

THE PUBLIC EMPLOYMENT SERVICES SYSTEM OF REGIONE EMILIA-ROMAGNA

Effectiveness evaluation and performance monitoring model of public employment services

Abstract

The monitoring and evaluation system of regional public employment services (PES) implemented by Emilia-Romagna Employment Agency in collaboration with POLEIS institute, is aimed at analysing the main qualitative and quantitative aspects linked to PES activities.

The purpose is to improve the analysis of PES actual state, to assess achievement of basic standards and to plan the required activities for the enhancement of quality levels.

The main goal is to support institutional actors in the governance, i.e. devising and implementing a proper regional labour policy.

POLEIS research programme was structured around three main lines: 1) a detailed monitoring of the on-going implementation of PES reform, in collaboration with the nine Provinces. The goal was two-fold: on the one hand, to obtain a timely check-up of regional PES, by means of both qualitative and quantitative indicators; on the other hand, to identify critical factors which may hamper the unfolding of the reform. 2) an effectiveness evaluation, aimed at tracking changes in the descriptive characteristics of jobseekers, their search methods and satisfaction levels with respect to the services utilized. 3) the elaboration of a monitoring model of PES performance on a regional scale.

In the following abstract, the most relevant methodological characteristics and main outcomes of the monitoring and evaluation activities will be reviewed.

Part One – Monitoring of regione Emilia-Romagna PES – Year 2003

Since 2001 Agenzia Emilia-Romagna Lavoro in collaboration with the nine Provinces has been undertaking on a yearly basis a detailed monitoring of the on-going implementation of PES reform. The goal is two-fold: on the one hand, to obtain a timely check-up of regional PES, by means of both qualitative and quantitative indicators; on the other hand, to identify critical factors which may hamper the unfolding of the reform. Monitoring data will also provide a suitable informational support for the definition of developmental goals and targets. POLEIS Institute carried out the monitoring in April-May 2003, by means of structured interviews to the officers of all 36 regional CPI and provincial directors. Qualitative analysis was based on 20 in-depth interviews. Periodical monitoring with a fixed list of indicators also allowed for a dynamic perspective on regional PES, and a comparison with the targets and standards already set out within the national Masterplan.

Diffusion and integration of local institutional networks

At the strategic level, the regional system is fostering networking, especially through measures of functional integration with services provided by local administrations and inps: besides the 36 CPI, in fact, the actual network is composed of 204 institutional nodes where “services-for-work” and citizens can meet.

High structural and technological standards

All CPI already underwent major structural improvements as a consequence either of interventions within the existing premises or “migration” to new, more modern and functional buildings. CPI deemed as “adequate” by officers are now 80% of the total, therefore well above the 50% registered in 2001. Improvements relate to the functionality, the compliance with respect to safety regulations, the removal of architectural barriers. ITC endowment is satisfying. All CPI have been wired to the Internet and 80% to the Intranet.

Software endowment supporting operations, and especially the SIL (Sistema Informativo Lavoro) is not entirely satisfactory: for example, 42% of regional officers judge the latter inadequate. As a matter of fact, SIL appears to be a real bottleneck to be solved. At the same time, major improvements are expected in the area of “self-served” services.

The services provided and the overall quality index

According to ISFOL (2002 ISFOL Monitoring Report) quality indicators implemented nationwide, services delivered by Regione Emilia-Romagna PES rank above the national average. The regional overall quality index, scoring 14,2 (max. possible value 21), is aligned with the North-Centre figure but two points higher the national average.

The same index, computed by POLEIS for 2003 and still not comparable with the forthcoming national data suggests a further improvements by two points, scoring 16,2.

Also, it is important to note the territorial distribution of the index values. Qualitative standards in Emilia-Romagna are homogeneously distributed across the region, with a smaller variance than elsewhere. It can be said, therefore, that the quality of services delivered within Emilia-Romagna appears to be evenly distributed.

The improvements should necessarily entail services and activities still partially underdeveloped. So far, it should be remembered, PES have focused attention mainly on jobseekers' needs. A weakness can certainly be singled out in the matching process. PES still face difficulties in activating the badly needed direct links with the local systems of firms, a fundamental prerequisite in order to be able to process an adequate amount of vacancies. Vacancy elicitation, for example, is pursued only by 3% of CPI. It is the firms that, by and large, demand job listings to CPI and CPI, in turn, supply them from internal pre-selection databases. Scant resources are devoted (8% of total time) to the delivery of services to employers, services whose "core" might well be represented by the vacancy taking process.

