



# Public employment services in the frontline for jobseekers, workers and employers

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The consequences of the coronavirus (COVID-19) pandemic for the labour market are likely to be severe. Many firms are struggling to stay afloat during the often strict confinement measures, and large numbers of workers have already either been involved in various forms of short-time work schemes or laid off. Public and private employment services (PES) will play a crucial role in preventing the labour market from seizing up during the crisis and in promoting a fast recovery once confinement measures start to be lifted. They will need to provide support on an increasingly virtual (i.e. not face to face) basis to an unparalleled inflow of jobseekers. This will include ensuring that benefits are paid out without delay, providing information, and encouraging jobseekers to stay active even if there are fewer vacancies. In the short-term, the economic impact of the pandemic is shifting labour demand across sectors and regions, and it remains to be seen if this will lead to more permanent re-allocation of labour across sectors and regions. Therefore, the PES in each country will not only be facing a surge in the number of jobseekers but also the need to potentially reallocate many of them across occupations, sectors and regions. This requires providing them with good labour market information and support for skills development. In order to fulfil these particularly challenging tasks, PES need to be agile and quickly adapt to the new situation. This policy brief provides guidance on how this can be done.

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## Key messages for public employment services

- Agile and pro-active public employment services (PES) are needed to respond to the COVID-19 crisis.
- Prevent unemployment through the facilitated use of short-time work (STW) schemes.
- Prioritise and streamline unemployment benefit application procedures while scaling down and suspending other non-essential services in the short term.
- Adjust job-search requirements and monitoring in line with countries' capacities to hold these up and gradually increase job-search monitoring as soon as the situation improves.
- Encourage jobseekers to remain active by providing timely career information and guidance services, offering online training courses, updating information on job vacancies and facilitating matching.
- Ensure all clients can register with PES and access PES services, by offering phone support to those who cannot use online channels and advertising all communication channels widely.
- Adapt PES operating models, use resources efficiently, maintain cooperation and communication with the key stakeholders and partners.
- Prepare for exiting confinement and set up medium- and longer-term strategies to address possible high caseloads and a new composition of clients.

Unprecedented confinement measures have been put in place in most countries around the world to cope with the novel coronavirus (COVID-19) outbreak and alleviate its public health consequences. While these measures have managed to slow down the spread of the virus, they involve high economic costs with major consequences for the labour market. Firms struggle to keep afloat and many workers in the affected sectors are at best in short-time work schemes or being laid off. These negative consequences will likely have a persistent effect even after the world emerges from the COVID-19 quarantine.

Public and private<sup>1</sup> providers of employment services (PES for short) play an important role in keeping labour markets functioning during this crisis. In order to fulfil this particularly challenging role, PES need to be agile, quickly adapt to the new situation and adjust their response frequently and flexibly to respond to unpredictable developments. On the one hand, PES face an unparalleled inflow of new jobseekers, but cannot meet with their clients in person due to confinement restrictions. On the other hand, the number of job offers is dwindling in many sectors, leaving PES with fewer vacancies to propose. Nonetheless, some sectors, such as certain medical services and agriculture are confronted with severe labour shortages. As the economic impact of the crisis further unfolds, labour demand will possibly shift further across sectors and regions. PES around the world have to adapt their way of working and their strategy in the short and medium term to help limit the labour market consequences of the COVID-19 crisis.

Digital services are a key element to the short- and medium-term response by PES. Those that had full-fledged digital tools in place prior to the COVID-19 outbreak are in a better situation now: the process for benefit applications can remain unchanged and support to jobseekers via distant communication can continue seamlessly. Digitalisation cannot be built up in the short-term, in particular in view of the large inflows of jobseekers. This policy brief reviews the different country experiences in adapting PES's operations to the unprecedented confinement situation, and provides guidance on how PES can best cope with the short-term challenges, while paving the way to the medium-term strategies that will need to be adopted.

<sup>1</sup> In some OECD countries, employment services are partially or fully provided by private companies.



## 1. Preventing unemployment and dealing with increased inflows of jobseekers and benefit applications

### Key messages

- Preventing unemployment by introducing or scaling up short-time work (STW) schemes and simplifying processes to ensure timely pay-out of STW compensation.
- Prioritising and streamlining unemployment benefit application procedures; privileging online applications while paying particular attention to cybersecurity issues and internet fraud; benefit applications over the phone should be reserved to clients without digital skills or access to the internet.
- Providing additional support to clients without digital skills to ensure that they can apply and receive benefits.
- Scaling down and suspending less essential services to free up resources for processing benefit applications so that income support swiftly reaches those in need.
- Considering the automatic renewal of benefits and relaxing application procedures for benefit claims.

**Preventing workers from becoming unemployed** is a key labour market priority for many countries in the current crisis. Numerous OECD countries have introduced, extended or liberalised STW schemes in order to prevent unemployment from escalating. These schemes are often managed by the PES. Experience from the Global Financial Crisis suggests that STW schemes can be an effective policy tool to avoid costly job separations and keep know-how within firms, thereby promoting quicker recoveries once a crisis is over (OECD, 2020<sup>[1]</sup>). However, the substantial increase in the number of applications for STW benefits this time around compared with the previous economic recession, pose an enormous challenge. For example, a third of all German firms have applied for the German STW scheme by end of April. STW schemes are new in a number of countries and hence application procedures are often not fully automated, which can lead to delays for employer reimbursement and increased workload for the PES.

