **PES capacity report** 2023 sheds good light on trends in PES governance and the PES ecosystem. It examines how PES respond to labour market changes, organisational challenges, and policy priorities, such as the reinforced Youth Guarantee, the green transition, digitalisation, and skills development<sup>26</sup>.

<sup>25</sup> [PES Network Skills Conference Highlights Urgency for Collaborative Action to Bridge Skills Gap - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

<sup>26</sup> To be published in 2024.

## 3. Benchmarking to support PES modernisation

Benchlearning is central to the PES Network's activities: it is the process of creating a systematic link between benchmarking (both quantitative and qualitative) and mutual learning activities such as those described above. The ultimate aim is to support each PES in improving performance through comparisons and learning from peers. In order to achieve this, a structured analysis of PES performance and its drivers is conducted through the analysis of performance data (quantitative bench-

marking) and an on-going process of PES self-review, peer review and expert review (qualitative benchmarking)<sup>27</sup>.

2023 marked a pivotal year for the Network. Following the closure of the 3<sup>rd</sup> cycle of qualitative assessments in February, a new methodology was developed throughout the year, paving the way for the launch of the 4<sup>th</sup> cycle of Benchlearning in January 2024.

### Closing the third cycle of Benchlearning

The 3<sup>rd</sup> Benchlearning (BL) cycle came to an end in early 2023, with the last assessment taking place in Italy. Initiated in 2020, it faced a temporary pause due to the outbreak of the COVID-19 pandemic. It was then adapted to an online format. The engagement and willingness of PES to participate in these online 'visits' were commendable, with approximately 70 assessors from 27 PES involved in 31 PES assessments.

### 3.1. Lessons from the third cycle of Benchlearning<sup>28</sup>

Results from the 3<sup>rd</sup> BL cycle have shown significant progress across the eight categories of performance enablers that constitute the 'Excellence model', although to a varying extent across different sections.

Overall, the PES made significant progress in areas such as increasingly aligning KPIs with strategic

objectives, enhancing communication and interaction channels with clients, and intensified relations with employers and stakeholders. However, results suggest that there is potential for improvement in tailoring services to vulnerable groups and establishing effective and comprehensive partnership strategies. Additionally, continued efforts in staff empowerment and resource allocation appear vital for the overall effectiveness of PES.

More specifically, the following main findings can be highlighted in each section of the excellence model:

<sup>27</sup> Each year PES are asked to provide data on twenty indicators (identified in the Decision establishing the PES Network) that are

<sup>28</sup> A synthesis was published on the [main outcomes of the third cycle of PES Benchlearning](#)

**Section A - Strategic Performance Management:** Progress has been observed in this section as more PES agencies align their KPIs with their strategic objectives. The reduction in the number of KPIs and a shift towards focusing on outcomes rather than outputs are noteworthy developments. Furthermore, regional and local offices are playing a more active role in the strategic alignment process. 10 out of 31 PES are assessed as well-developed or better in this section, indicating significant progress.

**Section B - Design of Operational Processes:** Notable progress has been achieved in Section B, particularly in the area of providing customers with different and flexible ways to interact with PES, known as channel management. 8 out of 31 PES have been assessed as well-developed in this section, highlighting the strides made in enhancing customer interaction methods.

**Section C - Sustainable Activation and Management of Transitions:** In Section C, a trend has emerged towards providing services that are more tailored to the specific needs of vulnerable groups. PES are diversifying and customizing their services to address the requirements of customers who face challenges in finding employment. However, there is room for improvement, as only 6 out of 31 PES are considered well-developed, with none assessed as mature in this area.

**Section D - Relations with Employers:** Section D has seen increased efforts by PES to respond effectively to the challenge of connecting the growing demand for skilled labour with jobseekers who have significant distance from the labour market. As a result, many PES have revised and improved their matching systems, leading to better matching quality. 10 out of 31 PES are considered well-developed or mature in this section.

**Section E - Evidence-based Design and Implementation of PES Services:** A significant observation in Section E is the extensive use of pilot projects by nearly all PES in the network to test new services and ALMPs before their broader implementation. This approach reflects a commitment to evidence-based decision-making. 9 PES are considered at least well-developed in Section E.

