Country Report

Cyprus

Client: European Commission

Rotterdam, London, 20 October 2011

Country Report PES PMS

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ECORYS

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Summary

ID	
Country	Cyprus
Name PES	Department of Labour
Name researcher	LS, IA, TV
Additional remarks (e.g. source gaps, problems, challenges)	Country visited

1 Background information

General information PES		Source*
Mission & tasks & targets	The Department of Labour is responsible for employment issues, including gender equality. Public employment services falls within this remit. The Government's main policy aim is to 'maintain conditions of full and productive employment and promote conditions for the rational utilization of the labour force, including people with disabilities.' More specifically the Department's main aims are: • To promote full, productive and quality employment by encouraging more participation in employment, and by providing placement services and vocational guidance; • To promote rational utilisation of human resources, including administrative and coordinating work in the fields of vocational training and education; • To protect special categories of people in the field of employment, including securing conditions of equal treatment and equal opportunities between men and women, the protection of children and young people, as well as pregnant women and new mothers; • To ensure proper employment and integration of foreign workers.	Website.
Organisational setup (nr. of central, regional and local offices)	Cyprus joined the EU in 2004 and integration into the European Employment Strategy resulted in some changes to employment policies, including the development of a National Action Plan for employment. There have also been moves towards the transformation of the PES into a more flexible and decentralised system. This involved upgrading district labour offices and setting up new local labour offices during 2007. Other measures included the expansion of the labour offices network to facilitate the access of clients, the introduction of self-service facilities and the provision of individualised services for active support. The Public Employment Service currently has four district labour offices and 10 local labour offices.	DWP (2009). Website.
Human resources (nr. of staff if possible fte's) Please mention the year	*There are approximately 150 staff within the Department for Labour – this includes frontline staff (approximately 70) working in the district and local labour offices in addition to backroom staff based at*	*Case study visit.*

General information PES		Source*
	the Department's central location in Nicosia.	
Financial resources (annual budget) Please mention the year	12,000,000 euros was the total budget of the Department of Labour for 2011.	Interviews.

Institutional context		Source
*How closely linked is the PES to relevant governmental body? (*deconcentration*: is this a part of a ministry, is it a legal form, a separate agency?)*	The Department of Labour is part of the Ministry of Labour and Social Insurance. *The Department sits within the Ministry acting largely as an autonomous agency but reporting into the Ministry. There is a manager (District Labour Officer) in each District responsible for the performance and operations of all Local PES offices in their respective Districts. There is a relative level of autonomy at District level but the coordination of all Districts leys in the hands of the Head Offices of the Department of Labour.*	Website. Interviews.
*How much autonomy is given to regional and local level in PES? (*decentralisation*: who designs budget, the strategy etc.)*	There is a relative level of autonomy at District Level. However, the design of strategy on employment is centralised as well as the design of the budget. *The Head of the PES has autonomy for setting strategy/ budgets etc. and reports into/ is accountable to the Ministry of Labour and Social Insurance.*	Interviews.
*To what degree are services or tasks outsourced to voluntary or private sector? (*Privatisation*: which services are outsourced and to whom?)*	*All employment support delivery is undertaken by the PES. Outsourcing is restricted to supplies etc. – e.g. a firm is contracted to support the development of the new computerised PMS.*	Interviews.

Country information		Source
Sending or receiving country? Please elaborate.	Receiving country.	Ecorys.
Background information: • % of employment; • % of unemployment; • the main challenges on the labour market.	The labour market in Cyprus is considered to be functioning well with a relatively low unemployment level compared to the EU average. Labour shortages combined with lower employment rates for women and high youth unemployment rates are challenges facing the Cypriot labour market. In 2009 the unemployment rate rose to 5.1% (compared to 3.8% in 2008). However, unemployment is a more serious problem for young people (aged 15-24) as this group recorded an unemployment rate of 12.9% (8.9% in 2008). The number of jobless contacting their local labour office increased from 11,541 in 2008 to 17,505 in 2009. The total number of vacancies reported to the local labour offices decreased by 7% in 2009 compared to 2008.	DWP (2009). Annual Report (2009).

Country information		Source
	In terms of volume unemployment rose from around 12,000 in 2008 to almost 30,000 at the time of the case study visit in 2011.	Interviews.

