Country Report

Sweden

Client: European Commission

Rotterdam, London, 15 November 2011

Country Report PES PMS

Sweden

Client: European Commission

Rotterdam, London, 15 November 2011 **Error! Reference source not found.**

ECORYS

About Ecorys

At Ecorys we aim to deliver real benefit to society through the work we do. We offer research, consultancy and project management, specialising in economic, social and spatial development. Focusing on complex market, policy and management issues we provide our clients in the public, private and not-for-profit sectors worldwide with a unique perspective and high-value solutions. Ecorys' remarkable history spans more than 80 years. Our expertise covers economy and competitiveness; regions, cities and real estate; energy and water; transport and mobility; social policy, education, health and governance. We value our independence, integrity and partnerships. Our staff are dedicated experts from academia and consultancy, who share best practices both within our company and with our partners internationally.

Ecorys Netherlands has an active CSR policy and is ISO14001 certified (the internationally recognized quality standard for environmental management systems). Our sustainability goals translate into our company policy and practical measures, such as printing our documents on FSC certified paper and compensating our carbon footprint.

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

Table of contents

Summary 5

1 Background information 7

2 PES performance measurement systems – Design 11

3 PES performance measurement systems - Use 15

4 EURES 17

5 Geographical labour mobility 19
5.1 Design 19
5.2 Use 20

Annex I 21

Annex II: Swedish scorecard 23

Summary

ID	
Country	Sweden
Name PES	Arbetsformedling
Name researcher	MC/LS
Additional remarks (e.g. source gaps, problems, challenges)	Annual PES report in Swedish. In 2008 there were big changes in the system. PES Sweden noted as an example of good practices on measuring customer satisfaction (Torbjörn Wallin Performance Indicators, 2004). Country visited.

1 Background information

General information PES		Source*
Mission & tasks & targets	The public employment service is the tool through which the labour market policies decided upon by the government and parliament are put into practice. This is done by: • Improving the match of supply and demand on the labour market; • Prioritize those furthest from the labour market; • Contribute to a lasting increase of number of employed. The goals above are translated into specified programmes and activities. The tasks correlated to these are also translated into quantitative targets in the Swedish PES Balanced Scorecard. The main task is to put employers looking for manpower in touch with jobseekers in the most efficient way. New tasks for 2010 include having to increase our measures for people whose health insurance is coming to an end. From December 2010 the PES also has the national coordination responsibility for newly arrived immigrants. The EU employment guidelines constitute another important basis for its activities. Bearing in mind the problem areas described above, there are three principal areas towards which labour market policy efforts should be directed: • To match - to work towards an effective matching on the labour market with shorter vacancies and faster application times; • To train/educate - the increase the skills and qualifications of jobseekers so as to avoid a shortage of labour, to facilitate the changes taking place on the labour market and to improve the chances of unemployed individuals; • To activate - to support those groups that find it difficult to get work thus preventing further hardship. Labour market policy efforts shall work in such a way that equality and diversity are promoted.	PES benchmarking project 2008. Arbetsformedling, An Introduction to Arbetsförmedlingen. SEOR, 2003.
Organisational setup (nr. of central, regional and local offices)	Arbetsförmedlingen is a public authority with offices throughout the whole country.	http://www.arbetsformedlingen.se/Globalmeny/Other-

General information PES		Source*
	The head office is in Stockholm. The 320 local employment offices are divided into 69 labour market areas. This sub-division is based on natural labour markets where people work or where companies seek manpower. These labour market areas in turn are grouped into ten market areas and one national market area with responsibility for Customer Service. In addition to these, there is another national area with responsibility for culture and media. The whole Arbetsförmedlingen organisation is managed by a board that the Government appoints. Management is headed by Director General who is supported and advised by a management group and a market management team (see organisation chart on the website and in the folder).	languages/About-us/Our-organization.html
Human resources (nr. of staff if possible fte's) Please mention the year	Arbetsförmedlingen had 10,521 employees (fulltime equivalent) in January 2010.	Arbetsformedling, An Introduction to Arbetsförmedlingen.
Financial resources (annual budget) Please mention the year	Arbetsförmedlingen is financed by grants from Parliament and the Government. In 2010, the grants total 79 billion SEK.	Arbetsformedling, An Introduction to Arbetsförmedlingen.