**Simplifying processes to ensure timely pay-out of STW compensation and reduce bureaucracy.** In the current crisis, paying out STW compensation without delay is a key priority as numerous firms are facing severe liquidity constraints.<sup>2</sup> Several countries have simplified the claim procedures in order to limit the level of bureaucracy and speed up STW approbation. For example, in Switzerland, the STW scheme renewal period was doubled from three to six months, which decreases the number of applications that need to be processed and, hence, speeds up the approval process. In Belgium, the application procedures for STW scheme applications were strongly reduced. Employers requesting STW can now simply apply through an electronic declaration. Before, the formal requirements were much stricter for some STW motives. The United Kingdom is one of the few countries implementing an entirely new STW scheme to cope with the COVID-19 crisis. Employers can apply for STW benefits online, and the processing of the application is automatic. Further countries, such as Germany, Italy and Japan, have also simplified their STW schemes, for example by widening access. In Italy, STW is available in all sectors now, including for firms that were previously not eligible. Keeping processes simple, the level of bureaucracy low and enough staff to process the STW claims is crucial to ensuring timely STW compensation pay-out, even more so in

<sup>2</sup> See OECD (2020<sup>[1]</sup>) for a discussion of the STW schemes changes introduced by OECD countries, following the Coronavirus (COVID-19) outbreak. The detailed measures taken by OECD countries can be found in the paper's [Annex Table](#).



countries that do not have significant institutional experience with STW schemes. For example, the [German PES](#) increased the number of staff processing STW claims 14-fold in comparison to normal times.

**PES offices need to prioritise processing unemployment benefit applications.** The timely registration of unemployed and processing of benefit applications is paramount to supporting people whose income and wellbeing are at risk due to the pandemic (OECD, 2020<sup>[1]</sup>). This can be challenging, as in many countries, the number of unemployment benefit applications is reaching unprecedented levels. The most striking evidence of such unparalleled figures comes from the United States, where the number of new jobseeker claims has reached over 26 million in a matter of weeks (Department of Labor, 2020<sup>[2]</sup>; 2020<sup>[3]</sup>). In addition, many governments' are creating new rights for people and loosening entitlement conditions, contributing to the increased volume of benefit applications (for an overview see <http://oe.cd/covid19tablesocial>). In response, PES need to think carefully about how to best respond to the increased number of benefit applications and adjust their resources and management to meet these needs.

**PES can free up resources by scaling down and suspending other services in the short term.** In order to meet the large inflow of benefit claims, PES can free up resources through cancelling non-essential activities and relaxing application procedures for benefit claims. Regarding the latter, some countries grant the automatic renewal of benefits during the period of confinement (e.g. incapacity benefits in Estonia and New Zealand, jobseeker benefits in Spain and Greece, and housing and child allowances in the Czech Republic) and lifted application deadlines for registering unemployed (e.g. Slovenia). Job-search monitoring services can be suspended or scaled-down during this period (see Section 2). In-person training, organisation of job fairs, and caseworkers networking activities also had to be temporarily suspended in most PES (see Section 3).

**PES should – as much as possible – streamline benefit application processes.** Online tools and automatic processing of benefit applications can facilitate this process. PES with well-developed IT infrastructures are in a better position to cope with lockdown measures, as the process of applying for benefits can remain unchanged for all clients with digital skills and access to the internet. For example, a fully automated processing of unemployment insurance benefits allowed the Estonian PES to cope with the increased volume of applications while minimising the need to relocate resources from other services. If a PES does not have an online user interface ready, an alternative that is rather quick to develop is a downloadable application form that jobseekers can submit directly on the website, or send by email or regular mail. However, cybersecurity is an issue and PES communicating with its clients via email and online tools should be conscious about phishing attacks, email threats and identity theft. PES could inform clients on its website on the good cybersecurity practices to follow to protect both clients and the PES systems. Along the same lines as for benefit applications, clients should be encouraged to contact PES offices online for information requests. Phone calls should still be possible but, if well-functioning online services are available, discouraged by flagging quicker service online and mostly reserved for clients without access to internet or digital skills. Many PES webpages provide answers to the most frequently asked questions through a FAQ section or virtual assistance.

**People without digital skills or internet access should receive particular support.** As the COVID-19 crisis evolves, digital exclusion is reinforcing income and social inequality. PES need to pay particular attention to people that may not have the skills to register online, and to make digital benefit applications. It is essential that phone services are maintained, and that benefit applications can be taken via phone, regular mail, or dropped off in a box at the local PES office. PES could also collaborate with non-governmental organisations (NGOs) to provide additional support and assistance to claim benefits. In the United Kingdom, for example, [Citizens Advice](#) supports people through the early stages of the Universal Credit claim. In Spain, [Acción Contra el Hambre](#) is also helping jobseekers and families in need to apply for benefits. A coordinated action between PES and NGOs is even more important during these times to ensure that the most vulnerable get access to all possible support.



