

PES Network Strategy

European Network of Public Employment Services



The PES Network Strategy has been endorsed by the Board Members of the PES Network on 24 June 2021.

This Strategy is the output of a PES Network working group chaired by the Austrian PES who gathered 10 PES from Bulgaria, France, Germany, Italy, Latvia, the Netherlands, Norway, Slovenia, Spain, Sweden and the PES Secretariat. They virtually met several times between February and May 2021.

It has been drafted with the support of the PES Secretariat and Eamonn Davern, in the frame of a service contract with ICON consortium and their ÖSB partners.





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PES Network Strategy

European Network of Public Employment Services The European Network of Public Employment Services was created following a Decision of the European Parliament and Council in June 2014, amended in 2020. Its objective is to reinforce PES capacity, effectiveness and efficiency. This activity has been developed within the work programme of the European PES Network. For further information: http://ec.europa.eu/social/PESNetwork.

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FOREWORD

'It's better together!'

In the seven years since it was established, the European Network of Public Employment Services (PES Network) has proven to be a great success. By enabling cooperation between services in Europe, it has delivered benefits both for PES and the citizens they serve and improved the operation of national and European labour markets.

The decision of the European institutions in 2020 to **extend the mandate of the Network** has confirmed the importance of these collective efforts. As the Network Board, we are delighted to continue our joint activities. The updated Network Strategy that follows is in response both to this renewed mandate and the rapidly changing European labour markets.

The Network's renewed mission is "to empower, educate, and improve" our members in order "to promote modernisation of individual PES". By encouraging optimum use of technology and data, and facilitating enhanced competencies for PES staff, our goal is to enable national PES to better fulfil their role as key actors in the employment services ecosystem. By offering our expertise and experience, we aim to contribute to European employment strategies and services.

More broadly, we hope to play a **key role in delivering on Europe's employment goals**, including the 2030 target - under the European Pillar of Social Rights - of a

78% employment rate. We also expect to contribute to the implementation of the European Green Deal and the UN Sustainable Development Goals.

Our updated Strategy emphasises that **partnerships** with other labour market actors will remain high on our agenda in the years ahead. This reflects the evolution of the employment services ecosystem and the increasing relevance of partnerships for delivering on our shared priorities, such as gender equality and the integration of those furthest from the labour market.

Finally, we highlight the expected value of PES Network outputs for **national and European policymakers and stakeholders**. Our Knowledge Centre and PES Practices database will continue to provide the information and insights required to inform better legislation and regulation. This includes improving the design and delivery of active labour market programmes.

We firmly believe that there are real opportunities for national PES to benefit from the knowledge exchange, mutual learning and policy expertise provided by the European PES Network. We look forward to delivering on this Strategy in the years ahead and invite you to join us on this journey.

The PES Network Board



The PES Network is a European Network of 32 Public Employment Services (PES) from 30 Member and Partner States, and the European Commission.

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PREFACE

This **Strategy** describes how the PES Network can deliver on its mission.

It sets out:

- what the PES Network is planning to achieve;
- what outputs will be produced;
- how and why these outputs will be used by stakeholders, i.e., national PES and national and European-level partners.

The rapidly changing world of work is placing increasing demands on public employment services (PES). Developments in technology offer labour market opportunities that require new skills, while demand for others can reduce or disappear. This is bringing about significant changes for jobseekers, employers and PES. Accelerated change and increased flexibility are driving a shift away from traditional unemployment-employment divisions towards the development of **transitional labour markets**

This results in far less stable employment relationships and increasing numbers of job changes through a working lifetime; it leads to the erosion of stable employment and the growth of atypical employment patterns. Furthermore, there is a growing trend towards increasing labour market dualisation which puts a dividing line between those with secure and less secure work. Where PES acquire more knowledge on the implications of this for their increasingly diverse customer base, they can enhance activation. This will assist people in finding decent work and seeking re/upskilling as required.

These changes to the world of work are inherent to economic development, but risk having the greatest impact on some of the most vulnerable people in society, who are furthest from the labour market. New European employment policies are being developed to address these challenges.

PES have a key role in supporting citizens to manage labour market risk through **positive transitions**. They have developed a **conducting role** to continue to support their core clients while addressing the needs of new groups of customers, especially in managing these transitions. Their aim is to optimise the impact of labour market interventions.



The PES Network assists PES in dealing with a labour market that is increasingly characterised by more frequent transitions for citizens throughout their working lives.