**Section F - Management of Partnerships and Stakeholders:** In Section F, all PES have established functioning partnerships at various levels and with relevant stakeholders. However, a notable gap is the absence of a genuine partnership strategy, which starts with mapping potential partners based on their contributions to PES objectives. Only 7 PES are considered well-developed, with none assessed as mature in this section.

**Section G - Allocation of PES Resources:** The assessment teams gathered rich evidence of highly motivated and engaged staff in all PES agencies within Section G. Staff engagement remained high even during the challenges posed by the COVID-19 pandemic, playing a crucial role in maintaining service continuity, individualised customer support, and benefit payments. Only 9 out of 31 PES are considered at least well-developed in this section.

**Section I - Crisis Management:** Section I indicates that some PES managements have strengthened leadership and empowerment approaches during the COVID-19 pandemic. This has contributed to a trustful working atmosphere, efficient use of staff competencies, and high staff commitment. Almost half of the 31 assessed PES (14 PES) are at least well-developed in this section, making it the section with the highest overall maturity.

The 3<sup>rd</sup> cycle has also highlighted several persisting challenges. Among the most relevant is the need for improved matching of employers with a suitably skilled workforce, particularly in the context of labour shortages, highlighting the importance of a strategic and systematic approach in relations with employers (Section D).

The increased digital service delivery brought on by the COVID-19 pandemic presents the challenge of ensuring widespread organisational adoption and maintaining trust with customers and partners. This comes with a focus on providing support for jobseekers who may lack digital resources or skills, as reflected in the challenges associated with Channel Management (Section B).

Additionally, human resource management poses a considerable challenge. Many PES are grappling with an ageing workforce and the need to develop strategies for workforce replacement while preserving institutional knowledge, highlighting the significance of HR management (Section G).

These challenges underscore the importance of strategic planning, cooperation, and innovation to address evolving demands within PES. In this con-

text, it is worth noting that the gap between more developed and developable PES overall remains significant. Reducing this gap will remain high on the agenda over the next BL cycle.

**Annex 2** provides a complete overview of the organisational maturity of PES based on 3<sup>rd</sup> BL cycle assessments.

### 3.2. Preparing the 4th Benchlearning cycle: a participatory process

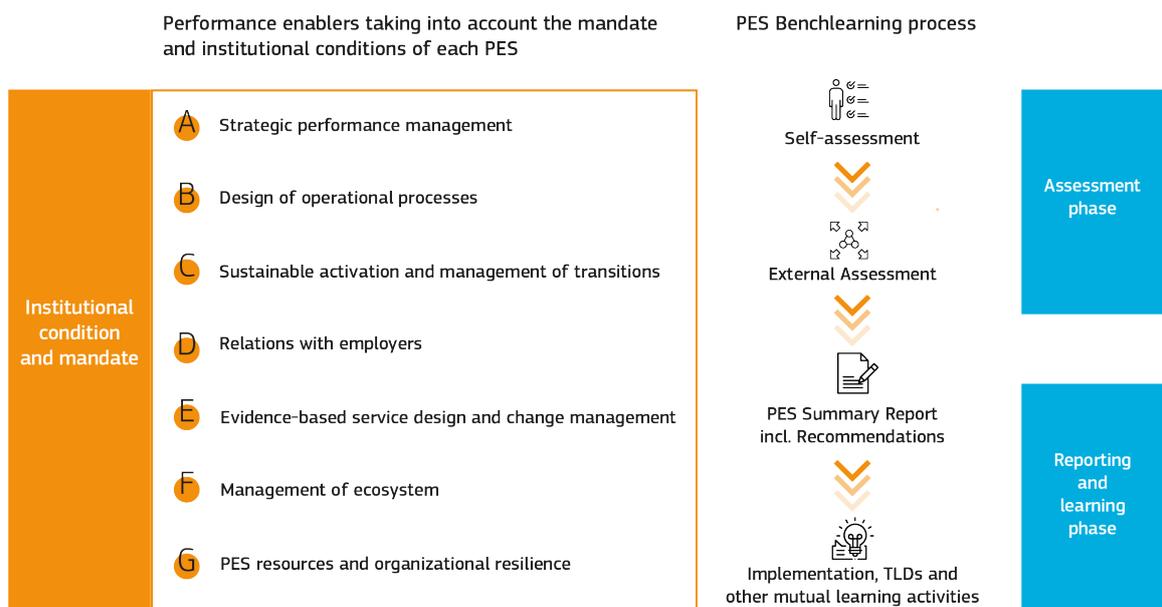
2023 marked a pivotal year for the PES Network as it undertook a major endeavour: the revision and update of the Benchlearning methodology in the transition from the 3<sup>rd</sup> to the 4<sup>th</sup> BL cycle of assessment visits.