## 2. Encouraging and supporting jobseekers, while adjusting conditionality during the Coronavirus (COVID-19) crisis

### Key messages

- Adjusting job-search requirements and monitoring in line with countries' capacities to hold these up and gradually increasing job-search monitoring as soon as the situation improves.
- Encouraging jobseekers to use the time in best possible way, e.g. by continuing to search for and apply for jobs; creating or updating CVs and profiles in online databases; using career information and guidance services; and taking up e-learning/online training courses.
- To the extent possible given each country's confinement regime, encouraging temporary voluntary and community work for jobseekers that cannot find jobs to keep them engaged in a productive activity during the COVID-19 crisis.
- Facilitating matching of jobseekers to vacancies through directing jobseekers to offers available also during the COVID-19 crisis and holding online job fairs and speed dating events.
- Ensuring proactive communication with jobseekers to inform them which offers are still available and which are not currently available to avoid frustration and discouragement. While for the vast majority of PES clients this can be achieved by regularly updating webpages, reaching out through other media and working with partner organisations is important to reach clients without digital skills.

### Encourage jobseekers to continue searching for work and developing their skills while they #stayathome

**Encouraging jobseekers to use the confinement period in the best possible way, while taking a more relaxed approach to job-search monitoring during the lockdown.** Most OECD countries have explicit job-search reporting procedures (Immervoll and Knotz, 2018<sup>[4]</sup>). The aim is to direct jobseekers to look for work more intensively and earlier on, and to extend their efforts to a wider range of potential employment opportunities to re-establish self-sufficiency. In addition, matching and referring jobseekers to vacancies proves effective in increasing the rate of re-employment. PES in a number of countries kept up their job-search and reporting requirements also during the COVID-19 crisis. For example, obligations such as regular filing for benefits have been maintained in New York, Nevada and other US states, and searching and applying for work is still required in Brussels (Belgium), Estonia, Netherlands and the United Kingdom. In some countries, this is underpinned by proactive communication with clients to inform them that counselling interviews can be offered over the phone, online or through video conferencing while face-to-face interviews are not possible (e.g. Flanders (Belgium), Finland). Such requirements can only be applied by PES with well-developed digital services. However, even in countries that have maintained more stringent approaches, these requirements have often eased and adjusted to reflect the new circumstances for jobseekers with children at home due to (pre-)school closures, or for those in quarantine (e.g. Austria, Brussels (Belgium), the Netherlands, United Kingdom). Many PES have now, however, suspended job-search requirements and lifted sanctions for not demonstrating active job search (e.g. France, Germany, Portugal, Slovenia, and Sweden). While not applying sanctions, a number of countries try to encourage jobseekers to use the confinement period in the best possible way by continuing to search for jobs actively and optimising their job search. This strategy has been applied by Australia, Denmark, Estonia and Latvia, where, *"job seekers are encouraged to stay job ready"* (Department of Education Skills and Employment, 2020<sup>[5]</sup>) and *"unemployed*



[...] should still apply for jobs” (STAR, 2020<sup>[6]</sup>). When stimulating jobseekers to continue with active job search, comprehensive and easy to navigate online services, online training, and up-to-date vacancy databases are key. Hence, it is important to clearly state which offers are currently still available and which are not to avoid frustration and discouragement. A non-exhaustive list of suggestions to jobseekers:

- Continue to apply for vacancies during the time of crisis.
- Create or update CVs, cover letters and profiles in PES vacancy databases and other job-search tools (e.g. LinkedIn) and practice for interview situations (including online interviews).
- Use career information services and online career guidance to support career choices, development and re-orientation.
- Take up e-learning/online training courses. This requires such options to be advertised and supporting jobseekers in their choice.
- Take up volunteering opportunities.

**Voluntary and community work in vital sectors permits jobseekers to engage in a productive activity**, while meeting new needs societies are facing and responding to people’s sense of contributing to their communities through civic engagement. To the extent possible given each country’s confinement regime, voluntary and community work, such as running errands for older people who cannot leave their homes, are more important than ever to assist vulnerable population groups in coping with the consequences of social distancing and confinement measures. PES in some countries are recognising this need and relaxing their constraints when it comes to temporary volunteering while receiving unemployment benefits. For example, in the Netherlands, unemployment benefit recipients are allowed to start voluntary work immediately without waiting for PES approval.

**PES continue to play an important role in matching labour supply and demand.** In a number of OECD countries, public vacancy databases – often run by the PES – are the single most used vacancy platform (OECD, 2015<sup>[7]</sup>). Such databases are key to identify sectors that face acute labour shortages, e.g. in essential services, and to direct jobseekers towards these sectors. Jobs published on public vacancy platforms are also trustworthy, as they usually imply certain checking of employers. A number of countries have created dedicated webpages that house vacancies for essential jobs by employers with immediate hiring needs (e.g. [Need a job now](#) by the US National Labor Exchange and [mobilisation exceptionnelle pour l’emploi](#) by the French PES). In other countries, the PES highlights in its vacancy databases which sectors/ employers are currently recruiting through (hash)tags (e.g. Brussels and Flanders (Belgium), Germany, Sweden) or they created market places that advertise urgent needs (e.g. Austria, Estonia). While PES have had to drop physical “speed dating” events for jobs and job fairs, some PES offer [online speed dating](#) (e.g. Swedish PES) and host online job fairs. For example, despite the uncertain state of the labour market, the Estonian PES held a [virtual job and career fair](#) from 14-17 April 2020. In the Netherlands, the PES provides support to jobseekers and employers through using their *demand and supply management model*, a competency-based matching tool, to make sure that vacancies in vital jobs are filled. On the demand side, they contact employers to offer their services, advice and collect information on possible vacancies. On the supply side, they look for jobseekers that have the skills to respond to the vacancies identified.

