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**Employment Services, Mobility**

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### **PES 2020 – mapping visions and directions for future development**

#### 1. Introduction

To enhance the discussion with key stakeholders at an early stage the Commission some months ago has asked the network of Heads of Public Employment Services as important implementers to map national visions for the development of PES 2020 in the context of preparatory work for the **Post-Lisbon European Employment Strategy 2020**. Another aim was to find out whether the priorities formulated by PES in the context of crisis and longer term challenges are in line with the **PES Mission Statement** adopted by the EU/EEA network of Public Employment Services in 2006 in Lahti or whether a shift of focus has taken place that would require a revision. Therefore fields of activities to be taken into account followed the structure of the Mission Statement.

The delivered **information was analysed in a comparative approach to get an evidence base about common priorities and developments as well about the variety of approaches across Europe**. During the last months 21 national PES have sent contributions, 19 of them more or less detailed visions (1,5 to 6 pages) while three pointed to political circumstances (recent or soon change of government) that did not allow for mapping longer term strategies (LU, RO, SK). Covering North, South, West, Central and Eastern Europe the sample can be considered as representative for Europe.

#### 2. Future mission, target groups and role as service provider

The country contributions reveal **a widely shared consensus among PES that their mission is focused on increasing employment** (13 out of 19). As one country has put it: *“PES want to be the main contributor to increase the labour supply to meet the needs in a society facing serious demographic changes.”* (DK) This goes far beyond the traditional understanding that PES are in the first line responsible for the integration of registered unemployed receiving benefits. The approach for the next decade can be seen as a high willingness to implement the principal objective of the current and the future European Employment Strategy to attract and retain more people on the labour market.

As consequence PES in Europe will broaden the range of target groups: for the next decade we can expect that those harder to place and at the margins of the labour market will be seen as priority: inactive, older and other vulnerable groups at risk of exclusion like low-skilled or immigrants (13 out of 19 countries). Ageing societies will imply and adjustment of PES services to overcome the next employment crisis which will be "a supply side crisis": *“The average client will become older and more specific services targeted to this group should be*

*provided*“ (LV) to enhance their employability. Related to the balance of economic and social outcomes (see PES Mission Statement), the importance given to these target groups will strengthen the social functions of PES.

**A considerable number of PES include or plan to include employees, particularly lower skilled.** In the context of the New Skills for New Jobs European agenda PES put a strong focus on lifelong learning and see their responsibility to contribute to up-skilling of the workforce. Seven out of 19 PES therefore consider that PES should be seen *“not only as partners in case of unemployment, but also for career development and lifelong learning”* (LV).

**Although youth unemployment is rising in Europe and a matter of overall concern, this group was dedicated less pronounced attention to** (mentioned only by 4 countries – AU, DE, FI, LV). While this figure might be an underestimation, because young people can be included into the category of “vulnerable” groups, this finding should be discussed in the network to get a more exact idea, which reasons are behind.

**Last but not least, to improve services for employers i.e. serving the demand side of the employment market and supporting jobs creation will be a priority** (indicated in 13 out of 19 country contributions). Future services encompass optimised vacancy filling and matching tools (e.g. BE, DE), a more pro-active approach and rapid response mechanisms (CZ), differentiated support depending on the engagement of employers to take employable jobseekers or unemployed registered with PES (UK) up to a shift of service focus, described by Finland: *“Our priority will be to help companies to recruit new staff with appropriate skills”*.

**Whereas a common mission is shared among PES, the visions about the future role and core services strongly differ, ranging from the objective to be the first service provider to a limited role as complementary or subsidiary service.** For example Austria will *“maintain and further expand the position as most important public service provider”* (AT, similar BE, DE, DK, IT, LV), whereas the Netherlands sees PES *“as one of the service providers (complementary to those that are already available on the market)”*. Switzerland goes even further stressing the principle of subsidiarity, which gives priority to individual initiative and private placement agencies. Others see their role as that of "chief of orchestra", coordinating partnerships for employment individual services. As many factors in national settings have an influence on the role of national PES, the position of PES will be an exciting question for the future.

