

ANNUAL REPORT

EUROPEAN NETWORK OF PUBLIC EMPLOYMENT SERVICES (PES)



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ANNUAL REPORT

**EUROPEAN NETWORK
OF PUBLIC EMPLOYMENT
SERVICES (PES)**

JANUARY - DECEMBER 2019

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Acronyms

AFEPAs – Advisors for European PES Affairs

AI – Artificial Intelligence

ALMP – Active Labour Market Policies

BL – Benchlearning

DG EMPL – Directorate-General for Employment, Social Affairs and Inclusion

ESF – European Social Fund

EMCO – European Employment Committee

FTE – Full Time Equivalents

HRM – Human Resource Management

ICT – Information and Communication Technology

KPI – Key Performance Indicator

LFS – European Labour Force Survey

LTU – Long-term Unemployed

MAP – Mutual Assistance Project

ML – Mutual Learning

NEETs – “Not in Education, Employment, or Training”

PES – Public Employment Services

SMEs – Small and medium-sized enterprises

TF – Task Force

TLD – Thematic Learning Dialogue

TRW – Thematic Review Workshop

WG – Working Group

YEI – Youth Employment Initiative

YG – Youth Guarantee

FOREWORD

2019 marked five years of PES Network collaboration. This year of intensive work culminated in a great step: The evaluation of the Network and a Commission proposal to extend the legal basis of the Network until 2027. The evaluation demonstrates that the cooperation among PES as provided for by Decision 573/2014 is highly successful. All PES and various stakeholders at all levels confirm the benefit of the PES Network and support its extension. However, we do not yet have the result, as this Commission's proposal is currently under discussion in the European Parliament and Council.

The Network has grown together over time and 32 committed members from all over Europe have collected testimonials in a newly published book: "Public Employment Services. Policies and Practices". The book gives an insight into PES business, recent challenges and the strategic and operational answers to them inspired by the unique collaboration within our Network.

In 2019, the Network organised a broad range of activities and initiatives. Our Work Programme continued to address the topics of the future of work and digitalisation as well as major challenges in PES service delivery. In addition, PES performance management remained an important issue for us. With the Thematic Learning Dialogues, an innovative format has been introduced to enhance the effectiveness of mutual learning.

To highlight just a few developments and outputs from 2019:

Having completed two cycles of the Benchmarking assessments by the end of 2018, 2019 was dedicated to learning from each other and putting recommendations into practice. Thematic Learning Dialogues have taken place between peer PES in order to strengthen the provision of in-depth advice and coaching and to further support peer-PES learning.

A Stakeholders' Conference on the topic of Prevention brought together PES and labour market stakeholders to discuss recent trends and exchange practices on how to improve unemployment prevention. Subject of discussion was, for example, how PES can improve their outreach and up-/reskilling of clients. Stakeholders from the education and training sector, representatives from the European Social Partners, research institutions, NGOs and private partners, and of course the PES Network members participated in several interactive workshops.

A Working Group has developed a concept for an EU PES Lab intended to stimulate innovative approaches and practices. By supporting a common understanding of unsolved problems and developing innovative solutions together with other stakeholders, a Lab at EU level could further boost collaborative learning and action within the framework of the PES Network.

This Annual Report will tell you more about the work being done, e.g. on evidence-based service delivery, on co-creation of services, the state of discussion on big data and ethics or efforts to introduce internal benchmarking to support objective performance comparison within PES.

The PES Network Board has already adopted a new Work Programme for 2020. This is once again an ambitious programme that demands the full commitment of all Network members. In 2020 the third round of benchmarking assessments will start, focusing on progress made by PES participating in various thematic learning dialogues.

PES will continue policy support, e.g. further developing the Youth Guarantee. They will deal with topics high on the political agenda such as the green economy and new forms of work. PES Partnership Management will be a core topic of the 2020 Work Programme. Building on the trust and dedication within the Network, we will

endeavour, together with partners, to demonstrate to citizens the added value of PES cooperation in the improvement of services.

As Chair of our Network, I would like to thank all my colleagues for their unflagging commitment.

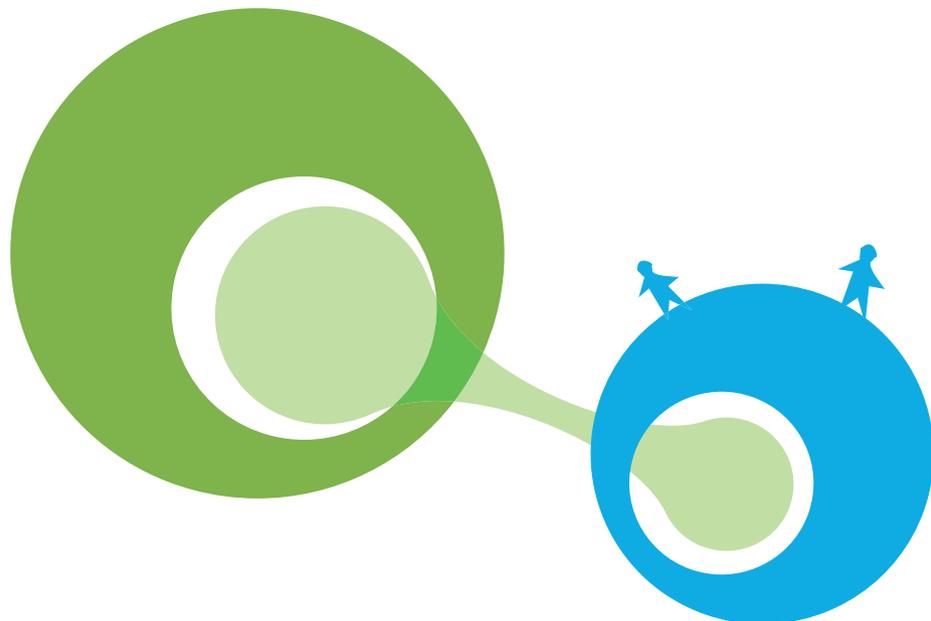
I am very much looking forward to 2020.

My personal recommendation: Do not wait for the Annual Report 2020 to come and keep yourself updated by subscribing to our PES Network news on <https://www.pesnetwork.eu/> and <http://ec.europa.eu/social/PESNetwork>.

Johannes Kopf

Chair of the European Network of PES

Managing Director of AMS, the PES Austria



1. INTRODUCTION

This fifth Annual Report of the European Network of Public Employment Services (PES Network) covers the activities of the Network from January to December 2019. Having completed two cycles of Benchlearning and on the way to the third cycle, the PES Network has achieved a higher degree of awareness as regards the institutional capacity enabling PES to pursue modernisation and increasing co-operation between European PES.

The PES Network yearly adopts an **Annual Work Programme**, which is based on exchange of views and a learning needs assessment, agreed upon with all members of the Network. In 2019, the Work Programme took into account the structure of the previous year, continuing the clustering of a wide range learning activities around three main strands. The Work Programme addressed strategic policy areas such as the future of work, skills shortages, and digitalisation. It also intended to further support PES modernisation and improve PES performance in operational matters such as PES service delivery and PES performance management.

The Commission has evaluated¹ the relevance, effectiveness, efficiency, coherence and EU added value of the Decision to establish the PES Network². Consultations were held with the main stakeholders, the member PES as well as other partners and stakeholders as for example labour Ministries, international organisations and social partners. The evaluation concludes that the Network promotes cooperation among PES, and helps them boost their performance and prepare for future labour market challenges. It provides a platform for comparing PES performance at European level, identifying good practices and establishing a mutual learning system. The Commission has presented a proposal to the Council and the European Parliament to prolong the period of establishment of the Network until 31 December 2027³.

A central part of the Network's activities relates to the **Benchlearning** exercise. This project combines the concepts of Benchmarking and Mutual Learning

(ML) with the aim of improving the performance of PES. The composition of the **Mutual Learning** activities are based on PES' learning needs, taking into account the results achieved through **Benchmarking** and the previous years of mutual learning. 2019 was dedicated in particular to a new learning format, thematic learning dialogues (TLDs). The aim of these in-depth dialogues was to support action among PES based on the findings and suggestions of the first two Benchlearning cycles (so-called "Benchacting"). As preparation of the third cycle of Benchlearning, the reference model (Excellence Model) was revised.

Moreover, looking at the **capacity of the PES**, the annual PES capacity review indicates that the labour market context in which PES operate continues to improve. Overall, the number of jobseekers is decreasing and the number of vacancies increasing, also the number of vacancies notified to PES. But PES are still facing difficult-to-place clients.

The outcomes of the PES Network activities can be found at the **PES Knowledge Centre** and **PES practices** websites⁴.

1.1 PES Network Update

Newly elected PES Network Chair

Johannes Kopf, Head of the Austrian PES (AMS), was elected new Chair of the PES Network at the Board meeting in June. His mandate runs from 1 July 2019 to 30 June 2021. His focus will be to closely follow the process of prolonging the PES Decision, enhancing the visibility of the PES Network, strengthening the voice of the PES Network on EU level whereas taking up the possibilities of political advice, promoting partnerships and further enhancing effective mutual learning and exchange amongst peer PES. In his first six months as Chair, Mr. Kopf represented the Network at various meetings and conferences, e.g. the European social partners meeting, the Stakeholder's conference,

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1568195444312&uri=SWD:2019:1350:FIN>

² https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3A0J.L._2014.159.01.0032.01.ENG

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1568194911042&uri=COM:2019:620:FIN>

⁴ <http://ec.europa.eu/social/PESknowledgecentre> and <http://ec.europa.eu/social/PESpractices>

in the European Parliament, and the Employment Committee Review of the Youth Guarantee.

The previous Chair Fons Leroy, Head of the Flemish PES (VDAB), ended his mandate on 30 June 2019, and handed over to Johannes Kopf. Strategic topics under his presidency, such as PES leadership, digitalisation, the further development of the Benchlearning concept and the Youth Guarantee remain central on the Network's agenda.

Newly elected PES Network First Vice-Chair

The previous First Vice-Chair Evita Simšone, Head of the Latvian PES, ended her mandate 6 December 2019. The Board decided to appoint Ligita Valalytė, Head of the Lithuanian PES, as First Vice-Chair for the period 12 December 2019 to 31 December 2020 and Spiros Protosaltis, Head of the Greek PES, as First Vice-Chair for the period 1 January 2021 to 31 December 2021.

PES Network Decision

Decision No 573/2014/EU establishes the PES Network from 17 June 2014 until 31 December 2020. An evaluation has been published in 2019 assessing the relevance, effectiveness, efficiency, coherence and the EU added value of the Network. The Network's geographical scope is the Member States of the EU, Iceland and Norway.

The Network was set up to contribute to the European employment strategy to create more and better jobs, as an integral part of the Europe 2020 growth strategy. Relevant chapters of the European Pillar of Social Rights have also become guiding in setting the Network's initiatives and actions. The Network promotes cooperation among PES, and helps them boost their performance and prepare for future labour market challenges. It provides a platform for comparing PES performance at European level, identifying good practices and establishing a mutual learning system.

The evaluation demonstrates that the Network remains highly **relevant** for PES. The Network has been effective in delivering on its objectives and initiatives. The Network is an **effective** vehicle in supporting national PES in the individual challenges they face. The Benchlearning initiative serves as a fruitful example of an EU shared tool promoting comparability and learning among the PES. The willingness of PES to participate in

Benchlearning and mutual learning, as well as positive feedback from PES demonstrate that the Network outputs are highly **efficient**. The recommendations on the Youth Guarantee and on the integration of long-term unemployed in the labour market are examples demonstrating a good degree of **coherence** between the objectives and initiatives of the Decision and the EU policy framework. The Network also supports national PES in the implementation of country-specific recommendations addressed to member states in the context of the European Semester on ALMPs and PES issues. Additional **added value** has been identified such as ensuring a collective voice, a formal platform in policy-making at EU level, and contributions to the EU2020 objectives. The evaluation suggests some areas to further improve efficiency, e.g. focusing on smaller and more targeted learning events and the potential for further use of digital solutions.

As a result, the Commission made a proposal to prolong the period of establishment of the Network until 31 December 2027.

1.2 Overview of PES Network Work Programme 2019

The PES Network Decision requires the Network to adopt and implement an Annual Work Programme. This is designed to assist the PES in delivering the Network mission, to promote PES modernisation and supporting individual PES to enhance their contribution to the implementation of the EU2020 Strategy.

Three main axes: Benchmarking, Mutual Learning and PES Network Governance are keys for the implementation of the Work Programme (see Annex 5⁵).