This journey was marked by genuine collaboration across the Network. The process, which began with a Joint PES Assessors' Annual Workshop, also involved a dedicated Task Force of 10 PES (from Austria, Belgium-VDAB, Cyprus, Estonia, Germany, France, Lithuania, the Netherlands, Spain, and Sweden) and inputs from across the PES Network. The result was the adoption of a new Manual in October 2023, securing the successful launch of the 4<sup>th</sup> Benchlearning cycle in Lithuania in January 2024.

This revised methodology reflects the adaptability of the Benchlearning methodology to the changing role of PES in evolving labour market needs and environments, as well as a concrete commitment to flexibility, user-friendliness and effectiveness. The united efforts of the members of the PES Network are poised to pave the way for a promising future in bolstering the performance of PES for the benefit of customers.

77 assessors from 30 PES will take part in 4<sup>th</sup> cycle: a workshop was organised in Brussels in October to prepare them.

Figure 7 Revised BL Manual at a glance: operationalising the Excellence Model for the 4th cycle



Source: PES Network Benchlearning Manual

### 3.3. Overview of main changes from the third to the fourth Benchlearning cycle methodology

The revision aimed to maintain continuity with the 3rd cycle model, while ensuring that enabler descriptions are updated in line with emerging labour market trends and challenges faced by PES. Key changes between the 3rd and 4th cycle of the BL methodology can be summarised as follows:

- **Ensuring consistency while introducing targeted updates:** the updated methodology maintains the core methodological framework of the 3rd cycle. Several adaptations and updates were however introduced in response to evolving labour market trends and changing PES environments on digital transformation and labour and skills shortages.
- **Enhanced flexibility for PES:** to cater for the diverse institutional setups and the preferences of the host PES, the 4<sup>th</sup> BL cycle introduces more flexibility in the assessment process to customise the agenda for the external visit, on the format of the assessment and an optional visit to a specialised unit.
- **Accommodating the diversity of PES models:** building on the lessons learnt during

the 3rd cycle, recognising the diversity of PES models in terms of their governance structure and degree of (de-)centralisation, innovations have been introduced which include a “mandate disclaimer” (it ensures that, if a PES does not have the mandate to act upon elements of a particular enabler, it will not be scored, although recommendations can still be provided).

- **Stronger emphasis on assessing the PES ecosystem:** the updated Section F shifts the perspective from bilateral partnership approaches towards multi-actor partnerships. The revised approach also provides for the option to involve important partners in the assessment session for Section F.
- **Setting the stage for a new PES corporate culture:** two new enablers were introduced in Section G that cover HR strategy, management corporate culture as well as empowerment of staff.

Besides, the updated excellence model also integrates concepts of the 2020 version of the European Foundation for Quality Management (EFQM) model that are strategically relevant. The number of sections and enablers of the excellence model was reduced to improve user-friendliness for PES practitioners and assessors.

## 4. Conclusions

In 2023, the PES Network achieved several milestones. The successful conclusion of the 3rd cycle of Benchlearning highlighted the commitment to continuous improvement and excellence among the European PES. Thematic Learning Dialogues further strengthened cooperation and mutual learning within the Network. A collaborative approach to revising the Benchlearning methodology ensured that it remains a dynamic and adaptable framework.

Looking to 2024 and beyond, assisting vulnerable workers and jobseekers will remain a key challenge for the PES Network, as well as identifying, activating and supporting those 'hidden' from the labour market. By looking at these groups, the PES Network will continue to respond to the contextual pressures in the European labour markets, which intensify the challenges faced by those who are already in a vulnerable position.

