Country Report

Austria

Client: European Commission

Rotterdam, London, 20 October 2011

Country Report PES PMS

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ECORYS

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Summary

ID	
Country	Austria
Name PES	Arbeitsmarktservice Österreich (AMS)
Name researcher	TV
Additional remarks (e.g. source gaps, problems, challenges)	Country visited.

1 Background information

General information PES		Source*
Mission & tasks & targets	The mission of the AMS consists of connecting people and labour: • AMS provides Services for jobseekers and employers; • AMS promotes equality of all participants on the labour market; • AMS is client orientated; • AMS promotes the abilities and competencies of its' employees; • AMS ensures high quality and continuous innovation of all services. For 2012 this mission was translated into the following tasks and targets: • Prevention of long-term unemployment and exclusion by early interventions: - integration of persons > 45/50 and < 25 into the labour market within 6 months of UE; - sustainable integration of (2 Months) of persons far from the labour market - training, upskilling or integration of re-entering women • Improving the effectiveness of trainings: - share of transitions into employment. • Improvement of competencies and skills of women: - share of transitions into employment after higher vocational training. • Transparency on the labour market: - filling vacancies; - increase acquisition of vacancies for the higher skilled.	Benchmarking project, Austria, 2008. AMS Österreich. Geschäftsbericht 2010.
Organisational setup (nr. of central, regional and local offices)	The Austrian Employment Service, AMS is divided into one national, nine provincial and 99 local organisations: national office, provincial offices and local offices. The government and the social partners are involved in the management and controlling of the AMS, including the Management Council at federal level.	AMS website.
Human resources (nr. of staff if possible fte's) Please mention the year	2010: 4.865,59 fte /5.435 staff members.	AMS (2010. Geschäftsbericht 2010.
Financial resources (annual budget) Please mention the year	Expenditures 2010: 6.061,062 mio Euro (including unemployment insurance expenditure).	AMS (2010. Geschäftsbericht 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?)	The AMS became an independent organisation in 1994, as soon as it was split from the Ministry of Labour, Social Affairs and Consumer Protection (BMASK). Deconcentration was believed to improve decision-making as it is done closer to customers.	Interviews.
How much autonomy is given to regional and local level in PES? (*decentralisation*: who designs budget, the strategy etc.)	The AMS is an autonomous public body with a Managing Council (*Verwaltungsrat*) that includes representatives of the BMASK, Trade Unions, Employer Federations and the AMS itself. Tripartite representation in supervisory boards (Provincial Directorate and Regional Council) occurs at every level of the organisation. The Managing Council annually decides on eight global objectives for the AMS in June. In doing so it takes into account the internal AMS Guidelines, the objectives of the Ministry, long-term plans of the AMS and EU objectives. These objectives are in October quantified (targets) in combination with the budget that is made available from the unemployment insurance contributions and fiscal revenues. The Ministry, social partners and various representatives of the AMS at federal and provincial level vote on these labour market policy objectives and their associated targets. These are furthermore negotiated by the federal management (*Vorstand*) and the provincial directorates (*Landesdirektorien*)s and ultimately disclosed by the managing Council. The regional distribution of the budget does not only take place on the basis of needs/ problems of regional labour markets but rather on the objectives and targets set for a particular region. The precise mix of labour market measures to achieve the targets and the associated planning is a competence of the provincial offices. The regional offices, together with external service providers, play a central role in this process.	Interviews. Kaltenborn, B et al. (2010). AMS (2010). *Selbstdarstellung*.
To what degree are services or tasks outsourced to voluntary or private sector? (*Privatisation*: which services are outsourced and to whom?)	Measures to integrate job seekers into the labour market are usually purchased from private service providers. These are purchased by the provincial directorates on the basis of demand signalled by the regional organisations. The budget for integration measures consists of three separate budgets: • Programs and central tasks; • Achievement of objectives; • Decentralised focal points.	Kaltenborn, B. et al. (2010).

Institutional context		Source
	Provincial and regional AMS decide upon the exact division of the budget: it is however not possible to redistribute means from support to administrative tasks.	