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?)	Until early in 2008 the Labour Market Administration (AMV) implemented labour market policy on behalf of the cabinet or the Ministry of Labour, respectively. The Swedish PES offices are central government agencies carrying out labour market policies at a local level. It operates as an independent authority, but within remit of the Ministry of Labour. The PES gets policy instruction each year from the Ministry and decides on how to implement the policy and designs the indicators.	DWP international review 2009. Interviews.
How much autonomy is given to regional and local level in PES? (decentralisation: who designs budget, the strategy etc.)	As a public authority, they receive their assignment from the Parliament and the Government.	Arbetsformedling, An Introduction to Arbetsförmedlingen.
To what degree are services or tasks outsourced to voluntary or private sector? (Privatisation: which services are outsourced and to whom?)	The PES receives 8 billion SEK for purchasing services from private providers, various labour market programmes and measures, and various types of support for programme organizers (2010).	Arbetsformedling, An Introduction to Arbetsförmedlingen. The contribution of the Public

Institutional context		Source
	Arbetsförmedlingen has temporarily employed an additional 740 coaches, in 2009 Arbetsförmedlingen signed contracts with approximately 940 external coach providers.	Employment Services to Flexicurity, 2010.

Country information		Source
Sending or receiving country? Please elaborate.	Sweden is a receiving country. It has experienced relatively high immigration of people born abroad.	
Background information: • % of employment; • % of unemployment; • the main challenges on the labour market.	The Swedish economy is undergoing a period of strong growth. Demand for labour began to increase in Autumn 2009 and since that time employment has increased rapidly and unemployment has fallen. However, some of the fall in unemployment has been offset by an increase in labour supply (caused by people re-entering the labour market). Employment rate: 72.9% (LFS, 2010); Unemployment rate: 8.4% (LFS, 2010).	Labour Market Outlook, Spring 2011. Eurostat.

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 main purpose of the PMS was to measure the effectiveness. So it has a more strategic use (to make decisions about the targets and where the staff can be located). It can also be used as basis for personal assessments, which is not a formal purpose of the PMS but is occasionally used in this way depending on the employee and their manager.	Interviews, Ulf Norman, International advisor at the PES; Ms Christina Storm Wiklander Head of Market Area Southern Norrland.

Indicators		Source
What types of indicators are used to measure performance? (in terms of: inputs, outputs, results, impacts)	The indicators are divided into two types: • The Swedish PES follows a wide variety of general indicators such as number of employed compared with the population, the number of job vacancies etc.; • Also a number of indicators are specially followed with targets that should be met within the end of the year (within the Balanced Scorecard). The focus seems to be on results and some outputs. There are no input indicators, except for those relating to the call centre. According to the interviewees, there are no input indicators because it generates too much administrative burden.	Benchmarking project Sweden, 2008. Interviews and assessment of the researchers.
Which (sub-) indicators are used for each type? (if there many, please put them in an annex)	There is some analysis of the outputs and outcomes relating to identified priority client groups.	Interviews.
Do indicators presuppose causal relationships (input-output; output-results; results-impact)? How?	Most indicators concern outcomes or outputs. There is no consideration of the link between inputs and outputs. According to the analytical specialist there is not always a clear causal relationship between the main indicators like "high confidence in PES" and the sub indicators. One of the disadvantages of the PMS is that is does not show causality. It is difficult to attribute the role of the PES and the PMS does not account for deadweight. The view is that if people register with the PES then if they get a job it must depend to some degree on the PES. This is considered further in labour market research which looks at the outcomes for those who participate on labour market programmes compared to those who did not (control group).	Interviews, especially with Bengt Härshammar, Analytical Department PES.

Targets		Source
Do targets exists, i.e. are indicators quantified? For who are targets set (central office, local offices, individual employees)?	Yes, targets exist for the balanced scorecard indicators. These targets are set at all levels.	Interviews.
Are targets SMART?	Yes, SMART targets are in place.	Interviews.

Tools		Source
Does the PES PMS includes a Data Warehouse (DWH) and to which other administrations is this DWH linked?	Yes, information from the PES is linked to social security records.	Interviews.
Is a tool (e.g. Balanced Scorecard) for presenting management information available?	There is a balanced scorecard with the indicators clustered under four pillars: customers, activity, co workers and economy (see annex II).	Interviews.

Quality assurance		Source
Is quality of client satisfaction measured? How and frequency?	Surveys of both employers and job seekers are undertaken to assess satisfaction with the service provided by the PES.	Interviews.