In 2024, it will be important for PES to stay prepared and build resilience for ongoing and future challenges ahead. The 2024 PES Network Work Programme is therefore well-focused on ensuring good quality labour market information for better service delivery, measuring current and future labour shortages, supporting the most vulnerable groups outside and between work transitions, and carrying out streamlined Benchlearning assess-

ment visits that centre on the most impactful indicators key to improving the performance of PES. Mutual Learning activities will focus on skills (green skills and anticipating future skills needs) and supporting those furthest from the labour market, including early interventions as preventative actions. Digitalisation and PES partnerships will remain key topics as well, with the continuation of the PES Digitalisation Working Group and a survey on the role of PES partnerships with the private employment services.

The focus will now shift towards delivering the 4th cycle of assessment visits. However, 2024 also marks the Network's 10<sup>th</sup> anniversary since its launch in 2014. This will be an opportunity to take stock of the progress to date and the strategic outlook for the next 10 years for European PES. This could be especially topical since the 2024 European Parliament elections and the new European Commission will set new political priorities for the Union.

Planning the future of the Network of European PES, questions are likely to include: is it going to be business as usual for the PES? How will the use of AI or other mega trends affect the core business case for the PES? How ready are the PES for any fundamental shifts?

# Annex 1 – Work programme



## PES Network Work Programme 2023



<b>Structural and labour market changes</b>	<b>Impact of war in Ukraine</b> Improving support to persons displaced, monitoring PES support and labour market developments  Working Group	<b>Third country migration</b> PES challenges and latest EU initiatives  Seminar	<b>European Year of Skills</b> Forecasting, new ways to recruit skilled workers, tackling shortages in the green/digital transition  Annual Stakeholder conference, PES opinion paper, Video	<b>Labour Market Information</b> Anticipating short term developments  EU Labour Market Barometer	
<b>PES service delivery</b>	<b>New forms of training and skills validation (incl. microcredentials)</b> Impact on PES services and counselling  Seminar	<b>Evidence-based service design: latest trends</b> - Towards more data and experience-based models, use of behavioural science  Working Group	<b>Adapting PES (digital) tools for better inclusion</b> - Challenges and opportunities for supporting vulnerable jobseekers  Thematic Review	<b>New ALMP interventions</b> Mapping measures and their effectiveness  Format tbc (Study dissemination)	<b>Labour market taxonomy in the twin transition</b> - Exchange and recommendations (skills for green and digital jobs)  Working Group (self-driven)
<b>PES performance management</b>	<b>Thematic learning dialogues</b> Peer support in tackling key management challenges identified during benchlearning visits  Workshop Q1 and Q2 and dissemination of lessons learnt (Report)	<b>PES Benchlearning</b> Qualitative and quantitative assessments of PES performance  New Framework (Manual) Start 4th cycle visits	<b>Data-driven PES and digitalisation strategies</b> Bring together practitioners and exploring challenges  PES 4.0 Task Force (Working Group) Use of AI to support decision in the placement process (Thematic Review) Algorithm use in PES (Study)	<b>PES staff management</b> New challenges faced by PES Format tbc: Survey dissemination  Webinar or podcast	
<b>PES governance and ecosystem</b>	<b>PES of the Future</b> Anticipating and reflecting together  Jour Fixe meeting - incl. Innovation Lab elements, internal reflection paper	<b>PES capacity survey</b> Mapping trends in PES, (focus on governance and decentralisation)  Survey (new concept)	<b>Partnership for better outreach to vulnerable groups</b> Reviewing existing practices  Webinar	<b>PES Network partnerships</b> Cooperation with relevant labour market stakeholders (incl. PES from candidate countries)	
<b>Others – supporting activities</b>	<b>Mutual Assistance Projects</b> Demand-driven, Peer PES support to 2 or 3 PES	<b>PES Network Communication</b> Reviewing current strategy and collaborative tools (Working Group Q1), Annual Report, Newsletters, webpages, videos, PESpod, PES practices		<b>Research</b> Linked to/supporting the learning activities  AD hoc studies and surveys	
<b>Governance and other meetings</b>	<b>PES Board</b> 8-9 June, SE, Stockholm (in person) 14-15 December, ES (in person)	<b>AFEPAs</b> 2 meetings	<b>Benchlearning Working/Steering Group/Statisticians' meeting</b>  Online/Physical	<b>Benchlearning Assessments</b>  Online/Physical	