**PES can still provide counselling and career advice using digital tools and the phone.** Jobseekers may receive counselling on a voluntary basis or are mandated to attend meetings. While mandatory meetings have largely been suspended, it is important that PES continue their counselling role, especially in these uncertain and challenging times. Where resources allow, this can be done via phone, email or video call tools. The Estonian PES already provided [remote career guidance](#) and counselling via email, phone and Skype before the crisis. Between January and March 2020, the demand for remote career counselling increased more than seven-fold in Estonia, with the most popular option remaining phone counselling (Holland and Mann, 2020<sup>[8]</sup>). This should be encouraging for other PES, as telephone-based solutions are easy to implement at little extra cost and can also be used by clients without digital skills.



**Online tools may prove effective, when personal interaction is not possible.** A recent study from the Flanders region in Belgium offers encouraging evidence on the performance of online tools. The study compared three different types of referrals to vacancies through PES: i) active referrals through a caseworker by phone or by e-mail; ii) automated referrals through an online system; and iii) personal meetings where referrals are passed on to the jobseeker. The most important finding is that all three referral instruments are found to be effective. While the first approach is found to be the most effective both in the short- and long-run, also automatic referrals enhance the transition rate to employment by 50% in the first two months and double it in the long-run (Bollens and Cockx, 2017<sup>[9]</sup>). Hence, such tools may offer a clear advantage for encouraging and supporting jobseekers during the COVID-19 crisis for countries that already have this type of tool (e.g. Flanders and Brussels in Belgium, Denmark, the Netherlands, Korea).

**Gradually increasing job-search monitoring as soon as confinement measures are being lifted.** The positive impact of job-search assistance and monitoring on re-employment rates is documented in a large number of studies (for meta-analyses see Card, Kluve and Weber (2010<sup>[10]</sup>) and (2018<sup>[11]</sup>)). Especially for individuals with poor prospects, monitoring may lead to an increase in the exit rate to work. Beyond supporting independent job-search, matching and referral of jobseekers to vacancies often proves effective in increasing the rate of re-employment, especially for jobseekers who are hard to place or remain unemployed after some period of independent job search (OECD, 2015<sup>[7]</sup>). While new hiring has substantially dropped due to the uncertainty of the current situation, countries should keep an active stance as much as possible and gradually increase it as soon as the situation improves.

### 3. Supporting up-skilling and re-skilling and preparing workers and jobseekers for the post-COVID-19 labour market

#### Key messages

- Using digital channels in creative ways to provide timely and relevant training and explore the options of more informal methods of training such as posting training videos, reading materials and tests that jobseekers can use directly on PES websites.
- Disseminating – also through innovative channels – information about online training to target groups and encouraging participation.
- Maintaining good cooperation with the key stakeholders in training provision to ensure the continuity of service provision.

**Training measures are crucial for building and sustaining the skills that will be needed in post-COVID-19 labour markets and PES have a major role to play in this regard.** Ensuring that training is available for jobseekers and workers more generally will be very important. When the confinement measures will gradually be lifted, labour markets may well be different from the ones before the outbreak. In many OECD countries, the number of jobseekers will be higher than before and may even further increase. In addition, there may be shifts in the demand for labour across sectors and more workers may be displaced. Moreover, the demand for higher level skills may have increased (and might continue to do so) even in sectors that have traditionally relied on low-skilled labour, such as food services, retail, and administrative work. All these trends would require fast and smooth upskilling of the population affected by these changes. PES in OECD countries have an important role to play in this process, in cooperation with their partners: training providers, employers, municipalities, regional authorities and the Ministries responsible for education and employment policies.



**PES in a number of countries have used digital channels in creative ways to provide timely and relevant training.** Most OECD PES suspended the provision of face-to-face training shortly after the introduction of confinement measures. The availability of existing online training solutions has enabled many countries to continue the provision of training measures (on a selected set of skills that is possible to teach online) with a minimal investment (e.g. in Estonia, the Netherlands, Austria, Denmark, some regions of Italy, or the three regions of Belgium). In addition, some countries have boosted the options of training available online. In Denmark, the law has been amended so that municipalities have the competence to offer new digital qualification courses and, in France, over 150 new training courses have become available online on the "[Emploi Store](#)". Sweden will use part of the extra funding allocated to the PES and other key players to strengthen distance learning and internet-based education. The PES of the Brussels region (Belgium) reports an increase in the number of courses offered in French during the COVID-19 crisis and an increased take-up of language and IT training. The PES in Flanders is using the confinement period as an opportunity to update the content and training material for training that cannot take place in these circumstances. The Estonian PES, in cooperation with the relevant stakeholders, was able to quickly develop e-learning for care workers, in high demand during the crisis.