Benchmarking

To support PES in implementation of their change agenda, a new format of ML via Thematic Learning Dialogues (TLDs) was introduced in 2019. There were nine TLDs during the year and almost every PES in the network will have participated in at least one TLD. The beginning of the third cycle of assessments in 2020 will serve to show how far this new format proved to be helpful in taking

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1568194911042&uri=COM:2019:620:FIN>

the step from Benchlearning to Benchacting (see further explanation in chapter 3.1).

The assessments will include as in previous cycles a quantitative and a qualitative dimension.

PES Network Governance

Network Governance is conducted by its PES Network Board and Advisors for European PES Affairs (AFEPAs) who meet twice a year.

The PES Network Board is assisted by a Secretariat provided by and based within the European Commission⁶. The Secretariat, in co-operation with the Chair and Vice-Chairs, prepares the Board meetings, the Annual Work Programme and this Annual Report. The Secretariat also organises and chairs the meetings of the AFEPAs. The PES Secretariat can be reached at EMPL-PES-SECRETARIAT@ec.europa.eu.

PES Network Board Meetings Summary

The PES Network Board held one informal meeting on 13 May and two formal ones in 2019, on 6-7 June and 12-13 December:

- The informal Head of PES meeting took place in Madrid on 13 May 2019. Heads of PES have been discussing on further improving Benchlearning for its third cycle and beyond.
- At the June meeting in Bucharest, the Board elected Johannes Kopf as Chair of the Network until 30 June 2021. Specific topics for discussion at the Board were shortages of labour skills in the EU and an ageing labour force.
- At the December meeting in Helsinki, focused topics were PES preparedness for changes in the labour market, continuous learning and how to use AI in identifying skills and skills shortages. The Board endorsed the 2020 Work Programme as well as the 2019 Annual Report. Ligita Valalyté was appointed as First Vice-Chair for the period 12 December 2019 to 31 December 2020 and Spiros Protopsaltis for the period 1 January 2021 to 31 December 2021.

Meetings of the Advisors for European PES Affairs

The AFEPAs meet twice a year in advance of Board meetings to review Network activities, progress on delivery of the Work Programme, and formulate draft positions on current issues in advance of subsequent Board discussion. In 2019, the advisors met on 14-15 March and on 10-11 October in Brussels.

PES Knowledge Centre/PES Practices/PES Network Newsletter

The PES Knowledge Centre website⁷ was launched in 2016 in order to collect and share information on the organisation and services of public employment services in Europe. Analytical papers, practitioners' toolkits, good practice examples, conference outcomes and other reports from the activities of the PES Network are published continuously. The centre aims at offering tools to learn from the experiences from other countries for PES, researchers, stakeholders and citizens. Throughout 2019, 20 new resources were published in the knowledge centre.

In the PES practices database⁸ inspiring practices from PES across Europe can be found, with 15 new practices added in 2019. The selected practices focus on issues such skill shortages, prevention in a changing world of work, and integration of refugees. In 2019, the PES Network published three newsletters. The newsletter can be received by subscribing to the PES Network Secretariat EMPL-PES-SECRETARIAT@ec.europa.eu and is also uploaded on the European Commission PES website⁹. Moreover the Chair initiated a new website¹⁰ (<https://www.pesnetwork.eu/>) with extra news, social media and recommended reading and regular in-depth analysis of key EU labour market issues. It is an interactive complement to the existing Commission webpage.

⁶ DG Employment, Social Affairs and Inclusion, Unit B1 Employment Strategy.

⁷ <http://ec.europa.eu/social/PESknowledgecentre>

⁸ <http://ec.europa.eu/social/PESpractices>

⁹ <http://ec.europa.eu/social/main.jsp?catId=1100&langId=en>

¹⁰ <https://ec.europa.eu/social/main.jsp?langId=en&catId=101&newsId=9455&furtherNews=yes>

2. PES SUPPORT FOR IMPLEMENTATION OF POLICY INITIATIVES

2.1 Future of Work and Digitalisation

The future of work continued in 2019 to be a central work strand with various activities involving PES and partners. Over recent years the world of work has changed with employment opportunities now emerging in new technology sectors and the strong digitalisation of a large number of professions; more short-term flexible working and a growing trend towards entrepreneurialism and the so-called 'gig economy'. New forms of work, job polarisation and advanced technological innovation require that PES, together with partners, understand upcoming change and develop responses for their customers. PES can support jobseekers and employers by identifying future skills needs; deliver suitable training, career guidance and support to enable jobseekers to manage their own careers; and forge partnerships to improve their offer in this area. While some PES can already build on existing digital strategies and harness the benefits of data pooling to explore what efficiencies they can make, other PES are starting out on their digitalisation journey.

PES Stakeholder Conference on prevention of unemployment

A PES Stakeholder Conference was held on 15 October in Brussels on how to prevent unemployment in a changing world of work¹¹. It brought together around 130 representatives from PES across Europe, as well as European and national institutions, international organisations, education and training providers, social partners and employers' associations.

Discussions at the conference focused on collaboration between PES and their partner organisations in order to address future labour market changes and prevention of unemployment (e.g. on modernised services, the use of artificial intelligence (AI), ALMPs that address future-proof skills, relations with employers, public-private partnerships etc.). Practice examples shared at the conference focused on unemployment prevention for active people (training and upskilling, career guidance), ICT and unemployment prevention, future skills needs,

communication about unemployment prevention activities, the involvement of big companies and SMEs, the mapping of responsibilities, and young people transitioning to employment.

PES Network Seminar on digitalisation and data analytics

A seminar on trends and developments in digitalisation and data analytics took place in Brussels on 15 January. Representatives from 25 PES in the PES Network attended the seminar and engaged in fruitful discussions about data and digital. A thematic paper "Digital technologies and advanced analytics in PES" summarising the outcomes was published on the Knowledge Centre.

Webinars on future of work

There were two webinars within the Future of work strand. The first webinar held on 24 April demonstrated concrete examples of how to deal with big data and ethics within PES and proved that it is necessary for all PES to experiment with big data and AI and to share these experiences among each other. It also emphasised the importance of working on an ethical framework including digital ethics in each PES' big data and AI strategy. Few PES are currently using AI, machine learning or other types of advanced analytics, but more and more are planning to do so. It is important that good practices and examples are shared among PES to increase the adoption of such information-based innovations. However, big data and advanced analytics also raise important ethical issues related to privacy, confidentiality, transparency and identity. The webinar provided PES with elements needed to start the development of a strategy on how to embrace innovative practices related to big data while taking into account ethical issues.

The second webinar held on 28 November addressed the topic of Human Resources Management (HRM). PES are facing external and internal challenges in the development of HRM and difficulties in retaining

¹¹ <https://ec.europa.eu/social/main.jsp?langId=en&catId=88&eventId=1507&furtherEvents=yes>

talent, but also in attracting new talents and identifying talents inside their own organisations. It is crucial to start implementing innovative practices or developing and updating existing ones in the field of talent management, in order for PES to keep up with labour market evolutions and needs. The objectives of the webinar were to provide PES with the foundations for developing practices and tools for strategic workforce planning and talent management, and to provide two examples that demonstrate how to plan the knowledge, skills and behaviour that employees will need in the future and how to attract and retain talents.

EU Innovation Lab for PES

A Working Group (WG) was established in 2019, chaired by Belgian PES VDAB, with the aim of developing a concept for building up a PES EU Innovation Lab, including an implementation plan, a set of objectives, how it would be set up and the subject matter it would deal with. The WG discussed how a possible EU PES Innovation Lab could be set up that would go beyond simply exchanging and benchmarking good practices, by working with stakeholders outside PES to solve problems together. The outcomes will be presented and discussed at a PES Network Seminar in January 2020. The Board agreed on piloting lab sessions in 2020.

2.2 Ageing Labour Force

As the labour force ages, so does the PES clientele. Older workers are less likely to lose their jobs, but they are also less likely to be hired and they are disproportionately affected by long-term unemployment. The employment rate for people aged 55 to 64 in the EU significantly increased from 42.2% to 58.7% over the period 2005 to 2018. However, in the long run, more older workers can be expected to utilise PES services, and there will be an increasing need for innovative employment promotion strategies for older unemployed workers as well as the necessary resources. According to the PES Capacity Report for 2018, only four PES (Austria, Belgium VDAB, Lithuania and Luxembourg) report having any strategic targets for older workers. The PES Network commissioned in 2019 an analytical paper on PES strategies to support an ageing labour force¹². The study confirms that

most PES mainstream their service offers. Given the importance of the demographic change, the report recommends a more visible and systematic monitoring of its impact on the labour market.

2.3 Skill Shortages

A survey among European PES in 2019 gave an overview of PES strategies on skill shortages, their identification, how PES address these shortages and cross-border issues¹³. There is a widespread appreciation among the European PES of the necessity of developing skills – in particular skills which are in short supply. It is widely understood that a knowledge of skill imbalances in the labour market is essential to executing many of the core functions of the PES. However, the survey also demonstrates that European PES might sometimes not effectively address skill imbalances in their labour markets. Within the overall skill development strategy, the utilisation of new technologies is limited.

A WG on the role of PES in addressing skills shortages was established, chaired by Belgian PES Le Forem. The WG explored ways for PES to adopt a more pro-active and broad-based approach in the field. It took into account the learning from practical examples in participating PES. The outcome of the WG is a policy paper on how to unlock the potential of PES to make a significantly greater contribution to alleviating skills shortages in the European labour market. The paper was adopted by the Board in December and is available in the PES Knowledge Centre.

2.4 The Youth Guarantee

Every year since 2014, more than 3.5 million young people have been covered by Youth Guarantee (YG) schemes, taking up job offers, or going into continued education, traineeships or apprenticeships. Young people's labour market performance has improved in recent years. While this development is attributable to the improved economic situation in Europe, according to the European Commission, this is also partially due to the YG, together with the effect of the YEI¹⁴.

The PES Network has committed to support and monitoring the delivery of the YG. In 2019, the PES

¹² <https://ec.europa.eu/social/BlobServlet?docId=22033&langId=en>

¹³ <https://ec.europa.eu/social/BlobServlet?docId=21485&langId=en>

¹⁴ <https://ec.europa.eu/social/main.jsp?catId=1079&langId=en>

have reported on the national implementation of the YG as part of the annual PES capacity survey¹⁵. The report includes information on which factors may have positive as well as negative impact on the YG implementation. This study also aims at identifying the challenges encountered, as well as PES opinions and proposals that could lead to improving the YG performance. More than one third of the PES have participated in youth-orientated ML activities with other EU Member States, and more than half of PES have staff who are solely responsible for the implementation of the YG.

2.5 Refugees

Labour market integration of refugees and asylum seekers has been on the PES Board agenda for several years. From a PES perspective, four key aspects are of particular importance for the labour market integration of refugees; language, skills and qualifications, partners and institutions, and employers. These key considerations were updated in 2018, and endorsed by the Board in January 2019¹⁶. Good PES practices published in the PES Network Knowledge Centre¹⁷ were updated and revised in 2019. The PES Network survey on strategies to alleviate skills shortages (see chapter 2.4) indicates that the PES cannot fully use the labour supply among the group of asylum seekers, as their legal status is complex and varies across the EU.

2.6 Research and Studies on PES Topics¹⁸

Quality of ALMP provision

So far, academic research has focused almost exclusively on the development of quantitative methods to assess the success of ALMPs against measurable outcome and the (re-)integration of participants in the labour market. Qualitative information on different phases of the implementation of ALMPs, such as planning, delivery and follow-up, has not been gathered which leaves a considerable gap in understanding of what works for whom and in

which circumstances. The main purpose of a quality index of ALMP is to support PES by identifying good practice in the process of delivering high quality ALMP measures.

The project, supported by a special formed PES Reference Group, has selected an approach that focuses primarily on the client journey of ALMP delivery, but also covers the institutional framework of ALMP implementation¹⁹. The calculation of the proposed index is based mainly on the PES Benchmarking outcomes. The Board has agreed to base further work on the proposed framework.

Policy levers for early support

As part of the work for establishing a benchmarking framework on unemployment benefits and ALMPs, the Employment Committee Indicators Group (EMCO IG) has mandated DG EMPL to develop policy lever indicators on early support services to unemployed jobseekers, understood as those provided by PES within the first six month of the unemployment spell. A draft expert report was presented at the EMCO IG meeting in November 2019. Three key policy levers indicators are explored, looking at key implementation aspects of early support services that would be relevant for the benchmarking exercise. Feasible data and quality of the proposed indicators in terms of constituting credible policy levers for the benchmarking exercise are analysed, including proposals for further development of the indicator set.