Services targeted to specific groups of jobseekers (over 50, non EU citizens, women) do not seem particularly developed. Some provinces do actually deliver such a kind of services, and yet one cannot speak of proper "targeting", since they are strongly tailored to personal needs.

Administrative executions and the enforcement of Decreto Legislativo n. 181/00

PES operators devote to the administrative tasks an average of 22% of their total working time.

The targets detailed in the national masterplan are therefore overtaken. Delays – on average estimated approximately in one working month – apply only to half of the regional CPI, marking a sharp improvement in efficiency. Wide provincial gaps occur, mainly due to staffing shortages.

The enforcement of Decreto Legislativo n. 181/00 and Decreto Legislativo n. 297/02 is uniform, and all CPI are now implementing the new eligibility criteria, concerning

the definition of the unemployment status and the work-related provision (immediate willingness to work).

By June 2003, 74% of the “old” unemployment registers had been cleaned, consuming about 19,6% of staff working time. Moreover, almost 40% of CPI have also started to refer jobseekers to employment, skill training or educational programs.

Referrals seem to be implemented quite efficiently, while critical areas relate to both the matching and the accessibility to a well-structured training catalogue.

Monitoring and evaluation of services

Monitoring is an area of growing concern, and most of the Provinces have already started to implement it. Basically, monitoring simply consists of head-counting the flows of customers. Some Provinces have also carried out very simple customer satisfaction surveys. However, at the regional level, neither monitoring nor evaluation are systematically pursued, failing therefore to deliver proper information supportive of managerial processes.

Human resources

Globally, Emilia-Romagna PES operators are 631. Employees with a full-time contract are 70% of the total, followed by a 17% of consultants and other “associates” whose services have been recently on rapid demand through outsourcing.

Wide variations across Provinces clearly make palpable the existing human resources constraint. Major bottlenecks arise in the matching and counselling areas. According to estimates released by regional officers, human resource endowment should increase at least by 16-18%.

Provinces staff is more involved in the administrative activities (26%) and enforcement of Decreto Legislativo n. 181/00 - 297/02 (23,3%).

Co.co.co are strongly employed in the vacancy taking and matching.

“Outsourced” resourced are mainly engaged in the delivery of information (32%) and personal counselling (31%).

75% of CPI recently participated to training programmes.

Time allocation of services and activities

The most time absorptive activities relate to administrative tasks (22%) followed by those associated with the implementation of requirements passed in Decreto Legge n.181/00 and 297/02 (20%).

General information and job-broking activities amount to 18% and 16% respectively.

On average, time devoted to a wide range of services, from individual counselling to

jobseekers and employers and placement activities, amounts to 8%.

26% of staff resources are functionally specialized, therefore implying that 3 out of 4 operators perform, to a varying degree, some sort of multitasking.

This is an easily understandable result, given the generally low dimensional scale of local offices.

Priorities

Institutional networking should be harnessed and made more visible both to citizens and firms. Synergies and functional integration with other local institutional actors should be actively pursued.

Supporting technological investments mainly aimed to implement SIL and ITC, so as to enhance system accessibility and service utilization.

Marketing to employer is another area of attention, by developing vacancy taking and notification, and intensifying cooperation with the local system of firms.

Within the new framework set forth by Decreto Legislativo n. 297/02, PES should have easy access to the well-structured bundle of education/training programs already existing in the .

Increasing staff resources, notably where the staff/registered ratio is clearly below a regional/international standard (for ex. ILO standard 1:150).

Investing in human resources and particularly in PES executives.

Developing and diffusing at the regional level the monitoring and evaluation functions.

Part Two - Emilia-Romagna PES effectiveness evaluation jobseekers' satisfaction survey report

The effectiveness evaluation is one of the three pillars of the system of monitoring and evaluation of regional PES implemented by Agenzia Emilia-Romagna Lavoro.

A jobseekers' satisfaction survey has been carried out on a yearly basis since 2002 and it aims at tracking changes in the descriptive characteristics of jobseekers, their search methods and satisfaction levels with respect to the services utilized.

The survey, conducted on behalf of AERL by POLEIS insitute, highlights four main results. First, overall satisfaction of jobseekers appears to be positive. Secondly, besides unemployed, atypical workers represent the other main group of PES users. Coming to the placement indicators, the third point, 9,6% of interviewees employed say their current job was actually intermediated by PES: 76% of them are women, 16,5% are over-50. Fourth, PES placements mainly involve people with medium-low educational levels,

while vacancies related to higher job profiles appear more difficult to intermediate.