Country information		Source
Sending or receiving country? Please elaborate.	Austria is mainly a receiving country of workers from the surrounding NMS (HU, SK, SI). With regards to some occupations, AT is also a sending country: e.g. scientists.	Interviews.
Background information • % of employment; • % of unemployment; • the main challenges on the labour market.	Unemployment rate 2010: 4.4%; Employment rate: 71.7%; Despite recent sinking rates, problems are signalled among elder- and long-term unemployed, youth, as well as persons with a migration background.	AMS (2010. Geschäftsbericht 2010.

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 law on the AMS (AMSG) explicitly foresees target-setting (§ 59,2, p. 1 AMSG). As soon as the AMS was decentralised, the management board decided that Management by Objectives/results (MbO) was the best way to manage AMS operations. MbO was back then a trendy approach for public services. In the AMS it is used since 1996. Other purposes mentioned at the interviews include transparency and accountability of AMS activities as data generated by the PMS immediately delivers proof of the efficient operation of the AMS. Other purposes mentioned in the literature refer to the widening gap between information requirements and actually available data, while developments in ICT opened new possibilities for data processing. Information needs also stemmed from EU accession (ESF and EES). Finally, growing unemployment and higher expenditures for active labour market policy increased the need to analyse labour market performance and to monitor labour market policy.	Interviews, Kaltenborn, B et al. (2010). Mahringer, H. (2004). Data Warehouse.

Indicators		Source
What types of indicators are used to measure performance? (in terms of: inputs, outputs, results, impacts)	The PMS is primarily intended to measure progress towards labour market policy objectives and include therefore result/ impact indicators. When taking also the management information system (Balanced Scorecard – BSC) into account, output indicators are also used to measure performance.	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 are deducted from labour market policy objectives and do not represent clear causal relations. In the BSC, causal relations are implicit.	Interviews.

Targets		Source
Do targets exists, i.e. are indicators quantified? For who are targets set (central office, local offices, individual employees)?	Yes, quantitative targets are annually set for the labour market policy objectives. Scores on progress to target achievement in the field of Services provided to employees and Services provided to employers of individual offices are included in the BSC.	Interviews, Geschäftsbericht 2010.
Are targets SMART?	Yes, targets are quantified and measurable.	Interviews, Geschäftsbericht 2010.

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 sophisticated DWH that includes – beside the PES data - data from the Social Security administration. this allows a reliable monitoring of transitions into employment, and longterm monitoring on labour market careers including development of income.	Interviews. Mahringer, H. (2004). Data Warehouse.
Is a tool (e.g. Balanced Scorecard) for presenting management information available?	A BSC has been developed in 2007. The BSC presents an overview of the main strategies and most important performance indicators. It shows main figures of job mediation and advisory services (for both employers and job seekers) as well as data on management and support process like customer and employee satisfaction. According to the AMS, the BSC connects EFQM quality management with performance management.	Interviews, AMS (2010). Geschäftsbericht 2010.

Quality assurance		Source
Is quality of client satisfaction measured? How and frequency?	EFQM standards are used to promote quality of service delivery that are captured by the BSC. Customer satisfaction is therefore part of the BSC, not of the PMS as such. The AMS measures customer satisfaction already since 1994 and has set up an extensive client monitoring system since then. A representative customer satisfaction survey by an external research institute is held four times a year through which 120-240 jobseekers and 100-160 companies per regional office are questioned. On average, around 20,000 jobseekers and 15,000 companies are being questioned in the surveys.	Kaltenborn, B et al. (2010). Interviews.

Management and support		Source
What are the main data sources of the PMS?	Data stems from the PES itself and from the Social Security administration, mainly administrative data.	Interviews.
How is data collected and updated?	PES PMS data is basically generated through ICT applications. It is based on the registrations inserted by PES counsellors. These can also update the system. There are however safeguards and cross-checks in the system that identify where there are inconsistencies in individual records shown by the different datasets.	Interviews. DWP (2009).
Who has access to the data generated by the PMS?	Every AMS employees has access –with limitations to safeguard privacy- to the PMS. It is however particularly valuable for controllers. But even they are confronted with privacy-related limitations. Controllers can – for example- not relate clients to not-codified individual AMS staff members. Local managers however can see performance of their employees.	Interviews.