Sustainable employment – How can PES measure the effectiveness of their support?

Based on the report a small study and discussions in 2018 all PES have been clustered into three focus groups according to their source of information related to measurement of sustainable employment. Possible options were discussed with each PES in the focus groups. Output are country fiches on data sources and measurement possibilities for every PES. A proposal on options for an indicator is available and will be tested in 2020, and contribute to further discussions in the BL working group.

¹⁵ <https://ec.europa.eu/social/BlobServlet?docId=21886&langId=en>

¹⁶ <https://ec.europa.eu/social/BlobServlet?docId=20660&langId=en>

¹⁷ Finalised publications can be found on the PES Knowledge Centre website.

¹⁸ Finalised publications can be found on the PES Knowledge Centre website.

¹⁹ <https://ec.europa.eu/social/BlobServlet?docId=21872&langId=en>

3. PES MODERNISATION

3.1 Benchlearning

Benchlearning is central to the PES Network's activities as defined by the PES Network Decision. It is the process of creating a systematic and integrated link between benchmarking (both quantitative and qualitative) and ML activities. The ultimate aim is to support each PES in improving their performance through comparisons and institutional learning from peers.

The core idea is that this will lead to better results and contribute towards improved functioning and a convergence of labour markets, thereby demonstrating the added value of PES.

Benchmarking

In order to achieve this, a structured and systematic analysis of PES performance and its drivers is conducted through the analysis of performance data (quantitative Benchmarking) and an on-going process of PES self-review, peer review and expert review (qualitative Benchmarking).

Each year PES are asked to provide data on eight mandatory indicators that are calculated from the PES data and other sources. The time series of these indicators and their correlation with other data are published on a dashboard and made accessible to registered users. The dashboard is the major tool used to promote transparency between all members of the PES Network.

In contrast to the first two cycles of Benchmarking which were conducted seamlessly in 2015-2016 and in 2017-2018 with both quantitative and qualitative assessments, it was decided to dedicate 2019 to the revision of the reference framework (the Excellence Model) as well as to focus on Benchlearning, to actively use the learning potential in the Network and implement changes supported by Thematic Learning Dialogues. This way, PES are given more time between the qualitative assessments during which they can achieve progress and implement their change agenda.

Revision of the Excellence Model – adapting to new challenges

A revision of the Excellence Model was necessary: new economic challenges have arisen for PES, the work sphere has continued to change and new insights have been gained on the functioning of a PES.

The process of revision comprised four steps:

1. A survey was conducted among AFEPAs to gather their opinion on whether the different sections and the enablers in the Excellence Model needed revising. This also included concrete suggestions on the adaptation, merging or deletion of enablers.
2. Furthermore, a review of the academic literature was carried out to gather and analyse any relevant new scientific findings on the functioning of PES. The first suggestions for the revision of some of the enablers in the Excellence Model were based on this review of over 80 articles and documents.
3. Task forces were formed for the four sections in the Excellence Model that the AFEPAs believed to have the highest need for revision. The first suggestions based on the literature review were further refined and agreed.
4. As a last step, the most recent findings from the combined qualitative and quantitative analyses were taken into account. For this process, qualitative data for the first two cycles of Benchlearning as well as quantitative data on context-adjusted performance indicators until 2018 were available.

The revised Excellence Model was presented and adopted at the December Board Meeting and will then form the basis for the third cycle of Benchlearning assessments in 2020/2021.

Thematic Learning Dialogues – a step from Benchlearning to Benchacting

The introduction of Thematic Learning Dialogues (TLDs) aims to set up a structured learning process among peers leading to concrete plans for change in the participating PES. Building on the process of Benchlearning, this new learning format supports action among PES based on the findings and suggestions of the first two Benchmarking cycles. The TLDs are expected to support concrete and realistic change projects among the participating PES.

Several parties are involved in the conduct of the TLDs. First of all, the needs of all PES are identified and grouped in order to identify those topics most in demand among the PES community. The identified topics are then matched with those PES that have proven to be the most advanced in the corresponding fields according to the assessments of the second cycle of Benchlearning.

Every PES chooses one TLD based on their individual needs. A group of three to four participating PES for each TLD is formed. During the TLDs, contents, experiences and approaches are presented by the Host PES. This input in turn informs a process of team working among the participating PES, which is the second integral part of these learning events.

The participating PES discuss and assess the relevance of the input for their project and draw up a plan what and how to adapt to their own project. This process is assisted by supporting Peer PES. Based on these outlines of change drawn up during the TLD, a more detailed change plan is elaborated by the participating PES after their initial participation in the event.

Based on the outlines of change, an individual feedback report is drawn up for each participating PES. In this document, the specific results and connected plans of the TLD participation are provided, including a timeline with the first milestones of the change process. This document in turn will serve as a reference for the assessment process of the upcoming third PES Benchlearning cycle.

Thematic Learning Dialogues – Topics and first Results

There were nine TLDs during 2019. ‘E-services and channel management’ (one hosted each

by Belgium VDAB and France), ‘Profiling and Segmentation’ (one hosted each by Germany and France) and ‘Performance Management’ (one hosted each by Denmark, Norway, and Germany). One TLD, hosted by Estonia, dealt with ‘Change Management’, and another one on ‘Quality Management’ was held by Austria.

The scope and content of the change projects of the PES connected to their participation in the TLDs varied strongly in scope and content. While for some PES their TLD participation served as valuable support and inspiration for a sub-task of a wide-ranging and ongoing change project, other PES used their participation in a TLD to become better informed and discuss their strategic approach to upcoming changes (see Annex 2 for more details).

Mutual Learning, an integral part of Benchlearning – the concept and activities

The ML concept uses evidence such as the Benchmarking results to identify and address PES learning needs. The ML activities of the PES Network support PES modernisation and the improvement of PES performance by addressing PES learning needs identified through Benchmarking. They also facilitate PES learning on subjects that contribute to the goals of the EU2020 Strategy and the implementation of PES-related country-specific recommendations.

The PES Network’s ML Work Programme 2019 has been shaped and enhanced using direct and comparable evidence from the Benchlearning data collection and assessments. This evidence has enabled ML activities to continue to be increasingly designed, delivered and targeted in relation to PES learning needs, and to identify, disseminate and facilitate the transfer of good practice amongst PES. In addition, the format of ML activities in 2019 provided PES with access to more targeted, support-orientated and peer-based learning activities, which have been reflected throughout the year in the growing prevalence of workshops, mutual assistance and activities based on working groups.

The ML activities in 2019 were focused on strategic and operational matters that support the modernisation of PES, and improve the reach and impact on those who need PES to progress in their working lives. ML activities were structured around the thematic strands of future of work and digitalisation (see chapter 2.1), PES service delivery, and PES performance management

including Human Resource management. Within these thematic strands, activities focused on evidence-based service delivery and co-creation of services by involving customers, big data and ethics, unemployment prevention, and promoting innovative approaches tested by PES. Activities in 2019 (see Annex 4) took the form of learning events (conferences, seminars, TRWs, MAPs and webinars) as well as written outputs (reports, toolkits, practices and studies), accessible on the PES Network website²⁰. In addition, 2019 saw an introduction of a new format of ML via TLDs.

Work strand on PES Service Delivery

The thematic strand of 'PES Service Delivery' concentrated on evidence-based services and co-creation.

Evidence-based Service Delivery

The general argument for using reliable evidence for the development of PES measures and services is that it helps increase the efficiency and effectiveness of the PES if presented in a user-friendly format. Evidence can inform and improve the decisions not only for PES managers and policy makers, but also PES frontline staff, employers and jobseekers.

Building on the working strand 'Digitalisation' and especially the 2018 PES Network Seminar on piloting and evaluation, a Working Group on evidence-based service delivery was created, chaired by the Dutch PES. It explored how to facilitate a culture and acceptance of the systematic use of evidence in the further development and delivery of services. The meetings particularly focused on evidence-based service-delivery methods used for ALMPs. The outcomes are summarised in a policy paper²¹, addressing lessons learnt as well as recommendations about feasible solutions that could be implemented in the organisations.

Co-creation of Services

A Thematic Review Workshop on Co-creation of services was held on 25-26 September in Stockholm. Hosted by the Swedish PES, the Workshop explored structured models for involving customers (jobseekers as well as employers) in

service design, in which co-creation is the key principle. The need to modernise PES services was evident as PES face more diverse client groups that require tailored approaches to service delivery. This has also important implications for PES management and staff. The Workshop focused on three topics:

- The anchoring of 'co-creation' at a strategic level of the organisation, taking into account contextual factors.
- How to actively involve different groups such as PES staff, intermediates (e.g. external service providers), customers and stakeholders.
- Process design and organisation-wide implementation.

The outcomes will be presented in a thematic paper and published in the PES Knowledge Centre.

Work strand on PES Performance Management

The thematic strand of 'PES performance management' concentrated on two crucial aspects in 2019: managing knowledge in PES and PES internal benchmarking.

PES-internal benchmarking

Benchmarking is not an isolated activity, but part of a wider management approach. Many PES in the EU are nowadays applying this approach to a greater or lesser extent. The central idea is that the organisation is controlled and steered using predominantly outcome targets (results, impacts), which everyone at all levels needs to pursue and is assessed by. Target setting can be done using statistical modelling, which is particularly helpful when regional or local contexts are to be taken into account when translating targets to lower levels in the organisation. A Thematic Review Workshop on PES internal benchmarking was held in Vienna on 26-27 June, discussing the benchmarking of the performance of regional and local offices within national PES organisations. The Workshop contributed to the discussion of how to build a fair internal performance comparison as precondition for evidence-based learning and the improvement of overall PES performance. The workshop showed that the issues PES face when designing and

²⁰ <https://ec.europa.eu/social/main.jsp?catId=1100&langId=en>

²¹ All publications are available on the PES Knowledge Centre website - <http://ec.europa.eu/social/PESknowledgecentre>.

implementing internal benchmarking are very similar across countries. The main conclusions from the workshop are:

- A balanced set of indicators avoids perverse effects.
- Comparing apples with apples. It is important that targets for KPIs are set for every level of the organisation.
- Linking benchmarking to human resources management.
- Engage the staff for successful benchmarking.

A thematic paper, summarising the outcomes, is available in the PES Knowledge Centre²².

Knowledge management

A webinar, held on 15 May, tackled Knowledge Management and how PES manage available knowledge management for effectively using it when implementing services. It aimed to present good practices, focusing on the use of databanks to handle the knowledge within each PES, but also knowledge of the PES Network at the national PES level. It emerged that databanks may be considered a first step towards sharing information within and beyond PES, and this is probably the knowledge management tool that most PES are aware of. However, a comprehensive knowledge management system should cover information and knowledge generated in all functions of the organisation and channels of sharing information with frontline staff, managers, partners, policy makers and clients as well.

A practitioners' toolkit to support PES in meeting the main challenges of developing effective Knowledge Management systems, which covered best practices on databanks and other tools as well, will be available in the PES Knowledge Centre.

3.2 Mutual Assistance

PES Network continued to provide Mutual Assistance (technical assistance through peer PES support) for PES modernisation in the Czech Republic and Spain.

Czech Republic

The Czech PES took up the opportunity to request a Mutual Assistance Project (MAP) and therewith peer PES support on their pathway of change. The objective of the PES MAP is to enhance the effectiveness of the PES organisation. A revised Performance Management and internal benchmarking system should drive behaviours and outcomes leading to an improved PES performance in the Czech Republic.

Consequently, the main recommendations drawn from the second cycle Benchlearning feedback report are forming the objectives of the MAP. And thus, peer-PES experts from the Austrian, German and Slovenian PES are supporting Czech management to developing a vision/guiding document, the establishment of an impact-oriented strategic performance management system with a relevant set of KPIs including quality objectives and the set-up of a system for a fair performance comparison between regions.

Within the first two workshops in 2019, interactive group sessions with engaged managers from the Czech PES supported by peer PES experts paved the way for reaching the objectives.

