Country Report

Slovenia

Client: European Commission

Rotterdam, London, 20 October 2011

Country Report PES PMS

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ECORYS

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ECORYS Nederland BV
Watermanweg 44
3067 GG Rotterdam

P.O. Box 4175
3006 AD Rotterdam
The Netherlands

T +31 (0)10 453 88 00
F +31 (0)10 453 07 68
E netherlands@ecorys.com
Registration no. 24316726

W www.ecorys.nl

Ecorys Labour & Social Policy
T +31 (0)10 453 88 05
F +31 (0)10 453 88 34

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Summary

ID	
Country	Slovenia
Name PES	Employment Service of Slovenia (ESS)
Name researcher	LS, TV
Additional remarks (e.g. source gaps, problems, challenges)	Country visited

1 Background information

General information PES		Source*
Mission & tasks & targets	The ESS is responsible for the administration of UI benefits, the implementation of active labour market policies, information/ counselling, matching, and the provision of work permits for third country nationals. Mission: to provide efficient and client-oriented employment services, with the main objective being to increase the employability and employment of the population in Slovenia. This can be further elaborated into a number of long-term objectives: • increase employment and decrease unemployment; • lowering the unemployment gap between regions; • prevention of long-term unemployment; • reducing structural unemployment by improving the employability; and • competences of unemployed; • development of skills, competences and competitiveness of employees; • creation of new jobs; • strengthening of social inclusion. For 2011, the following objectives have been identified: 1. Timely activation of the unemployed; 2. To increase efficiency of referral of unemployed people; 3. To increase efficiency of active employment policy programmes; 4. To promote the ESS as a central institution of life-long career guidance.	Interview.
Organisational setup (nr. of central, regional and local offices)	The ESS has one central office in Ljubljana, 12 regional offices and 59 local offices.	ESS (2010). Annual Report.
Human resources (nr. of staff if possible fte's) Please mention the year	864 staff members.	Business plan 2011.
Financial resources (annual budget) Please mention the year	333 million EUR in 2009 for protection of unemployed and implementation of active labour market policy programmes. The respective amount in 2010 was 391,9 mio €. Funding for professional tasks and functioning of the institute for 2009 around 31m EUR, plus revenues realised gives a total of 32.7m EUR. In the 2010, the respective numbers were 32 mio and 36,5 mio €.	Annual report 2009, 2010.

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?)	ESS is an independent legal entity and public agency. Reports to Ministry of Labour, Family and Social Affairs (MoLFSA). The Ministry is considered to be very close to the ESS: The Administrative Council of The ESS includes 6 representatives from the Government, 3 TU members, 3 representatives of employers' federations and 1 member of the ESS itself. The competencies of the Council are however limited: it has some informal powers to influence the budget, as it may ask questions on the budget proposal before it formally approves the budget proposal. The budget however, is mainly financed via tax revenues, which means that the Government/ MoLFSA provide the main means for the ESS, and determines the main figure of the ESS annual budget. There is one budget for operating costs and UI benefits etc. and a separate budget for ALMPs, which is co-financed by the ESF. The scope and the content of individual ALM programmes are defined by the MoLFSA.	Annual report, interviews.
How much autonomy is given to regional and local level in PES? (*decentralisation*: who designs budget, the strategy etc.)	Regional offices define their own targets and activities in their regional business plans. When doing so, they should take regional priorities and national operational objectives and targets into account. Annual objectives and targets for the ESS as a whole are defined by the ESS Management but in close cooperation with the regional offices.	Interviews.
To what degree are services or tasks outsourced to voluntary or private sector? (*Privatisation*: which services are outsourced and to whom?)	On going modernisation is focused on the intensification of ALMPs and activation strategies, but also new forms of service provision (such as e-Services) and increased contracting with private sector employment service providers. The ESS itself provides only basic trainings (such as trainings on job search). Other trainings/ ALMPs are provided by external parties. These are however captured in the PMS, under the ALMP module in the data warehouse. This module contains information – among others- on the contract with external service providers, the financial aspects (invoice) and the number of participants.	DWP (2009), interviews.

Country information		Source
Sending or receiving country?	Sending.	Interviews.
Background information: • % of employment; • % of unemployment; • the main challenges on the labour market (problems and groups).	The Slovenian economy demonstrated sustained strong growth since the early 1990s when it gained independence from Yugoslavia. In the period from 1993 to 2008 Slovenia experienced rapid economic growth, especially in the nineties. In 2009 the Slovenian economy fell by 8.0%, however in 2010 the economy grew by 1.4%. In 2007 inflation rate was 5,6 %, but decreased substantial in the following years (2,1 % in 2008, 1,8 % in 2009, 1,9 % in 2010). The Slovenian labour market has performed well in recent years with generally high levels of employment and low levels of unemployment. However, the economic crisis has led to a reduction in economic activity which has in turn impacted upon the labour market situation and in December 2010 the registered unemployment rate was 11.8 % (annual average 10.7%), although according to the LFS data for 2010 the unemployment rate was 7.2%, below the EU average. Slovenia is currently implementing a range of measures to promote the market and increase flexibility. These include a major privatisation programme, more benefit regulations and real price reductions in benefit payments. The European Commission has noted the large proportion of employment that takes place in the informal sector and regulating this has also been a focus.	DWP (2009) & PES website.