**As consequence the definition of core services and the overall identity as service provider also show also a large variety, ranging from job broker and management of periodic transition and integration processes to lifelong (employment-oriented) guidance and careers services.** To judge from the contributions, all PES agree about the classical basic core services in the field of placement, recruitment and matching, but they differ when it comes to stretching services further. Interesting new approaches can be observed with regard to a lifelong and more guidance-oriented perspective corresponding to the concept of lifelong learning in the field of employment. In UK a discussion is turning around the issue *“to develop a universal service that runs alongside people at every stage in their lives”*, while BE in a common paper for all three PES formulates a new vision for PES in the future as *“A guaranteed universal career service for people and companies.”* PES shall function as `career

portals” for all people whether working or unemployed, to guide or better to coach<sup>1</sup> people in their moves to “career security” in a society, where people will work for longer and differently, going through a number of transitions.” (See also SI, HU, DE). In that case employment services and not the education sector would be first provider of lifelong guidance. This will certainly not be the future for all PES in Europe, but shows how far potential developments can reach.

### 3. Prevention: the increasing role of lifelong learning and lessons from the crisis

**Two out of three PES consider prevention and early intervention as field of future activities. Lifelong learning will be an integral part.** One out of two PES intend to further develop training and competences development stressing its preventative functions. Career breaks shall not be “lost periods, but have a positive effect” (BE) on those concerned, because they can participate in lifelong learning, acquire appropriate skills and thus increase their employability on the labour market. Adequate training can help to avoid longer-term unemployment, to make integration into a new job more sustainable and to ensure a more positive career development and upward mobility.

**To increase the effectiveness of training measures PES point to the role of skills anticipation, career guidance, a closer linking of the skills and employment agendas in service delivery and offers for employers and employees.** Training programmes shall be increasingly demand-led, therefore a number of PES wants to further develop tools for skills anticipation and / or national systems for labour market information (e.g. BE, BG, LT, LV, PL, PT). To support informed training and career choices based on a sound skills assessment in some countries PES themselves envisage to enlarge or intensify career guidance services (e.g. BE, DE, HU, IE, LV, SI, learning and work desks in NL), while others will promote career guidance provision by cooperating more closely with already existing specialised careers services (e.g. UK). Consequently strategic choices for PES development in the future will depend on the availability and quality of other service providers in that field. Judging from one third of the country contributions, which take a wider preventative approach, including (lower skilled) employees and employers (mainly SMEs) into their service offer, **PES in the future could become the most important national lifelong learning (and partly also lifelong career guidance) agency.**

**One important lesson, drawn from good practices developed in times of the economic crisis will inspire the future: PES will continue or further develop rapid response mechanisms for employers and employees.** The crisis has stimulated the development of integrated consultation and guidance for employees and employers in case of a planned restructuring or group dismissals. A number of countries (e.g. IT, LT, PL, PT, UK) will further develop these schemes which have contributed to job retention, to facilitating fast transitions to a new job or to improve employability by up-skilling. **As consequence earlier**

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<sup>1</sup> From guidance to coaching to give more space to the independent capability of people, more intensive assistance for those in need.

**intervention and more encompassing prevention services could become a standard element of PES service portfolio.**

#### 4. International mobility: integration of EURES into PES work and new dimensions

**Many PES aim to enhance or to consolidate the integration of EURES (10 out of 19). At the same time they stress the increasing role of international recruitment for employers, while some want to enlarge and/or to better integrate the service offer for mobile workers.** To face the demographic challenge and the expected labour shortages in some bottleneck sectors, recruitment services for employers are an issue of high priority for future development, including recruitment from third countries. To smoothen the transitions for mobile workers some countries will offer information and guidance not only to potentially mobile workers, but also to “*newcomers*” in receiving countries (BE), promote a “*chain of services accompanying circular mobility*” including profiling, counselling and follow-up (DE) or establish a “*one-stop-shop*” in each country, integrating PES, all ministries and authorities of relevance (DK). This development will contribute to strengthen guidance and placement activities in the EURES network as planned by the new guidelines for EURES.