The PES Network has been developed to assist PES in achieving their objectives via a range of outputs:

- identifying service offerings;
- encouraging innovation;
- sharing learning and exchange of good practice;
- setting and reviewing standards for service delivery;
- encouraging the development of partnerships;
- facilitating Benchlearning (benchmarking + mutual learning) to identify strengths and areas for improvement in PES delivery, to inform design of the annual PES work programme;
- providing evidence to support policy design, including through production of policy papers, reports, and case studies of PES practices.

PES continue to be central labour market actors. Fundamental changes in their operating environment means they are increasingly delivering services as part of a wider **employment services ecosystem**. In response to the impact of technological developments, new models are emerging for the recruitment of employees. For example, employment applications are increasingly handled through digital mediation platforms and enhanced analytics.

Though each PES operates within a specific national institutional framework, with some country-specific variations in their remit and delivery models, they are all committed to modernising their services to achieve the best possible outcomes for citizens. The various approaches to organisational design and individual PES responses to the challenges they face provide a broad source of experience and expertise that is of great collective benefit to the entire Network.

The employment services ecosystem enables **PES and their partners to function as a unit**, providing personalised support to meet individual circumstances. Many organisations are available to provide specialist support to people with complex needs so that they can overcome barriers to labour market integration. The employment services ecosystem takes advantage of the potential opportunities offered by enhanced connectivity between stakeholders. Thus, jobseekers are supported to enter the labour market and employers to obtain the right skills.

The Network therefore enables PES to review the services they offer, their systems to deliver these, and how they can best develop partnerships to meet the needs of clients for increasingly personalised services.

STRATEGIC TRENDS – OPPORTUNITIES AND CHALLENGES

The PES Network is facing challenges and opportunities from **mega trends**ⁱ that are driven by political, economic, environmental, social and technological developments.

The intersection of these mega trends has significant implications for PES, with greater:

- **empowerment** the growth of new markets requiring a revised employer engagement approach;
- polarisation an increasing skill-set divide needing more emphasis on social inclusion;
- hyperconnectivity integrating systems by embracing the employment services ecosystem;
- disengagement interpersonal divergence and workforce fragmentation driving more of a focus on personalised support;
- ageing creating a demand for inter-generational fairness with measures to combat age discrimination;
- dematerialisation digitalisation driving the knowledge economy and society, with a data-driven approach becoming essential;
- scarcity fostering the greening of the economy increasing the priority to promote green employment;

- blurring of boundaries co-development of support systems is dismantling silos to enable customer-centric services;
- erosion of governance increased decentralisation and diminishing trust in institutions is driving a transition from directing to enabling;
- displacement due to mass migration, with appropriate policy responses needed to ensure that the benefits from this can be realised.

The continued acceleration of social and technological trends will require the Strategy to be kept under review as a living document.

To support customers, the PES Network must navigate these challenges and opportunities. It must keep up to date with changes to identify promising practices in national PES and promote these to assist PES in adapting to a rapidly evolving situation. The Network must focus on activities that can support PES in dealing with the significant impact of labour market disruption by identifying prospects for positive intervention.

^{(&#}x27;) Adapted from Beyond the Noise, Megatrends of Tomorrow's World, Klein, Bansal and Wohlers, Deloitte Study July 2017.

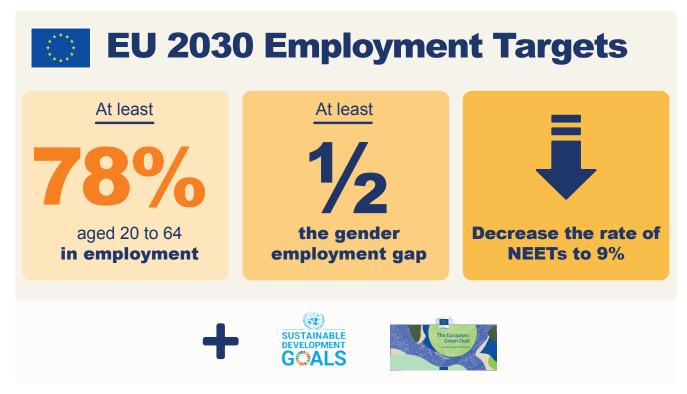
PES NETWORK MANDATE

Following the Decision to extend its mandate until 2027 the PES Network has refreshed its vision. This reflects the recognition by European institutions of the high value of the Network as a labour market expert. The Network delivers a facilitation function, which includes providing a knowledge hub, supporting, advising and enabling national PES. Consequently, the European Commission seeks to align the Network with its labour market priorities as reflected in the updated Decision text.

