

# *Mutual Learning – Benchmarking among Public Employment Services*

*Prof. Michael Wagner-Pinter*

Hand Out

**Synthesis** Forschung  
Gonzagagasse 15/3  
1010 Wien  
Telefon +43 1 310 63 25  
Fax +43 1 310 63 32  
E-mail [office@synthesis.co.at](mailto:office@synthesis.co.at)  
<http://www.synthesis.co.at>

- *Overall goal of the project*

---

- *The mandate of the heads of PES*

---

- *Participating Partners*

---

- *Performance indicators reflect PES goals*

---

- *Comparing PES performance: a challenging perspective*

---

- *Convergence: the experiences of the Participating Partners*

---

- *Value range of performance indicators*

---

- *Measurement of performance indicators*

---

- *The position of AMS Austria with respect to each of the indicators*

---

- *The position of all PES with respect to one indicator (Q1)*

---

- *Bearing differences in mind before proceeding towards benchmarking*

---

- *Value range for selected context variables*

---

- *Benchmarking as a way of raising questions*

---

- *Presenting and evaluating good practices*

---

- *Topics of good practices*

---

- *What has been achieved*

---

- *The final report reflects the achievements*

## *Overall Goal of the Project*

---

- Mutual learning
- based on benchmarking and
- the exchange of good practice
- among the participating Public Employment Services

## *The mandate of the heads of PES*

The Working Group was mandated

- to select a rather limited number of performance indicators (on basis of a list drafted in stage 1)
- to capture the PES specific environment of operation by a set of harmonized context variables
- to build up a data base
- to carry out benchmarking among the Participating Partners
- to present and discuss good practices
- to establish a reporting format

**SYNTHESIS**  
Forschung

## *Participating Partners*

- AMS – Austria \*
- AMS – Sweden \*
- ORBEM – Belgium/Brussels
- VDAB – Belgium/Flanders \*
- Ministry of Labour – Finland
- ANPE – France
- Bundesagentur für Arbeit – Germany\*
- FÁS – Ireland
- NVA – Latvia
- CWI – The Netherlands \*
- Central Office of Labour – Slovakia
- ESS – Slovenia
- Jobcentre Plus – United Kingdom

\* served already as members of the Working Group in the preceding stage 1 of the project

**SYNTHESIS**  
Forschung

### *Performance indicators reflect PES goals*

- Getting the unemployed back to work  
(Transition rate from unemployment)
- Avoiding long-term unemployment  
(Transition rate to employment before unemployment lasts more than 6 months)
- Supporting the return to work through measures  
(Transition rate to employment from ALMP-training measures)

### *Performance indicators reflect PES goals - continued*

- Opening access to vacancies  
(PES market share)
- Making sure that job openings result in employment  
(Share of successfully filled vacancies)
- Ensure customer satisfaction  
(- share of satisfied unemployed job seekers  
- share of satisfied employers)

## *Comparing PES performances: a challenging perspective*

---

The PES of the Participating Partners

- follow specific missions
- operate under different institutional settings and legal arrangements
- have to cope with specific labour market imbalances
- have developed established »mind sets« reflecting past and present practices
- do not necessarily have the data (needed for the performance indicators) readily available

## *Convergence: the experiences of the Participating Partners*

---

- Starting with different views
- Progress towards consensus
- Striking a balance between precision, comparability and relevance
- Bearing a list of »strong points« and weak points« of each indicator in mind
- Discussing good practices as a mutual learning process

### *Value range of performance indicators*

<i>Indicator</i>	<i>2005 (indicator/ratio)</i>
Transition rate from unemployment to employment (Indicator 1)	5.4% – 23.5%
Transition rate to employment before unemployment lasts more than 6 months (Indicator 2)	38.6% – 90.1%
Transition rate to employment from ALMP-measures (Indicator 3)	21.6% – 64.4%

### *Value range of performance indicators - continued*

<i>Indicator</i>	<i>2005 (indicator/ratio)</i>
PES market share (Indicator 4)	16.4% – 58.7%
Share of successfully filled vacancies (Indicator 5)	34.2% – 87.3%
Share of satisfied unemployed job seekers (Indicator 6)	67.1% – 86.4%
Share of satisfied employers (Indicator 7)	74.5% – 99.0%

## *Measurement of performance indicators*

### *Indicator*

#### *Indicator 1*

N: Transition to employment (within six months) of registered persons  
D: People on the register (for some time) during a specific month

#### *Indicator 2*

N: Transition to employment (within six months) of those who deregister with a spell duration of less than six months  
D: People who are deregistered with a spell duration of less than six months during a specific month

#### *Indicator 3*

N: Transition to employment (within six months) of those who terminate a training measure  
D: People who terminate a training measures during a specific month

## *Measurement of performance indicators - continued*

### *Indicator*

#### *Indicator 4*

N: Vacancies accessible through the PES information system (period of time)  
D: Vacancies that employers wish to fill (period of time)

#### *Indicator 5*

N: Vacancies (excluding ALMP vacancies) for which a successful candidate was found (period of time)  
D: Vacancies posted with the PES (period of time)

#### *Indicator 6 and 7*

N: Number of customers who say they are »very satisfied« or at least »satisfied« with the overall PES-services  
D: Number of customers who are asked about their level of satisfaction with the overall PES-services

