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## The quality of services provided by the PES is not uniform across regions

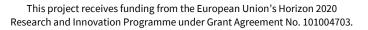
Given that technological transformation enhances the need for labour mobility, the work of the PES is essential to facilitate it. Based on discussions with the PES representatives in several countries/regions, the quality of services that they provide depends on multiple factors:

- Ability of PES/municipalities/regional authorities to decide which set of ALMP instruments will be prioritised in a region;
- Collection and analysis of data on needs of unemployed individuals, and the development of the customer categorisation system;
- Creation of the online, free job search tool on the PES website for employers and job seekers;
- Selection or design of high-quality, labour market-relevant education/training programmes;
- Availability of funding for providing sufficient and high-quality support at the PES;
- Provision of trainings and labour market insights to PES staff members;
- Collaboration between the PES and the policymakers.

The first factor highlighted above points to the adjustment of the package of ALMP measures to needs of specific regions/municipalities. This does not mean that ALMPs in each region/municipality are different, but that each region/municipality and PES have autonomy to decide how and when a specific ALMP measure will applied, where more resources will be allocated, based on the needs of local vulnerable groups. Such approach has been considered very effective in Denmark.

The second factor focuses on the development of the customer categorisation/profiling system for the PES. The system serves as a centralised information database that allows to record personal needs of customers, learn about effective policy instruments and their success factors that supported a target group to which a specific individual/customer belongs. Such system facilitates and improves the quality of personalised services at PES, such as career guidance and training opportunities, and raises efficiency of service provision. In addition, the insights provided by the system may inform policymakers on the design of the ALMP. The presence of customer categorisation systems does not negate a personalised, assessment-based approach. On the contrary, it may serve as a useful source of information.

In addition, among the instruments that are effectively and efficiently supporting both the PES, as well as employers and employees, in several examined regions is the creation of the







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online, free job search tool. Most of these tools are hosted on the PES website. Such tool facilitates the matching between employers and employees, either with the support of the PES or without it.

Given that education/training is the essential service that the PES provides or facilitates access to, the quality of PES support strongly depends on the quality of available education/training offers. The PES and policymakers in several regions admitted that the quality of training provided to the unemployed varies significantly, depending on an education/training provider. In absence of clear standards and quality monitoring, the quality of education/training is likely to be low. More information about the adult, vocational training can be found in the next chapter.

For the PES, it is crucial to select best providers or to design/provide education/training programmes themselves. The fundamental challenge is to understand what are the relevant skills, and how they should be trained. As mentioned earlier, without an insight from systematic monitoring and forecasting of the labour market trends this is impossible. Besides intelligence on what skills should be trained, many PES lack knowledge on best training methodologies, delivery models. In Latvia, the policymakers admitted that they are actively looking for companies that have designed, tested and implemented their own trainings for employees, associated with job transformation following technology adoption. It is believed that such trainings are of higher quality, and their delivery models should be adopted by education/training providers and promoted among other organisations.

Based on the case studies, most education/training programmes provided by PES are free-of-charge and short (completed within 2 months). This is criticised by many interviewees, arguing that such trainings are not sufficient for upskilling and, even more, for reskilling. The critical factor that determinates training duration are costs, therefore more medium/long-term programmes are offered in developed economies. The trainings are delivered in different modes (online, in-person and hybrid), which is appreciated by the PES customers, although following the COVID-19 pandemics the interviewees from the PES indicate that the demand for online/hybrid training has increased. As a good practice, the trainings are offered following career counselling.

In view of most interviewees, hands-on and on-the-job trainings are more effective than theoretical classes, especially as individuals are able to interact with potential/current employers and employees in a working environment, and such trainings typically reactivate the long-term unemployed. Several PES indicated that highly-skilled individuals can benefit and are more likely to participate in online education/training programmes, while the low-skilled individuals, particularly long-term unemployed, need additional motivation, discipline





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and monitoring to complete the programmes. Hence, it is best to develop in-person, small group programmes for them, as typically such individuals enjoy social interaction and need stronger assistance during education/training.

The availability of funding and training for the PES staff represents an enabling factor. In regions with limited funding, the PES are understaffed, which results in a less personalized/tailored approach to customers and in fewer provided services. In addition, it limits training opportunities for the PES staff. Several interviewees highlighted that having regular psychology education/trainings and trainings on labour market trends are essential for high-quality quality of services delivered at the PES.

Lastly, the PES and the policymakers would benefit from continuous collaboration, given that the policymakers focus on the design of the ALMP, while the PES staff have a good knowledge about their implementation.

"GINOP-5.1.1-15 Road to the labour market" programme has been launched in 2015, in Hungary and was mostly funded under the ESF. The programme included two parts. The programme has been aimed to help long-term unemployed and people that reside in areas with limited job opportunities to re-enter the labour market.

The key activities of the programme focused on making the services provided by the PES more accessible, efficient, of higher quality, and strengthening the targeting of services and support through a profiling system. The profiling system was designed for the PES to facilitate the provision of personalised services to customers, such as career guidance and training opportunities.

In addition, the programme incentivised inclusion into the labour market through wage subsidies to employers, and set up a free job board where companies can share vacancies with potential employees. The programme funded general labour market services and professional activities for all jobseekers, including those who did not participate in this labour market programme.<sup>2</sup>

It has been considered effective, due to the following:

• The profiling aspect of the programme follows previous European Commission recommendations to develop a PES customer categorisation system (profiling). This is essential for data analysis and the design of future ALMP measures;

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<sup>&</sup>lt;sup>1</sup> https://kohesio.acceptance.ec.europa.eu/en/projects/Q3936213

<sup>&</sup>lt;sup>2</sup> https://kohesio.acceptance.ec.europa.eu/en/projects/Q3936213



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- The programme provided a wide range of personalised mediation, counselling, mentoring/training services;
- The free job board has been a much-needed tool and it proved an effective and efficient mechanism for reducing unemployment and improving labour market mismatches.