The revised Network vision is therefore intended to set a **strategic direction to focus on actions necessary to respond to the changing and uncertain environment**. Of particular significance are continuing, and increasingly frequent, changes in the world of work and specifically the profound disruption to labour markets generated by the COVID-19 pandemic and the growth of the platform economy.

The revised legal text introduces new requirements for the Network to provide an EU-level instrument to stimulate national PES developments. These **promote the increasing alignment of PES activities with EU policy priorities to meet new labour market challenges.** Of particular relevance are references to the European Green Deal, the European Pillar of Social Rights and the UN Sustainable Development Goals.

The prolonged mandate recognises the continuing key role of PES in matching jobseekers to vacancies, which underpins balancing supply and demand in an evolving labour market. It also stresses the Network's function in facilitating Benchlearning to support continuous improvement. This enables PES to provide support for their employees to improve services for clients. This includes reviews of organisational structures to assist PES in adapting to change and facilitating delivery of more



The PES Network aims to assist PES in contributing directly to the achievement of key European employment objectives set under the European Pillar of Social Rights (European Social Pillar) – and also support progress towards the European Green Deal and UN Sustainable Development Goals.

customer-centric services. The mandate also emphasises the importance of partnerships to deliver priorities. The promotion of gender equality and support for the integration of people with disabilities, migrants, long-term unemployed and inactive people are especially significant.

To achieve the objectives of the revised mandate the Network should prioritise actions to support national PES **to overcome labour market discrimination.**Further to this, it should promote the evolution of services necessary to support future workers in transitional labour markets. The Network should also provide assistance to enable PES to optimise their contribution to mitigating the impact of labour market disruption from crises. An enhanced emphasis on career counselling and training will be necessary to enable workers to successfully navigate increasing numbers of job transitions, thereby supporting growth and preventing unemployment.

The importance placed on **cooperation between** PES and other labour market stakeholders reflects the evolution of the employment services ecosystem. This is a community of actors that connect with each other in different groupings to support a well-functioning labour market and the integration of jobseekers in specific situations. This cooperation is both supported and driven by increased digitalisation. PES is increasingly forming part of a wider group of providers of data-driven support services. This offers increased possibilities for the development of individualised support and customer choice. The revised mandate refers to the role the PES Network performs as an advisory body supporting European-level policy development. It calls for even closer alignment between employment service delivery and policy formulation. This includes proactive expert input into the European Employment Committee (EMCO).

3 VISION AND MISSION

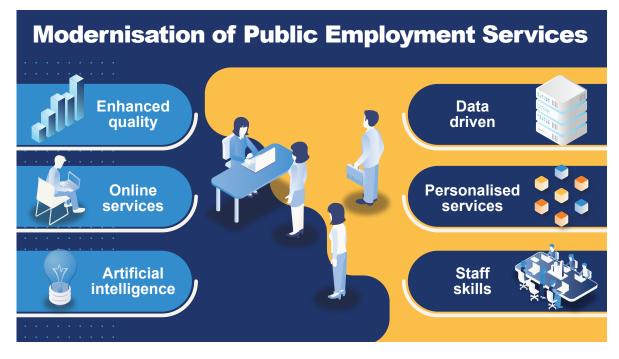
IMPLICATIONS FOR THE PES NETWORK FROM THE CHANGING LABOUR MARKET

The **revised PES Network mandate** has presented revised priorities. These include the promotion of partnerships as a vehicle for the social inclusion and economic integration of people from vulnerable groups.

PES increasingly operate as part of an **employment service ecosystem**. This is driven by the need to

increase outreach to vulnerable citizens. It is facilitated by the potential to utilise AI and big data to provide more personalised support to all customers.

The **COVID-19 pandemic has fast-tracked changes** that were already being driven by existing trends.



The PES Network supports PES to enhance the quality and modernisation of their services to improve their resilience, notably through the development of data-driven and personalised services.

VISION

The Network's vision is to be a **vehicle for enhanced European PES cooperation**. This is to enable national PES to deliver their role as key actors in the employment services ecosystem and contribute to European employment strategies and services. The objective is to improve labour market function by supporting the activities of jobseekers, employers, and stakeholders. This is achieved by helping citizens to successfully navigate

transitions, assisting employers with the recruitment of suitably skilled staff, and working in partnership with stakeholder organisations to achieve mutual objectives. Priority will be given to actions designed to overcome barriers to integration. The Network also provides the opportunity for national PES to capitalise on its role as a source of significant employment policy expertise in the EU.