Management and support		Source
What are the main data sources of the PMS?	The information is recorded by different existing systems. There are many indicators and it differs by indicator. In many cases it is collected and updated by the local officers. The information about placement is also records from HR records. The information about the call centre is generated automatically, they have the most detailed indicators. Most of the information is collected as continuous or recurring data.	Interviews.
How is data collected and updated?	See above.	Interviews.
Who has access to the data generated by the PMS?	The data is accessible to staff at all levels within the organisation. It is used at all levels. Head of a market area uses it for example for strategic and operational purpose. She told us she reviews the information weekly with the local offices. Another interviewee uses it for his personal assessment. All the interviewees are satisfied with the system: it is easy to use. One interviewee remarked that PMS has too much information but it is not a problem because you can easy select the information you want. At the beginning some had to get used to the system and the information was at the beginning not always updated but now the system is up to date and it is now anchored in the PES.	Interviews.

Tagging customers		Source
Are customers willing to work abroad or willing to hire foreigners especially tagged in the system?	Yes, jobseekers willing to work abroad.	Ecorys web survey.

Tracking customers		Source
Is contact maintained with clients to ascertain the results of activity/support provided? For example, are any follow-up surveys undertaken?	Information is collected by personal contact, for example when contracts end for seasonal work the client is contacted for a follow-up.	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 PES is not often influenced by external factors, as it tends to be independent in the way it measures performance. For example the PES came up with the idea to use the score card approach.	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?	It is mostly used for the operational level (allocation of budget and staff).	Interviews.
At which level(s) of the organisation is performance management practiced?	The PMS is used at all levels: mostly by senior staff, but individual employees can also make use of it.	Interviews.
In which management areas (Human resources, Financial resources, Quality management, and Strategy development) are the findings of performance measurement used?	At the central level it is used for human and financial resources and strategy development. For example the unit managers use it to assess the local offices, while the local offices use to monitor their targets and employees can use it for their individual assessment.	Interviews.

PES mission and target setting		Source
Please describe the target-setting process: actors involved, frequency, etc.	The PES mission and goals are translated into specific programmes and activities for which targets are then set on an annual basis but progress towards these is reviewed at frequent intervals.	Interviews.

Benchmarking		Source
Are sub national PES offices benchmarked?	Yes, scorecards are produced for each local office and comparisons can be undertaken.	Interviews.

Rewards		Source
Is target-realisation rewarded? How?	Information from the PMS is used to manage the performance of local offices.	Interviews.

4 EURES

Information about EURES		Source
General information about EURES (number fte's, cooperation with PES)	There are 57 EURES Advisers and about 270 EURES Assistants in Sweden. Cooperation with PES is assessed as good e.g. new EURES brochures and information are distributed by PES. Recently work has been done to increase visibility of EURES both internally (within the PES) and externally and attempts have been made to integrate more with other parts of the PES.	Interviews.
Most important stages and tools	The work programme is set out in the Annual Activity Plan. One goal is to make EURES visible. One of the most important tools is the job fairs, also the website. The focus is on the matching of the employee and the employer. Advisers can propose activity/projects as long as they are in line with the guidelines and activity plan. Staff at central level provide coordination, e.g. if they see that some advisers are planning to do similar things they can encourage links to be made. Almost all employment advisers can provide information on EURES and all major offices have a EURES Assistant who can provide more in-depth knowledge and access to the wider network. EURES advisers work in a back office but appointments can be arranged if necessary.	Interviews.
Assessment of the tools: what works well and why and what needs some improvement.	Personal contact with job seekers is very important. For employers the job fairs are working well but contact with the employers could be improved (although employers have been found to be more difficult to reach). The local PES offices must encourage employers to increasingly seek labour force outside of Sweden.	Interviews.
Which factors facilitate or hinder cross-national placement of individuals by EURES. Describe short their impact.	Placement is hindered by difficulties in reaching employers; social security issues; unrealistic expectations of the jobseekers. Placement is facilitated by the shortage of labour in Sweden.	Interviews.
Opinion on the current way/form of reporting in the EA Monthly reports? What works well what does not.	The EA Monthly reports are very old fashioned. It is not clear what happens with the information. The reports are sent to EURES advisors so the activities of the EURES Assistants are missing. It is not possible to answer the question on placement (how many job seekers found a job).	Interviews.
Alternative ways for measuring the performance of EURES (describe shortly)	Something like a scorecard could be a good alternative as it could also provide targets for the advisers. A survey of employers would be another way of collecting information.	Interviews.

Information about EURES		Source
What other data is available for measuring the performance of EURES (other than that included in the monthly reports)?	According to all interviewees, there is no specific measurement of the effect of the PES on geographical mobility. However, one possible measure would be monitoring of the uptake of the allowance for job interviews abroad which the PES offers to job seekers. This is recorded but only a relatively small number of people have been involved.	Interviews.
In your opinion, what are (or could be) the best indicators for measuring the impact of EURES on geographical mobility?	See above.	Interviews.