Purpose. In order to assess the impact of all initiatives undertaken by the regional Public employment service in recent times, a telephone survey was launched in spring 2003 to provide a broad picture of jobseekers, and to ascertain their levels of satisfaction. The results of the survey should also be considered a baseline to feed into service delivery at an operational level.

In particular, this survey aims at identifying:

- the main socio-demographic characteristics of jobcentre users;
- job search behaviour (timing of job search, channels used, willingness to consider various characteristics of jobs);
- reasons and patterns of visits, with special reference to the four areas of service currently being provided;
- placements indicators and levels of client satisfaction with PES services

Methodology. The research adopted a quantitative approach, using structured telephone interviews (CATI method) undertaken in June 2003. A total of 972 people out of a 1.040 unit sample were actually interviewed. Respondents were drawn from the regional Netlabor database. The sample is representative of the almost 104.000 people registered at the 36 regional jobcentres and estimates are therefore to be considered a reliable source of information for a regional picture.

Key Findings. The majority of people registered at PES are females (68%). The age group 25-44 accounts for more than 57% of the total. Low educated are 40% while highly qualified represent more than 10%. Foreigners are 7%. Unemployed persons represent 33% of all, employed account for 46% and those with other status a 21%. Among the employed, a very high share is represented by the so-called atypical workers (71%).

The survey distinguishes between “registered” and “user”. To be considered a user, a person must have visited a jobcentre not earlier than January 2002. Users are 58% of all registered, and they basically share the same socio-demographic characteristics of the latter but they diverge for other ones (working status). Among users, the atypical group is even larger, with 78%. Moreover, the questions about satisfaction levels were given to users only.

40% of all users were looking for a job. For some 56%, the last search had taken place less than 15 days earlier. Jobseekers employ a wide range of search methods. Given the possibility of multiple answers, it comes out that PES were cited in the 65% of all cases, followed by newspapers (41,5%), word of mouth, family and friends (31,5%),

forwarding curricula (30%) and employment agencies (26%). web sites as a channel of research were cited only in less than 5% of the cases.

Statistical analysis shows that various sub-groups of those currently searching can be ranked in terms of "choosiness". The over 50 are the less choosy, while highly qualified are the most choosy. Not surprisingly, women are choosier than men.

IT proficiency among registered is fairly good. 58% has used a personal computer, and almost half of them use the Internet. However, accessing the Internet to support job search strategies still represent a niche phenomenon (less than 17%). About 1 out of 5 is familiar with the web sites implemented by PES but only 1 out of 10 actually uses them. IT proficiency seems to be higher for the group of employed with respect to non-employed.

The main reason why people registered was to look for a job (71,5%). The main service people would like to receive is to have information about available vacancies (71,4%). Among users, time spent in jobcentres was, on average, approx. 24 minutes, with a marked variance. Visit time was lower than 15 minutes for 53,5% of users. Both lowly and highly qualified people tend to rapidly visit jobcentres, mainly to look at vacancies by themselves. Jobseekers with intermediate qualifications tend to spend more time in CPI, probably because speaking to staff assigned to the new services. A very high percentage of users (55%) use PES on a self-service mode.

36% of users has used the service of general information about vacancies. Users referrals included: a 15% to the services of guidance and counselling; 5% to those of placement and the 17% to the operators in charge of job matching. Users are quite satisfied with these services. For the general information, 51% of users were satisfied, 62% for the guidance and counselling, 58,5% for placement through either stage or apprenticeship, 64% for job matching.

Service perception is quite good. More than 52% of users said that it takes less than 30 minutes to reach the jobcentre; PES premises are deemed good or very good by 46,5%. "Courtesy" and "staff's understanding capabilities" got scores higher than 7 (out of 10) in the 84% and 69% respectively.

9,6% of registered employed (approx. 4.600 people) said that PES was the ultimate determinant of the placement. Current job is better than the past one for 56%, and worse only for a 4,5% 76% of placements involve women, 58% the 35-44 cohort. And 16,5% the over-50. Moreover, 42% is hired with a temporary contract.

The percentage of "satisfied" (those who rated their own overall satisfaction not lower than 70/100) is 51% for users, and a much lower 38,5 for non-users. Values are significantly correlated with working status. For the unemployed, it is only 40,4%

while for employed 44%. Obviously, for the group who found a job thanks to PES, the percentage is much higher (67%).