Spain

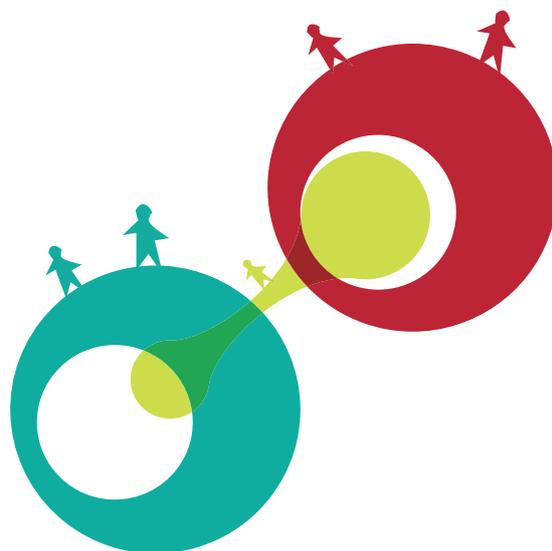
Following the recommendations of the last Benchlearning evaluation '...encourage the SEPE to invest more in labour market analysis and research, thereby giving the regions sound evidence on what works, for whom and under which conditions', the MAP 2019 was set on skills forecasting and the identification of training needs as a basis for planning training provision for employed and unemployed workers. Two workshops supported by EU PES experts (BE-Actiris, DE, FR and NO) have been organised: the first one on 'facing the imbalances of the labour market: from diagnosis to training action' and the second one on 'how Public Employment Services should act and anticipate changes of the labour market that will take place in the next ten years, given the new economic and social realities'. This overarching objective has been translated into three dimensions:

- Benchlearning from other countries' practices as regards skills anticipation, identification of training needs and the subsequent planning of training.

²² <https://ec.europa.eu/social/BlobServlet?docId=22100&langId=en>

- Working with regional PES to better understand how to translate the identification of training needs carried out annually by the national PES into training activities and other ALMPs, such as counselling, guidance, employment incentives, etc.

Developing more extensive knowledge about experiences in other countries on how regional/local labour market needs are detected and responded to by local PES through proper identification of local training needs and adequate provision of training.



4. PERFORMANCE CAPACITY OVERVIEW

4.1 Assessment Report on PES Capacity 2019

Within its Annual Work Programme, the Network annually undertakes a survey, which in 2019 had two parts: one on PES capacity and one on the PES Implementation of the Youth Guarantee.

The main findings from the PES capacity report 2019 are summarised below and supported by a selection of more detailed findings in Annex 6. This report is based on information received from 31 PES in July and August 2019²³. In addition it makes use of data gathered through the Annual PES Benchmarking Data Collection.

Structural changes predominantly in tasks, internal organisation and e-services

Last year's report provided information on developments in the organisational set-up of the PES. Ten PES have reported changes. The more substantial changes concerned tasks and responsibilities and changes in their organisational structure, and e-services.

Examples of the extension of tasks under the responsibility of PES are employment support to asylum seekers, training of employed, and career advice and guidance to young people. Actiris (PES in Belgium) formed an additional partnership in this area in Belgium, and the Estonian PES is now fully responsible for this task, and it also became responsible for the methodological development of career services in Estonia.

The Lithuanian PES merged its central and ten regional PES offices into one legal unit, with two departments in the central office and five regional client-facing offices across the country. The legal name of the Lithuanian Labour Exchange changed to 'Lithuanian Employment Services'. In Hungary, labour market reforms continue and the new local

office model already in place in three counties was extended to another three counties in April 2019. In Italy the absorption of the management functions of PES by the regions, previously under the responsibility of the provinces, induced some further changes in terms of personnel and structure.

The Swedish PES further extended its digital service offer and together with external partners undertook a series of initiatives to further digital matching and to increase the digital awareness. Digital services will be equal to physical meetings and the use of automation and AI will increase. This is part of a larger reform that will transform the PES until 2021.

Number of jobseekers decreasing further, but vacancy growth smaller than before

The labour market context in which PES operate continued to improve in 2018. The number of registered jobseekers continues to decrease. The number of vacancies notified to PES is still increasing, albeit at a much slower rate than in previous years. The total number of job-seeking clients registered with European PES decreased by 7.2%²⁴. On the other hand, the total average monthly inflow of vacancies increased by only 1.9% between 2017 and 2018²⁵.

The share of difficult-to-place clients very slowly decreasing

The number of young people, the LTU and older workers in the PES population continues to decrease. The decrease for young people is still relatively high but becoming less strong. The decrease in the number of the LTU is greater than before. Between 2017 and 2018, these developments have now also resulted in a lower share of the PES population for all of these groups.

²³ EU 28 (excluding the UK and with three regional PES in Belgium), together with Iceland. Norway did not participate in the survey, but provided data in the online annual BL data collection.

²⁴ This concerns the 30 PES where information is available on the number of persons (i.e. not spells) at the end of each month i ($i=1, \dots, 12$) in a given year t ($t=2010, \dots, 2018$) who are registered with the PES, who are available for the labour market and who are, or should be, looking for a job excluding those on any active labour market policy (ALMP) measure.

²⁵ This concerns the 30 PES where information is available on the annual average monthly inflow of job vacancies notified to them.

PES expenditure stable since previous year

To ensure comparability across PES, the financial comparisons in this report do not include expenditure on unemployment benefits or other benefits, or pro forma expenditure²⁶. Overall, total expenditure, excluding these categories, increased in recent years, though the annual increase gradually became smaller²⁷. Between 2017 and 2018 an overall decrease occurred (-0.2%). Compared to five years ago, the number of PES increasing their expenditure has been low, while a larger group of PES was reporting decreasing expenditure in recent years. This overall decrease was caused in particular by two of the PES with relatively high budgets (FR and SE) spending less than the year before. In fact, expenditure was lower in only six PES, while 12 PES spent more in 2018 than in the year before. As before, most of the PES budget was spent on ALMPs, followed by staff costs.

Staff numbers continue the modest decline first observed last year

The total staff, measured in Full-Time Equivalents (FTE), has now been decreasing for three years; starting with from a 0.2% decrease between April 2016 and April 2017, followed by a 1.2% and 1.4% decrease in the last two years. Countries with decreasing or stable staff numbers include the largest PES. This explains why, in spite of the overall trend, the number of PES with increasing staff numbers over the past 12 months was somewhat higher April 2019 than in the previous year. The mid-term trends are rather stable, so it remains to be seen whether last year's slump was coincidental or of a more structural nature. For many PES the development in staff numbers since April 2018 is in line with the trend over the three years since 2016.

Growing staff turnover rates

Overall, PES staff turnover rates (i.e. the proportion of total staff leaving PES in a given year) had again increased since the previous year. For the 28 PES for which this information is now available, the average staff turnover rate rose from 7.8% in 2017 to 8.9% in 2018. 19 PES had higher turnover increases, while only six PES had lower

turnover rates than the year before. The most often mentioned reason quoted for staff turnover is natural causes, in particular retirement.

Limited changes in staff deployment foreseen

Only ten PES foresee changes in the deployment or allocation of their staff in 2019. These changes were related to a variety of causes, sometimes related to structural organisational or HR policy measures, but more often to the implementation of specific tasks.

Increasing the focus of ALMPs towards workers, companies and the low-skilled

22 PES reported the introduction of new ALMPs, and 20 PES reported amending existing ALMPs to respond better to labour market conditions in 2018. Young people are still an important target group for new measures. About one in four of the new measures are directed at young people, and about one in six are directed at the LTU. The number of new measures for older people or inactive is not much smaller than the latter. Several new measures were introduced aimed at people with specific education and skills in 2018.

Training and employment remain key measures for specific target groups

Training and employment incentives remain the type of measure most often used by all target groups, supplemented by supported employment and rehabilitation for the disabled. Nevertheless, direct job creation and start-up incentives are also used quite often for most groups and somewhat more so than last year.

Strategic targets often related to the long-term unemployed

In total, 24 PES have defined strategic targets for 2018. Only a small number of PES do not set targets and some of them monitor their performance using indicators agreed in advance. Important categories of targets were those related to vacancies, the LTU, and youth. Twelve PES set strategic targets with a view to improving

²⁶ Expenditure items that feature in the PES budget but are transferred to other organisations without any involvement in their further spending.

²⁷ This information is available for 18 PES.

PES internal processes. Of all the PES's main strategic targets, almost 20% can be considered performance targets and about one third as output targets. 15 of the 24 PES that set strategic targets for 2018 included targets for results to be achieved in terms of employment. Three quarters of the PES setting targets also included indicators for outputs in terms of services delivered, inflow into ALMPs, and sometimes participants completing ALMPs.



5. CONCLUDING REMARKS

The PES Network has completed five full years of mutual learning activities as an integral part of Benchlearning. A growing set of learning needs identified through last year's activities was the starting point for the shape of the 2019 Work Programme. Direct and comparable evidence from the Benchlearning data collection and assessments has fed into mutual learning activities. PES have gained access to more targeted, support-orientated and peer-based learning activities, with the intense thematic learning dialogues as a new and promising format introduced in 2019.

Evaluation of the mutual learning programme demonstrates positive signs that PES were not only sharing and identifying good practices, but also actively following-up on their participation in learning events. An observation from the thematic learning dialogues is that the two first cycles of Benchlearning have clearly given orientation to PES on their way to modernisation and change.

The strategic approach of the 2019 Work Programme is continued into the proposed 2020 Work Programme, with a continuation of the main thematic strands, complemented by the start of the third cycle of Benchlearning site visits as a core element. Based on the feedback received, an umbrella strand will focus on strengthening visibility of PES and the PES Network, and responding to emerging challenges and in line with the new Commission priorities.

For the PES Network's fifth anniversary in June 2019, a book was published where 32 members from all over Europe collected testimonies to underpin PES added value. The articles demonstrate how the Network has contributed to co-operation between PES, support of modernisation, implementation of policies and measures for target groups, as well as actions beyond the European PES. The book's title is "Public Employment Services. Policies and Practices"²⁸.

As confirmed by the external evaluation that was published by the European Commission in 2019 the Network has been effective in delivering on its objectives and initiatives. The Network outputs are highly efficient, and it helps PES to implement EU employment policies and dedicated initiatives, such as the Youth Guarantee and actions aimed at the Long-Term Unemployed or the integration of refugees. A key added value of the Network is the Benchlearning initiative.

This fifth Annual Report once more demonstrates the Network's strong collaborative learning, activities related to policies and finally the growing learning organisation.

²⁸ <https://www.pesnetwork.eu/>

ANNEXES

Annex 1 - Benchlearning Project Organisation and Activities

1. Introduction

In order to put Benchlearning into practice it was necessary to establish a systematic link between performance enablers and performance outcomes, while controlling for context/external factors.

In this annex, the latest results of the quantitative Benchmarking (section 2) are presented, followed by an overview of specific changes of enablers for the upcoming qualitative Benchmarking (section 3) and is concluded with an overview of this year's qualitative and quantitative analyses and their outcome (section 4).

2. Quantitative Benchmarking

In the course of the annual Benchlearning data collection, PES were asked to provide variables according to clearly defined requirements. 30 PES provided their data used for the calculation for eight mandatory indicators. The provision of the data for the whole population of the unemployed as well as by the length of the unemployment spell (LTU/non-LTU) enabled a calculation of five complementary LTU indicators. All these indicators based on the data provided by the PES and gained from other sources (such as the EU's Labour Force Survey – the LFS) were placed on an online dashboard and made accessible to registered users. PES have the possibility of enhancing performance comparison between PES, as well as an opportunity to assess their own performance over time which could provide a rich source of useful information.

The comprehensive analyses of all indicators were conducted to identify valid PES performance outcomes. The following indicators are identified as the valid PES performance outcomes:

- Unsubsidised transitions into the primary labour market.
- Subsidised transitions into the primary labour market.

- Fast transitions (i.e. the share of transitions within six months of unemployment) of the 55 years old and older age group into the primary labour market.
- Medium-term transitions (i.e. the share of transitions within 12 months of unemployment) of the age group under 25 years into the primary labour market.
- Total exits out of unemployment.
- PES involvement in job finding according to the EU-LFS (a composite indicator); the indicator is based on the following single indicators:
 - The share of high-skilled persons who found a job and who indicated in the Eurostat Labour Force Survey (EU-LFS) that the PES was involved into finding this job at some point in time.
 - The share of low-skilled persons who found a job and who indicated in the EU-LFS that the PES was involved in finding this job at some point in time.
 - The share of medium-skilled persons who found a job and who indicated in the EU-LFS that the PES was involved in finding this job at some point in time.
- Jobseeker satisfaction with PES services (i.e. the share of satisfied jobseekers).
- Employer satisfaction with PES services.
- Transitions of the LTU into employment as a share of the LTU.
- The share of LTU transition into the primary labour market as a share of total transitions.

For these indicators, multivariate regression analyses were applied to adjust for the impact of the context in which PES operate and make them genuinely comparable. This analytical step resulted in comparisons of performance across PES, i.e. of measurable achievements that are almost exclusively due to the efforts of PES.

