



PES to PES Dialogue

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PES approaches to low-skilled adults and young people

Study visit to the Directorate of Labour and
Welfare (NAV) Norway

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1. Introduction

The Peer Review on "PES approaches to low-skilled adults and young people: work-first or train-first" in Vilnius, Lithuania in June 2013 highlighted the importance of an **integrated and coordinated approach to clients**. Work at the Norwegian Labour and Welfare administration (NAV) is characterised by a coordinated approach, for example in delivering comprehensive guidance and follow-up services to youth and integrating jobseekers with multiple obstacles such as those with health problems. A **key factor** to the success of NAV is building on **partnerships with different institutions** involved with the client.

As a strong interest was expressed in NAV's work, a study visit was organised to Oslo for November 2013. PES representatives from Belgium Le Forem, Bulgaria, Lithuania, the Republic of Macedonia, Hungary and Spain arrived for the visit.

1.1 Despite favourable general labour market conditions, some groups remain at risk

NAV was established in its current form in 2006 by merging the national insurance sector and the public employment service and entering into binding partnership with the social services of the municipalities. It comprises the network of 456 local offices, a head office and a number of specialised central units. **NAV offices provide services jointly and upon agreement with local municipalities**. The NAV is assessed by the Ministry of Labour every four months through a supervision review.

NAV is a one-stop shop delivering unemployment-related- and social services. It administers a number of labour market- and social benefit schemes and provides associated services too. NAV also serves **employers as clients** with access to an electronic job to jobseeker matching tool and advice on establishing an inclusive workplace through a network of so-called Working Life Centres (see later).

Demographic and labour market conditions are far better in Norway than in many EU member states. At a reproduction rate of 2.0, Norway is close to a demographic steady-state, but it also enjoys a generous inflow of labour migrants. Wages are among the highest in the world, while income inequality is low. The **unemployment rate is very low at 2.8%**, and the incidence of long-term unemployment is very rare. There were around 65 000 people without work on average in 2012, but more than 270 000 unemployed registered during the year, implying **high turnover rates**. Having completed vocational education and training, almost every young person can count on securing employment with certainty. Norway operates a **comprehensive welfare system**, including the NAV; an overarching **social and political consensus** on the importance of investment into individuals at risk is an equally important asset.

Although the overall labour market situation is excellent in Norway, certain **sub-groups are still at risk**. As a result of the interplay between weak demand for less educated labour and specificities of the welfare net, **school-dropouts** can easily become marginalised, making the low-skilled more than one third of all unemployed. The other major group at risk is those with health problems. The number of **health-related absences** and more permanent exits from the labour market are becoming more frequent regardless of age. 167,200 people (5.1 % of the 18-66 population) had been awarded work capacity assessment allowance and 310,000 receive **disability pension**, both increasing the detachment from the labour market (2012 figures from NAV).

2. Types of partnerships in NAV operation

A main success factor for effective labour market integration in Norway is the well-developed strategic and service partnerships at all levels. **NAV itself embodies the cooperation of different fields.** Counsellors, psychologists, social workers and other professions assist the client in a multidisciplinary environment. NAV also cultivates **cooperation with various outside players** in delivering its own services and in coordinating services targeted at the same individual and group. Cooperation is not exclusive to certain players by user groups or problems, but often involves a **changing mix of similar actors.**