## Annex 2 - Distribution of organisational maturity by PES, 3rd BL cycle

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

# Annex 3 – Outputs from 2023 activities

## A1. Outputs from Mutual Learning

The PES Knowledge Centre presented the knowledge outputs of the PES Network in an easy-to-access repository. Innovative and inspiring practices from the work of PES across Europe are regularly shared through the dedicated PES Practice Database.

### Working Groups, Mutual Assistance Projects, Thematic Review Workshops, Seminars and Webinars

- Monitoring and supporting employment of displaced Ukrainians (Working Group, chaired by NO)
- Digitalisation (Working Group, chaired by NL)
- Communication (Working Group, chaired by AT, final meeting)
- Labour Market Taxonomy (Working Group, chaired by SE)
- Evidence-Based Service Design (Working Group, chaired by DK)
- Empowering the workforce, bridging the skills gap (Conference)
- New forms of skills assessments and validation (Seminar)
- Attracting skilled talent from third countries: the role of PES (Seminar)
- Greening of the Labour market (Thematic Review Workshop hosted by DE)
- PES digital tools for the successful integration of vulnerable groups (Thematic Review Workshop hosted by HR)
- PES reaching people farther from the labour market (Webinar)
- Use of ChatGPT or other AI solutions for PES customer services (Internal Webinar hosted by AT)
- Support for those furthest from the labour

market (Internal Webinar hosted by FR)

- Skilled migration from third countries (Internal Webinar hosted by DE)
- Implementation development of an integrated quality management system (Mutual Assistance to PES LV)
- Digital matching tools (Mutual Assistance to PES LU)

### Reports, Toolkits and position papers

- PES support to greening of the labour market (Thematic Paper)
- New forms of skills assessment and validation (Thematic Paper)
- Customer-centred service delivery in a digital age (Toolkit)
- New forms of active labour market policy programmes (Study)
- Use of AI in a PES context (Study to be finalised in 2024)
- Support to persons displaced from Ukraine (Survey Report)
- PES staff management in the 'new normal' post COVID-19' (Survey Report)
- Annual PES Capacity Report
- Empowering the workforce, bridging the skills gap (Conference Report)
  - PES Network Annual Report
  - Key Considerations on 'Labour market integration of displaced people and Refugees'
  - PES Opinion Paper 'A contribution to the European Year of Skills'
  - Synthesis Report on lessons learnt from the 3<sup>rd</sup> cycle of Benchlearning

### **PES Practices published in the PES Practice Repository by December 2023:**

- Cooperation with employers – a holistic approach to service delivery, Norway
- Employer ‘Growth Predictor’ IT tool, Netherlands
- Flexible job-related adult and continuous training (Job-VEU-Model), Denmark
- Slovenia’s Employer Engagement Strategy, Slovenia
- ‘CareerFlow’ and ‘Doorstart’ - avoiding job immobility by proactive work-to-work transitions, Belgium-VDAB

### **Information on the PES Network communication activities**

#### **News and Events**

The PES Network regularly publishes news items to highlight key messages from its work. At regular intervals, a summary of the latest news and events is disseminated through the PES Network newsletter, along with other updates on important labour market topics for PES EU-wide. In 2023, the Network presented:

- 21 News items
- Events pages for 16 network events
- 4 newsletters: February, April, July, December

#### **PESPod**

The PES Network continued to produce its podcast (‘PESPod’), which started in 2021. In 2023, six new PESPod episodes were produced and released on the PES Knowledge Centre:

- Why skills are the new gold (Podcast with the Latvian PES)
- Strategies in PES staff management in a ‘new normal’ of hybrid working and blended service (Podcast with an expert)
- PES Network responses to Ukraine – a story of European solidarity (Podcast with the previous Chair of the European PES Network and a Director of the Polish PES)
- PES Network Benchlearning – a brilliant endeavour (Podcast with the Croatian PES and the PES Network Secretariat)
- Caroline Mancel - Leading the way for the PES Network (Podcast with the new Chair of the European PES Network)
- PES Network Contribution to the European Year of Skills in 2023 (Podcast with the Spiros Protopsaltis First Vice Chair of the European PES Network)