Tagging customers		Source
Are customers willing to work abroad or willing to hire foreigners especially tagged in the system?	Yes customers (both job seekers and employers) are tagged in the ICT system. Job seekers are subsequently informed about EURES. All AMS vacancies are available for EURES.	Interviews. Ecorys webservey.

Tracking customers		Source
Is contact maintained with clients to ascertain the results of activity/support provided? For example, are any follow-up surveys undertaken?	Sustainability of job take-ups is accidentally measured (for internal reasons- outside the PMS). It is considered less useful to trace the effectiveness of placement efforts of the AMS since data is unreliable, given the multitude of channels through which jobseekers search for jobs. Clients are approached in the context of customer satisfaction surveys.	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?	Discussions on labour market policy objectives start in January, in June after the budget has been proposed the quantification process is started. They process of setting quantified targets should be finished in October.	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?	Performance measurement data is used at all levels. Management instruments like the BSC are used by the central management and the management of the provincial offices used for strategic purposes. The effectiveness of these strategies is furthermore measured through a feedback-loop process that culminate in the publication of the annual report. Provincial and regional management are furthermore using performance management for tactical and operational purposed when deciding on the labour market policy instruments to be implemented.	Interviews. AMS (2010). *Selbstdarstellung.*
At which level(s) of the organisation is performance management practiced?	Local, regional, central level.	Interviews.
In which management areas (Human resources, Financial resources, Quality management, and Strategy development) are the findings of performance measurement used?	Performance data is used in all management areas. There is separate management instrument for the distribution of resources (HR and FR). Quality management issues are covered by the BSC (customer and employee satisfaction).	Interviews.

PES mission and target setting		Source
Please describe the target-setting process: actors involved, frequency, etc.	Targets are set via a combined top down and bottom up approach in which the management of each regional office is directly involved. This yearly process commences with a proposal of the board of management of the PES on the objectives for the PES. Internal AMS Guidelines, the objectives of the Ministry, long-term plans of the AMS and EU objectives are taken into account.	Interviews. AMS (2010). *Selbstdarstellung.*

Benchmarking		Source
Are sub national PES offices benchmarked for functional reasons, including	The 99 regional offices are clustered for optimal target setting and for monitoring performance on the Balanced Scorecard.	Interviews.

Rewards		Source
Is target-realisation rewarded? How?	The performance of the local PES offices can be rewarded if high scores on the BSC are realised. This involves a formal ceremony and a financial rewards for all employees of that particular AMS unit. In every cluster the first 3 local offices are rewarded.	Interviews.

4 EURES

Information about EURES		Source
General information about EURES (number fte's, cooperation with PES)	There are 17 EA in AT: these are 50% of their time EA and the other 50% regular counsellor. There is an EURES assistant in every regional office.	Interviews.
Most important stages and tools	Austria is basically a receiving country and activities are tuned in line: Tools therefore include information provision about living& working in AT, including working conditions. Other activities include participating in job fairs, active searches for professionals to fill vacancies: e.g. Annual programmes for the tourism sector (organised in cooperation with the BA): "Tourismusbus", Jobfair "Alparbeit" in Halle.	Interviews.
Assessment of the tools: what works well and why and what needs some improvement.	Jobfairs, when these are targeted, e.g. include the provision of real PES advisory service, and well managed. Prior to the event, EA should be able to select employers and JS.	Interviews.
Which factors facilitate or hinder cross-national placement of individuals by EURES. Describe short their impact.	Barriers: language, costs. Economic factors, such as low opportunities and welfare disparities (nb. THIS is not the same as the freedom of movement, sectoral problems (nb. If a sector experiences a downturn in country A, it is very likely that the same sector in country B also experiences a downturn!!!).	Interviews.
Opinion on the current way/form of reporting in the EA Monthly reports? What works well what does not.	The EA MR are very time-consuming and not verifiable whether the conclusions are valid. Therefore the current system doesn't work and doesn't show any added-value.	Interviews.
alternative ways for measuring the performance of EURES (describe shortly)	This depends on the new objectives of EURES. Surveys (like LFS) would be in principle appropriate. The problem is their limited representativeness. ICT systems differ too much to measure the impact at EU level, especially when it comes to matching. Cooperation with the BA is largely based on converging matching processes.	Interviews.