2.1 Operation of the NAV requires a high level of internal cooperation

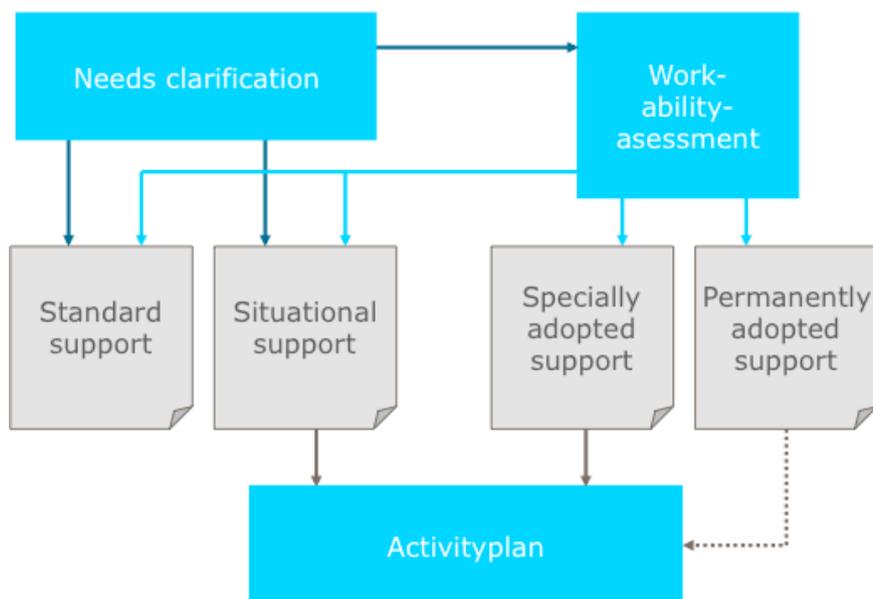
Operation of the NAV requires **highly structured procedures** on every level and a high level of internal cooperation. Funding NAV through the merger of formerly separate fields of unemployment assistance and social care required adjustment from staff members. A new *Standard and procedures of work-directed follow up of users by NAV* was implemented in 2013. NAV uses **standard procedures also in relation to partner organisations.** One example of this is the follow-up of youth, discussed later.

To better reflect the NAV Corporate Strategy, the procedures at NAV are supported by three different **platforms.** The **platform of leadership** is supplemented by two professional ones, the **guidance platform** and the one for **labour market competences.** The guidance platform gives principles to guiding both individual and corporate clients focussing on inclusive employment, identification of needs and accompanying users through their life. It will be implemented over a 4 month period in all NAV offices. The NAV uses the **Common Assessment Framework (CAF)** to ensure high quality of services through a **feedback on internal cooperation.**

Box 1: Mapping of users within the NAV

An important example of protocols is the profiling system, the “**mapping**” of **users** within the NAV. An **integrated information system** provides the staff with all state-managed information for a single client from social security payments through health details to eligibility. Even with this much information at hand, additional information is required for the precise targeting of the mix of services and benefits towards the client. In order to ensure equal access, such information also has to be used in a standardised way.

Figure 1: Protocol for mapping users in the NAV



Source: Presentation by Ingunn Hagen: PES systems for early career guidance in partnership with schools; identifying those who are at risk for dropping out

Figure 1 shows the workflow of mapping at the NAV. After needs clarification, **users without workability problems** are either directed towards standard or situational support. *Standard support* includes electronic **self-services**, and web-based information and independent job-seeking – most clients are and remain in this category. Some clients need *situational support*, such as **guidance and short-term measures** like outplacements, labour-market training, wage subsidies, work experience or participation in job clubs. Such users, for example, include unemployed young people and adults.

Users with workability problems are assessed and are either directed towards standard and situational support or directed to a form of adopted support. Certain measures are reserved for users receiving specially adopted support. These include certain **wage subsidies and work experience programmes**, access to the education system with NAV support, **sheltered workshops**, assessment in sheltered enterprises and employment cooperatives. Users receiving permanently adopted support can use such services over a prolonged time period.

In all cases except for standard support, the user and the counsellor draw up an individual action plan (IAP), the **activity plan**. Aiming at successful re-employment, this plan lays out the responsibilities and tasks of the client as well as the assistance he or she will receive in order to comply with them.