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)	The ESS has a long history of performance measurement dating back to the mid-1990s. The top-management of the ESS introduced the principles of management by objectives in 1999. Working with objectives and associated targets moreover, was also driven by the fact that the ESS is since 2004 ISO – certified, which requires the existence of a PMS and which needs to be checked every second year. Finally, working on the basis of MbO principles is also supported by the EU (i.e. employment targets). Quoted in DWP 2009) lists the benefits of performance measures as being: • the targets of the ESS became more concrete, easier to follow, and more understandable for ESS staff; • they serve as a stimulation for ESS staff at all levels – activation of teams and individuals; • they help to increase the effectiveness of ESS; • they help to identify problems in ESS earlier; • they help to identify what ESS activities should take priority, and the performance of these activities; • they indicate the meaning and the role of ESS in the labour market.	Interviews. DWP (2009).

Indicators		Source
What types of indicators are used to measure performance? (in terms of: inputs, outputs, results, impacts)	The system includes several output and one result indicators.	Interviews.
Which (sub-) indicators are used for each type? (if there many, please put them in an annex)	Cf. annex.	Interviews.
Do indicators presuppose causal relationships (input-output; output-results; results-impact)? How?	Indicators do not presuppose causal mechanisms explicitly as they are linked to different objectives of different sorts.	Interviews.

Targets		Source
Do targets exists, i.e. are indicators quantified? For who are targets set (central office, local offices, individual employees)?	There are targets associated with the indicators. Based on the guidelines of the Ministry of Labour, Family and Social Affairs and the national labour market policy objectives, the ESS prepares a proposal of annual operational objectives and targets. In addition, some indicators in the system (data cubes) however, can be linked to legal limits that function as 'targets'. This is for example the case with the duration of processing applications for unemployment benefits.	Interviews.
Are targets SMART?	Yes, targets are SMART.	Interviews.

Tools		Source
Does the PES PMS includes a Data Warehouse (DWH) and to which other administrations is this DWH linked?	Yes, the PES PMS includes a DWH. It currently consists of a data-cube system with a simplified interface with standard tables on the basis of MS ProClarity available on Intranet. A new programme to be implemented soon enables a more attractive layout of tables and reports and automatic data generation for Intranet. However, the data-cubes enable the staff in analytical department to generate arbitrary data queries and tables, including drill down to individual data. The DWH includes administrative data derived from the ESS activities, the social security administration, the tax administration and the state pension fund.	Interviews.
Is a tool (e.g. Balanced Scorecard) for presenting management information available?	Management information, including the progress towards target realisation is generated by the ICT tool and available on Intranet. The format consists of Excel tables for each goal per regional offices. Tables are up-dated each month, if monthly up-dating is required by the objective.	Interviews

Quality assurance		Source
Is quality of client satisfaction measured? How and frequency?	Customer satisfaction is measured via an annual survey among employers and jobseekers. The survey among jobseekers is done by external researchers, the survey among employers is done by The ESS – Department for Analysis. The results of both surveys are distributed online and on paper. An additional short survey on the usage of the ESS web based services is conducted each year among job seekers.	Interviews.

Management and support		Source
What are the main data sources of the PMS?	Data are generated from the ESS back-office applications that are supporting the ESS activities additionally the social security administration data and data of National Statistical Office are used.	Interviews.

Management and support		Source
How is data collected and updated?	Data is collected at the local PES offices by counsellors as well as on other levels during the respective service and work processes. Regularly up-date of data must be ensured in order to fulfil the ESS tasks and obligations. Data from other government organisations is collected and updated in these organisations.	Interviews.
Who has access to the data generated by the PMS?	Management information, derived from the. data warehouses as well as others data sources, can be viewed by all staff on Intranet.	Interviews.