**PES have found innovative ways to disseminate information about online training and encourage participation.** PES are key actors in disseminating the information on online training courses using various channels to reach the target groups. PES can spread the word about available training by posting information on their webpage, sending emails to their clients, posting information on social media, and advertising training offers in regular media, such as on the radio. The PES in Brussels has developed an active campaign on its website and using its newsletter to advertise its training offers and encourage people to use them ("[Confiné mais connecté! Suivez une formation en ligne](#)"). Moreover, the PES in Brussels uses its newsletter to disseminate information about COVID-19 related measures and plans to focus the next newsletter on online training. The PES in France is active on its Twitter account and [YouTube channel](#) to promote trainings and other ways to remain active. The PES in the Italian region of Trento encourages jobseekers to look for training opportunities, in order to prepare for the future and advertises on its website the [portal FormazioneXTe](#), which presents training offers by accredited bodies.

**Less interactive methods of training can be an effective and low-cost tool during this period.** Many PES offer training such as posting training videos, reading materials and tests that jobseekers can use directly on the PES websites (or self-service portals) or by following the links to external websites and providers (e.g. Austria). This relies on training material already available. When such material is not available, it may be preferable to use other tools, such as webinars, which are easy to organise but require the presence of trainers. In order to satisfy more specific training needs, PES might need to reach out to training providers and develop solutions together with them, for example, by covering costs for language training apps or IT training for jobseekers in need of IT and language training.

**Maintaining good cooperation with service providers and the relevant stakeholders is important to ensure the continuity of service provision during and after the end of the confinement period.** In most countries, training measures are offered by private providers, and PES have a role to play to accompany and support the providers with the use of online tools for training provision. The Malopolska region in Poland and Estonia have provided early instructions and guidelines to private providers for the remote provision of training. Preventing service providers from exiting the market is important to ensure training provision after the end of the confinement measures. The PES in Brussels continues to pay training providers, while the results for this specific period, will not be taken into account for assessing providers' performance. In Germany, where training providers are not allowed to operate (except virtually) and new programmes have been put on hold, the Government approved legislation to support training providers to maintain a functioning professional training market for the post-crisis period (Sozialdienstleister-Einsatzgesetz).





Danish municipalities are expected to enter a dialogue with providers on cooperation to jointly decide their next steps. Moreover, in all countries, training provision requires good cooperation with the authorities in the education sector as well as employers, all key players in the delivery of training. This cooperation is especially necessary to facilitate the transition from school to work, therefore mitigating the impact of the crisis on the labour market prospects of youth.

**Countries have taken different approaches as regards workplace-based training.** Although many countries have suspended all institutional training, training taking place in the workplace is still possible in some countries if it satisfies safety conditions. For instance, job-based training continues in the Flanders region of Belgium, unless the activity is put on hold due to a decision by the employer or the government or a health certificate provided by the trainee. Work-based training can continue via teleworking in Wallonia, if it is accompanied by coaching from distance e.g. by email or phone. Jobseekers in Portugal can withdraw from workplace training without penalty (and with the possibility to return to training) if they do not feel comfortable to work, despite the continuation of the activities.

#### 4. Adapting PES operating models and using resources efficiently

### Key messages

- Being agile and proactive, putting in place a clear crisis management and communication system, and prioritising services to efficiently re-allocate resources.
- Reallocating tasks among staff, changing working arrangements, while making the safety of staff a priority.
- Providing support and empowering staff during these changes is crucial.
- Maintaining cooperation and communication with the key stakeholders, partners and service providers is essential.
- Supporting the new working arrangements and channels of service provision with appropriate equipment, while minimising the security risks associated with online channels.

**Across the OECD, PES have entered into operational crisis management mode.** The COVID-19 pandemic unfolded fast and its development was largely unpredictable. The economic consequences of the necessary confinement measures have been both sudden and severe. This has prompted a series of unprecedented measures by governments to shore up jobs and incomes. PES, in turn, have had to react quickly and adjust their response frequently and flexibly. Generally, PES have had to deviate from their strategic plans and, as of mid-April 2020, have not had enough time and information to fully adjust their strategies. Management in many PES currently focuses on crisis management, monitoring the situation and reacting daily as the labour market situation unfolds. Sweden is somewhat exceptional, where a milder social-distancing policy has been practiced along with longer term changes in active labour market policies (ALMPs) (including, above all, different forms of subsidised employment) and adult learning put in place already at the end of March 2020. In addition, the Swedish PES has managed to develop and implement a more forward-looking pandemic plan (WAPES, 2020<sub>[12]</sub>).

Agile and pro-active public employment services have excelled in the COVID-19 crisis management



**Agile and pro-active PES have excelled in crisis management.** PES with a flexible and agile business model have been able to adapt their approaches more quickly than others. The Brussels PES was one of the first PES in Europe to pro-actively change its operating model, reallocating staff, equipment and channels to effectively respond to the current crisis situation. It even closed its face-to-face services before the Belgian Government introduced strict confinement measures. This was possible, mainly because it is an autonomous public body, responsible for deciding how it operates and how it implements ALMPs. While 84% of PES in the EU are set up as separate public bodies (autonomous public bodies or executive agencies), their independence and freedom to organise the implementation of ALMPs varies (Peters, 2018<sup>[13]</sup>).