2.1.1 Partnership with users provides feedback on PES delivery

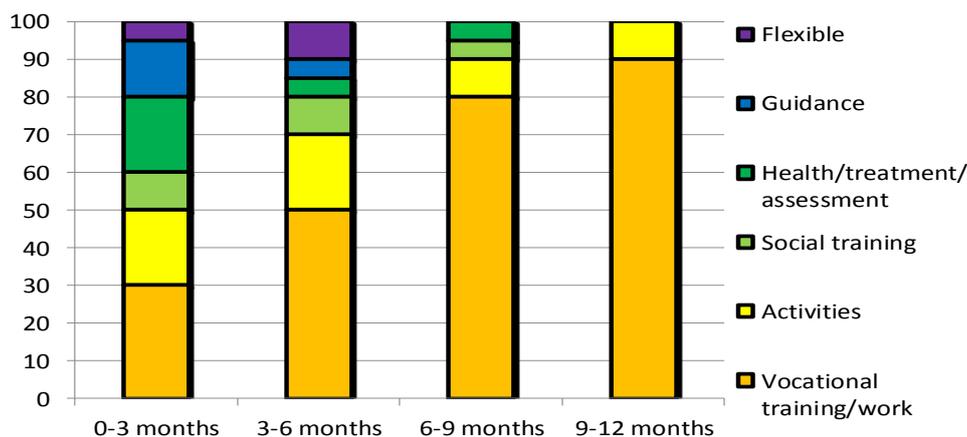
The lack of feedback on PES operation from the clients is a problem in a number of EU member states, but this is not so in Norway. The NAV works in **partnership with user organisations**, established at the national level with both local and county entities. In particular, people with health-related difficulties have well-organised groups, including cancer-, heart disease patients, and people with disabilities, for example. Collaboration relate to NAV procedures as well as to the preparation of legislation affecting clients.

The NAV itself conducts **user surveys** twice a year. It has also developed a system for collecting user complaints. Such activity is regulated in the NAV law.

Box 2: The Qualification Programme: a well-targeted tool for the active inclusion of people in vulnerable situations, operated at the level of municipalities

Regular NAV measures often do not reach **marginalised clients**. Living in poverty, sometimes dependent on, sometimes not even eligible for social benefits, such clients are detached from the labour market and may have substantially reduced work capacity. The Qualification Programme is offered to marginalised clients who are capable of making use of close follow-up and are aged between 19-67.

Figure 2: Content of the Qualification Programme over time



Source: Presentation by Elisabeth Munch-Ellingsen: The Norwegian Qualification Programme

The Qualification Programme is a **complex package** of interventions including work capacity assessment, a work-oriented programme and a standardised qualification benefit. The programme starts with a mix of activities, including much more direct interaction with the counsellor and guidance than offered within the framework of standard casework (see Figure 2). Depending on the progress achieved, assessment, **guidance and social training elements are phased out after 3-6 months**, when training receives most of the emphasis. As of October 2013, 36% of programme participants have been integrated into the labour market.

2.1.2 Cooperation with employers and external providers is essential to deliver effective measures

The NAV operates using a mixed approach to clients, starting with work-first, but seamlessly merges in elements of training as well. Much of this is provided through outside service providers, therefore cooperation with them is essential. Some em-

employers host **job-related training, such as work-practice (NAV measure) and apprenticeships (a measure of the education administration)** and some of them operate **sheltered workshops**, available to people with reduced workability.

2.1.3 Agreements are used to align the operation of NAV with other institutions

One of the main goals of the NAV reform in 2006 was creating a **partnership between the state and municipalities in running NAV offices** jointly. This partnership does not involve having common budgets, but establishes **coordination through agreements**.

Agreements are also used to **align the operation of the NAV itself with other institutions** involved in serving various user groups, such as the youth and those facing health problems with a substantial impact on working capacity. The largest **shocks** hitting the system of social and employment services have **multiple dimensions** and thus demand a **coordinated attack on different fields**. Mental health problems for example are more and more common among the youth, posing a challenge to the education, health and employment services as well.

3. Cooperation put to work

Cooperation is key for the operation of NAV. Because of its mixed approach to assisting its clients, **cooperation with key partners spans multiple areas of activities**.