3. Qualitative Benchmarking – revision of the Excellence Model

Background

During the first cycle, qualitative Benchmarking was based upon seven areas analysed in a two-staged assessment process (self-assessment and external assessment). After the assessment, each PES received an analysis of its major areas for improvement, together with detailed suggestions and recommendations about how it could enact these changes. For the second cycle, the assessment exercise focused on changes to accompany and support PES in their modernisation activities and guidance on their way into the future.

To continue refined measurement approaches and to identify and assess changes over time within each PES, this time the self- and external assessment exercise focused on:

- Measuring change thereby broadening the empirical basis for context-free performance comparisons across PES, and finding out which organisational structures, processes or services (performance enablers) led to improved performance results.
- Supporting change by providing individual feedback and advice to PES regarding their organisational development projects.

The assessment exercise was based on an update of the 29 original performance enablers with a clear focus on changes since the first cycle. A new enabler section was introduced – Section H: ‘Identification and implementation of a reform agenda’ with three enablers. After the visit, each PES again received a feedback report providing an insight on relevance, coherence and consistency of the reform agenda, an assessment of changes since the first visit and change management as well as practical suggestions for further improvements.

Reasons for the revision and revision process

The context in which PES operate has changed, for example with regard to the increasing digitalisation of the work sphere but also with regard to the services provided by PES. In order to acknowledge these developments and findings, it was decided to use the year between the second and third assessment cycle to review the Excellence Model.

A survey was conducted among the AFEPAs regarding their perceived need for revision of the individual sections and enablers of the Excellence Model, also taking into account concrete suggestions for merging, changing or even deleting individual enablers. A literature review was then conducted to gather new scientific and practical evidence on the functioning of an individual PES. The third element consisted of taking on board input from Task Forces formed by AFEPA members for those sections that, according to them, displayed the strongest need for revision. The members of the Task Forces were given the opportunity to both comment on the suggested changes based on the literature review and contribute further suggestions for additional changes.

The fourth and final step in the revision process was based on the results of the combined qualitative and quantitative analyses of 2019. The latest results provided numerous references to the associations of various enablers and sections with performance indicators.

Main results of the revision process

It was decided that a fundamental change in the Excellence Model was neither necessary nor reasonable. On the one hand, for methodological reasons, it is advisable to keep the structure of the Model relatively stable in order to allow for continuity and comparability of results over time. On the other hand, the literature review did not find any results that pointed to a fundamental need for revision of the Excellence Model. Finally, the fact that the overall maturity of the model displayed a strong association with the ‘unsubsidised transitions into the labour market’ performance indicator points to the basic validity of the model.

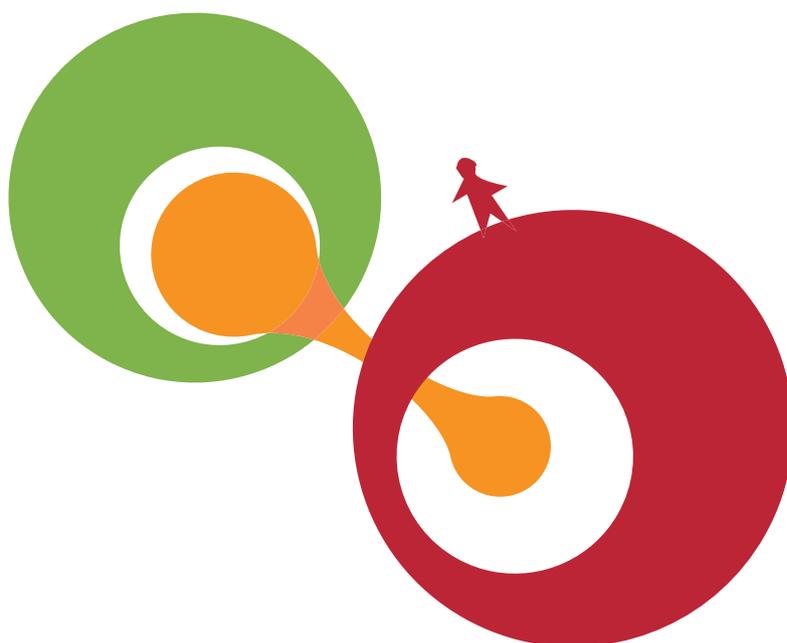
Based on the results of the literature review and the input of the Task Forces, modifications were made for a total of 19 enablers. Enabler F6 (‘Management of partnership with institutions involved in the implementation of the Youth Guarantee’) will be removed from the Excellence Model, since it was already covered by other enablers.

	Preliminary result of revision process	Major source for revision	Relevancy due to combined analyses
Section A: Performance management			
A1	Minor adjustments	Literature review and suggestions from Task Force members	High (very strong significant association with unsubsidised transitions)
A2	Minor adjustments	Literature review	High (very strong significant association with unsubsidised transitions)
A3	Minor adjustments	Literature review	Medium (strong significant association with unsubsidised transitions)
A4	Minor adjustments	Literature review	High (significant associations with unsubsidised transitions and outflows)
Section B: Design of operational processes			
B1	Minor adjustments	Literature review	Medium (strong significant association with unsubsidised transitions)
B2	Minor adjustments	Literature review and suggestions from TF members	Medium (significant association with fast transitions of unemployed 55 years or older)
B3	No adjustments	-	Medium (significant association with unsubsidised transitions)
B4	Minor adjustments	Literature review and suggestions from TF members	Low (no significant associations)
Section C: Sustainable activation and management of transitions			
C1	Minor adjustments	Literature review and TF results	Low (no significant associations)
C2	Minor adjustments	TF results	High (significant associations with unsubsidised transitions and outflows)
C3	Minor adjustments	Literature review and TF results	Low (no significant associations)
C4	Some adjustments	Literature review and TF results	High (significant associations with fast transitions (55 years and over) and medium-term transitions (under 25 years))
C5	No adjustments	-	Medium (significant association with unsubsidised transitions)
C6	No adjustments	-	Low (no significant associations)
Section D: Relations with employers			
D1	Minor adjustments	-	Low (no significant associations)
D2	No adjustments	-	Medium (significant association with unsubsidised transitions)
D3	No adjustments	-	Medium (strong significant association with unsubsidised transitions)
Section E: Evidence-based design and implementation of PES services			
E1	Minor adjustments	Literature review	High (significant associations with unsubsidised transitions and outflows)
E2	Minor adjustments	Literature review and TF results	Low (no significant associations)
E3	No adjustments	-	Low (no significant associations)
E4	No adjustments	-	Medium (strong significant association with unsubsidised transitions)
Section F: Management of partnerships and stakeholders			
F1	Minor adjustments	Literature review, AFEPA survey and TF results	Medium (strong significant association with outflows)
F2	Minor adjustments	Literature review	High (significant associations with unsubsidised transitions and jobseekers' satisfaction)
F3	No adjustments	-	Medium (significant association with unsubsidised transitions)
F4	No adjustments	-	Low (no significant associations)
F5	Minor adjustments	TF results	Medium (significant association with unsubsidised transitions)
F6	To be removed	TF	Low (no significant associations)
Section G: Allocation of PES resources			
G1	Minor adjustments	Literature review	High (very strong significant associations with fast transitions of unemployed 55 years or older)
G2	No adjustments	-	Low (no significant associations)
Section H: Identification and implementation of a reform agenda			
Due to lack of evidence and methodological reasoning, this section was revised in the current process.			

Combined quantitative and qualitative analyses

After having completed the second cycle of Benchlearning, a broader data set now allows for a refined performance analysis. The results have more validity than after the first cycle, but still have to be interpreted carefully. The potential for organisational improvements in every PES will serve as a reference point for the ongoing Mutual Learning activities.

This year's results show that there is a significant positive correlation between some valid performance indicators (quantitative outcome variables) and specific enablers (results from the qualitative assessment). It is especially worth mentioning that one of the most important performance indicators (transition into unsubsidised employment) shows significant associations with 23 sections and enablers. The most striking finding is the significant correlation of overall maturity with unsubsidised transitions. This points to the validity of the Excellence Model as a whole as applied during the first two assessment cycles.



Annex 2 - Thematic Learning Dialogues (TLDs)

TLD 1: 'E-Services and Channel Management' hosted by Belgium (VDAB)

The first pilot TLD in February 2019 was hosted by VDAB and was attended by representatives from the Participating PES Slovenia, Austria and Latvia while Supporting Peer PES for this event came from the Netherlands and Croatia. The focus of the presentations was on the Host PES's 'digital first strategy' and covered both the strategic approach to its implementation, for example the communication strategy, and the technical tools that were developed in the course of this new approach. Furthermore, aspects of future developments in IT and in big data and the challenges and opportunities posed by them were addressed by the speakers of the Host PES.

TLD 2: 'Change Management' hosted by Estonia

The second pilot of the TLDs took place in Estonia and was dedicated to the topic of 'Change Management' with representatives from the Participating PES coming from Bulgaria, Hungary, Malta and Lithuania. In addition, the Peer PES in France and Luxembourg both sent an expert to act as supporting peers for the Participating PES.

Four elements which form the core of the change strategy of the Host PES were presented in detail during the inputs given by the Estonian PES.

1. Clear definition of the change process dividing each project into four stages – Initiation, Planning and Piloting, Implementation and Securing Change.
2. The formation of 'thematic working groups' supporting and securing the success of each change project
3. The creation of a sense of ownership for the change projects among staff
4. The development of a clearly defined and targeted communication strategy.

TLD 3: 'Performance Management' hosted by Norway

The third TLD was hosted by the Norwegian PES and attended by representatives from Lithuania,

Iceland and Finland as Participating PES while experts from the German and Estonian PES acted as Supporting Peer PES. The learning field in this case was 'Performance Management'. The presentations provided by the Host PES were centred on the organisation's innovative approach to 'leadership' which has been introduced to broad acclaim in recent years. This approach is characterised by the principle that decisions are best taken by those directly affected by their consequences. In practice, this means strengthening the autonomy and responsibility among employees at all organisational levels.

Norway's 'PULS' project, connected to the implementation of this approach, consisted of six main steps:

1. The implementation of a unifying tier at all organisational levels, placing the benefit of the customer at the centre of all activities
2. The enhancement of bottom-up activities
3. The systematic sharing of knowledge within the organisation
4. Developing leaders to employ in the public sector
5. Making the organisational culture open-to-change
6. Improving communication within the organisation.

TLD 4: 'E-services and Channel Management' hosted by France

The TLD hosted by France addressed the topic of 'E-Services and Channel Management'. This time, the Participating PES came from Le Forem (Belgium), Denmark, Estonia, and Luxembourg. In addition to that, the experts from Peer PES from VDAB and Norway provided support as coaches to the Participating PES.

Since 2012, the French PES has started to focus more on digitalisation and exploitation of the potential offered by this process. This was due to both a rising demand for digital services among customers and a growing political will to introduce corresponding digital service in the French administration. There were several objectives connected to this change process: (1) an emphasis on the accessibility of services and jobseekers'

autonomy, (2) an improvement of services, (3) a growing motivation among staff to create new solutions and (4) unburdening staff from administrative tasks and freeing resources for in depth counselling.

The practical implementation of this approach consisted of several elements:

- The creation of a unified platform ('Emploi Store') for aggregating a total of 400 digital services
- The creation of platforms on job offers and training opportunities in order to increase transparency for jobseekers
- The introduction of a strategy of 'digital openness' by inviting external IT companies to use PES data for supporting the digitalisation of services.

In addition to that, every jobseeker is now obliged to register online with the PES. Support is provided via telephone to those having problems with this process.

For the participants from Le Forem, the interest lay on strengthening the digital side of their 'phygital' approach to customer services, providing both physical and digital services. This would entail a further staff training as well as improving the accessibility of their digital services, making them more attractive to users. Furthermore, reservations and concerns would have to be addressed regarding data protection issues on the one hand and staff and customers who fear digitalisation as a means of control on the other hand.

TLD 5: 'Performance Management – Evidence-based services' hosted by Denmark

The fifth TLD was dedicated to the topic of 'Performance Management – Evidence-based services' and the Danish PES served as the Host PES for this event. The Participating PES came from Italy, the Netherlands and Slovakia and were assisted by Supporting Peer PES from Slovenia and Norway.

Inputs given by the Host PES introduced the participants to a strategy for evidence-based services in three steps: the development and use of tools to generate evidence on 'what works', followed by concrete examples of how this knowledge is put to work and disseminated throughout the

organisation, and finally the relevance of that approach to the specific sphere of performance management.

TLD 6: 'Profiling and Segmentation' hosted by France

The first TLD on the topic of 'Profiling and Segmentation' was hosted by the French PES. This sixth TLD was attended by representatives from three Participating PES - Estonia, Spain and Sweden. Support from the Peer PES was provided by two experts from VDAB.

