



Benchlearning Initiative External Assessment

Summary report – COLSAF Slovak Republic



Written by ICON Institut Public Sector GmbH

2015



EUROPEAN COMMISSION

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This publication has received financial support from the European Union programme for Employment and Social Innovation "EaSI" (2014-2020). For further information please consult:
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PES of the Slovak Republic - COLSAF

Summary Report

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COLSAF

Summary Report

1. Introduction

This report outlines the results of the Benchlearning (BL) external assessment of the PES of the Slovak Republic (Central Office of Labour, Social Affairs and Family-COLSAF) conducted on the 1-3 June 2015. The team of seven external assessors comprised two peer PES staff (Danish and Netherlands PES), two PES experts from the European Commission and three experts from ICON-Institute (the supporting contractor). The programme of the 2.5 day visit included meetings in COLSAF Head Office with senior management/Directorates and a visit to a local PES office (Trnava) about 50 KM from Bratislava.

A pre-visit briefing document was prepared and along with other background material, and was analysed by the assessors prior to the visit. Much of the material used to prepare the document was supplied by COLSAF. They also provided their own self-assessment findings prior to the visit. This was all extremely helpful, and the time and resources invested in the preparation were regarded by the team as crucial to the success of the BL external assessment process.

COLSAF delivers a wide range of social and employment services. All recipients of unemployment benefits are obliged to register with the PES. The Social Insurance Agency is responsible for actual payment of unemployment benefits whereas COLSAF is responsible for all state social benefits from child birth benefit payments to funeral allowance payments. It also has a role in the social and legal protection of children. COLSAF tasks also include the registration of unemployed jobseekers; sourcing job vacancies; mediation of suitable job opportunities; provision of professional counselling services; referral to education and training for the labour market; implementation of active labour market measures; enhanced care for the placement of disadvantaged jobseekers including long term unemployed and implementation of co-financed European Social Fund projects.

The COLSAF Director General reports directly to the Minister for Labour and is a member of the management board of the Ministry. COLSAF has one Central Office and 46 district - or local - offices. Each local office is managed by a director who is appointed by the Director General of COLSAF. The Central Office serves as the implementing agency for the Ministry, coordinating and managing the work of the local offices. It controls budgeting and payment processes, provides methodological guidance with respect to service implementation and monitors the collection of administrative data. The local offices are tasked with the delivery of employment services.

At the start of 2015 COLSAF began a fundamental change process with the aim of becoming a modernised, citizen friendly and efficient Public Employment Service. This included the centralisation of administrative tasks in order to allow local offices to focus more on the key tasks of providing services to jobseekers. In that context, a 'one-stop-shop' approach has been put in place staffed by individual case workers to provide a more holistic client-focused service. Extra staff have been deployed and up-skilled through the provision of additional staff training, in order to implement this change.

2. Strengths

The main strength of COLSAF evidenced during the assessment visit, centres around the staff who are clearly motivated to make the new organisation a success. In that regard COLSAF appears to having been successful in engaging the staff in a change process which was thoroughly prepared and well-communicated. The concept of a well-functioning and resourced PES is not new to key long-serving staff, as up to 2004 a dedicated PES was in operation and had received extensive staff training and resource support in that period. This is a strong organisational memory that can provide a good foundation for developing and strengthening the current change process. In the intervening years since 2004 the PES experienced a diminution of resources and funding. The current organisational configuration put in place in the past year, is inter-alia designed to reinvigorate the Employment Services. Another key organisational strength is the new overarching IT systems now in place and the accompanying set of ICT tools available to staff. A high level of innovation and consolidation is evident in the ICT systems. Very fragmented and distributed ICT systems have been reorganised into a much more coherent and efficient ICT system which inter-alia facilitates comprehensive monitoring activities.

Operational procedures are well defined and guidelines are available to staff. To support the re-organisation of PES, staff have been re-allocated within the PES (from back- to front-offices). In addition, more of the staff are also being allocated to demand-side employer focused activities. The relatively good jobseeker client-staff ratio of 1:175 for new registrants is favourable when compared with some other EU PES and should allow for the provision of a reasonably good level of customer service. However for the stock of long-term unemployed it is not favourable, with very few counsellors dedicated to the task of providing in-depth counselling to this group. A particular strength from the perspective of the jobseeker customer, is COLSAF's approach to deliver a broader service to the citizen, in that an individual can access a number of social benefits by visiting just one office (with the exception of unemployment benefits) and will be served during the visit by a dedicated personal agent. This can however also create a situation where multi-tasking staff may not be always able to focus solely on the core employment services functions.