3.1 Services for youth from early intervention through career guidance to follow-up

The integrated and partnership-based operation of the NAV provides youth in Norway with a **comprehensive system of support**. Because of the difficulties in employing low-skilled people, the main aim of all actors including NAV is to **retain youth in school and help them complete upper secondary education**.

In May 2007, a **central agreement** of cooperation was signed between the Ministry of Labour and the Norwegian Association of Regional and Local Authorities (KS) successively followed by county-wise **agreements between NAV and the county Education Authorities**. These agreements were followed by part-agreements and routines at local level, going into details of procedures. The goal of the agreements was to facilitate access to upper secondary training for low-skilled unemployed by coordinating resources and schemes from both the labour- and education sector. They constitute the basis of the operation of **Career Guidance Centres** throughout the country. Additional areas of cooperation between the NAV and education authorities include validation of experiences and training.

In 2010 a national political effort was initiated by the Ministry of Education in cooperation with the Ministry of Labour: "New possibilities" in which the main goal is to increase the rate of completion of secondary education. In order to achieve this, the **Follow-Up Service**, an organisational unit under the County Education Administration, targeting dropouts on upper secondary level, **was given mandate to target every youth between 16-21** not in employment or education.

The above national partnerships have direct effects on work in the field at the local level. Because of the overlap of problem areas, NAV also collaborates with health services and other municipal services in addition to the education sector. This often goes in parallel with collaboration with employers.

3.1.1 For those on track: career-guidance in school

After completing the comprehensive primary school (lower secondary level), almost all young people in Norway enter upper secondary school at the age of 16. Of these, about 70% complete secondary education. Pupils at both lower and upper secondary level are able to receive career guidance from the school. The primary sources of this type of regular information are counsellors and social pedagogy professionals at schools. NAV offices collaborate with counsellors in schools on providing information to pupils about opportunities and requirements in the labour market. NAV's electronic services (www.nav.no) provide a tool for pupils' own information search as well.

Outside of the school, local **Career Guidance Centres** are operated jointly by the county education administration in cooperation with NAV; the Centres are owned by the county education administration with associated collaborative resources from NAV (e.g. staff resources). The Career Guidance Centres serve people of different ages (mainly adults over 19 as the Follow-Up Service unit deals with the younger ones) and different labour market situations. This varies however, showing good results in counties where the career centres have operated targeted motivational and guidance courses for dropouts or youth at risk.

3.1.2 For the unsure: facilitating re-entry or finding good employment

If a student is unsure whether to complete upper secondary education or wants to find a job straight away, the school specialist convenes a broader set of experts. The Follow-Up Service is mandated by the Act of Education to establish contact with every single adolescent at risk of early school-leaving. The aim is to either complete school, get an apprenticeship placement or a job or a labour market measure in cooperation with NAV if the former fails. Recently developed procedures in school of following up dropouts together with youth guarantees in NAV form the basis for practical collaboration about each individual. This implies for instance a tripartite conversation between the user, the NAV guider, and the **Follow-Up counsellor**.

NAV guiders' standard procedures of work-directed following up, are supplemented by focussed projects, in collaboration with relevant service providers. The **Transition project** (owned by the Ministry of Education) for example provides help in order to complete lower secondary and possibly entering upper secondary education. Run jointly with local municipalities, the project emphasises the **development of basic skills such as literacy, writing and numeracy**. Even if going beyond lower secondary school is not a realistic target, such development makes the candidate suitable for work-related guidance and ultimately finding a job. The NAV office has a limited role in this project, related to providing realistic information about the labour market.

Some career centres provide **special information services to parents**, which can have a significant impact on the young person's choice of course.

Although employment before upper secondary education is not in line with the primary national target, **work-related guidance** often does not mark the end of the learning career, but **can act as an enabler**. Work experience can help dropouts to overcome such deadlock even in quite severe cases. A new initiative, *Project 300* aims at this effect by combining motivation with validating existing experiences in order to create a realistic career plan and to complete upper secondary education.

