COUNTRY FICHE: AUSTRIA

PES NAME: Austrian Public Employment Service (*Arbeitsmarktservice Österreich*, AMS)

Basic organisational model

Type of organisation/relation to government
Service agency operating under public law.

Structure and organisational levels

- 1 Federal office;
- 9 Regional offices;
- 100 local offices.

Management structures and the role of social partners

- Management: The management structures of AMS correspond to the 3 levels of governmental structure operating in Austria: federal, regional and local. Each of the 3 levels has its own managing and decision-making bodies, executive bodies and business offices. The Administrative Board operating at the federal level consists of 9 members, including 3 government representatives (2 of them appointed by the Minister of Labour and 1 by the Minister of Finance) and 6 representatives of social partner organisations. The heads of the Federal Executive Board (heads of PES) and all regional managers are appointed by the Administrative Board for 6 years and must be approved by the Minister of Labour. The administrative board is responsible for all kinds of strategic decisions (goals, resources, executive management).
- Supervision: The government sets the main guidelines and objectives for labour market policy and decides on resources. The government is also responsible for supervision and assessment of AMS.
- Social partners: Social partners are strongly involved in the administrative boards on all 3 levels and responsible for all kind of strategic decisions (goals, resources, executive management).

Financing model

PES financing by source, Euro (million)

	Expenditure (EUR million)						**Change 2010-2011 (%)**		
	2010			**2011** (forecast)					
Source of funding (%)	Total Budget	Operating costs	ALMP	Total Budget	Operating costs	ALMP	Total Budget	Operating costs	ALMP
Total	1.446,3 (100%)	422,0	1.024,1	1.441,7 (100%)	459,7	982,0	0%	9%	-4%
Social security contributions	1.384,8 (95,8%)			1.395,5 (96,8%)					
Government and other public funding									
ESF	61,5 (4,2%)			46,2 (3,2%)					
Other EU Funding									
EURES									
PES own revenues									
Other									

Note: The AMS budget is set by the Austrian Parliament, its main source of finance is contributions to the unemployment insurance. If expenditure for unemployment benefits exceeds the contributions, the missing amount is financed by the government. However, it is impossible to define the share of AMS costs paid by contributions or by the government. Approximately, out of about 5 billion EUR (including benefits, ALMP and operational costs) about 1 billion (~ 20%) was financed by the government in recent years.

Human resources

PES human resources. Date of observation: January 2011

	Number of staff	% directly servicing clients
Total	4.900	90%
Head office	164	0%
Regional offices	684	52%
Local offices	3.747	100%
Service-Line (call centre)	305	100%

Note: 4,396 staff are committed to front-office duties (353 in Regional Offices, 3.738 in Local Office and 305 in Service Line). All the following categories of employees have been included in the category 'directly servicing clients': those working in local offices and call centres; those handling tender procedures at regional levels to organise training facilities; those responsible for the contents of the website; and those giving out vocational information.

Integration of employment services and benefit payments

Unemployment and related benefits:

- AMS is fully responsible for client registration, processing and payment of the following: unemployment benefits, training leave allowances, part-time work allowances for elder employees and short-time work allowances. All kind of employment services for unemployment benefit recipients and other jobseekers are run by PES, but some tailored services for some groups with special needs are outsourced to private providers.

Other social benefits

- AMS provides a full range of employment services for Minimum income benefit recipients (though some services are contracted out to external providers). However, municipalities are responsible for benefit payments.

Clients/Customers

Jobseekers. Date of observation: 2010[1]

	Number	%
Jobseeker client groups		
Total number of registered unemployed and jobseekers	853.725	100%
Young jobseekers < 25	191.291	22%
Apprentice ship seekers	49.418	6%
Older jobseekers (women > 45, men > 50)	206.467	24%
Long-term jobless persons	128.217	15%
Long-term unemployed >180 days	159.571	19%
Long-term unemployed > 365 days	21.947	3%
Women re-entering after parental leave	59.821	7%

Employers

AMS uses a segmentation of employer clients at regional level. The main criteria are the number of vacancies posted and the share of filled vacancies with registered unemployed jobseekers. In 2011 AMS has following employer groups:

- A-clients are 1.450 employers which offer 46.000 vacancies, 32 on average.
- B-clients: are 7.500 employers which offer 160.400 vacancies, 21 on average.
- C-clients are 21.900 employers which offer 119.000 vacancies, 5 on average.