2 PES performance measurement systems – Design

Purpose		Source
For which purpose was the performance measurement system established and for which level? (check for accountability; management information)	PMS appears to have been established to collect data which can then be used to respond to requests for data, information and intelligence coming from Ministers or senior staff in the Department. The aim is to better inform planning, delivery and hence performance – e.g. informing staff allocations within and between offices – rather than measuring performance against a set targetry framework. There was also a broader aim around development of the new computerized PMS to support on-going modernization of the PES – indicators have thus been designed to support the improvement of processes, upgrading procedures etc. The indicators in the existing system and planned new system have also been developed to facilitate ESF reporting requirements.	Interviews.

Indicators		Source
What types of indicators are used to measure performance? (in terms of: inputs, outputs, results, impacts)	DWP (2009) note that there is no headline performance indicator of off-flows. This suggests that the framework is focused on output and contextual indicators, rather than results/outcomes.	DWP (2009).
Which (sub-) indicators are used for each type? (if there many, please put them in an annex)	Cf. annex for a list of the most important indicators.	Interviews.
Do indicators presuppose causal relationships (input-output; output-results; results-impact)? How?	The set of indicators can be used to link inputs with outputs and results. Thus, for example, the PMS is used for business planning purposes to see what level of resources in terms of staffing inputs are required for local offices. The performance of those offices can then be assessed through indicators relating to numbers of individuals supported in terms of outputs. Indicators relating to unemployment rates, numbers of job placements etc. then provide data in terms of results and impacts. Deadweight is not really taken into account as part of this, though one of the indicators is about how individuals find a job – e.g. by themselves, through PES support which could be used for this. However the required information for such deadweight calculations is not always available.	Interviews.

Targets		Source
Do targets exists, i.e. are indicators quantified? For who are targets set (central office, local offices, individual employees)?	No targets exist.	Interviews.
Are targets SMART?	n.a.	Interviews

Tools		Source
Does the PES PMS includes a Data Warehouse (DWH) and to which other administrations is this DWH linked?	There is a DWH storing historic PES data. Data used for PES Performance Evaluation is extracted from this DWH.	Interviews.
Is a tool (e.g. Balanced Scorecard) for presenting management information available?	No.	Interviews.

Quality assurance		Source
Is quality of client satisfaction measured? How and frequency?	At the moment this has just been measured in the context of an ESF project, wherein 2 waves of surveys were undertaken as part of a project on improving the PES. Plan is to design a questionnaire for use in 2012 with budget allocated to develop a module in the computer system to process complaints. Latter requirement of responding to complaints is due to a responsibility given by national legislation. The plan is that the 2012 onwards opinion survey will cover employers and individuals supported by the PES to find work.	Interviews.

Management and support		Source
What are the main data sources of the PMS?	The PES DWH.	Interviews.
How is data collected and updated?	Staff based at the Department and Ministry process the data and use monthly reports for intelligence under the existing computerised system. All data is stored in the computerised system to be accessed as required. Front line staff in the district and local labour market offices are all responsible for inputting data. It is slightly unclear what the exact tools are for this but it seemed standard forms are used to collect information which are then inputted into the computerised system. Inputting of data on placements, employer contact etc. are all done on an on-going basis. Data regarding general information (being stored as comments) usually is being updated by collecting it verbally from the interested party (unemployed or employer). Other	Interviews.

Management and support		Source
	data is updated on the basis of presented evidence. The system architecture is updated by the firm commissioned to support the IT side of requirements. The Department lead for the system and indicators is responsible for adding indicator requirements and any adjustments to the nature of the data collected.	
Who has access to the data generated by the PMS?	All staff has access.	Interviews.

Tagging customers		Source
Are customers willing to work abroad or willing to hire foreigners especially tagged in the system?	Customers (job seekers and employers) are not tagged as such in the system.	Interviews.

Tracking customers		Source
Is contact maintained with clients to ascertain the results of activity/support provided? For example, are any follow-up surveys undertaken?	This is done to some extent but there are limitations – appears to be a slightly ad-hoc tracking system in that the PES depends on employers or employees themselves to inform when people are taken on after being referred to vacancies by PES officers. Thus the PES will never know exactly where people go unless they are told. When people 'disappear' into work, after a month their unemployment benefits are terminated. Partly due to staff resources etcetera, it was noted as being 'impossible' to follow up each referral.	Interviews.

Influence PES resources on PMS		Source
In which ways and to what extent is the PES PMS influenced by the PES resources, business models and national priorities?	The case study visit indicated that the (new) PMS is primarily influenced by the aim of supporting the modernisation of the PES, and providing better and more information with which to respond to intelligence requirements. Resource has had an indirect effect in that the reasons for delays in full implementation of the new PMS are related to lack of capacity in the IT system. Behind this national aims / priorities relating to the mission of the PES are also an influence given that the PMS indicators have been designed in part to relate to the Department's aims.	Interviews.