#### **Videos**

Four videos were produced and released in 2023:

- PES Network Stakeholder Conference 2023 (Link here: [EC AV PORTAL \(europa.eu\)](#))
- [Green Skills Training](#) in Ireland
- The ‘[Upskill](#)’ programme in Portugal
- The ‘[Relocate](#)’ project in Sweden

## A2. Outputs from Benchlearning

### 1. Six Thematic Learning Dialogues (TLDs) in 2023

**TLD on Employers' Strategy (24–25 January 2023):** PES representatives from Croatia, Estonia, Portugal, Romania and Spain were hosted by the Lithuanian PES Užimtumo tarnyba. They were also supported by peer PES from Slovenia, the Belgian Le FOREM and VDAB, and Finland. The host PES presented the Lithuanian PES business model, the employers' strategy and its implementation, the recruitment team for high-quality positions, the expectations from employers' perspective;

**TLD on KPIs focused on outcome (15–16 February 2023):** The Dutch PES UWV hosted PES representatives from Czechia, Cyprus, Ireland, and Latvia to address how they work internally on KPIs focused on outcome. The host PES addressed UWV's own governance, strategy and implications on performance management, performance management framework and system for PES, KPIs on outcome and evidence-based services, as well as a local perspective on KPIs on outcome;

**TLD on operating in a decentralised model (21–22 February 2023):** In this TLD hosted by the Danish PES Arbejdsmarkedsstyrelsen, PES representatives from Finland, France, Italy, Poland, and Spain gathered discussed common challenges of a decentralised model for PES. The meeting included presentations on different good practices by each participant;

**TLD on Systematic Quality Management (28 February –1 March 2023):** The Austrian PES AMS hosted PES representatives from Ireland, Luxembourg, Slovakia and Slovenia. The TLD featured presentations on the Quality Management in AMS, based on the EFQM model, and on ensuring high-quality counselling through the professional development of counsellors, as demonstrated by the Estonian PES;

**TLD on Digital Change Strategy (14–15 March 2023):** The TLD involved PES representatives from Lithuania, Malta, Norway, and Spain, with support from the hosting German PES Bundesagentur für Arbeit (BA). The TLD included presentations on digitalisation and transformation in the BA, adopting digital change management as a mindset, and an external perspective on digital change management;

**TLD on Change Management Strategy (21–22 March 2023):** This TLD was hosted by the French PES, Pôle emploi, which presented their strategy and approach to change management and innovation – including aspects of governance, human resources, change management and innovation at the regional level, and the case of the incubator for digital solutions Nov'Us.

## **2. Benchlearning: 4<sup>th</sup> Cycle Excellence Model with 7 sections and 25 enablers**

### **Section A: Strategic performance management**

A1 – Establishing the fundamentals of performance management by target-setting

A2 – Translation of targets into key performance indicators and measurement

A3 – Following up performance measurement

A4 – Making use of the results of performance management

### **Section B: Design of operational processes**

B1 – Process definition and standardisation

B2 – Information and communications technology (ICT) and data management

B3 – Quality management

B4 – Channel management and blended services

### **Section C: Sustainable activation and management of transitions**

C1 – Outreach, profiling and segmentation

C2 – Individual action plan and ALMP measures

C3 – Early intervention to avoid unemployment

C4 – Implementation of services.

### **Section D: Relations with employers**

D1 – Employer strategy

D2 – Specialised unit for employer services

D3 – Matching vacancies and jobseekers.