Key-costumers with transregional branches all over Austria are assessed by specialised key account advisers.

[1] The figures refer to the number of affected persons in 2010

Beside this overall segmentation, there may be other qualitative segmentation according to regional needs (i.e. by economic sector, types of vacancies, etc.). Particular relevance is given to so called reference clients: employers which are very important within the region/municipality, or because they are involved in cooperation and networking activities.

Date of observation: 2010

Employer client groups	Numbers	%
Total	73.757	100%
A-clients	1.453	2%
B-Clients	7.515	10%
C-clients	21.887	30%

Other clients

- Employed persons and their employers: assessment on human resource development such as, skills needs, flexibility, age-management, information on up-skilling the workforce, leave schemes and short time working schemes for older employees.
- Not registered clients: students and their parents requiring information on labour market issues, on prospective educations, vocations, testing, and assessments. Information provided in local offices, in schools, at fairs, and online.
- General public, media and policy. Information provided mainly online and in press releases and interviews.

Types and methods of service provision

Services for jobseekers

- General information provided face to face, online or by call centre.
- Advice and counselling for all unemployed jobseekers online or face to face based on an individual action plan.
- Provision of all kind of vocational orientation and vocational education according to the individual action plan.
- Matching for all unemployed jobseekers online or face to face based on an individual action plan.
- All kinds of ALMPs (vocational training, vocational up-skilling, wage subsidies, etc.) which may support jobseekers in finding a job. These services are provided according to the individual action plan and may be organised by external experts or training providers.

Services for employers

- Information and counselling for all employers online, by phone or face to face.
- Recruiting and matching for all employers online, by phone or at fairs.
- Financial support for those who employ candidates from special target groups (i.e. the elderly, the long-term unemployed) and employers with a need for support on HR-development; up-skilling workforce, flexibility, age-management, etc. These services are provided in partnership with specialised business consultants.
- Provision of advice and support regarding bottlenecks.
- Support to employers looking to hire third-country nationals. The service is provided in partnership with social partners operating at the local level (work permits).
- Early warning service for employers planning lay-offs. The service is provided in partnership with social partners and business consultants.

Job vacancies and market share

Collecting information on job vacancies

Employers volunteer information on vacancies, though AMS promotes regular awareness campaigns. Additionally, AMS advisers conduct personal visits to employers to present their range of services.

Vacancies and referrals

2010: 74.000 employers registered 442.000 vacancies; 370.000 were filled within an average of 27 days.

Matching of supply and demand

AMS regularly monitors mismatches between demand and supply of labour at a regional and national level. AMS collects information through several channels: visits to employers to ask how candidates fit working requirements; regular meetings with stakeholders at local and regional level; client satisfaction surveys; standardised forecasts at national and regional levels on required skills and training courses.

Market share

AMS' market share is 36%.

Method: This was calculated as the ratio between all vacancies filled with the support of AMS compared to all new employment contracts. Data on new employment contracts comes from the social insurance company.

Active labour market policies

LMP Services

Name of service	Brief description	Delivery
Counselling for jobseekers and employers	Information and individual counselling based on jobseekers and employers' needs. Namely, support to self service activities, individual case management, and support during participation in training	PES, outsourcing for some groups: mothers, young girls, alcoholics, migrants, minimum income recipients, etc.
Matching /recruiting	Matching of labour supply and demand, monitoring of results	PES

LMP Measures

Name of measure	Category	Brief description	Delivery
Promotion of employment	4	Wage subsidies to employers which employ persons from some target groups.	PES
Direct job creation	6	Socio-economic enterprises and non-profit employment projects which offer jobs for vulnerable persons for a limited time. Wage subsidies to mini-employers who employ one employee.	Non profit organisations financed by PES. PES
Start up incentives	7	Business start up programme	Business consultants on behalf of PES.
Promotion of Flexicurity/Age-management/HR-Development		Support of employers in need for implementing flexicurity, age management, HR-development.	Business consultants contracted by AMS
Promotion of vocational mobility	2 Mixed	Financial support to cover costs of vocational training and course related expenses: to jobseekers for training in market organizations; to jobseekers for training in vocational training institutions working on behalf of PES; to vocational training institutions which work on behalf of AMS; to support workplace training and apprenticeship training for young. Employment foundations to adapt jobseekers to labour demand after a mass dismissal, or in case of bottlenecks to the demand of individual enterprises	Market training institutions; vocational training institutions working on behalf of PES; Employers, training institutions. Cooperation of different stakeholders organised in employment foundations.
Out of work income maintenance and support	8	Unemployment benefits, unemployment assistance, different leave schemes, short-time working allowance.	PES
Part-time work scheme	8	Part time working patterns for older workers,	PES