#### 5. Multi-channelling and personalised services: high priority for integrated multi-channelling and differentiated concepts for personalised services and guidance

**PES 2020 will make more systematic use of integrated multi-channelling services combining e-services, call centres, SMS and face-to-face interviews** to facilitate accessibility for citizens and increase the freedom of choice to switch between different channels for the upcoming e-generation. This will allow for allocating more efficiently cost-intensive staff resources for face-to-face services and counselling. This view is shared unanimously by most of the PES (17 out of 19). As consequence, at distance services (electronic kiosks or work stations offering remote interviewing and counselling via video equipment) will be promoted in areas there are not enough clients to justify the costs of running an office (e.g. LT, SE).

**PES will establish “Virtual Employment Services” (BG) including a broad range of self-help and increasingly interactive elements to deliver standard services electronically.**<sup>2</sup> While in a number of countries many of these instruments are already available and will be established in others, **the question for all is how to make e-services more interactive** by integrating online consultation like specialised guidance and counselling or chat-rooms for special groups (e.g. highly qualified). Another objective for many countries (7 out of 19) is to develop or refine systems of e-matching based upon skills and competences in addition to simpler versions limited to occupation indices.

**As consequence the next decade will bring the end of the same personalised services for all, offering face-to-face counselling and guidance above all to clients or customers in**

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<sup>2</sup> These include online information and self-help facilities like registration, entering of personal CVs and profiles, notification of job profiles, tools for skills assessment, information about and application for Active Labour Market Policy programmes, self-management and virtual monitoring of the personal action plan up to personal electronic booklets or personal electronic cards for jobseekers.

**need or priority groups among employers.** As Austria puts it *“those with a low risk for a certain period will have contact with the PES via e-services and in the best case not enter the office during their (short) unemployment period ... In the offices there is time for face to face counselling in an intimate atmosphere for difficult and special services and for customers with serious problems.”* (AT). In order to systematise service offer many countries will establish or fine-tune profiling and customers’ classification to define the potential and the distance from the labour market. As result three (or four group) schemes of typology have become popular (1. easily employable/autonomous – low assistance, 2. change of career orientation/need for guidance, training – moderate support, 3. disadvantaged/serious problems - need for intensive support, e.g. CZ, IE). Some countries will develop further a typology of employers, depending on their willingness to accept jobseekers from disadvantaged groups (UK), the quantity of notified vacancies (DE) or how easy/difficult it is to fill a vacancy (AT).

**It is, however, an open question, to which extent PES themselves will offer personalised services** like employment-oriented career, placement or recruitment guidance, given the increasing development of e-tools and the existence of other specialised service providers.

#### 6. Relation to other actors: networking, partnerships and outsourcing will become routine for all

**One out of two PES want to develop networking with other stakeholders at all levels further, whilst the establishment and enlargement of outsourcing is even ranking as second topic after multi-channelling** (included by 15 out of 19 PES). Generally those services will be contracted out, where other providers have specific expertise, a high level of coverage and can offer cost-efficient good quality services (e.g. training provision, specialised counselling, integration programmes for those harder to place, research). More services shall be offered in cooperation with municipalities for those with more difficulties (BE, CZ, FI) or in integrated “Welfare houses” (IT). Another issue on the PES agendas for 2020 will be to improve the management of PPP with regard to integrated quality management (DE) and setting of quality standards by accreditation (CZ, HU, PT, SI, UK).

**Which services will be outsourced, varies considerably, to be explained by national traditions from the past as well as strategic choices and policies for the future.** While some countries are open to outsource the core function of placement for special groups like low skilled or disabled (e.g. BG, PL), others consider this as core task exempted from outsourcing (e.g. AT). The development will also depend on future decisions, how far to extend PES own service offer, mainly in the field of lifelong guidance.