5 Geographical labour mobility

5.1 Design

Specific to geographical mobility		Source
Is the performance of geographical mobility activities other than EURES assessed?	Geographical mobility is not assessed and there are no targets in place. On the one hand the nationality of the jobseekers is not recorded so it would be difficult to collect the data. And on the other hand there is also no need at present to collect such data as at present there are shortages in the labour market so immigration is more important than the emigration issue but the need is not so high that it is assessed. The PES has only one measure of internal migration and this is recording cases where unemployment benefit is stopped because a job seeker refused to move to another region.	Interviews.
Do indicators related to geographical mobility activity exist within the PES performance measurement system?	No, there are no indicators related to geographical mobility within the PES PMS.	Interviews.
Are targets in place?	No, there are no targets in place relating to geographical mobility activity.	Interviews.
Does the PES collect any (other) data on geographical mobility activity (i.e. which is not included in the performance measurement system)?	No, except for data on take-up of the allowance to support attendance at interviews abroad.	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?	No, at present such data is not monitored.	Interviews.
Where in the PES is data collected and processed?	n/a.	Interviews.
How is quality of service/client satisfaction related to geographical labour mobility activities measured?	An annual survey is undertaken but not explicitly in relation to geographical labour mobility services.	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 follow up surveys are undertaken to ascertain the results of geographical mobility services.	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?	n/a.	Interviews.
Is monitoring information or data used to inform future activity/resource allocation?	n/a.	Interviews.
Are good practices identified and shared? By whom?	n/a.	Interviews.
Where and when is information on geographical mobility and associated activity used? Is it shared with cross-border/trans-national partners?	n/a.	Interviews.

Annex I

Used sources

Department for Work and Pensions (2009). International review of Performance Management;
Systems in Public Employment Services. Research summary no 616. Case Study based analysis of PES systems across the world and their PMS, 2009.

Arbetsformedling, An Introduction to Arbetsförmedlingen, the Swedish Public Employment Service
http://www.arbetsformedlingen.se/Globalmeny/Other-languages/About-us/Our-organization.html;
PES benchmarking project, Management Information Systems, Sweden, 2008;
"The contribution of The Public Employment Services To Flexicurity" - Compendium of Good practices, 2010.

Martin Lundin, Explaining Cooperation: How Resource Interdependence, Goal Congruence, and Trust Affect Joint Actions in Policy Implementation Uppsala University, 2001.

Torbjörn Wallin Performance Indicators for Public Employment Services Customer satisfaction A good practice in »Achieving customer satisfaction« (Indicator 8), 2004.

Gill Whitting GHK Consulting Ltd Reform of Delivery Systems: Thematic Paper, Thematic Review Seminar of the European Employment Strategy, 26 April 2006.

Ulf Norman, International advisor at the PES;
Ms Eva Lindh-Pernheim Head of Market Area North West Götaland;
Mr Mattias Buvari Head of Market Area South Götaland;
Ms Christina Storm Wiklander Headof Market Area Southern Norrland;
Madeleine Deland, coordinator EURES;
Bengt Härshammar, Analytical Department PES.

List of indicators

There are several headline performance indicators that carried targets for the PES IN Sweden in 2008. These include:

- 40 per cent of those registering themselves unemployed at their local PES should get a job within 90 days:
  - four per cent of the long-term unemployed should each month either get a job or begin some form of education or training;
  - 85 per cent of employers with vacancies should receive enough applications to fill the vacancy;
  - 90 per cent of the registered unemployed should be satisfied with the service they receive from the PES;
  - 90 per cent of employers using the PES should be satisfied with the service;
  - 80 per cent of newly-registered unemployed should have an activity plan completed within 20 days of registration;
  - 75 per cent of unemployed should consider that their activity plan is helping them; eight per cent of new immigrants registered with the PES should start work or begin education/training each month.

Source, DWP International overview. 2009.

1. Percentage of registered unemployed leaving the PES for a job or education within 90 days;
2. Percentage of newly arrived immigrants getting a job or starts an education;
3. Percentage of employers who registered a job vacancy at the PES that have enough applicants to employ;
4. Percentage of registered unemployed who are satisfied with the PES service;

List of indicators

5. Percentage of registered employers who are satisfied with the PES service;
6. Percentage of registered unemployed who get their job needs assessed within 20 days;
7. Percentage of employers who registered a job vacancy that got an agreement with the PES;
8. Percentage of registered unemployed who thinks they have a good action-plan;
9. Percentage of registered unemployed having unemployment insurance that have knowledge of the requirements of the insurance;
10. Percentage of the employed at the PES that are satisfied with their opportunities for learning and development;
11. Percentage of the employed at the PES that are on sick leave;
12. Percentage of the PES budgets that shall be within plan.