3.1.3 For the dropouts: follow-up and re-integration

Those already dropped out of school are unlikely to receive guidance from a school counsellor, but can turn to a NAV guider at a local NAV office. Those between the age of 16-21 years without an apprenticeship or job are entitled to follow-up by the

county's Follow-Up Service, run by the local education authority. The Follow-Up Service was established in the 1990s and was further developed recently within the **Follow-Up project**, whose results are now mainstreamed (owned by the Ministry of Education). There are a number of local projects connected to the aims of the national Follow-up project. Follow-up counsellors have a reinforced mandate to actively establish contact with dropouts.

Continuing studies immediately after having made contact with a counsellor is often too ambitious for dropouts. In such cases, the **young client** is directed to the local NAV office and is entitled to **participate in a labour market measure or enter a job (based on youth guarantees)**. During this process, they are mapped as a regular NAV client and directed towards an appropriate measure in close collaboration with the Follow-up Service. Similarly to other clients, young people have to develop and follow an approved activity plan however there are a number of ways in which young people receive preferential treatment compared to regular clients, together constituting the youth guarantee in Norway.

Box 3: The youth guarantees in Norway

Norway has provided a youth guarantee since 1979 (targeted at under 20s); follow-up guarantees for 20-24 year olds emerged in the early 2000s.

For those aged under 20, the NAV and the Follow-Up Service offers **participation in a labour market measure**, apprenticeship or entrance to a job to young people **under the age of 20** who are not at school or in employment. There is even more emphasis on retaining youth in school aiming at a completion rate of 77% instead of 70% in upper secondary school (National effort under The Ministry of Education: "The New Possibilities").

The guarantees targeting those between 20-24 were revised in 2013 to reinforce services, to enable them not only to "follow up" but to ensure a targeted progress through approved and binding Activity Plans within 1 month after registering, committing both the NAV office and the user. This latter guarantee has been extended to the age group 25-29, given they face similar challenges to younger people. For those aged 20-24 with specially adapted support (implying reduced work ability), 90% of users shall have an approved activity plan by the end of 2013.

The net of protection for youth is relatively dense, but **dropouts** can slip through it and **easily become marginalised**. Such young clients can receive **complex treatment** in certain municipalities. Examples of such interventions are the **Fram ("Forward") project in Bærum**, on the outskirts of Oslo and *Project P18-24* in Buskerud county, somewhat similar to the Qualification Programme for all clients in poverty (discussed earlier in Box 2). Within these programmes, marginalised youth receive **long-term guidance and coaching** overarching their connection to regular institutions thus providing a stable support while developing independence and motivation. Similarly to programmes targeted at the long-term unemployed, such coaching often builds **very basic skills** and experiences of everyday life of a well-established personality such as cooking and hiking. After these initial steps are carried out successfully, the usual labour market measures can be administered.

3.2 Services for those with health problems with special emphasis on disability and mental health

Health-related absences and the substantial inflow to various forms of disability benefits is one of the key challenges in the labour market in Norway. A significant proportion of people affected by anxiety and depression in particular face challenging living conditions. The Ministry of Labour has formed various partnerships at national level to tackle these challenges through creating an **inclusive workplace**, with special emphasis on the more and more frequent condition of mental health

problems. Services to both employers and employees are delivered locally on the basis of these principles.

3.2.1 The IW (inclusive workplace) Agreement is a main vehicle for cooperation

One of the main vehicles of national cooperation is the **tripartite Inclusive Workplace (IW) Agreement** of the government, employer- and employee organisations. The agreement was signed in 2001 for the first time and is in its third four-year cycle. It aims at **preventing and reducing sick-leave, enhancing job-presence, improving working environment and preventing exclusion** from the labour market through creating institutions and services to both employers and employees. The aim is formalised as a 20% reduction in sick leave relative to 2001, an increase in the employment of people whose condition prevents them from work at the moment and an increase of working life by 6 months after the age of 50. **Experience with the IW is favourable so far** and has allowed the adjustment of both routines and legislation. Following that, the number of total sickness absences has decreased by 7.9%.