During the event, the Host PES presented their new general approach to profiling and segmentation which was introduced in 2012 and supported by corresponding IT, communication and human resources strategies. The process of segmentation and profiling starts from an online registration, which is followed by an initial exploratory interview of about 45 minutes. Based on the decision made by the counsellor, the jobseeker is assigned to a customer segment, depending on his or her need for support. This decision in turn shapes the follow-up process.

Among the tools and approaches presented at the TLD, was 'caseload management', a tool meant for counsellors to explore and manage their caseload as well as a 'starting pack for newly registered jobseekers'. The latter is a new, holistic profiling approach that takes two half days. During the course of this profiling, the individual skills and needs of jobseekers are determined and they are also introduced to the different measures of support they can receive. This approach is currently being tested in the hope of speeding up the return to employment through more investment of PES resources at the beginning of the individual's spell of unemployment.

TLD 7: 'Profiling and Segmentation' hosted by Germany

Just like its predecessor, the seventh TLD was concerned with the topic of 'Profiling and Segmentation'. This time Germany acted as a Host PES while the Participating PES came from France, Norway, Portugal and Romania and support was provided by experts from the Peer PES of Le Forem and Lithuania.

At the core of the profiling and segmentation strategy of the German PES lies the '4PM' (4 Phase

Model) process. The phases have four stages (1) profiling, (2) defining the goal, (3) selecting a strategy and (4) implementation and follow-up. The process of profiling itself focusses on the jobseeker's strengths and takes into account five dimensions: (1) training, (2) performance, (3) motivation and (4) personal framework conditions on the jobseeker's side as well as (5) the general labour market conditions. Based on these elements, the time required for re-integration into the labour market is assessed by the counsellor, placing the jobseeker into one of two segments: close to integration / far from integration. To shed additional light on this process, its application was presented in a role play and also the supporting medical and psychological services provided by specialised internal units were explained in detail.

TLD 8: 'Performance Management (KPIs)' hosted by Germany

The fifth TLD was dedicated to the topic of 'Performance Management (KPIs)' and the German PES served as the Host PES. The Participating PES came from Cyprus, Greece, and the Czech Republic. The KPI System implemented by the German PES is an advanced system. The consistent model to define targets as a result of labour market analyses, the translation of targets into KPIs, the index structure of targets (i.e. results and the result structure), and the strong focus on following-up the results using performance dialogues are central elements of an elaborated management system.

TLD 9: 'Quality Management' hosted by Austria

The final TLD of 2019 was the only TLD dealing with the topic of 'Quality Management' and it was hosted by the Austrian PES. The PES from Actiris (BE), Germany, Poland, and Croatia participated.

The Austrian approach to quality management is based on several pillars: a regular external evaluation, external assessments of various selected processes within the organisation, internal evaluations by management assessments of the regional organisations and self-assessment and internal assessment of all the central office units. Its current quality programme is dedicated to four topics: (1) improvement of the customer's orientation, (2) optimisation of processes, (3) change management and (4) innovation/learning/knowledge management.



Annex 3 - Reports from PES follow-up on Benchlearning Activities

Austria

Following the priorities from the first Benchlearning cycle in 2015, Austrian PES (AMS) has continued in risk management. A strategy map is now available and is used for internal communication.

Based on the results of the second Benchlearning visit in 2017, PES has focused on:

- Recommendation on segmentation: Activities have been restarted. IT implementation of customer codes according to their integration chances on the labour market start in November 2018. The strategy is agreed in the AMS mid-term plan, in the meantime our advisory board agreed to start implementation currently.
- Second focus is on a recommendation to set up a system of causal impact evaluation of ALMP measures. This has meanwhile been implemented in the AMS mid-term plan and includes a pilot project.

The Austrian PES and the German PES began exchange on expert level, with study visits in Austria and in Germany.

Belgium – VDAB

Based on the results of the second Benchlearning site visit, the VDAB has defined several change projects:

- The sectoral approach is now rolled out in all the VDAB services and furthermore reflected in the new organisation model.
- VDAB investigates early intervention by using AI, and is exploring ways to use data for development of better services.
- VDAB was host for the first TLD on E-services and Channel management.

Belgium - Le Forem

Based on the recommendations of the second Benchlearning external assessment which took

place in December 2018, the PES has focused on:

- Further developing and deploying the digital strategy and services, including improving the change management approach, the integration of customer needs and the development of new application programming interfaces. Accordingly, Le Forem has also taken part in the Thematic Learning Dialogue organised in May on e-services and channel management.
- Starting the redesign of supporting jobseekers including profiling as well as the overall quality approach of the process.

Belgium – Actiris

Actiris has undergone the second Benchlearning assessment and will take into account the recommendations of the report in its planning for 2020-2021. The process of integrating the report's recommendations into the annual development plans and broader change process is ongoing.

An overall and main recommendation concerns the current reform agenda of Actiris, which is being considered as ambitious and generating a fundamental change of culture. Actiris is encouraged to allow enough time for implementing a careful change management which takes the reform process as a coherent whole, including the prioritisation of the objectives and increasing transparency and target oriented staff involvement.

A new Digital Transformation Unit will be in charge of developing a digital innovation plan, including profiling and channel management, as part of a digitalisation strategy.

Bulgaria

The new focus on performance management is in the following areas:

- The PES will be an effective labour market mediator for all people, by digitalisation of services, developing an e-Labour Exchange, and creating an electronic library.
- Institutional strengthening of the change process with transforming the existing monitoring system into a performance management system, applying a systematic evaluation approach.

- For the ongoing modernisation of the PES, it is necessary to manage the change and to have a high degree of personal commitment from the management team and employees. PES joined the TLD after the second Benchlearning cycle, learning from experience of the Estonian PES. The steps for implementation have been outlined, and a team for managing the change has been appointed.
- A service package has been piloted and is now implemented in all offices. It consists of better integration of profiling, segmentation, frequency of customer contacts, and to apply standardised service packages to jobseekers from vulnerable groups in the labour market.
- Inspired by the good practice of the French PES, creativity is encouraged on the ground, so that effective solutions appropriate to the local context can be implemented.

Croatia

Based on the results of the second Benchlearning visit in 2017, the PES has focused on the following:

- The services to employers have been improved. In order to react more effectively to matching job vacancies and jobseekers' applications, the procedure of referring candidates to employers has been changed. The new procedure is supported by the implementation of a new application module, which enables better monitoring and ensures the quality of business process.
- Statistical profiling is implemented for all newly registered jobseekers.
- Satisfaction surveys for clients, both employers and jobseekers were implemented.
- Performance indicators to assess the work of counsellors in the process of job mediation were defined. Heads of regional offices were trained on database management so that they can monitor individual counsellor's performance at the local level.

Cyprus

The PES utilised extensively and effectively the additional capacity of the 30 new counsellors hired for a period of 24 months for the implementation

of an intensive process of individualised guidance and support to vulnerable groups of unemployed. The PES is promoting an ongoing staff development through training, and has launched an IT system to monitor and evaluate of ALMPs.

PES mobilised actions towards reaching out to NEETs through enhanced and established cooperation with relevant actors including the development of an Action Plan, a second profiling of NEETs, production of advertising material, participating in local events for disseminating information about PES services, and support by the counsellors.

The PES is designing four questionnaires for Opinion Surveys, which will be applied to employers, jobseekers, social partners, and PES staff. A Strategic Document is under preparation to include KPIs and quality targets. The PES will also participate in the TLD on Performance Management (KPIs) in order to be assisted in the development of the Performance Management system.

Czech Republic

The Czech PES participated in a Mutual Assistance Project of the PES Network aiming to improve the Performance Management with clearly defined objectives:

- Create a guiding document about vision, mission and values of the organisation.
- Implementation of the impact-oriented Strategic Performance Management system with an appropriate set of KPIs, including quality objectives.
- Establishment of the Benchmarking system, ensuring a fair comparison of the performance of regional offices, taking into account the economic context in which they operate.

A number of initiatives (working groups, a pilot campaign "We are building our strategy together", workshops) have been created due to the first MAP workshop.

Denmark

As a part of the Benchlearning's second cycle, STAR has participated in a TLD on E-Services and Channel Management. STAR has gained useful knowledge from the TLD and it will serve as inspiration for STAR's future digitalisation strategy and the

ongoing work to improve the digital agenda. STAR has also hosted a TLD on Performance Management Evidence based services/decisions. Over the past 15 years, STAR has been systematically building up evidence about what works in the employment policy. STAR presented a unique database, Jobeffekter.dk, where it is possible for anyone to look up the effects of ALMPs, free of charge and available in English. STAR also presented a new tool, jobevidens.dk, where decision makers within the municipalities can obtain comprehensive information about “what works”.

Estonia

The Estonian PES participated in two Benchlearning TLDs in 2019, e-services and channel management, and profiling and segmentation. As a result, the change projects of the PES will focus on the improvement of the e-counselling channel and adaptation of new clients' profiling tools, as well as relevant communication strategy for introducing these changes. The PES will have a future focus on renewal of PES performance management system, developing a services' impact assessment model, continuation of development of PES data warehouse and fully automated work processes, implementation of a speech-to-text analyses tool for analysing clients' incoming calls, establishment of a comprehensive framework for support and quality assessment of work-focused counselling, and creation of a comprehensive feedback system of the PES services.

Finland

The Finnish PES participated in the TLD of Performance Management - Leadership, Quality and Communication. Concrete learning fields of the Finnish PES refer to the following areas:

- Improving performance management: how to implement strategic goals, and how to connect them to concrete actions at the operational level.
- Performance management vs. accountability: how the learning process from observations of results has been organised and communicated.
- External and internal communication.
- Comparing regional actors (benchmarking).

The learning fields are still relevant, even though earlier plans for regional reform were not realised as they did not get through the Parliament and future plans including employment trials to be carried out by the municipalities of the new government are still on a planning phase.

In order to achieve the above-mentioned objectives, the following two fields of activity have been defined by the Finnish PES:

- Setting up a functioning performance management system.
- Developing skills, competences and engaging staff.

France

In 2019, the French PES was involved in four TLDs, twice as participant and twice as host. These four actions covered the topics of change management, e-services and channel management, and profiling and segmentation. The PES was strongly involved in the reflection on the implementation of an EU Innovation Lab, with intense participation in working groups and the organisation of a session held at the National Lab of the PES. The work resulting from these actions has contributed to the new tripartite agreement (which sets the main strategic orientations of Pôle emploi) and the strategic project, and define the following priorities:

- Better knowledge of the needs of each jobseeker, and to provide a customised answer to their needs throughout the entire process leading to sustainable employment.
- Prevent and fight recruitment difficulties encountered by employers.
- Develop the skills and qualifications of jobseekers in order to foster their recruitment, based on the Skills Investment Plan. The objective is to train one million low-skilled or unskilled jobseekers and one million young people who are far from the labour market. It also serves the purpose of supplying appropriate responses to labour shortages and contributes to the transformation of skills, more specifically related to the move towards a greener economy and the digital transition.

Germany

For the German PES, the year 2019 was much influenced by the results of the assessments by strengthening the organisation's quality and knowledge management. Mutual exchanges were held, where the PES supported or was supported by other countries. Furthermore, PES hosted the TLD of "Performance Management" and "Profiling and Segmentation" and participant in the TLD of "Quality Management".

Greece

Based on the recommendations from the Benchlearning visit, the PES has been focusing on the following ideas:

- Design of a HRM-unit to support modernisation and effective management and development of PES' human resources. The new organisational chart is at consultation phase. A net increase of the number of counsellors is in place.
- Training of the new counsellors is about to be concluded.
- Implementation of a performance management system.
- Procedure simplification and automation.
- The new profiling methodology will play an important role during the preparation of the ALMPs.
- All levels of the Organisation and the external environment have been informed about changes in the Organisation's service model, a communication plan of social media is in place and a brand strategy is about to be completed.
- The digital strategy chapter is about to open for the Organisation.

Hungary

The Minister of Finance launched a reform agenda of the PES in 2018. The aim of the reform is to reposition the PES toward the primary labour market. The 20 county government offices and the 170 local PES offices are going through a restructuring process between August 2018 and

April 2020. PES has introduced a new service model and segmentation structure. The previously used three-segment job-seekers' profile has been replaced by a six-segment based structure. Pre-selection of the jobseekers was also introduced as a new service for employers.

This effort is seen by the fact that currently three major assessments have been carried out by external consultants focusing on:

- The review of the profiling system targeting vulnerable job-seekers.
- The new service model addresses the primary labour market needs and un-subsidized placement with the pre-selection offers to the employers.
- An OP Measure has been following the adaptation of the new service model.