3 PES performance measurement systems - Use

Performance management areas		Source
Is performance measurement being use for the operational, tactical or strategic level? By whom?	Yes, on the operational level it informs decisions over how individual offices and staff need to adjust processes etc. through management assessment of the data. At the more strategic level performance and other statistics also inform strategy development in that interviewees noted that Ministers gave requests for specific data on an ad-hoc basis – e.g. data around migrants etc. to inform strategy and policy in this area.	Interviews.
At which level (s) of the organisation is performance management practiced?	Performance management is practiced at each level – within district and local labour offices and between the offices and the central Department. There is thus performance management of individual staff in the offices by managers and the performance of offices is assessed by the central PES / Department.	Interviews.
In which management areas (Human resources, Financial resources, Quality management, and Strategy development) are the findings of performance measurement used?	It is used at each level – within district and local labour offices and between the offices and the central Department. There is thus performance management of individual staff in the offices by managers and the performance of offices is assessed by the central PES / Department.	Interviews.

PES mission and target setting		Source
Please describe the target-setting process: actors involved, frequency, etc.	Currently no targets exist.	Interviews.

Benchmarking		Source
Are sub national PES offices benchmarked for functional reasons, including	Sub national PES offices are not benchmarked.	Interviews.

Rewards		Source
Is target-realisation rewarded? How?	No targets exist.	Interviews.

4 EURES

Information about EURES		Source
General information about EURES (number fte's, cooperation with PES)	There are seven EURES advisors working part time on EURES (equivalent 30% of their time).	Interviews.
Most important stages and tools	EURES mainly deals with incoming requests for information about working and living in Cyprus (e.g. on costs of living, taxation) and about jobs (via email). Cyprus is a receiving country and placement activities of EURES are mainly focused on the retail (e.g. shop assistants) and tourism sectors. Most of the vacancies in Cyprus tend to be low or medium skilled jobs. Foreign labour force is predominately from RO, BG, GR, UK and PL. EURES advisors are also referring job seekers to employers. In 2010, only 59 Cypriots expressed interest in vacancies and information events, yet there are currently 2,500 Cyprus based CVs registered.	Interviews.
Assessment of the tools: what works well and why and what needs some improvement.	The provision of information is very important. Answering individual requests are however very time-consuming, given the quantity of requests: EURES Cyprus has therefore developed a new website to provide better information on living and working in Cyprus. The workload has also lead to the introduction of targets on allocation. Information provision is especially important because there are so many barriers to mobility.	Interviews.
Which factors facilitate or hinder cross-national placement of individuals by EURES. Describe short their impact.	Barriers are multiple and include language proficiency and costs.	Interviews.
Opinion on the current way/form of reporting in the EA Monthly reports? What works well what does not.	The EA activity report is considered insufficient and inputs are easy to manipulate.	Interviews.
alternative ways for measuring the performance of EURES (describe shortly)	No answer in the light of the new upcoming PES PMS.	Interviews.
What other data is available for measuring the performance of EURES (other than that included in the monthly reports)?	Data stemming is available from the Social Security Department and the Statistical office. There is also data on bilateral projects, e.g. projects with the Irish pharmaceutical industry.	Interviews.

Information about EURES		Source
In your opinion, what are (or could be) the best indicators for measuring the impact of EURES on geographical mobility?	Indicators on information provision and associated workload would be an effective way to measure the impact.	Interviews.
Which indicators are used for measuring mobility (migration) within your country?	Mobility is measured by using the social security registrations of foreigners and also the number of work permits issued.	Interviews.