**Many PES have put in place a clear crisis management and communication system.** PES have had to re-arrange their activities in an environment marked by uncertainty about the spread of the virus, confinement regulation and labour market developments. Many PES have created dedicated crisis committees and hold systematic (often daily) crisis meetings within, as well as between different levels of PES. It is important to clearly define responsibilities and decision-making powers between different levels of PES (national, regional, local) and communicate these to all parties involved. Essential information should be communicated through a designated channel in bulk, avoiding the risk of staff overlooking some information or getting overwhelmed by the information flow. For example, the regional PES office of Bavaria (Germany) sends the key information to its local agencies in two emails per day.

[Key to public employment services crisis management in response to the #Coronavirus is re-allocating resources to priority tasks such as benefit processing](#)

**Key to PES crisis management is re-allocate resources to priority tasks such as benefit processing.** Most PES have prioritised benefit processing (unemployment benefits, STW, other essential benefits some PES are responsible for), unemployment registration and information provision. As most face-to-face services have been suspended, information demands via phone, email and online have skyrocketed, given the uncertainty facing both jobseekers and employers on many issues. PES, therefore, have to address the question of how staff with different skill sets can temporarily assist with priority services. The PES of Slovenia and Brussels (Belgium) have increased staff in call centres by a factor of five. The German PES has increased staff in existing call centres and has essentially transformed all local offices into call centres. The number of calls to German PES has increased 20-fold, from 100 000 calls per day in February to 2 million calls on a peak day in March.

**In addition to the crisis management itself, the effective responses to the situation depend on the existing infrastructure, but also innovative practices PES have developed before the crisis.** It has been easier to shift to online tools and channels in PES that had the digital means in place already before the crisis. These tools are less developed in some PES due to lower prioritisation in the past as well as lower financial resources. However, there are a number of good practices that depend less on the budget and could be copied by other PES. For example, practices of working remotely, in shifts or using flexitime often depend more on HR practices than on financial resources. In the PES of Brussels (Belgium), for example, 43% of staff worked remotely at times already before the current crisis. The Estonian PES was providing career counselling via Skype already before, implying no real additional financial burden and enabling the PES to continue this service now (Holland and Mann, 2020<sup>[8]</sup>). In general, PES that have been responding more pro-actively and had supporting infrastructure in place, have managed better to maintain some services like counselling in addition to benefit processing and information provision. However, scaling up working remotely and using tools like Skype to interact with customers, requires addressing administrative procedures and security concerns in some countries.



**The effective responses to the current crisis have involved considerable changes in five groups of “enablers” in the delivery of employment services– staff; key partners; tools and channels; processes; and equipment and premises** (see Figure 1). PES have had to introduce changes to these enablers according to their new needs, priorities and operating models.

**PES have had to shift around tasks among staff, change working arrangements and support their staff in these changes.** Tasks are shifted to support the prioritised essential services in PES. The German PES increased staff in benefit and STW processing from 600 to 8 000, which they consider currently the number one priority. The PES of Brussels (Belgium), which does not have responsibilities for benefits, shifted staff from counsellors to call centres.

**PES need to protect their staff regardless of working arrangements.** Most PES have increased the share of staff working remotely in an effort to stop the spread of the virus. This enabled staff in quarantine and those whose children cannot attend schools and kindergartens to continue to contribute. Nevertheless, some PES have continued working on the premises. Reasons include: i) continued face-to-face meetings for some clients (e.g. PES in Sweden<sup>3</sup> and Wallonia in Belgium; for homeless people in Germany); ii) teleworking is currently technically impossible for all PES staff (e.g. Slovenia); and iii) PES chose not to apply teleworking to all staff, even if technically possible (e.g. Germany), or because staff members prefer working in the office (for example due to better internet connection). In these cases, the PES has to implement working arrangements to protect the staff from falling ill, e.g. through working in shifts (Bavarian PES in Germany, a few offices of the Estonian PES).

**PES need to support and empower staff throughout the organisation.** The managers at the different levels of PES need to have a toolbox to support staff in implementing the new operating model and adjust to the new tasks, working arrangements, as well as communication channels. On the one hand, staff need clear guidelines on the new approaches and (online/video) training for new tasks. On the other hand, it is necessary to provide emotional support and empower staff, particularly if many employees are working remotely and the confinement rules are strict. Many PES use virtual meetings as well as the intranet and internal social media tools for that purpose. The PES of Wallonia (Belgium) has additionally created a radio station for its employees (WAPES, 2020<sub>[14]</sub>).