### *The position of AMS Austria\* with respect to each of the indicators*

<i>Indicator</i>	<i>2005 (radar chart values)</i>	<i>Rank (Number of PES benchmarked)</i>	<i>Indicator value top performance (second best performance)</i>
Transition rate from unemployment to employment (Indicator 1)	48.4%	5	23.5%
		(12)	12.5%
Transition rate to employment before unemployment lasts more than 6 months (Indicator 2)	69.9%	5	90.1%
		(10)	80.1%
Transition rate to employment from ALMP-measures (Indicator 3)	82.6%	4	64.4%
		(9)	64.0%

100.0% = top score among all the PES compared for each of the indicators

\* Explicit permission to quote figures by AMS Austria

**SYNTHESIS**  
Forschung

### *The position of AMS Austria\* with respect to each of the indicators*

<i>Indicator</i>	<i>2005 (radar chart values)</i>	<i>Rank (Number of PES benchmarked)</i>	<i>Indicator value top performance (second best performance)</i>
PES market share (Indicator 4)	64.9%	6	58.7%
		(8)	54.3%
Share of successfully filled vacancies (Indicator 5)	50.6%	9	87.3%
		(12)	79.6%
Share of satisfied unemployed job seekers (Indicator 6)	99.8%	2	86.4%
		(10)	86.2%
Share of satisfied employers (Indicator 7)	89.5%	5	99.0%
		(11)	92.4%

100.0% = top score among all the PES compared for each of the indicators

\* Explicit permission to quote figures by AMS Austria

**SYNTHESIS**  
Forschung

***The position of all PES with respect to one indicator (i.e. Q1)***

<b><i>Indicator 1</i></b>	<b><i>2005 (radar chart values)</i></b>
PES 1	48.4%
PES 2	–
PES 3	34.0%
PES 4	23.4%
PES 5	53.2%
PES 6	23.0%
PES 7	50.1%

The indicator value of the top performing PES 9 is 23.5%.

Its radar chart value is set 100.0%.

The indicator value of the second best performing PES 5 is 12.5%.

***The position of all PES with respect to one indicator (i.e. Q1)***

<b><i>Indicator 1</i></b>	<b><i>2005 (radar chart values)</i></b>
PES 8	23.8%
PES 9	100.0%
PES 10	50.2%
PES 11	23.0%
PES 12	23.4%
PES 13	27.8%

The indicator value of the top performing PES 9 is 23.5%.

Its radar chart value is set 100.0%.

The indicator value of the second best performing PES 5 is 12.5%.

### ***Bearing differences in mind before proceeding towards benchmarking***

To highlight the different environment in which each PES operates, the following harmonized variables were documented as »context variables«:

- rate of unemployment
- turnover in the unemployment register
- ALMP spending (per cent of GDP)
- staff of PES in relation to
  - working age population (»macro«)
  - case load (»micro«)

### ***Value range for selected context variables***

<b><i>Context Variable</i></b>	<b><i>2004/2005</i></b>
Rate of unemployment	4.3–16.4
Turnover in the unemployment register	27.8–214.2
ALMP spending (per cent of GDP)	0.12–1.44
Staff of PES in relation to	
– working age population (»macro«)	530–4,860
– case load (»micro«)	260–1,390

## *Benchmarking as a way of raising questions*

- Do favorable benchmarks point towards interesting good practice?
- Do improvements in benchmarking results over time indicate a successful implementation of new practices?
- Can an action oriented use of benchmarking results do with a (moderately) inhomogeneous data base?

## *Presenting and evaluating good practices*

- An open discussion of good practice touches upon the »strong« and the »weak« points
- Two directional processes  
(all sides should expect to learn a lesson)
- A positive attitude towards open minded discussion

## *Topics of the good practices*

- Directly related to job seekers
  - Early interventions - matching from the first day on (AT)
  - Multi-stage guidance of job seekers (BE/VDAB)
  - Customer centers (DE)
  - Focus on youth (NL)
  - »Employment corner« - job-search support (a pilot project) (SI)

## *Topics of the good practices - continued*

- Directly related to employers
  - Operational planning for AMS staff on how to contact employers (AT)
  - Service for regional employers (BE/ORBEM-BGDA)
  - Network of local platforms for employment (BE/ORBEM-BGDA)
  - A comprehensive strategy for employers as customers (IE)
  - Vacancies offensive in the framework of the project »Focus on Work« (NL)
  - Recrutement by simulation (FR)

### *Topics of the good practices - continued*

---

- IT channels of service
  - Elise-Matching: Computerised matching of the data in the personal file of the job seeker and vacancy data(BE/VDAB)
  
- Related to PES organisation
  - Action programs for placement officers (DE)
  - Caseload Management (IE)

### *What has been achieved?*

---

- Seven performance indicators
- Data on 2004 and 2005 for some of the 13 PES
- For selected indicators and PES, data from 2000 to 2006
- Five context variables to frame the evaluation of benchmarking results
- Benchmarking for 2004 and 2005
- Presentation of fifteen good practices
- Reporting system

### *The final report reflects the achievements*

---

- **Overview**  
(PES-Performance: Benchmarking and Good Practice)  
1 Vol
- **Reports**  
(Benchmarking of PES Performance Indicators  
2004 and 2005) 2 Vol  
(Selected good practices) 1 Vol
- **Technical Notes**  
(Operational definition of performance indicators) 1 Vol  
(Measurement procedures) 1 Vol
- **Background Information** 1 Vol