



Benchlearning Initiative External Assessment

Summary report – ACTIRIS



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1. INTRODUCTION

This report outlines the results of the Benchlearning (BL) external assessment of the PES of the Brussels Capital Region (ACTIRIS), conducted between January 16th and 17th, 2018. The team of five external assessors comprised one peer PES staff member (from the German PES), two from the European Commission, and two experts from ICON-Institute (the supporting contractor). The two-day visit included meetings in ACTIRIS head office with senior management and directorates. The time and resources invested in the preparation for the Benchlearning visit by ACTIRIS, and in particular their internal self-assessment, were crucial to its success. The team gratefully acknowledges these efforts.

ACTIRIS is the PES of the Brussels Capital Region (BCR) and one of four public employment services operating in the federal state of Belgium. The PES is structured in one head office and 18 local offices (one per city district). As part of the Sixth State Reform since the end of 2015 and the beginning of 2016 ACTIRIS was given new responsibilities (like all Belgian PES) and the number of staff grew. At the time of the visit, ACTIRIS had 1,431 employees and a yearly budget of around 750 million EURO.

ACTIRIS is a self-managed public-interest organisation operating on a five-year management contract. It is governed by a steering committee consisting of representatives from trade unions, employer associations, the BCR government and the PES general directorate. The head office has one general directorate and nine further directorates. The directorate for services to jobseekers is responsible for the 18 local offices. The head office is responsible for the implementation of labour market policies and programs, general management issues (including budgetary questions), the coordination of activities between the PES and other institutions and the provision of support for the local offices. The local offices are responsible for the practical implementation of services.

ACTIRIS is not responsible for the payment of unemployment and social benefits though it undertakes the initial registration and the on-going monitoring of people's eligibility for unemployment benefit. All unemployment benefit recipients must register with the PES.

2. STRENGTHS

The most important strength of ACTIRIS is the powerful and highly ambitious new management contract for 2017-2022, which was developed in a well-structured and participative process involving external as well as internal expertise in a systematic manner. This document gives the organisation a compelling and comprehensible vision for its future and sets clear focuses that can be summarised by the keywords "solutions, clients and results". It also implies a fundamental transformation of ACTIRIS from an administration to a service for employers and jobseekers with the mission to offer "tailor-made, efficient and free solutions".

The management contract is entitled "ensure quality for all" and this is translated into ten strategic objectives in three axes: jobseekers and employers, actors and partners, and internal team. Important strategic objectives are to ensure *high-quality* support for all jobseekers, to have a sufficient number of adequate solutions for *sustainable* employment, to improve the *efficiency* and effectiveness of services, to establish a *culture of evaluation*, to *invest* in well-being at work, to improve the *satisfaction* and pride among staff, to foster *innovation* and to make *participatory* management a priority. The strategic objectives are translated into

“conditions for success”, i.e. major steps and projects to achieve them (e.g. refined assessment of skills, revised segmentation based on skills etc.). This gives the organisation a clear direction for its development and an ambitious reform agenda.

Furthermore, ACTIRIS stands out for its open mindset and a noticeable team spirit within the organisation, a high degree of self-reflection and awareness of necessary changes as well as the pronounced commitment and dedication of all staff. These are strong assets which represent a new organisational and management culture and on which the organisation can build on its way to the future. Another strength of ACTIRIS is that the essential foundation of services for jobseekers and employers has been put in place and, thus, for core business no fundamental groundwork needs to be done. In consequence, ACTIRIS can fully concentrate on refining and enhancing existing services.

Finally, a clear strength of ACTIRIS is its strong focus on the implementation of the Youth Guarantee (YG). This is based on a convincing strategy and a systematic cooperation with partners resulting in encompassing service provision. It is particularly interesting, that the YG unit is part of the Employer Directorate seeking to ensure strong collaboration with employers for the integration of young people.