Cooperation/partnership

ALMP Services:

- Case management for some special groups (i.e. women re-entering the labour market after childbirth, young girls, jobseekers with debts, migrants) is provided by contracted specialists (mainly non-profit organisations).

ALMP Measures:

- Vocational training measures are carried out by vocational training institutions which are contracted after calls for tender at regional level. Training institutions may be either for profit or non- profit organizations, most of them are linked to the social partners.
- Vocational training measures may also be provided by a market training provider.
- Socio-economic enterprises and non-profit employment projects are non-profit companies which provide very hard to place jobseekers with temporary jobs. AMS decides the number of jobs to be created, the kind of jobseekers to be employed, and the final result to be reached. AMS also finances part of the wage costs, together with Municipalities and regional governments.
- Apprenticeships for young people are co-financed by regional AMS offices and regional governments (which contribute about 25% of the total).
- 'Labour foundations' aim to update jobseekers' skills after mass redundancies. Employers and regional governments co-finance of their activities (orientation, coaching, vocational training), while AMS pays unemployment benefits to those involved in training for up to 4 years. Region or social partners of the enterprises are responsible for the organisation. Moreover, "Implacement-foundations" aim to train unemployed jobseekers on concrete demand of enterprises which cannot find suitable candidates for their vacancies.
- Business-consultants for the provision of support to employers in need to develop and improve their activities.

Evaluation

Targets (share of transitions into employment) are incorporated in the agreements between training bodies and AMS. Targets are predefined according to local labour market developments. Most of the monitoring is done in-house by a specific data-warehouse (based on employment data of the national social insurance agency). Quality of training is also monitored by online questionnaires submitted to participants. Also, the Ministry for Labour and Social Affairs contract research institutions to evaluate ALMPs mainly in terms of efficiency, possible savings and existing problems.

Management logic and performance measurement

Planning process

Objectives and targets are determined through a complex planning process. A first proposal for annual goals is put forth in January based on the Mid-Term Planning document and the Mid-Term Economic Forecast for the following year. The Administrative board (social partners and government) has to decide on the goals and operational indicators. Based on a first budget draft, negotiations between the Executive board (board of directors) and the regional directors on how to regionally distribute goals and financial resources follow. Agreements on distribution of goals and budget within the management have to be approved by the Administrative board (social partners and the Ministry for Labour and Social Affairs).

Types of objectives and targets

AMS has 8 annual labour market related targets. Regional offices may add one target each. Local Offices may also add one target. The joint targets are monitored and assessed every quarter. Specific targets set for 2011 concern:

1. Transitions into employment of older persons within 6 months of unemployment;
2. Transitions of youth within 6 months of unemployment into long-term-unemployment;
3. Transitions into employment of long-term jobless persons;

4. Number of women re-entering the labour market after childbirth in vocational training or in employment after training;
5. Transitions into employment after training;
6. Number of girls/women in higher technical vocational training;
7. Filled vacancies;
8. Registered high-skill vacancies.

Monitoring

AMS is provided with an in-house data-warehouse where all labour market related targets can be monitored. Most of the data are updated monthly.

The most comprehensive management tool however is the Balanced Score Card. The 8 labour market related targets together are one indicator in the Balanced Score Card, which contains about 25 indicators related to clients and staff satisfaction as well as business results and process related results. The results of the Balances Score Card are discussed once a year, and best local offices are awarded. Other standardised tools of monitoring are: assessment and revision of yearly targets on a quarterly base; management information assessed by the members of the administrative board on a quarterly base; annual management assessment.

Lean management

AMS has implemented lean management tools for more than 15 years in order to increase efficiency.