#### 7. Quality management: high ranking of performance measurement, low ranking of staff development

**The picture resulting from the visions is biased: Overall quality management and particularly performance measurement is in the focus of attention, while staff and their competences are referred to less frequently.** Most PES (12 out of 19) will improve quality management, above all performance measurement for own services and Active Labour Market Policy Programmes, including increasingly external evaluation. However, only about one out of three (7 PES) refer to staff competences and training. And only one country makes this topic a real priority for future action, arguing *“that the importance of ensuring that staff are trained and developed with the appropriate knowledge, skills and personal attributes cannot*

*be overstated*” (IE). This is **striking, as PES in the future plan to provide most of their personalised services to customer segments in need for guidance and support.**

## 8. Interim conclusions

Comparing the national visions of PES 2020 with the objectives and activities agreed 2006 in the Mission Statement of the network of Heads of PES shows that the visions in many regards are in line with the fields of activity described: 1. Customer focus (demand-led ways of working, anticipation of labour market changes, good relations with employers), 2. Early identification and intervention (including activation, i.e. guidance, training and support, 3. Modernising service delivery (use of multi-channelling to assign staff resources to those in need for more intensive support), 4. Partnerships and networking (collaboration and explore forms outsourcing, EURES network), 5. Effectiveness and quality (regular assessment and evaluation, development of performance indicators, staff competences).<sup>3</sup>

**At the same time the visions present a shift of focus, integrating more recent European strategies, notably Flexicurity and the New Skills for New Jobs Agenda in the context of the Lifelong Learning and Lifelong Guidance.** A number of national PES define their role as *“partners for labour mobility”* (NL), managing, securing and ensuring transitions. Even more striking is the shift of focus to Lifelong Learning and lifelong guidance which for many customers in the future could bring a *“train first”* instead of a *“work first”* approach and a preventative service extension to employed and companies, transforming or strengthening some PES as *“lifelong employment or career services”*.

**While this will be a question to be discussed further in light of the new European Employment Strategy 2020 and the new Employment Guidelines to be adopted this year, another topic could also be relevant for future discussion: the tasks and competences of employment advisors** depending on future scenarios for PES development. **Two scenari are possible:**

- **First a “minimal” or “residual” PES** where most services are delivered by electronic channels (including i.a. e-profiling for the identification of needs, programmes to answer frequently asked questions and complex matching tools) while deeper assessment, career guidance, training, more intensive support and large parts of placement services will be outsourced to private employment agencies, integration firms or other third providers. In this case personalised PES services would be reduced to a minimum. A number of employment advisors would mainly execute information and monitoring functions.

- **The second scenario – at the other end of a continuum - would be an employment-oriented (lifelong) careers service** where face-to-face interviewing, assessment and guidance will support and complement e-profiling, where employment advisors are able to deliver basic career guidance to prepare informed training decisions and where specialised advisors are trained in work methods like case management to manage complex integration processes for customers with serious problems. Even if a broad range of services were delivered by other providers PES would be an important provider of lifelong personalised employment services,

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<sup>3</sup> Point 6 Transfer of learning is related to international networks and instruments to improve mutual learning, see: EU/EEA Network of Public Employment Service Mission Statement, Lahti, Finland 4 December 2006 .

the more if specialised career guidance counsellors for young, adults and employers are integrated into service delivery.

**In any case and in all service delivery models, requiring more than a minimum of personalised services staff competences and how to develop them will be crucial,** a topic, mentioned only in a minority of the country contributions. As the Mission statement states in relation to effectiveness and quality, *“the development of staff and their competencies is considered critical to the delivery of quality service to PES”* and therefore an *“ongoing skills and competency review of staff should be in place, with training and development responses implemented as appropriate.”*

**It will also be important to strengthen the linkage and exchange between the network of Heads of PES and other policy stakeholders** in the field of employment, education, career guidance and social affairs, including social partners. How future business models will look like is to a large degree determined by national politics and policy strategies. Therefore it will be important to foster the exchange between PES and policy stakeholders. The Commission has taken and will further enhance a number of initiatives going in that direction (e.g. PES to PES dialogue and conferences, research, feeding of PES into the work of EMCO, promoting exchange between PES and ELGPN).