The change agenda implied by the management contract deserves full support and the external assessors strongly encourage ACTIRIS to proceed with its modernisation. At the time of the visit, many good ideas and initiatives were still in the planning phase¹ and the assessors team is looking forward to see what will happen in the near future. Against the background of the strengths portrayed above, we are confident that ACTIRIS can make its reform agenda a success and offer some suggestions and recommendations below as support for this.

3. CONTEXTUAL INFLUENCES

Institutional context

ACTIRIS enjoys a relatively high degree of autonomy within the boundaries of the relevant legislative framework and the management contract with the government. Since 2013, the PES is steered by a five-year management contract negotiated with the government. The current contract started in 2017 and is valid until 2022. It gives priorities and objectives for ACTIRIS activities as well as the relevant monitoring indicators. The contract is broken down into annual business plans for implementation (see also above).

Due to the federal structure of Belgium, ACTIRIS has to coordinate its activities with other actors, among them the other three Belgian PES as well as different institutions responsible for education and training. Among the latter are VDAB Brussels and Bruxelles Formation that are now under the same roof with ACTIRIS. Furthermore, the PES has its own research institute, the Brussels Employment Observatory, which analyses data and conducts studies on the labour market of the BCR.

Economic context

¹ The external assessment and especially the scoring is, however, based on the observed status quo at the time of the visit.

The economic background in which ACTIRIS operates is quite exceptional compared to that of other European PES. The BCR is characterised by a young, growing and cosmopolitan population with almost 90% of all employed working in the tertiary sector. Furthermore, the labour market is segregated into two spheres ("dual labour market") with relatively high salaries, status and responsibilities, career mobility and good working conditions in the primary sphere. By contrast, jobs in the secondary sphere exhibit rather poor pay and working conditions, little or non-existent promotion opportunities and low levels of job security. As a consequence, although the overall unemployment rate went down from almost 21% in 2013 to slightly less than 17% in 2017, there is still high unemployment among young and low-skilled workers. Furthermore, the BCR unemployment rate is still more than 50% higher than that of the Walloon region in Belgium and more than three times that of the Flanders region. This relationship between the unemployment rates of the three Belgian regions has been quite stable over time and is certainly also due to the fact that the average growth rate of gross value added (i.e. an approximation of gross domestic product which is available at the NUTS-2 level) between 2010 and 2015 in the BCR was around 0.5% only, compared with almost 1% in the Walloon and around 1.7% in the Flanders region.

4. CURRENT AND POTENTIAL GOOD PRACTICES IDENTIFIED DURING THE ASSESSMENT

The strengths of ACTIRIS outlined above are supported by a number of potentially transferable good practices. These include the following²:

- The structured and participative process in which the new 2017-2022 management contract was developed. Both external and internal expertise was systematically involved in evaluating the achievements of the previous contract and collecting suggestions for the new one. In particular, the direct involvement of front-line staff shows the potential of a strong buy-in of and acceptance by all employees and is, therefore, interesting for other European PES to study.
- The implementation of the Youth Guarantee that is based on a convincing strategy and systematic cooperation with partners. A visible result of these endeavours is the remarkable decline in youth unemployment which is now lower than that of most other large Belgian cities.
- The development of the bilingual "Cité de métiers" as an integrated area of advice and support for career guidance, education and training, mobility and entrepreneurship open for all Brussels inhabitants.
- The establishment of reference centres (Centres de Référence Professionnelle, CDR) with "CDR advisers" which demonstrate the strong collaboration of ACTIRIS with (social) partners and training/education institutions, facilitate matching between the needs of business and training offerings, promote vocational training, and conduct sectoral surveillance.
- The Brussels Employment Observatory as a provider of labour market information and evidence which can build the nucleus of an encompassing knowledge generation strategy as well as being its primary implementer.

² See also the detailed analysis in section 8 for further examples and more details.