Iceland

Following the priorities from the Benchlearning cycles and the TLD, PES has been focusing on the following areas:

- Development of a new four-year strategy to support the core activities of the PES and to address the upcoming challenges and opportunities of the labour market.
- A new IT system which is now in the development phase, scheduled to be launched in 2021.
- Further aligning transparent performance management to strategic goals, with purposeful performance indicators, staff engagement and added focus on monitoring.
- Training of facilitators by experts from the Norwegian PES in order to support the implementation of the four-year strategy and other change projects.

Ireland

The preparation for Brexit and especially a no-deal Brexit has been the primary focus in 2019, but based on the results of the second PES Benchlearning visit, the PES has focused on the performance management system and on outcomes and results in particular. The Irish PES has participated in a mutual learning

initiative via a Staff Exchange Programme by which the PES hosted two Case Officers from the Swedish PES for three months. This initiative provides a development opportunity for Case Officers to visit, experience and learn about and from other different European PES service delivery models.

Case officers and management groups have attended conferences on the topic of performance management – delivering a professional service. IT development work is underway to enable and support the introduction and monitoring of an effective Performance Management system. Recent Mutual Learning visit to Estonia on performance management was beneficial.

Italy

Based on the results of the first and the second Benchlearning visit in 2017 and on the MAP activities, the PES has focused on:

- The continuous implementation of the unified IT-system for ALMPs and employment services.
- Adoption of the strategic guidelines, with a first work on the standard of services and costs, that will be developed in the next year, taking into account the previous adoption of the minimum level of performances.
- The adoption, in cooperation with regions, of the first methodology of qualitative profiling of clients, at national level.
- The adoption, in cooperation with regions, of the PES national strategy for employers and of the LTU national strategy.
- Replacement voucher: implementation of the measure on large scale, also enlarging the target of the measure, taking into account the new legislative provisions.
- Setting up a management information system.
- Coordinating the activities of the agency for ALMPs, taking into account the joint programme of work.

Latvia

Based on the results of the second PES Benchlearning visit, the PES has focused on:

- Implementation of the structural changes of the PES, in order to strengthen the PES capacity and improve the monitoring of activities that are being implemented. A stronger emphasis is paid on evidence based outcomes.
- Developing initial proposals for the implementation of the Public Administration Reform 2018-2020 by setting up a work group:
 - Creating a new position in branch offices that combines the functions of the current agent and organiser.
 - Modelling of the regional territorial units of the PES.
- Updating the Employers Strategy, including the creation of a new consultant position whose main task will be the provision of services to employers.
- Elaboration of the Channel Strategy in order to differentiate the communication channels for different clients.
- Horizontal cooperation with other public institutions dealing with the issues of the labour market.
- Improvement of services offered to clients as well as participation with other state authorities in the campaign of the “Life events” programme.
- Branch office mergers to ensure the branch network efficiency and optimisation.

Lithuania

Based on the results of the second Benchlearning visit in 2017, the PES has implemented changes as indicated below:

- Finalising the structural reform using a PDCA-cycle based organisational structure at the central office and local offices.
- Implemented a new client services model and a new management structure for the territorial offices based on “one face to customer” principle.
- Implemented a quality management system and provided additional training for the territorial offices staff on the use of it. The

organization is ready for the evaluation of the quality management system (ISO 9001).

- Updated management processes, core operational processes and supporting processes. Some of the processes are still under development.
- Improved and expanded electronic document management and exchange system where employers can prepare and sign electronic documents and the job seekers can register online.
- Implemented the third phase of the restructuring process. From October the services are provided by a new unit Employment Service under the Ministry of social security and labour with five client departments in the regions of Lithuania.

As a result of participation in Thematic Learning Dialogue activities in 2019, Lithuanian PES will focus on:

- Development and implementation of Performance management system;
- Improving internal communication;
- Improvement of risk assessment and risk management system;
- Development and expansion of case management approach, involving social partners with the purpose to integrate jobseekers with multiple problems into the labour market.

Luxembourg

In 2019, the PES continued to focus on the recommendations resulting from the second Benchlearning cycle:

- Facilitating the access to the PES by offering registration for jobseekers via phone or online.
- Centralisation of the profiling exercise during the registration process, thus enhancing the quality of data and reducing the workload of PES counsellors.
- Introduction of scheduled appointments that allow jobseekers and PES counsellors to better prepare and benefit from their regular personal meetings.

- Implementation of a refined customer segmentation in order to enhance the quality of the personalised assistance of jobseekers. Skillsets of PES counsellors have been segmented accordingly.
- Development of new targeted training and support measures to increase the employability of jobseekers.
- Coordination of the pilot project “Luxembourg Digital Skills Bridge” that aims at supporting companies and their employees whose activity will be radically transformed by major technological changes. The project provides a coherent workforce planning and individual guidance and training through the upskilling process.

Malta

During 2019, the Jobsplus has:

- Produced an Occupational Handbook, which is designed to provide information about 246 occupations found in the Maltese labour market. Each occupational sheet contains information about the related duties; entry level qualifications (including licences and warrants), information about the knowledge, skills and additional qualities required, median pay, and also the job outlook for the coming years.
- Initiated a study on arduous jobs in Malta. The aim of this study is to provide policy makers with an overview of the situation at the micro and macro level.
- Continued with its study on the Occupational Forecasting Model, an econometric model intended to provide information on labour demand and supply in Malta.
- Started working on the absorption of the LTU previously serviced through an external service provider to its Employment Advisory Caseloads. This project was part of the TLD that Malta took part in early in 2019.
- Reviewed the contact time that jobseekers spent at the place of work, as part of their on the job training programmes administered by it. This change resulted from feedback that Jobsplus obtained from jobseekers and employers alike.

- Visited various EU countries as a donor country on the ESF Transitional Platform's Thematic Network on Employment, to promote the job carving good practice. An approach mainly being used to facilitate the employment of persons with disability.

Netherlands

Based on the results of the second Benchlearning site visit in 2018, in combination with other evaluation and policy initiatives and PES' ambition to transition to a career guidance agency (in line with vision PES 2020 and beyond), the Dutch PES focuses on:

- Stability of performance and operational excellence (with regard to client services).
 - Strong emphasis on check and act (full pdca cycle), thus: implementing a new quality management framework and building on evidence based strategy (evidence based decision making, evidence based services).
 - WORKit: adjustments to IT infrastructure and information management system.
 - Further investments in data-driven services, analysis and business intelligence.
- Internal organisation: building a futureproof and responsive PES by investing in staff (training, development of a professional standard) and organisation.
- Career guidance: several initiatives to further our ambition to be a strong partner in building a regional infrastructure for lifelong learning and bringing together supply and demand on the labour market.

Norway

Based on the results from the second Benchlearning site visit in Norway and ongoing reform work, NAV focuses on two major areas of improvement: the organisational structure and the digital transformation.

The Reform Programme is based on the following overarching initiatives:

- A new model for regional structure and the development of NAV offices. The aim is to strengthen the organisation, thus ensuring

better services and increase transitions to work. In order to transform NAV into a more modern service-oriented organisation, and furthermore enable NAV to become a learning and more innovative organisation, change management and knowledge management structures are introduced, e.g. establishment of 'competence project'.

- The regional structure reform, changing from 19 counties to 12 labour market regions. At the local level, municipalities are in the process of merging. Lessons learnt from the first merger will be taken into account in succeeding mergers. Systematic integration of evidence in the decision-making process in reference to services, processes and support measures will be important factors. A limited number of NAV offices have already merged or are in the process of doing so.

Poland

The results of the report after the second Benchlearning cycle visit, and the recommendations included in the report were analysed by the PES management. Works with the aim to develop PES strategy have started. It is planned that PES strategy will include: PES mission, PES objectives, common communication strategy within PES, model of the service provision as well as the guidelines on the evaluation of the PES results. In a view of the planned PES strategy, the topic of TLD has been formulated accordingly.

Portugal

In Portugal, PES has continued to keep the focus on understanding and anticipating the customers' expectations:

- The employer engagement strategy continues to be redefined and a new methodology is developed. PES disseminated the information about the Employer' days involving Job centres and Vocational training centres, and more than 150 activities were organised in order to improve the relationship between PES and employers.
- An early intervention methodology to avoid risk of long term unemployment is steadily implemented. A new project with Data Science For Social Good Europe in partnership with the PES to predict the risk of long-term

unemployment among jobseekers is under development. The project's object is part of the national initiative to foster digital skills that aims to revise the system of identification of long-term unemployment risk profiles using AI.

- Digital citizenship training courses are also being developed, aimed especially at low-skilled publics.

Romania

The Benchlearning exercise and mutual assistance projects have positively contributed to the development of the NAE's organisational processes and services, by allowing the Romanian PES the opportunity to compare its own models, practices and performance with those of other PES. As a result of its broader change strategy, the NAE has developed and received funding for a range of projects that aim at integrating vulnerable groups on the Romanian labour market.

The PES Network Benchlearning initiative has supported the NAE in broadening its key target groups. As a result of these regulatory changes, the NAE currently grants subsidies to employers who hire unemployed from vulnerable groups. This represents a significant change in the legal framework, to which the Benchlearning process has contributed.

Slovakia

In 2019, the Slovak PES continued to elaborate two projects resulting from the second cycle of Benchlearning.

- In the area of quality management, the Slovak PES employed a quality manager, introduced a project of quality to senior staff, and procured two consulting companies that would lead the PES through the process of ISO certification preparation.
- In cooperation with Slovak Academy of Sciences, PES has elaborated a new set of performance indicators. The first data collection for the test evaluation of the PES performance has been collected during the first half of 2019, and in the autumn, new indicators with test results were presented to local PES managers.

Slovenia

Based on the second Benchlearning visit, the PES further elaborated recommendations in its annual business plan as well as in modernisation projects. The implementation activities have been focusing on the following areas:

- Cooperation with external project partners in development of competence-based automatic matching, along with elaboration of new portals for employers and jobseekers. A related mapping of national occupational classification with ESCO was completed and is being tested within the project.
- Elaboration of the first draft of new customers' journey pathways as a basis for preparation of a re-designed service model based on the integrated omni-channelling approach.
- Further development of performance management by emphasising the bottom-up approach in annual target setting (higher involvement of local offices).
- Strengthening the system of bilateral performance dialogue with regional offices and systematic exchange of good practices among organisational units.
- Introduction of a Randomised Control Trail approach in piloting and evaluation.
- Better use of partnerships with key stakeholders.
- Elaboration and testing of a new HRM IT system with integrated employees competence and performance assessment through individual annual interviews and target agreements.

Spain

Based on the results of the second Benchlearning assessment visit, the PES has focused on the following areas:

- The organisation of an informal meeting of Heads of PES in Madrid in May to debate the needs regarding the third cycle. There was general agreement on the TLDs, the frequency of the evaluations (minimum 3 years), the Benchlearning as a key to providing comparable results, and the improvement of transparency, visibility and communication between the PES and the stakeholders.

- The design of the 2019 Change Agenda will have the participation of the Autonomous Communities and will collect some reforms proposed by the regional PES and strategic reforms of the government of Spain.
- A project has been initiated, in order to develop a decision making support tool based on the profiling of jobseekers.
- The development of a benchmarking methodology that replicates the European methodology of compilation and validation of Best Practices of the Network.

Sweden

During 2019, the PES continued tackling the recommendations in the second external assessment report. Three recommendations were selected as priority:

- Develop assessment support for profiling and matching.
- Improve evidence-based steering.
- Establish regional support and learning structure.

The working group analysed and defined what could be done in these areas. PES chose the recommendation about profiling and matching as the theme for the TLD they hosted. The work on the other two recommendations are in the pipeline, however they are affected by the major change process the PES is going through due to large budget and staff cuts during 2019.

The long-term goal is to develop an action plan for how to integrate relevant recommendations and a learning perspective into the business planning process.



Annex 4 - Mutual Learning Events and Evaluation

Mutual Learning Events

Overall, 629 people participated in ML events between February and mid-October 2019, of whom 495 were PES representatives. The ML activities included:

Planning, delivering and carrying out 22 learning activities in 2019

- Three Thematic Review Workshops on 'PES internal Benchmarking', 'Co-creation of services' and 'Activation of the inactive' (January 2020)
- Three Working Groups on 'Evidence-based service delivery', 'Building up a PES EU Innovation Lab' and 'Skills shortages'
- One PES Network seminar on the WG Outcomes Building up a PES EU Innovation Lab (January 2020)
- Nine thematic learning dialogues (see Annex 2)
- Three webinars, one on 'Big Data and Ethics', one on 'Knowledge management' and one on 'Human Resources Management'
- Two Mutual Assistance Projects to the Czech and Spanish PES
- One PES Network Conference on 'How to prevent unemployment in a changing world of work?'