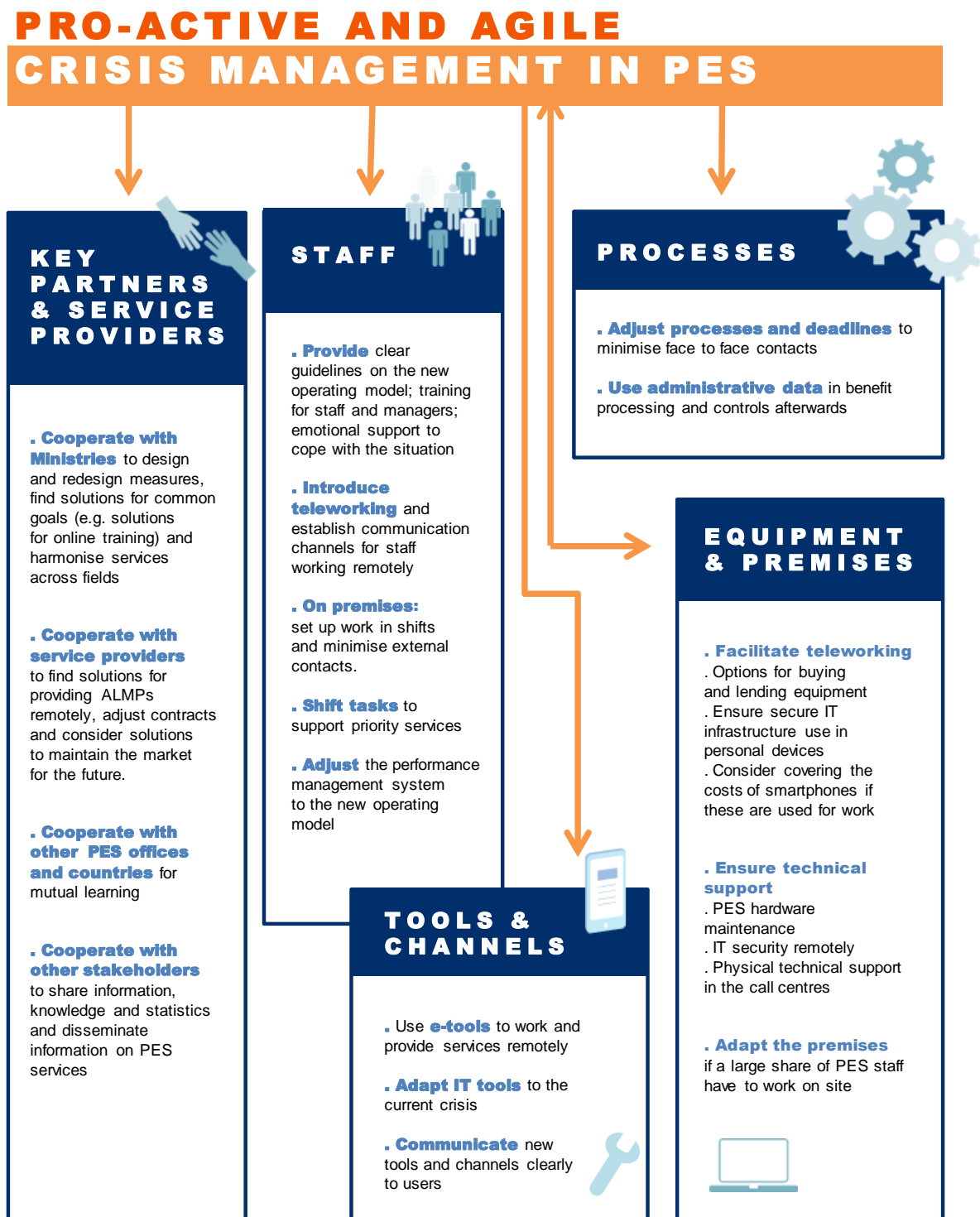
**Cooperation and communication with the key stakeholders, partners and service providers is essential.** All key stakeholders in the design and delivery of ALMPs (PES, Ministry of Labour, employers' associations, trade unions, service providers, etc.) have to cooperate in developing the measures to respond to the crisis (e.g. STW schemes, training and wage subsidies). The stakeholders also have to coordinate how to disseminate the information on the ALMP measures to ensure that information reaches those in need of the policies. The regional PES office in Bavaria (Germany) for example cooperates with employers' confederations to organise webinars for employers on STW schemes (i.e. the employers' organisation helps to channel the information from PES). Cooperation with service providers is important to find solutions to continue providing some ALMPs remotely and make contract adjustments (see Section 3).

**PES have had to think out of the box to support the new working arrangements and channels of service provision with appropriate equipment.** Working remotely requires the availability of mobile devices. In case new purchases and lending equipment are not possible, the use of the personal devices of staff for work purposes has been enabled in some PES. The German PES uses software for remote computing that ensures a secure use of its IT infrastructure even if a personal device is used. For some job positions, even a tablet or a smartphone could be (almost) sufficient equipment. The PES in Flanders (Belgium) has temporarily increased the cover of smartphone costs for some of the staff (WAPES, 2020<sub>[15]</sub>). The exceptional solutions fit some tasks better than others and in any case, the secure use of PES IT infrastructure has to be ensured.

<sup>3</sup> The Swedish PES still keeps face to face meetings as an option for the jobseekers, although jobseekers coming from risk areas are asked to have the meeting remotely instead and non-urgent meetings are pushed to later dates (WAPES, 2020<sub>[12]</sub>).



Figure 1. A toolbox to make changes in the PES enablers to respond to Coronavirus (COVID-19) crisis



**The switch to online channels increases the risk of fraud** when they substitute for face-to-face channels as well as when simplified processes for benefits are introduced. It is, therefore, necessary to analyse which processes can be (temporarily) adjusted to support the new operating model without having (long-term) negative effects. The key is to use administrative data from other registers, when possible (e.g. on employment records and incomes) as well as implement controls afterwards (e.g. through granting benefit entitlements on a provisional basis only, as is the case in Germany). As one measure to discourage abuse of the STW scheme, the Estonian PES publishes key data on STW recipients on its website (company name, number of employees, amount of benefit).