Tagging customers		Source
Are customers willing to work abroad or willing to hire foreigners especially tagged in the system?	Job seekers are asked when first registering themselves about their willingness to work in the EU countries. These concern only those job seekers of whom the counsellors think that they are able to more abroad. Employers, moreover are legally obliged to report their vacancies to the ESS. Vacancies become only available for foreign job seekers, i.e. EURES services, if employers indicate in the JV that they are willing to recruit from the EU countries. Employers can express also their intention to hire workers from the 3rd countries.	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?	In all cases of active involvement in recruitment/placement of registered jobseekers, the ESS ensures tracking; the employers are asked by e-mail or phone to report back the results of recruitment. The results are recorded in the ESS back-office application. Such tracing is ensured only with employers within country. When the jobseekers are referred to employers abroad, tracking is done only sporadically.	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 PMS has been constructed with limited means. It was therefore kept relatively simple. No external consultants were hired as this was too expensive. The system was developed and is maintained by the analytical department and the ICT department in the central office. It currently consists of a data-cube system with a simplified interface with standard tables on the basis of MS ProClarity. However, the data-cubes, constructed upon DWH allow deeper investigation of data if needed. Data collection does not require additional costs as it is derived from back-office applications supporting regular ESS activities.	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?	Information generated by the PES PMS is used at operational, tactical and strategic levels. The Ministry may use information for strategic purposes. The ESS for tactical (MT objectives) and operational purposes. Within the ESS organisation, there exists a clear planning and monitoring pattern that includes feedback loops. Planning concerns target-setting and monitoring includes: 1. Progress towards main annual objectives, targets and sub-set of indicators are updated regularly on the ESS intranet; 2. Detailed monitoring of different aspects of the ESS activities and actions at different organisational levels is ensured by the usage of standards statistical tables and data warehouses; 3. Basic statistical figures and trends are prepared in a standard format on a weekly basis for the central management; 4. Customer satisfaction survey once per year; 5. On the basis of this management information system, the ESS management decides on tasks, staff and other resources.	Interviews.
At which level (s) of the organisation is performance management practiced?	Management by Objectives in accordance with the Plan Do Check Act (Deming circle for quality management) philosophy is practiced in the ESS at operational and tactical level (Head office).	Interviews.
In which management areas (Human resources, Financial resources, Quality management, and Strategy development) are the findings of performance measurement used?	All areas are affected by the findings of performance measurement used. Yet, the Ministry of Labour defines the annual budget for the PES, therefore the discretionary space to reallocate funds is limited. ESS management has the discretion to allocate HR and financial resources among its offices. It relies on PMS data.	Interviews.

PES mission and target setting		Source
Please describe the target-setting process: actors involved, frequency, etc.	An annual business plan that includes targets is developed by the Central office in close cooperation with the Ministry of Labour and regional offices. Progress towards targets is monitored by the Central office und discussed monthly with managers of regional and local offices.	Interviews.

Benchmarking		Source
Are sub national PES offices benchmarked for functional reasons, including	Yes, the monitoring of performance of regional offices provides input for benchmarking those regions.	Interviews.

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

4 EURES

Information about EURES		Source
General information about EURES (number fte's, cooperation with PES)	One EURES manager, one EURES coordinator, five EURES advisers (one works a half-time, others 100%). EURES is a part of the Employment department. EURES manager and coordinator work in the Central Office. EURES advisers are responsible for several Regional Offices.	Interviews.
Most important stages and tools	**Regular activities:** to inform and advise job seekers and employers (everyone) who want to benefit from the principle of the free movement of persons. Job broking at the European level. They are integrated into employment dept. service provision. **Project activities:** vary in accordance to the guidelines and three/ one year EURES plan): **Cross border cooperation** (formal EURES partnership between Slovenia and Italy, additional financial support for cross border activities between Slovenia and Austria within the national EURES plans of both countries).	Interviews.
Assessment of the tools: what works well and why and what needs some improvement.	EURES services to employers and to job seekers are provided in different **ways** (individually or EURES seminars for employers/ job seekers…) and through different **channels:** e-mail (a special EURES e-mail address), telephone (basic information is available at the telephone number of a call centre and phone numbers of EURES advisers), web site, printed information and promotion material. The unemployment rate has increased because of the crisis, so employers are not interested in searching for candidates abroad. Employers prefer to employ workers from ex-Yugoslavia.	Interviews.
Which factors facilitate or hinder cross-national placement of individuals by EURES. Describe short their impact.	Language, costs, and house ownership are important barriers. Love is a strong facilitating factor.	Interviews.