Another strength worthy of note is the local Labour Office benchmarking project – 8 criteria are evaluated based on which the performance of individual labour offices is compared quarterly (e.g. on ALMP effectiveness, including disadvantaged unemployed in ALMP, share of persons employed in labour market through labour office, comprehensive entering of

data in information system, % of registered clients who activated their e-accounts, etc.). This project demonstrates the positive attitude of COLSAF towards performance measurement and can serve as an excellent basis for a more refined strategic performance management linked to objectives and targets.

3. Contextual influences

The strengths of COLSAF in evidence during the assessment outlined above and current challenges have developed within the particular context in which COLSAF operates. This context includes the fact that the Ministry of Labour directly governs the PES. COLSAF has therefore a limited degree of operational independence, as it does not exist as a separate executive agency with its own governing Board.

The Ministry of Labour has far-reaching competences in relation to the Central Office. These include the following:

- oversight of all State administration carried out by COLSAF;
- approval of the internal organizational structure of COLSAF;
- approval of proposals by COLSAF to establish or remove a workplace;
- designation of tasks to COLSAF related to labour market policy and the employment strategy;
- establishment of the content, extent and frequency for collecting and processing data related to social affairs and employment services;
- the design of initiatives related to social affairs and employment services;

The budget available for COLSAF is almost entirely financed from the national budget and additional resources come from European structural funds. Financial limits for the budget of COLSAF are set by Ministry of Labour. At the start of the financial year, COLSAF allocate budgets to regional labour offices on the basis of spending in the previous year.

The targets both quantitative and qualitative are set by the Government and are included in the National Reform Programme for 2015. One of the main targets is to decrease the unemployment rate to 12% by March 2016. COLSAF is also operating in a developing economic environment, with a growth rate of 2.4% in 2014 but with relatively high unemployment rate of 13.2% at the end of 2014 (albeit a reduction of 1%-point on 2013). Currently it stands at 12.2 (close to the 2016 target level) which is significantly above the EU average of 9.8%. The youth unemployment rate at the end of 2014 was 29.7% and long-term unemployment, at 9.3% of the active population, represents a significant problem.

The National economic background presents significant challenges to COLSAF in its endeavours to improve the functioning of the labour market and getting jobseekers back to work, particularly the young and the long-term unemployed. This is reflected in the current

country specific recommendation from the Commission which emphasises the need to ‘Take additional measures to address long-term unemployment by introducing activation measures, second-chance education and high quality training tailored to individuals’ needs. Improve the incentives for women to remain in or return to employment by improving the provision of childcare facilities’. In order to implement those recommendations the allocated resources may need to be substantially increased.

4. Current and potential Good Practices identified during the assessment

COLSAF strengths outlined above are supported by a range of potentially transferable good practices. These include the development of sophisticated ICT systems that are networked with other government IT systems in a way that allows COLSAF to provide a ‘cradle to grave’ set of social and employment services not only to jobseeker customers. The development of a greater focus on the demand-side is of note, as is the potential to have regional flexibility in the allocation of scarce ALMP resources. A strong framework for the development of partnerships exists that can be further enhanced. There is also a strong focus on youth unemployment at regional level coupled with well-planned approaches to tackle it. In the area of staff development more experienced personnel are trained as trainers (in-house instructors) and they then transmit their knowledge and skills to colleagues. The Webinars (with interactive elements) are worthy of note and are used in the context of staff training. Discussion forums in the intranet are also used for sharing experiences and knowledge.

Preventative vocational counselling of school pupils delivered by COLSAF in collaboration with employers is another example of good practice. Providing career guidance to jobseekers prior to leaving school has the potential to enhance future matching of supply with demand in the labour market. The school career guidance service delivered by the PES does however demand a high level of staff resource allocation by COLSAF.

5. Areas where improvements may further enhance PES operations and outcomes

As outlined above, COLSAF management and the majority of staff are fully aware of how a reformed and well-resourced PES should function and have themselves identified areas where improvement is warranted and good progress is being made.

A key aspect that could be considered for improvement is approaches to strategic performance management. This could include the translation of political objectives (e.g. reduction of the unemployment rate) into operational targets which can be influenced more directly by PES and which can be monitored using key performance indicators. A transparent process of target setting and monitoring will also help COLSAF to demonstrate that its work is strategically important in the overall national economic context.