3.2.2 NAV shares responsibilities with health services to integrate those with mental health problems

The Norwegian government has recently launched a Follow-up plan of the former *National Strategic Plan for Work and Mental Health*. This plan aims directly at helping people with mental health and abuse problems to make better use of their abilities on the labour market. *The Follow-up plan* refines and reinforces the *Escalation Plan for Mental Health* (1998 – 2008) and *National Strategic Plan for Work and Mental Health* (2008-2012) recognizing that a long-term commitment to the field is needed as well as a special focus on cooperation between education, labour administration and mental health services.

NAV shares responsibilities with health services. It maps workability, offers training opportunities and career guidance (see previous section). Health services map the health service needs of the clients and provide these services. Former lack of coordination between authorities and local hospitals are being addressed by the Coordination Reform launched in 2012. **County coordinators** ensure system-level cooperation and knowledge transfer between the NAV and mental health authorities.

3.2.3 The majority of employers participate in the IW Agreement

Employers are key in the IW Agreement, but in the past, they had no natural entry point to seek support. To serve this need, the **network of Working Life centres** was created to support the IW Agreement after 2001 by providing advice to employers on how to create an inclusive workplace. Almost 60% of all employees work with employers who take part in the agreement. Employment advisor experts work as part of the Working Life centres and provide advice to employers not within the agreement. These experts are specially trained in mental health issues and help employers to retain affected individuals in employment.

One specific service is a set of specialised courses to employers, called "**See you tomorrow!**" ("Sees i morgen!"). Also available to representatives of employees, these courses give specific training on how to create an inclusive workplace for people with mental health problems.

3.2.4 The Individual Plan and Individual Placement and Support method are key tools for co-ordinating services for individuals

Individual clients can seek support in order to treat labour-market related health problems either through NAV counsellors or through mental health institutions. Because they often fall between service providers, **local coordinators, also known as follow-up guides** provide them with **comprehensive and long-term contact** and reach out to the education system too.

The so-called **Individual Plan** (not to be confused with the activity plan) is an important tool to structure treatment for individuals. It comprises a set of coordinated health-, social- and employment services available to the individual and a plan of how to use them. Having such a plan is both a **statutory right and a basis for structured cooperation** between a patient, the health service providers and a counsellor.

The **Individual Placement and Support (IPS)** method is a key element in a range of services currently provided and developed to mental health patients. It is implemented following common international practice, the important difference being that counsellors are not employed in the health sector.

In order to cater for people on sick leave or vocational rehabilitation with mild to moderate mental health problems who were at risk of their health deteriorating, "**Job Coping Centres**" were established. Counsellors in such centres use a **modified IPS method to complement cognitive based therapy**. Working in cooperation with rehabilitation experts and NAV counsellors, efficiency of placement within the target group is much better than through regular NAV procedures. The IPS model is also implemented in universities within the framework of "**supported education**", in this case the service is provided by the universities.

4. References

<http://www.nav.no>

Peer PES paper presented by NAV for the Peer Review "[PES approaches to low-skilled adults and young people: work first or train first?](#)" in Lithuania, June 2013

[Presentations](#) by NAV personnel on the follow-up workshop:

- Haakon Hertzberg: situation in Norway
- Ingunn Hagen: PES systems for early career guidance in partnership with schools; identifying those who are at risk for dropping out
- Magne Søvik and Diler Parghi: Mediation services the PES provides in partnership – with employers, training and educational organisations
- Elisabeth Munch-Ellingsen: The Norwegian Qualification Programme
- Marianne Solem: How the PES train staff for providing specialised services to youth - NAV Bærums approach to working with marginalised youth
- Kristin Vold Hjerpaas, Directorate of Labour and Welfare and Gunvor Halstvedt, Directorate of Health: Collaboration on a National Commitment on work and mental Health
- Interventions from Eric Bortzmeyer and other NAV staff