Developing and/or publishing 18 learning resources in 2019

- One 'Practitioner's Toolkit' on 'Knowledge Management'
- 'PES Strategies and Activities on Skill Shortages'- A review of the PES responses to a survey
- Study report on 'Index on Quality of ALMP Implementation'

- A follow-up Study on the 'Identification of policy levers for early support (ALMP)'
- Study Report on 'PES Strategies in Support of an Ageing Workforce'
- Annual PES Capacity report, 2019
- Biennial Report on 'PES Implementation of the Youth Guarantee', 2019
- One summary report from a Conference on 'How to prevent unemployment in a changing world of work?'
- Ten PES practices.

Enhancing the web presence of the PES Network

- Maintenance of the PES Knowledge Centre to disseminate the key outputs and learning resources of the Network.
- Maintenance of the PES Practice Repository, as a searchable, growing directory of PES practices.
- Maintenance of the PES Network CIRCABC²⁹ group which is now joined by 174 people.
- Developing new methods of subscription to the PES Network newsletter.
- Three editions of the PES Network newsletter.
- Review and update of 34 PES Practices published between 2015-2016.

Evaluation of activities taking place in 2019

The quality of the activities is consistently and systematically monitored via focused post-event surveys. The immediate feedback received is further processed to improve the coming events. In total, 18 post-event surveys were conducted by end-September 2019. They show that participants were highly satisfied with the selection of the themes (94%) and the balance of the event programmes (91%). The open answers suggest that PES representatives especially appreciated working in groups, networking, and sharing ideas with their peers from other countries.

²⁹ CIRCABC is a collaborative platform, which offers an easy distribution and management of documents.

Overall satisfaction levels were very high. 92% of survey participants felt that they gained relevant knowledge and information from the events they participated in. 87% of respondents confirmed that events matched their needs. Furthermore, 87% of participants planned to apply the knowledge and information they had learnt in their work. Based on the feedback received, such event elements as participant engagement, practical solutions discussed and foundation for the follow-up activities were among the key success factors of the events.

The large survey of participants of the ML activities in 2019 is scheduled to be carried out at the beginning of 2020.

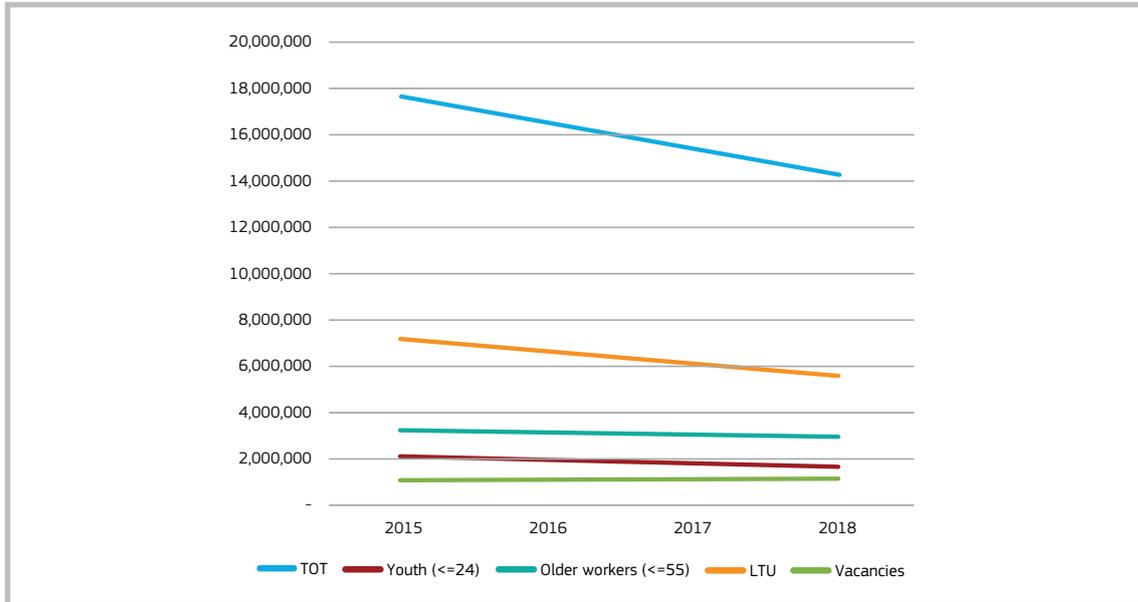


Annex 5 - Work Programme 2019



Annex 6 - PES Capacity Questionnaire Figures

Figure 1. The number of registered unemployed target groups and vacancies reported to PES, 2015-2018

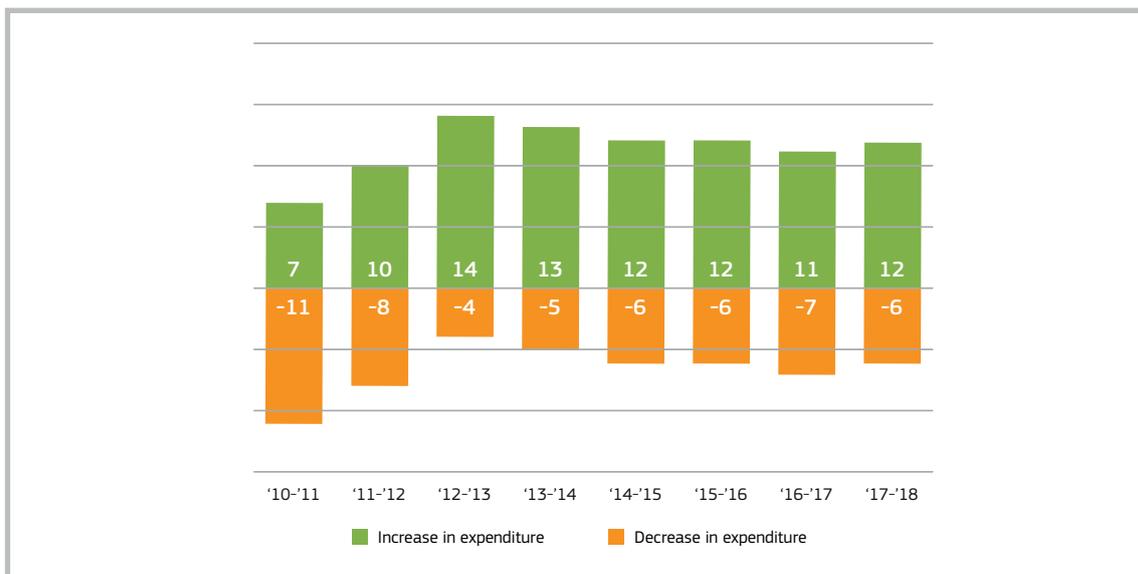


Source: Annual PES Benchmarking Data Collection, 2019.

Note: The numbers refer to the annual average of the number of registered unemployed and vacancies notified each month.

Note: No data or insufficient data for CY, CZ, EE, EL, IE, IS, IT, NL, NO, and RO.

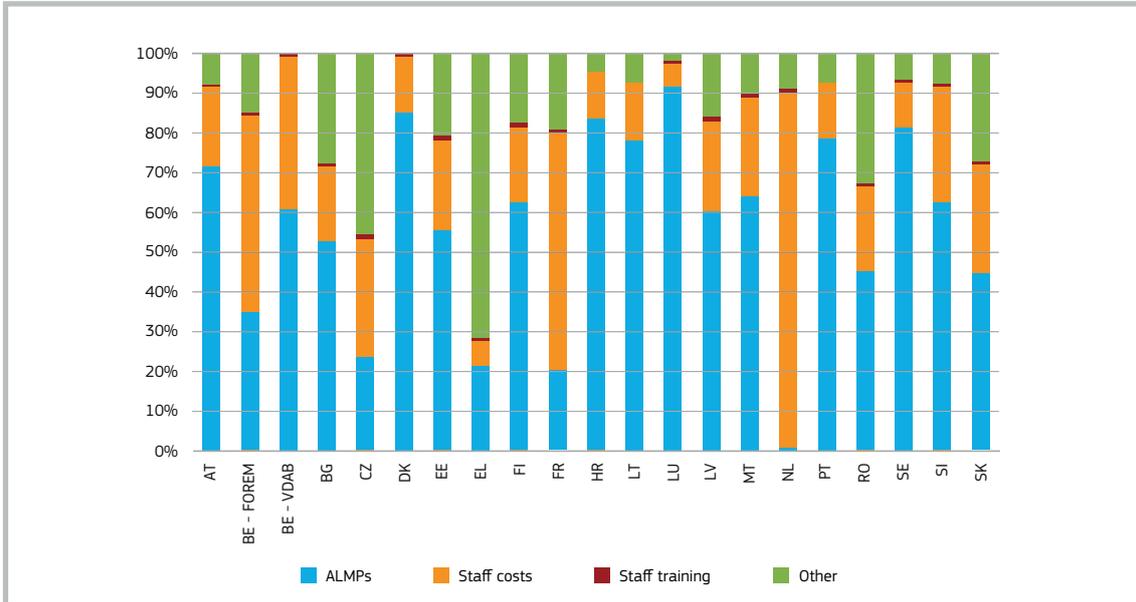
Figure 2. The number of PES reporting changes in total expenditure, excluding benefits paid and pro forma expenditure, 2010-2018



Source: Annual PES Benchmarking Data Collection, 2019.

Note: 18 PES. No information or insufficient information for BE-LE FOREM, CY, DE, EL, ES, HU, IE, IT, IS, MT, NL, NO, PL.

Figure 3. Expenditure by item in 2018, as a percentage of total expenditure excluding benefit payments and pro forma budget items

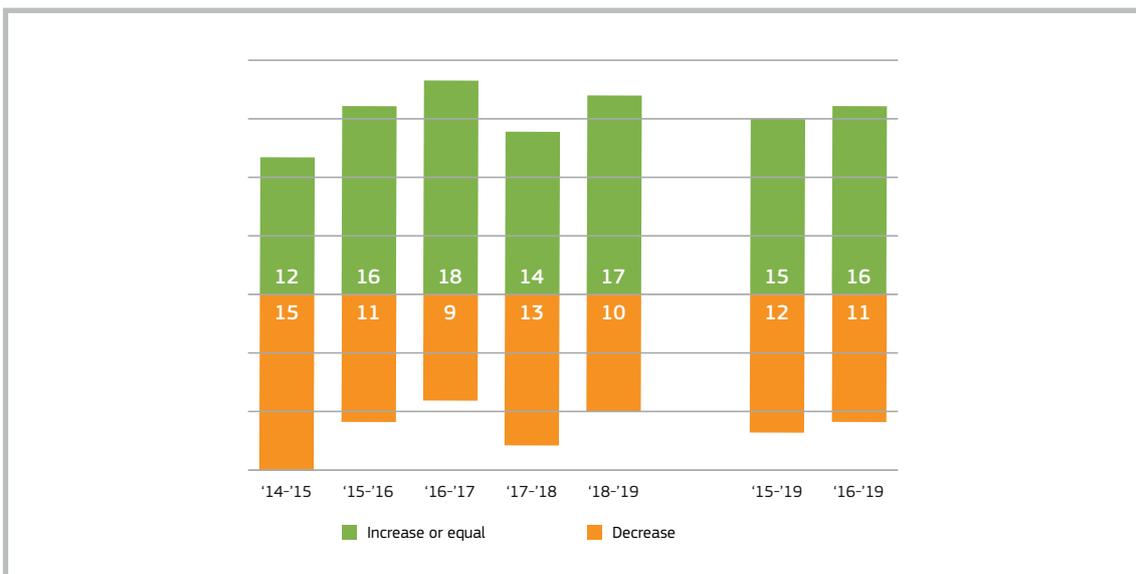


Source: Annual PES Benchlearning Data Collection, 2019.

Note: The numbers refer to the annual average of the number of registered unemployed and vacancies notified each month.

Note: No data or insufficient data for CY, CZ, EE, EL, IE, IS, IT, NL, NO, and RO.

Figure 4. The number of PES experiencing an increase or a decrease in staff (in FTE) between 2014 and 2018 (30 April)



Source: Responses to PES Capacity Questionnaire, 2015-2019.

Note: Based on 27 PES, no information or insufficient information for IE, IT, NO, and PL.

Note: All data refer to 30 April or the closest date to this date where data were available from PES.

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