Source: Benchmarking project PES Sweden, 2008.

The most important results are measured monthly (and communicated throughout the whole organisation):

1. Did the employer get applicants upon the publication of his vacancy;
2. Amount of job seekers that indicate to have an action plan;
3. Number of people who found a job within 90 day after finishing a subsidized vocational training;
4. Registration of long-term unemployed;
5. Results of special programs for disabled people;
6. Transfers from subsidised to unsubsidised jobs;
7. Decrease of level of subsidy with wage subsidies;
8. Decrease of amount of part time workers;
9. Decrease of amount of workers with a job for only a few hours.

Source: SEOR (2003). The role of national PESs in processing job vacancies.

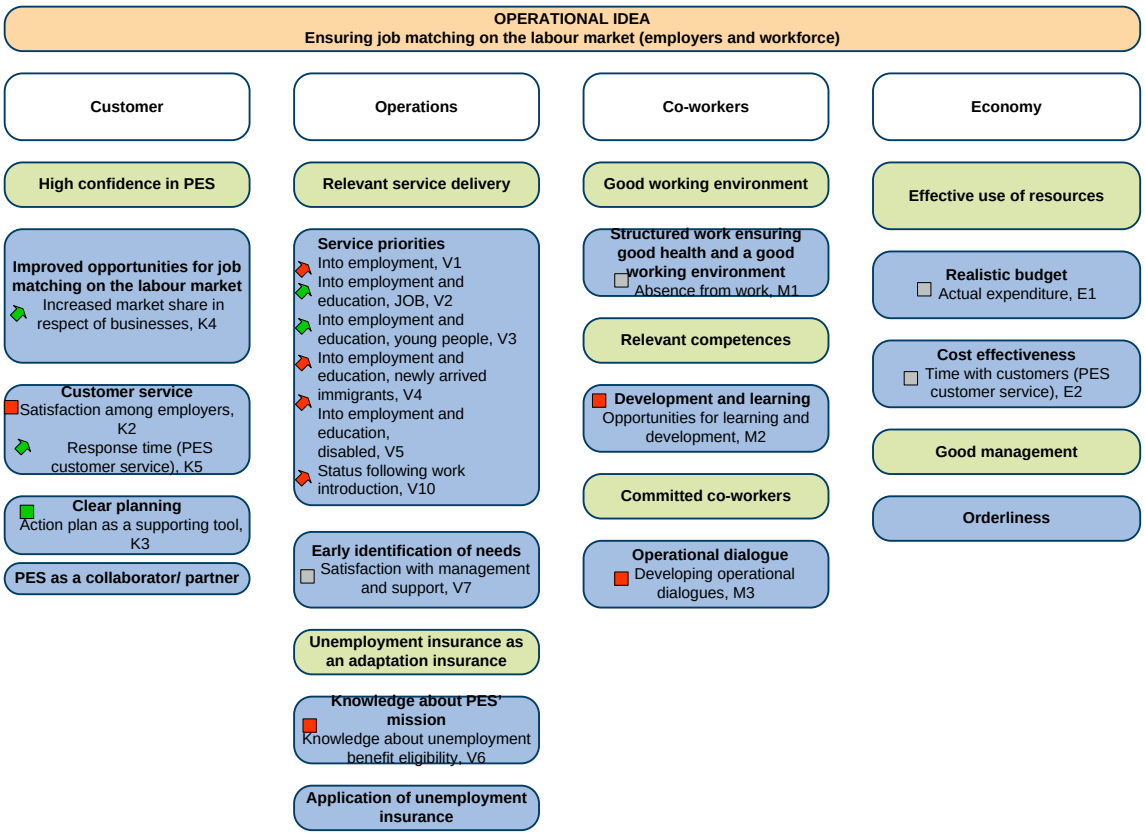
The Swedish PES uses four indicators to measure PES success:

1. rate of filling vacancies;
2. proportion of previously unemployed persons as part of total hiring;
3. the vacancy registration rate; and
4. the job seeker registration rate.

A computerize management information system called "Leda" displays operational targets for various levels and organizations of the PES on an annual, quarterly and monthly basis. Access to the system is open to all PES employees.

Source: Public Provision of Employment Services in Selected OECD Countries: The Job Brokerage Function, 2004.

Annex II: Swedish scorecard



Translated by ECORYS UK.

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

Sound analysis, inspiring ideas