Information about EURES		Source
	Important is also to take the increased focus on self-service into account. The new EURES portal is therefore very important. EURES not subject of target-setting system: voluntary character of moving abroad.	
What other data is available for measuring the performance of EURES (other than that included in the monthly reports)?	Annual reports include the number of labour market integrations in border regions (CB partnerships). Note that if a JS is not registered for longer period of time, it is assumed that the JS works abroad.	Interviews.
In your opinion, what are (or could be) the best indicators for measuring the impact of EURES on geographical mobility?	The EURES network plays a fundamental role, like the portal does as well. Info could be provided by JS in Austria, JS abroad and by employers.	Interviews.

5 Geographical labour mobility

5.1 Design

Specific to geographical mobility		Source
Is the performance of geographical mobility activities assessed?	With the exception of the EURES Monthly Reports, no.	Interviews.
Do indicators related to geographical mobility activity exist within the PES performance measurement system?	No.	Interviews.
Are targets in place?	No, geographical labour mobility / freedom of movement in the EU is supposed to be voluntary.	Interviews.
Does the PES collect any (other) data on geographical mobility activity (i.e. which is not included in the performance measurement system)?	The DWH includes data on (foreign) employees that is submitted by their employers to the social security administration. It includes information on nationality, gender, their residence and sector of activity. Job seekers willing to work abroad are tagged as such in the ICT system.	Interviews.
Does the PES monitor geographical mobility on the basis of indicators that are provided by another organisation? (e.g. statistical information on migrants)	No, but see above.	Interviews.
Where in the PES is such data collected and processed?	In the DWH.	Interviews.
How is quality of service/client satisfaction related to geographical labour mobility activities measured?	Not applicable	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.	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?	Data on foreigners working in Austria is available but not actively used.	Interviews.
Are good practices identified and shared? By whom?	Not applicable.	Interviews.
Where and when is information on geographical mobility and associated activity used? Is it shared with cross-border/trans-national partners?	Data on foreigners working in Austria is available but not actively used.	Interviews.

Annex

Used sources

AMS (2010). Selbstdarstellung.

AMS (2010). Geschäftsbericht 2010.

Kaltenborn, B et al. (2010). Zielsteuerung in der Arbeitsverwaltung - ein europäischer Vergleich.

Mahringer, H. (2004). Data Warehouse.

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

List of indicators

Cf. provided by interviewees (note: only scores, no quantitative targets because of divergent units).

1. *Services for employees (SFE):*
   - Total score SFE;
   - Degree realisation of labour market policy objectives SFE;
   - *Vormerkdauer; (average number of days registered as unemployed jobseeker prior to a transition into employment;*
   - Share of job take-ups within a period of 6 months net-unemployment;
   - Success of labour market promotion measures; (share of transitions into employment after participation in ALMP);
   - Share of the budget for promotion measures for women;
   - Total customer satisfaction SFE;
   - Process quality SFE;
   - Duration processing of Applications;
   - Share of decisions made of all applications processed.
2. *Services for companies (SFC):*
   - Total score SFC;
   - Degree realisation of labour market policy objectives SFC;
   - Number of successful referrals for vacancies;
   - Number of successful referrals for internships (*Lehrstellen = apprenticeship places)*);
   - Duration vacancies;
   - Total customer satisfaction SFC;
   - Suitability of referrals;
   - Help AMS with filling vacancies.
3. *Provision of information on the labour market and occupations:*
   - Customer satisfaction *BerufsInfo Zentren*.
4. *Management:*
   - Job take-up and training per available position;
   - Number of occupied positions per available position;
   - Staff satisfaction;
   - Feedback to the management;
   - Internal client-relations;
   - Realisation of the plan to promote female employment in AMS.
5. *Support:*
   - Selected unit-costs per available position;
   - Service level Call centre;
   - Final conclusions Call centre.

Total score AMS BSC.

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