5. AREAS WHERE IMPROVEMENTS MAY FURTHER ENHANCE PES OPERATIONS AND OUTCOMES

The constituent elements of a modern client-oriented PES are the strategic objectives of the current management contract and are, thus, on the agenda of ACTIRIS. These elements can be summarised by the keywords “quality”, “efficiency”, “sustainability”, “innovation”, “investment”, “empowerment”, “solutions”, “staff satisfaction” and “participation”. At the moment, however, they are only loosely connected to each other and the external assessors see the risk that the many different change projects and initiatives currently either initialised or already implemented are not fully aligned to a coherent whole. The assessors' team, therefore, sees the major challenge of ACTIRIS being to systematically connect them to “build a nucleus for progress”. This can be visualised as the “ACTIRIS Atomium” with the nine atoms being the keywords mentioned above. We now provide ideas and suggestions to help the organisation in this endeavour and to offer inspiration, orientation and support by partner PES.

Among the most important links still to be established is the one between “quality” and “sustainability”. For this, the development and implementation of a holistic process, quality and risk management system is inevitable. Such a system needs to be based on the principle “process follows strategy” and full-fledged end-to-end processes. This essentially implies

- (i) to clarify what customer and service orientation means for the organisation as a whole,
- (ii) to integrate quality, process and risk management into one, and not parallel systems,
- (iii) to clarify the responsibilities for quality at all levels of the organisation,
- (iv) to identify top strategic and important operational risks as well as risks which can damage ACTIRIS performance and image, and
- (v) to work intensively on the interfaces (between the processes as well as between the head office and the local offices).

First steps in this direction have already been taken and it is essential that ACTIRIS consequently follows this path. The Austrian, Flanders and Slovenian PES are interesting partners for exchange on this issue. The Austrian PES can also offer orientation with regard to the establishment of the dedicated role of a quality manager and an overall continuous improvement process (CIP) to help to interlink “quality” and “participation”. Other sources of CIP inspiration are the German and Flanders PES. The Austrian and Slovenian PES are interesting partners for exchange on interlinking “staff satisfaction” and “sustainability” by acknowledging good performance and celebrating success through non-financial awards such as “Best of ACTIRIS”. The German and UK PES are interesting partners for the development and implementation of systematic career development and talent management to establish a link between “empowerment” and “satisfaction”.

A promising approach to connect “sustainability” and “investment” is the development of an internal Benchlearning system based on self-assessments to initiate a regular and systematic reflection process of “what is done, why it is done this way and how it could be done better”. The Bavarian regional directorate of the German PES has recently started an initiative along these lines and is therefore a potential partner for exchange. The Estonian, French and Flanders PES also regularly conduct self-assessments, and they could offer inspiration and direction.

The development and implementation of a strategy to create knowledge in a concerted effort at all levels of the organisation and in cooperation with external expertise is a good way to interlink “efficiency” and “investment”. Such a strategy contains the information needed for the evidence-based (re-)design of services together with a plan for the generation of evidence and its dissemination within the organisation as well as to external stakeholders. A recent example of such a strategy can be found in the Norwegian PES. The systematic approach of the Danish PES to generate evidence is also worth studying.

The Danish PES can also offer guidance and inspiration for connecting “efficiency” and “innovation”. These can be interlinked by the systematic use of pilot projects to directly generate robust evidence on those interventions, measures, service concepts and processes that work better. In general, pilot studies are ideally implemented as RCTs (randomised controlled trials) with partners from universities and applied research centres being involved in their design and evaluation. The Danish PES has collected the experiences of RCT implementation into a “cookbook”. Other organisations using RCTs are the French and British PES. A particularly interesting approach in this context is the concept of the “front-runner” offices in the Netherlands. This is detailed in a “PES Practices” fiche on the website of the European network of Public Employment Services.

A promising approach to connect “solutions” and “sustainability” is the systematic utilisation of clients’ experiences and expertise for the (re-)design of services. This can be done by using focus groups, accompanied customer journeys, story-telling etc. The Austrian and Flemish PES have ample experience in this and would be valuable exchange partners. The “greenhouse technique” developed by the Swedish PES and described in one of the “PES Practices” is another example worth study.