### **Section E: Evidence-based service design and change management**

E1 – Evidence-based service design and implementation

E2 – Pilot projects

E3 – Management of change and innovation

### **Section F: Management of ecosystem**

F1 – Identification and structuring of relevant stakeholders

F2 – Partnership building and managing

F3 – Management of partnerships with service providers

### **Section G: PES resources and organisational resilience**

G1 – HR strategy, management and corporate culture

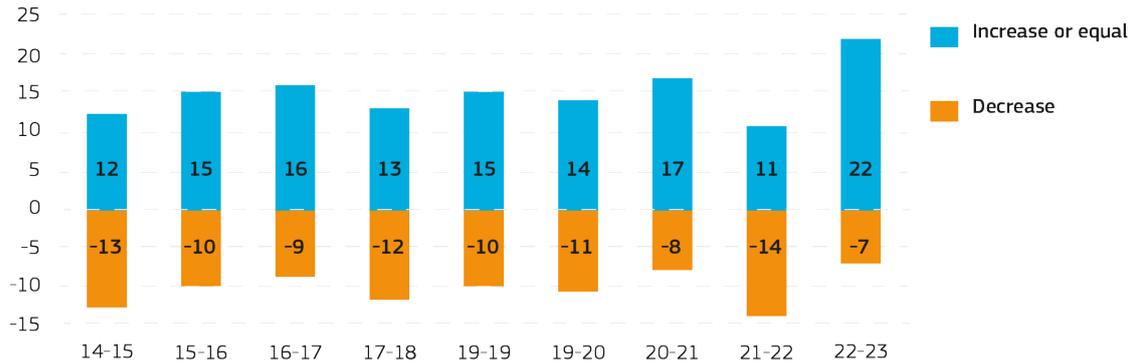
G2 – Empowerment of staff

G3 – Organisational resilience and business continuity

G4 – Budget allocation and use

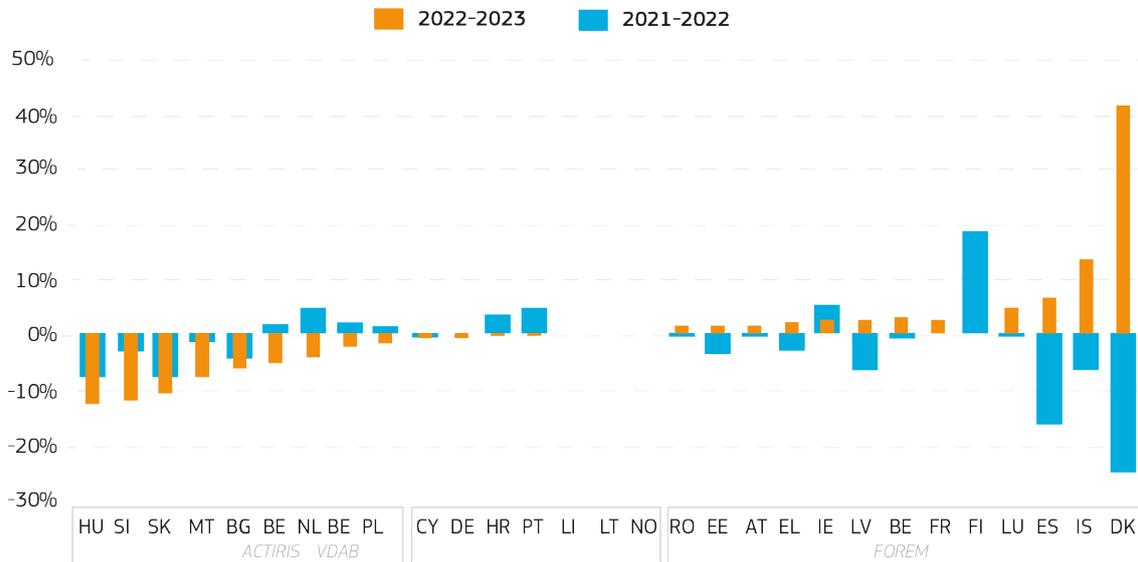
# Annex 4 – Figures from the PES Capacity Report 2023

Figure A 4.1 Number of PES experiencing an increase or a decrease in staff (in FTE) between 2014 and 2023



Source: PES Capacity Questionnaire 2015-2023, Q2.1 Please provide details on the number of people employed (in FTE numbers) and Q2.2 Please provide details in the Table below on changes in PES staff as indicated and comment on the reasons for any changes, in 2022-2023, n=31 PES