Information about EURES		Source
Opinion on the current way/form of reporting in the EA Monthly reports? What works well what does not.	To have an on-line over view of Monthly reports of all EA from your country for EURES managers. Each EA should have their own file of their monthly report (with the possibility to check previous reports). The need for monthly reports? Instead: reports of yearly EURES project; develop IT job broking tools (not visible for customers) on EURES portal for EURES advisers: all performance data will be available directly from the IT system.	Interviews.
alternative ways for measuring the performance of EURES (describe shortly)	To up-grade the EURES portal with the background IT support for job broking, managed by EURES advisers.	Interviews.
What other data is available for measuring the performance of EURES (other than that included in the monthly reports)?	The following monitoring of EURES' services deliveries are/will be possible through the ESS IT system: • the number of flagged EURES vacancies (vacancy- a question, if an employer looks for a worker from EU/ EEA countries); • the number of employed EU/EEA citizens in Slovenia by country (exchange of data with National Heath Institute); • the number of registered Slovene unemployed persons, who look for a job in EU/EEA (a question, if a person is looking for a job abroad and where); • the number of registered EU/EEA unemployed job seekers, who look for a job in Slovenia (they fill a registration form; persons who register because they export the unemployment benefit to Slovenia- U/ E forms); • the number of persons who stopped to be registered (registration outflow) because they moved to abroad; • the number of registered job seekers who have in the employment plan the following activities: use of EURES portal, EURES individual information and advice, EURES group information and advice (new !); • the number of visits on the national EURES portal; • the number of e-registration on EURES information seminars (new !); • The number of information EURES seminars for job seekers from 1.6. 2010 to 31.5. 2011 (internal 74 with 1.337	Interviews.

Information about EURES		Source
	participants, external with cooperation with other organisations...: 25 with 754 participants): all 99 with 2091 participants. EURES Intranet (internal national EURES site): realisation of yearly EURES plan which is co-financed by EC.	
In your opinion, what are (or could be) the best indicators for measuring the impact of EURES on geographical mobility?	To up-grade the EURES portal. To set up a job-matching module, managed by EURES advisers. Reporting about the employment data of other EU/EEA citizens within the particular country (inflows) to EUROSTAT, so migration data would be available on EU/EEA level. To set up the common methodology of monitoring these data.	Interviews.

5 Geographical labour mobility

5.1 Design

Specific to geographical mobility		Source
Is the performance of geographical mobility activities other than EURES assessed?	No.	Interviews.
Do indicators related to geographical mobility activity exist within the PES performance measurement system?	No.	Interviews.
Are targets in place?	No.	Interviews.
Does the PES collect any (other) data on geographical mobility activity (i.e. which is not included in the performance measurement system)?	The PES registers in the database when jobseekers indicate that they would like to work in the EU and when employers indicate in the job vacancies that they would like to employ foreigners. Given the fact that the ESS is responsible for issuing work permits for third country nationals, there is data on incoming labour. Similar data on EU/ EEA nationals can also be retrieved out of the data warehouse via employers registering (obligatory) their employees and nationality in the social security database. According to interlocutors, only data on nationals registered in the social security systems can be retrieved.	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?	The Slovenian statistical office collects data on internal mobility. This data is used by the ESS to define 'geographical migration areas' that include information on regional employment and daily commuters.	Interviews.
Where in the PES is data collected and processed?	Data is collected and processed in the Analytical Department.	Interviews.
How is quality of service/client satisfaction related to geographical labour mobility activities measured?	Not separated from regular PMS or EA monthly reports.	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?	No. Tracking customers is very labour-intensive and unreliable. Nevertheless, it occasionally happens that EURES advisors via email check with each other what has happened with a certain candidate after a referral.	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?	Not applicable.	Interviews.
Is monitoring information or data used to inform future activity/resource allocation?	Not outside the scope of the regular PMS.	Interviews.
Are good practices identified and shared? By whom?	Solely between EURES managers within the EURES network.	Interviews.
Where and when is information on geographical mobility and associated activity used? Is it shared with cross-border/trans-national partners?	There is an exchange of data on the number of Slovenians working in Austria in the framework of the CB partnership with Austria. There no such an exchange with Italy.	Interviews.

Annex

Used sources

PES website www.ess.gov.si.

ESS (2010). *Annual report 2009*.

ESS (2010). *Business plan 2011*.

PES Benchmarking Questionnaire – Management Information Systems Questionnaire (2008).

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

List of indicators

Indicator per objectives 2011 (provided by interviewees).

Objective 1: Timely activation and employment of unemployed:

- Share of newly registered as unemployed actively referred/mediated to employers at least within the first three months of the unemployment spell (e.g. invited to recruitment meetings with employers, a written personal referral to employer).

Objective 2: To increase the efficiency of referral of unemployed people:

- Share of job vacancies for which the ESS refers suitable cases in due time.

Objective 3: To increase the efficiency of active employment policy programmes.

- Number of exits into regular employment among on-the-job training participants;
- Share of 50+ among participants in all active employment programmes;
- Share of < 25 years among participants in all active employment programmes;
- Share of long-term unemployed among participants in all active employment programmes;
- Share of unemployment benefit recipients among participants in all active employment programmes.

Objective 4 (longer-term): To promote the ESS as a central institution of life-long career guidance.

P.O. Box 4175
3006 AD Rotterdam
The Netherlands

Watermanweg 44
3067 GG Rotterdam
The Netherlands

T +31 (0)10 453 88 00
F +31 (0)10 453 07 68
E netherlands@ecorys.com

W www.ecorys.nl

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