Establishing a systematic tool for ideas management as in the Austrian PES and fostering horizontal exchange, e.g. by job-shadowing and systematic learning as practised by the Estonian PES, could help to interlink “empowerment” and “innovation”. Both PES can also offer inspiration and support regarding the systematic transfer of good practices as a link between “participation” and “investment”. A promising connection between “solutions” and “efficiency” is certainly the establishment of skills-based matching. This is already on the agenda of ACTIRIS (in cooperation with VDAB) and deserves full support.

To interlink “efficiency” and “investment” the establishment of an impact-oriented strategic performance management system with a systematic follow-up process seems indispensable. In such a system a clear focus is put on outcome rather than process indicators. ACTIRIS has already taken first steps in this direction and is strongly encouraged to take more. Key performance indicators that reflect sustainable and high-quality employment will help to signal to staff clearly the expected outcome of their efforts and what needs to be achieved. They could also be broken down to the local office level and need to be complemented by a follow-up process to systematically and regularly reflect upon the “pathways to good results” throughout the whole organisation. To anchor performance management in the organisation's language and to embed it into staff's everyday work, continuous, fixed and easily understood formats, i.e. an effective system of “performance dialogues”, would be helpful. Inspiration and orientation in this regard is offered by the approaches of the Dutch, Estonian and German PES.

Further enhancing the role of counsellors into one of facilitators of career development and coaches with a pronounced strength orientation could interlink “empowerment” and “quality”. This refers to the fact that all clients have specific abilities, talents and skills not necessarily acquired formally and documented on

paper. Finding out people's assets ("what they can do"), rather than identifying their shortcomings ("what they cannot do"), is essential, especially for jobseekers with a high risk of becoming long-term unemployed due to their "hard fact" labour market characteristics (old age, lack of a vocational qualification etc.). For this case officers need to systematically use their own expertise (expert knowledge, methodical skills and social competences such as empathy) to empower clients to make the most out of their assets. In this regard, the counselling concept of the German PES, where typical counselling situations are described and a toolbox of appropriate methods is offered, might be an interesting example for ACTIRIS to study. Furthermore, the Swedish PES has a strong tradition of focusing on a client's strengths rather than his/her problems, and it could therefore be a valuable partner for an exchange on this. The Slovenian PES is currently also working on this issue and it might be helpful to get in contact with this organisation as well.

Clearly, connecting all these elements is anything but trivial and requires time and effort. However, the external assessors are confident that the committed and dedicated staff of ACTIRIS can succeed in this endeavour and that the entrance to the "ACTIRIS Atomium" will soon be equipped by a sign with the inscription "we guarantee high-quality solutions".

6. RECOMMENDATIONS³

Our main recommendations are already contained in the previous section. In the following, we present some related recommendations as a series of bullet points:

- Review the parallel approaches of the Jobseekers and the Availability Control Directorates and consider developing a collaborative approach that is customer-oriented and meets the requirements of "control".
- Consider developing e-services further to allow true "e-counselling" and to direct jobseekers who are close to the labour market to this channel. The Dutch PES "personal work folder" is an example worth studying. The currently developed "virtual job centre" of the Danish PES can also offer inspiration here.
- Develop a holistic profiling system that leads to a meaningful segmentation and supports both counsellor and customer in taking further steps towards labour market integration, e.g. by referring the customer to specialized services. The profiling system, moreover, should lead to an efficient allocation of counsellors' resources. Follow the existing plans for the new segmentation/profiling system and the "Competent" project.
- A "strategy paper" pointing out a clear vision and mission of employer services could be used internally for staff orientation and guidance as well as for the externally towards employers and partners.
- Try to reinforce partners' contributions and highlight their input into common activities. The monitoring of the partnership agreements could be enhanced and the experience of the French PES could be studied in this regard.

³ See also the detailed analysis and recommendations below in chapter 8.