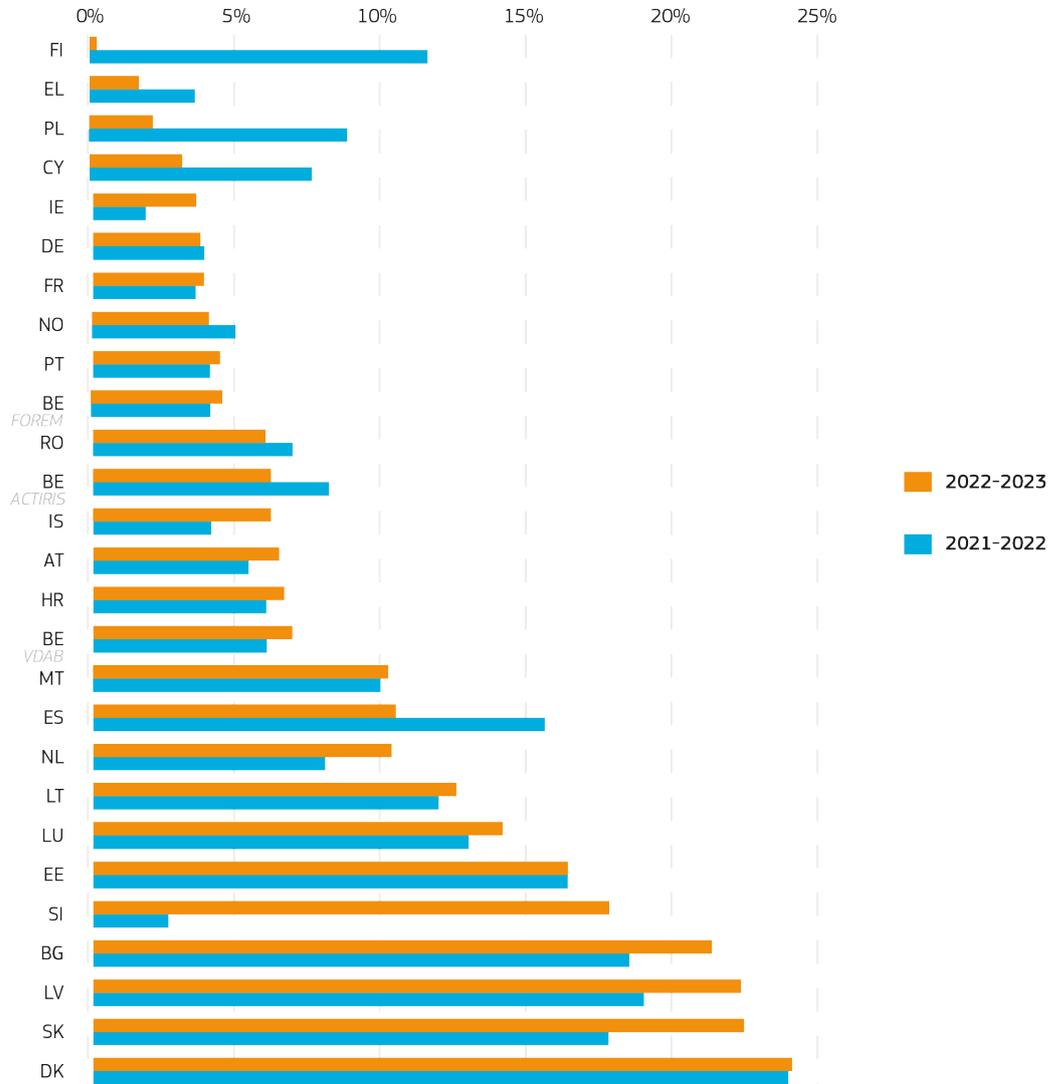
Figure A 4.2 Annual percentage change in the number of staff between April 2021 and April 2023



Source: PES Capacity Questionnaires 2022 and 2023, Part I, Q2.1 Please provide details on the number of people employed (in FTE numbers) in 2023, n=27.

Note: No or partial information available for IT, LI, and SE. BG as reported increase of staff in the questionnaire but the comparison with data from last year shows a decrease.

Figure A 4.3 Staff turnover in PES, 2021-2022 and 2022-2023



Source: PES Capacity Questionnaires, 2022 and 2023, Part I, n=27.

Note: No or partial information available for HU, IT, LI and SE.