MISSION

The mission of the Network is to **empower, educate, and improve** so that it can achieve its core purpose – to **promote modernisation of individual PES**, encourage optimum use of technology and data, and facilitate enhanced competencies for staff. This is to assist PES in continuing to adapt their role and function, thereby enabling them to contribute to the implementation of EU employment policies and strategies, and to provide efficient services to jobseekers and employers.

It will achieve this through continuing to strengthen and encourage cooperation between PES. This will include promoting the evolution of services to enable successful transitions and meet labour market challenges, thereby:

- increasing capacity to enhance labour market function;
- promoting labour market inclusion by undertaking actions that foster gender equality and support for the integration of people from vulnerable groups;

- boosting labour demand, including encouraging occupational and voluntary geographical mobility;
- facilitating the supply of suitably skilled workers to promote employment growth;
- **anticipating demands**, using labour market information and skills needs analysis;
- preparing the labour force for active labour market participation and skills development, through training, career counselling and guidance;
- assisting jobseekers and employers in dealing with labour market crises, by providing PES with support to enable them to deliver services;
- supporting employers to adapt to their changing role in an evolving labour market;
- optimising benefits from the evolution of the employment services ecosystem.

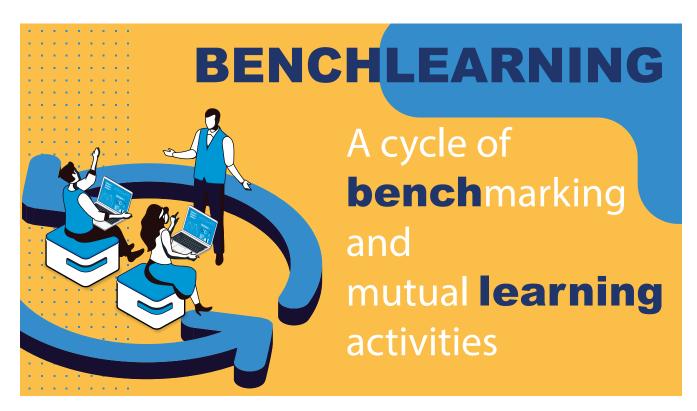
PES NETWORK OBJECTIVES AND PURPOSE

The **objectives** of the PES Network are defined in Article 3 of the Decision. In line with these, a number of particularly important tasks are to:

- promote compliance with the requirements of the Decision establishing the cooperation with a particular emphasis on:
 - reducing unemployment for all ages, genders, and vulnerable groups;
 - supporting the modernisation and strengthening of PES to support delivery of EU employment and social policies;
 - adopting and implementing a work programme of deliverables, including Mutual Learning activities, related to the implementation of Benchlearning;
 - promoting and sharing best practices to support the labour market integration of vulnerable groups.

- support collaboration in regional, national, and international projects;
- increase the influence of PES through the pooling of resources;
- enhance the reputation of PES via increased promotion of modernisation initiatives.

The PES Network identifies the **most appropriate solutions to labour market challenges** from the application of labour market services and employment programmes for both its jobseeker and employer customers. It emphasises specialist support to assist clients, especially those from disadvantaged groups. It prioritises assistance for vulnerable jobseekers to develop competencies and skills to access opportunities in the developing knowledge and green economies, contributing to the reduction of poverty, combatting



The PES Network works through an innovative process of benchlearning (benchmarking + mutual learning) to firstly identify areas for improvement and good practices, and then exchange and learn around these.

social exclusion and reducing welfare dependency. This is achieved through reducing institutional obstacles for upskilling and promoting continuous lifelong learning. The Network focuses on reducing the risk of unemployment by facilitating smooth labour market transitions.

The PES Network is proactive in organising **Mutual Learning** events, these promote potential improvements to delivery systems and enable learning dialogues in response to analysis of both recent results and emerging trends. The programme is flexible and informed by both information obtained from **Benchlearning** and rapid responses to crisis situations. This helps PES to identify strengths and areas for improvement via peer support. It encourages a culture of empowerment and continuous improvement in the delivery of customer-centred services.

This enables PES to overcome barriers to change and supports knowledge transfer on approaches to equipping jobseekers to face the challenges presented by new ways of working.

The outputs from these PES Network activities support policymakers and stakeholders at European and national levels with **knowledge and insights**. This is used to improve the design and delivery of active labour market programmes and create better legislation and regulation.