5 Geographical labour mobility

5.1 Design

Specific to geographical mobility		Source
Is the performance of geographical mobility activities other than EURES assessed?	PES activities in the field of geographical labour mobility are solely implemented in the framework of EURES.	Interviews.
Do indicators related to geographical mobility activity exist within the PES performance measurement system?	It appears that the EURES indicators are linked in to the planned new PMS for the PES as a whole but unclear as to whether the systems and data collected are directly linked at present. The PES is gathering information on EU citizens registering as unemployed or being placed in jobs in Cyprus.	Interviews.
Are targets in place?	There are no targets in place.	Interviews.
Does the PES collect any (other) data on geographical mobility activity (i.e. which is not included in the performance measurement system)?	No, as no such activities exist (i.e. other than EURES).	Interviews.
Does the PES also monitor geographical labour mobility on the basis of data provided by another organisation (e.g. statistical office)? Which indicators are used?	Receive information from the Department for Social Security in terms of Europeans working in Cyprus who are paying money into the social security system. Information is also provided from the Migration Bureau in terms of how many Europeans are granted long term residence or a registration certificate (the latter is granted by the Migration Bureau on the 4th month of migrants' stay in Cyprus.	Interviews.
Where in the PES is data collected and processed?	EURES: Individual front line staff record the time spent on EURES activity, the responses to email requests for information, placements, CV's provided to employers etc. Data on vacancies is also inputted by staff in offices – when employers register vacancies with the PES they are asked whether they also want to register as a EURES vacancy.	Interviews.
How is quality of service/client satisfaction related to geographical labour mobility activities measured?	No specific quality measures in this sense seem to be in place. May be that the new client satisfaction / quality system planned for introduction in 2012 (see above) will cover this but not clear.	Interviews.
Is contact maintained with clients to ascertain the results of services related to geographical labour mobility provided? For example, are any follow-up surveys undertaken?	Tracking of individual clients and outcomes is limited (see above) and dependent on employers / individuals reporting back into the PES.	Interviews.

5.2 Use

Specific to geographical mobility		Source
At what organisational level (strategic, operational, etc.) and frequency is the effectiveness of services related geographical mobility monitored?	Yes, on the basis of the indicators detailed above performance is monitored. As with PES performance monitoring more generally, the results of this are used to inform operational decisions around resource allocation between offices for example. Information gathered also informs decisions at the strategic level – e.g. to inform initiatives based at attracting employees in certain sectors where there is a demand such as the pharmaceutical and chemical industries.	Interviews.
Is monitoring information or data used to inform future activity/resource allocation?	Yes, as above results are used to inform operational decisions around resource allocation between offices. Can also inform decisions at the strategic level – e.g. to inform initiatives based at attracting employees in certain sectors where there is a demand such as the pharmaceutical and Tourist industries.	Interviews.
Are good practices identified and shared? By whom?	It appeared there was limited formal good practice sharing per se. What exists is liaison between EURES officers based in different offices which provides the opportunity for this and to share information more broadly. E.g. when candidates attend offices looking for work that office will send on their CVs etc. to the other offices / advisors in case there is suitable work elsewhere. There is also liaison in dealing with complaints – for example, when employers do not respond to CVs submitted to them and the individual complains.	Interviews.
Where and when is information on geographical mobility and associated activity used? Is it shared with cross-border/trans-national partners?	Within the PES, information is shared cross-nationally through being inputted into the EURES portal managed by the Commission – it was noted that this is becoming unwieldy and difficult to use. Also sharing through recruitment fairs where representatives from other EURES centres come to Cyprus once per year to contribute to an event aimed at employers and raising vacancies. In addition there have been some bilateral co-operation projects for EURES – e.g. one with Swedish colleagues that facilitated Swedish students working in hotels in Cyprus (however this was on a small scale as there were only 4 or 5 individuals involved).	Interviews.

Annex

Used sources

Department of Labour website;

Employment in Cyprus 2008, Employment Observatory, Labour Department;

Ministry of Labour and Social Insurance Annual Report 2009 (contains a chapter on Department of Labour);

Department for Work and Pensions (2009). International review of Performance Management Systems in Public Employment Services.

Case Study visit to Cyprus 15th – 17th June 2011.

List of indicators

EURES indicators:

- Percentage of time spent on EURES by EURES Adviser;
- Emails received from EU citizens for vacancies in Cyprus;
- Number of emails answered by EURES Advisers;
- Number of non-replied emails in the end of the month;
- Number of CVs from EU citizens referred to Cypriot Employers;
- Placements of EU Citizens in Cyprus (through our services);
- Number of Cypriot citizens interested in EURES vacancies abroad.

Local offices Indicators:

- Number of registrations/ renewals of unemployed;
- Percentage of referrals per registration/renewal;
- Percentage of placements per registration/renewal;
- Percentage of follow-ups per referral.

General Indicators:

- Number of registered unemployed per age, month, gender, duration of unemployment, economic activity, profession, level of education and region;
- Vacancies announced per economic activity in regional offices (per month, per region);
- Vacancies not resulted in placements per profession in regional offices (per region, per month, per profession);
- Monthly placements per profession, per economic activity, per category of employer, per region;
- List of candidates per region and desired profession per month;
- Number of active registration in the end of the month per profession;
- Number of new registrations per month;
- Number of renewals per month;
- Delayed renewals per month;
- List of announced vacancies and pending vacancies per profession (per economic activity) per month.

(*Translated list of indicators of main indicators*).

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