## Annex: 1. Priorities for action defined in the country contributions

- BE**
1. Anchoring the role of PES in the “flexicurity” model
  2. Skills-oriented approach (e-portfolio, personal development plan, matching)
  3. Interregional and international cooperation of PES to foster geographic mobility
- CZ**
1. Changes in legislation (not specified)
  2. Consistent policy of partnership at all levels (outsourcing, dialogue/networking)
- DE**
1. Transition management including management of return to the labour market
  2. Adaptation of competences and qualification profile of employees
  3. Adjustment of the labour market promoting IT tools and multi-channelling
- FI**
1. Demand-led approach within PES
  2. Customer segmentation and appropriate multi-channel strategy
  3. Enhancing recruitment from abroad
- HU**
1. Simplification of legislation
  2. Resource / staff planning according to scale of activities
  3. Consolidation of the system of planning and quality management
- IE**
1. Staff training as key area of priority attention
- IT**
1. Reinforce labour market and services network, enhancing cooperation of all relevant actors
  2. Enhancing internet – labour portal
  3. Quality and performance monitoring, implementation of evaluation system
- LT**
1. Preparation of long –term strategy of PES activities, introduce programme planning at all levels
  2. Introduction of longer-term labour market forecasting
  3. Modernising structure and upgrading staff competences
- LV**
1. Strengthening capacity of PES (e.g. training, Peer Reviews, NSNJ)
  2. Development of PES infrastructure (branches, IT systems, evaluation)
- NL**
1. Improvement of web-based services, including (group) community building
  2. Introduction of a “work formula” (jobseekers and employers including marketing)
  3. Development of demand led approaches and specific services, generated by users
- PL**
1. Further development of job placement
  2. Training for unemployed and jobseekers
  3. Activation strategies for (re-)integration into the labour market
- PT**
1. Reorganisation of Attendance Model (including staff training)
  2. Coordination between Job Centres and Vocational Training Centres
  3. Developing multichannel IT services
- SE**
1. Establishment of trustful and professional relations to employers in all segments
  2. Increase availability of the services – restructuring of service provision
  3. Establish successful cooperation with other important actors (public + others)



<b>ANNEX 2</b>	<b>AT</b>	<b>BE</b>	<b>BG</b>	<b>CZ</b>	<b>DE</b>	<b>DK</b>	<b>FI</b>	<b>HU</b>	<b>IE</b>	<b>IT</b>	<b>LT</b>	<b>LV</b>	<b>NL</b>	<b>PL</b>	<b>PT</b>	<b>SE</b>	<b>SI</b>	<b>UK</b>	<b>CH</b>		
<b>Mission / Role</b>																					
1st/crucial service	X	X			X	X				X		X									6
Participation / high employment		XX	X	X	X	X	X	X		X	X			X		X	X	X			13
<b>Target groups</b>																					
Inactive / vulner.		X	X	(Xi)		X	X	X	X	(Xi)	X			X		Xi	X	X			13
Young	XX				XX		X					X									4
Older					X						X	XX		X							4
Employers	X	X	(X)	X	X		XX		X	X	X		X	XX		X		X			13
<b>Prevention/ Early interv.</b>	X	X			XX		X	X	X	X	X		X	X	X	X			X		13
<b>Organisation</b>																					
Integrated services	X	X	X				X	(X)		XX			X			X			(X)		9
<b>Training, LLL</b>	X	X		X	X		XX	X			XX	X	XX		X			X			11
Incl. Employees	X	X			X		X				X	X	X								7
Incl. employers					X						X		X								3
<b>Integration EURES</b>		X	X	XX		X	X	X	X		X					X		X			10
<b>Multichannelling</b>	XX	X	X	XX	X		X	XX	X	XX	XX	X	XX	X	XX	XX	X	X	X		17
E-matching		X			X					X	X	X	X					X			7
LM info, forecast		X	X								X	X		XX	X						6
<b>Personalised Services</b>																					
Guidance/Counsel	XX	XX	(X)	X	XX		X	X	XX		X	X	X		X		XX				13
Customers´ class.	X			X	X		X	(X)	X						(X)			(X)			8
<b>Partnerships</b>																					
Dialogue, netw.		X	X	X	X		X			X	X	X			X		X	X			11
Outsourc. /PPP	X	X	XX	XX	X		X	(X)		X	X	X	X	X	(X)	X	X	X			16
<b>Quality Man./ Performance</b>	X	(X)	X	X	X		X	X	X	X	X	X	X								12
Staff competences			X				X	X	XX		X	X						X			7