The reputation of PES is enhanced through the Network's promotion of their initiatives and supports the **business case for investment in PES services.** This illustrates the return on investment yielded by increasing capacity in quality services.

PES PARTNERSHIPS AND THE EMPLOYMENT SERVICE **ECOSYSTEM**

The PES Network collects and utilises client information to deliver its mission and realise its vision. It commissions studies and obtains input from national PES as well as a variety of pan-European organisations. The knowledge received is systemised to provide insights on the potential added value from improved PES services. The Network therefore interacts with a range of stakeholders from across Europe, as well as organisations with a global remit, including the World Association of Public Employment Services (WAPES), the International Labour

Organisation (ILO), World Bank and the Organisation for Economic Cooperation and Development (OECD).

The Network interacts with:

Jobseekers – through sharing their expectations and experiences. This information informs PES of areas in need of adaptation and improvement. It enables the development of customer-centric services that are adapted to improve integration support. Jobseekers



PES increasingly need to work in partnership with an 'ecosystem of employment services' to deliver the support needed by jobseekers, workers and employers - demonstrating adaptability and flexibility in responding to the needs of the labour market. begin their journey with a great variety of support needs. Each may take advantage of PES assistance by committing to agreed reintegration pathways, enabling them to develop competencies and skills to access labour market opportunities. Developing autonomy by accessing both formal and informal networks allow PES clients to make more informed choices about their future career direction.

Employers – by cooperating in exchanging labour market knowledge and providing feedback on PES services, to advise them of their requirements. This enables PES to develop solutions for recruitment needs, address labour market challenges, and contribute to human capital development. Employer feedback also assists PES in developing recruitment packages to foster inclusiveness and challenge discrimination.

European institutions, including regulators – by working together to increase the visibility of the PES Network. This is achieved through data visualisation and by sharing information from labour market analysis. The process supports the exchange of information on best practices and new ways of working. There is a focus on what has worked well to assist change management and promote lifelong learning.

Network members – the Network facilitates close cooperation with stakeholders at European level. This benefits results-orientated national PES by helping them to apply people and business-centred approaches. The national PES can utilise big data to enhance analysis, especially forecasting, to proactively engage jobseekers and employers. This enables continuous improvement towards increasing capacity through upskilling and training. Differentiated support packages are offered to different target groups.

The **employment service ecosystem** is promoted by, and encourages, improved digital connections, which expands the scope to share data and information. This enables PES, other service providers, and employers, to collaborate in service delivery. It encourages the development of a shared understanding between PES and their partners of the issues faced by jobseekers in achieving labour market integration. It supports the development of shared strategies to produce mutual solutions that promote positive transitions, which in turn help combat social and labour market exclusion. Customers are therefore offered increased choice and more personalised support, including by taking advantage of the potential for enhanced digital services and follow-up. These developments can promote jobseeker autonomy and sustained labour market integration.

The ecosystem operates to its best effect when PES and their partners can achieve an optimum balance between supporting wider objectives and meeting their specific organisational requirements. It particularly focuses on establishing support systems to assist the integration of people from vulnerable groups. These include youth, people with disabilities and migrants. It brings together PES with a range of other actors, including:

- non-governmental organisations
- education and training providers (both public and private)
- municipal and regional authorities
- social support service providers (e.g. social insurance, housing agencies, health services)
- employers' organisations
- social partners
- local stakeholders/communities
- private employment agencies
- temporary work agencies.

THE CHANGE TRAJECTORY – MEETING FUTURE CHALLENGES

The Network **encourages PES to transform their services** to assist them in meeting changing employment needs. It therefore supports both social inclusion and the development of labour market skills requirements. It particularly focuses on equipping PES to address skills gaps, including considering the potential from growth sectors.

The Network identifies and disseminates information on service improvement initiatives that can mitigate the impact of disruption from globalisation, automation, and

fluctuating demand. And to assist PES in dealing with crisis situations and periods of labour market uncertainty, the Network has a specific role in facilitating the sharing of knowledge and information and formulating guidelines.

The Network's wide-ranging work programme has been designed to deliver these outcomes. Its various elements will be flexibly implemented and updated as necessary to meet the requirements of specific situations, and to adapt to the continually evolving labour market landscape.

For further information on the PES Network, see:

- Decision (EU) 2020/1782 of the European Parliament and the Council (amending Decision 573/2014/EU) on enhanced co-operation between Public Employment Services.
- The PES Network homepage
- Videos "Get to know the Network" and "The power of PES Partnerships"
- The Knowledge Centre and the PES Practices database
- Latest news
- Latest events

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