Other areas for improvement include the need to further upskill staff, both current and new. In that context, it may be useful to include in-service courses for front-office staff to increase their guidance and counselling skills in order to deliver a more holistic service to

jobseekers. The ICT system is particularly impressive and further improvements are in train that should continue to be resourced and supported. These include linking client profiles uploaded on the public ISTP system into the back office systems, on-line chat advice and help for users of the ISTP system, addition of language and psychometric test results that can be added to a jobseeker profile and developing a mobile version of ISTP for smartphones.

As outlined above, COLSAF provide a complete service to clients that extends beyond just the employment services. There is therefore scope for strengthening the identity and role of the PES within the overall service offer of COLSAF. In the area of employer services there is scope for developing a well-defined employer strategy that would mean inter-alia a higher allocation of staff, a more active role for advisers/agents to get out of the office and actively canvass employers for vacancies and the development of vacancy account management for large employers. There are also some good elements of quality management within the existing PES systems. These could usefully form the nucleus of a well-constructed quality management system that would be specifically tailored for the needs of COLSAF, in order to enhance the efficiency and effectiveness of PES processes and operational delivery.

6. Recommendations

The main general recommendation must be for COLSAF, like many other PES, to continue down the current path of change and innovation and for the Ministry to support the process through the provision of resources both capital/financial and human. In that regard a particular focus should be on the allocation of funds for ALMP which are currently among the lowest percentage allocations per GDP in the EU. As already indicated, COLSAF know the key issues and are taking steps in the right direction towards a thoroughly reformed PES. With the recent merger there is now the opportunity to keep up the momentum of change and reform. This approach can allow the PES to show the added value of its work, in that a reformed and well-resourced PES can produce large savings in employment benefits expenditure that can more than pay for the investment in new PES resources (particularly ALMP funds) while also reducing State expenditure. For clarity, we present the specific recommendations as a series of bullet points as follows:

- In relation to strategic management, develop key performance indicators that are based on labour market analysis and cascade them throughout the PES to regional and local levels. In line with that, further strengthen the staff incentives systems in order to increase performance both on a team and individual basis, and to encourage ambition.
- In the area of operational processes, develop a strategy for channel management and targeting. Further develop the ICT systems so that there is a channel for those

jobseekers with low computer literacy, such as the provision of touch-screen kiosks and contact/call centres. Develop a marketing strategy for multi-channelling.

- With regard to activation processes it may be useful to reorganise the workflow and responsibilities for front-line staff and couple it with an increased level of relevant staff training in order to provide a more in-depth holistic profiling for more jobseekers. In that regard the segmentation of jobseekers according to their needs can help to target employment services at those most in need. These suggestions would also facilitate the engagement with selected jobseekers earlier as they pass the three month threshold, in order to develop an early in-depth and results-orientated individual action plan.
- The development of a more comprehensive and ambitious employer strategy is recommended. This has the potential to radically increase the profile of COLSAF with employers and provide enhanced services to the demand side of the labour market. This strategy would include follow-up aspects such as employer satisfaction surveys and tracking of placement into jobs (this latter is currently being developed through the connection of a number of governmental data bases).
- There is merit in strengthening the control and analytical section and to establish firm evidence bases for future reforms of PES operations, including ALMP delivery. There may also be scope for exploring the use of randomised control trials and more piloting of new service concepts prior to roll-out. It is also recommended that evaluation results should reach the widest possible audiences, including the general public, Government and all the staff of COLSAF.
- Partnerships should be further developed by intensifying the strategic selection of partners based on a clear division of levels of engagement between strategic partners and other partners. Increasing further the use of partnerships to collaborate in the delivery the Youth Guarantee, is worth considering. There may also be scope for increasing awareness that the Youth Guarantee makes provision for all NEETs to receive a quality offer before passing the 4th month threshold of unemployment.
- In relation to human resources, consider the ‘professionalisation’ of front-line staff through training in guidance and counselling methods focused on practical PES vocational guidance models, using distance-education and on-the-job training approaches. There is also scope for the alignment of COLSAF staff salaries with the wider public service by increasing the pay levels in COLSAF, thus encouraging the long term stability and the professional identity of staff.
- Budgetary allocation should be better linked to local labour market conditions and local PES performance instead of basing it on the spending in the previous year.