Amongst the 16% of the highly unsatisfied (grade less than 50/100), a 63% emphasized few vacancies available, 10% low quality vacancies, 18% staff deficiencies, both of skills and courtesy.

Part Three – Monitoring of public employment services performance in Emilia-Romagna

The elaboration of a monitoring model of public employment services (PES) performance represents the final stage of the monitoring and evaluation system of regional PES implemented by Emilia-Romagna Employment Agency in collaboration with POLEIS institute.

According to the recent evolution of the normative background, PES play a role of great importance in order to prevent long-term unemployment, and they contribute to the fulfillment of the employability *pillar* of the European Employment Strategy (EES).

The modernization of PES requires not only infrastructural improvements, but mostly managerial innovation (with particular regard to a new approach in customer guidance and the adoption of up-to-date ICT), with the purpose of increase the services swiftness, the visibility of vacancies and of curriculum vitæ, the accessibility to information about life-long learning opportunities and the access transparency to services which have to be more specialized and personalized.

Employment guidelines of the European Commission (to which the provisions of EU members are gradually conforming) basically prescribe four goals for PES:

- a) the development of unemployment services effective in preventing persistence in unemployment for more than 12 months for adult people and 6 months for the young;
- b) to contrast the progressive marginalization of long-term unemployed, contending with discrimination;
- c) to make PES an important actor of local employment policies, reducing problems due to asymmetric information; this implies monitoring of critical state of labour market, improving intermediation activities and reinforcing geographical mobility on a European scale;
- d) to assure equal opportunities in labour market, with particular regard to women willing to return to the working world, to disabled persons and foreigners.

PES performance monitoring is an integrated element of the regional Management

Information System, which consists of the following parts of the public decision process (programming and control cycle):

- target programming (budget management process);
- processes (accreditation, quality minimum standard, management control);
- outcomes (performance monitoring, customer satisfaction);
- labour market observatory;
- impact evaluation.

Performance monitoring is used by decision makers for assessing – for instance, monthly or quarterly – the PES actual achievement of expected targets – in terms of service covering – or their ability in coping with incidental fluctuations on the demand side (decision maker cannot manage what is not measured and evaluated).

The model of PES which should be implemented in Emilia-Romagna must be comparable with those existing in leading European countries; those ones are based on the treatment of every single case, through individual and personalized action plan.

The proposed monitoring model of PES performance concentrates on outcomes, not on activities and proceedings. The basic conviction, in fact, is that this is an essential characteristic of an effective monitoring model. Therefore, for instance, the focus must be on the number of persons referred to work, not the number of taken interviews.

Repeated measurements should allow Provincial Administration to articulate targets at the job centre level, which constitutes the basic unit of analysis.

PES have to be able to fully use the levers constituted by professional training and other active work policies: therefore, their role is not only that of diffusing information on existing training supply (towards which “drive” unemployed persons), but that of stimulating and activating training supply, according to people needs and local labour market requirements.

The good functioning of the regional PES system requires strong relations between the directive and coordinative functions and the management functions. Decentralized management and administration is essential, because the decisional process has to be close to labour demand and supply and to local system, in the prospect of integration with other services and factors of the territory. Meanwhile, it's indispensable a strong coordination.

If the imagine of the regional work policies system – notwithstanding efforts – should result in a mere assemblage of keen, but extemporaneous, local initiatives, it would represent a serious obstacle to the effectiveness of PES, in a competitive and exigent services market like that of Emilia-Romagna.

Comparative study of PES monitoring and evaluation experiences in some European countries and USA provides interesting points of debate.

In Europe, the primary role of PES consists of favouring matching between demand and supply; this service may be provided in four different modalities (not substitutive):

- self-selection of the user;
- self-selection assisted by office personnel;
- administrative matching, consisting in finding potential suitable subjects;
- selective matching, consisting in selecting suitable subjects.

Performance evaluation consists in monitoring PES activities by means of input and output indicators, which will be useful for an ex-post assessment phase of the net impact.

The European experience suggests paying attention to the fact that PES provide not only specific intermediation services, but also information services, promotion and support of the labour market weaker side. These functions have to be considered in strong relationship with the administrative tasks of income support and benefits programs entrance examination.

The introduction of *Management By Objectives* systems (MBO) may assist in defining priorities for labour market policies and in setting plain standards by which easily evaluate PES performance; MBO shifts emphasis from active work policies to outcomes and impact assessment (providing means to improve efficiency and efficacy) and constitutes a useful instrument for EES implementation.