## 5. Preparing for the exit and setting new medium- and long-term strategies

### Lessons for PES strategies going forward

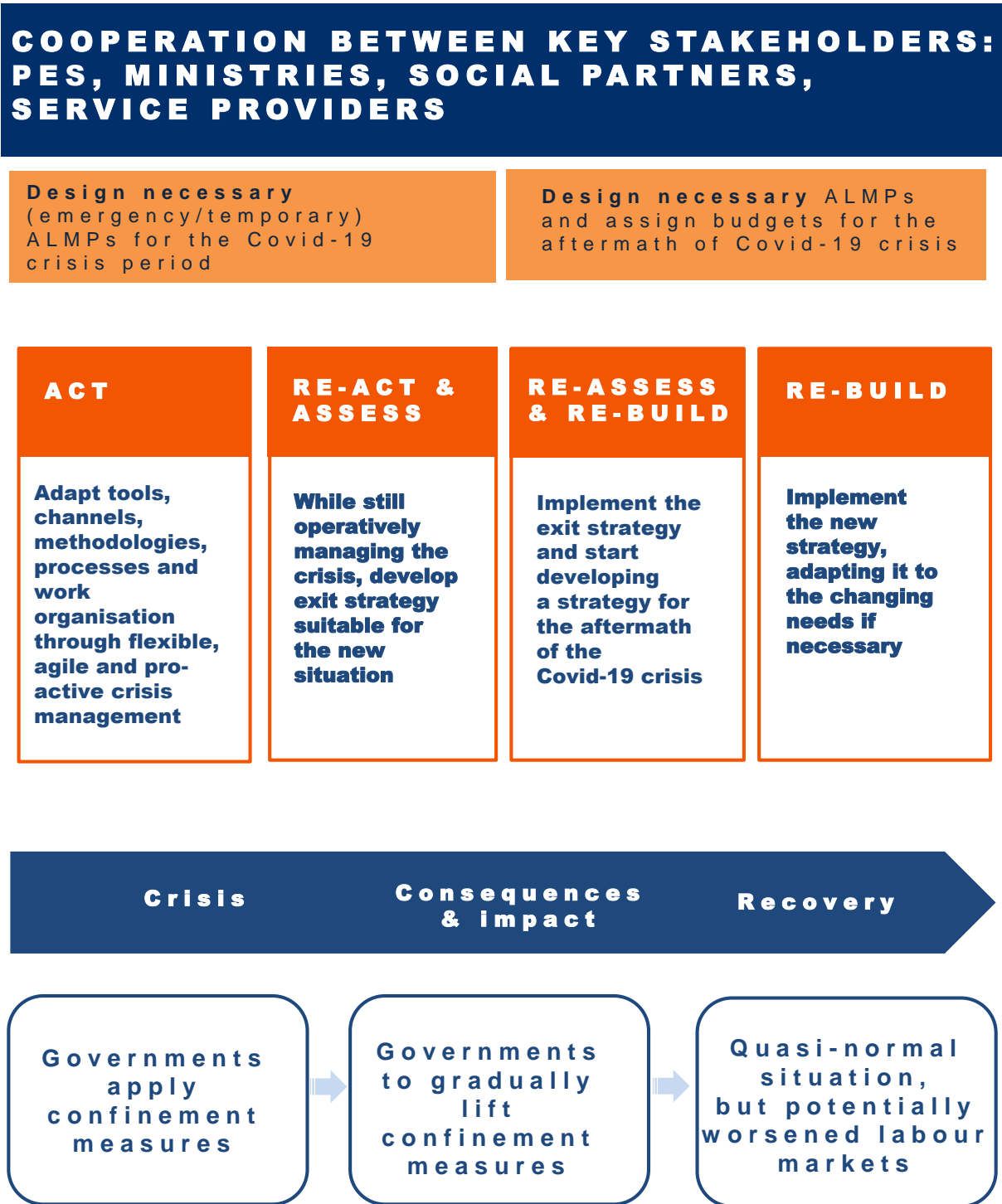
- Developing exit strategies now, while confinement measures are still in place, to be able to respond swiftly when the restrictions are gradually rolled back.
- Anticipating a difficult and uncertain labour market situation, with possibly higher caseloads and a new composition of clients.
- Moving ahead with the digital agendas across the OECD to ensure effective and efficient provision of ALMPs.
- Adapting the basket of ALMPs to match the changed composition of jobseekers and their needs and support the speedy recovery of enterprises.

**PES should start developing their strategies for the (gradual) de-confinement phase and adjust their long-term plans.** PES should analyse which features of their current operating model to change gradually and which features to maintain. This is important as some recommendations on social distancing are likely to be in place for some time, while the volume of new clients may also remain high (see Figure 2). In addition, there is a need for discussions with all the key stakeholders on required changes in ALMP designs and budgets in the medium- and longer term. The basket of ALMPs needs to match the changed composition of jobseekers and their needs as well as support the speedy recovery of enterprises. In addition to increases in ALMP and unemployment benefit budgets, the budgets of PES operating costs would need to increase to ensure the staff, tools and channels are in place to cope with the higher volumes of services. For example, Finland assigned preliminary budget increases to the PES offices for the next years already in early April 2020 (Ministry of Economic Affairs and Employment, 2020<sup>[16]</sup>) and further increases are under discussion.

**The recent changes in operating models provide a good momentum to set PES on a more efficient path than before.** During the COVID-19 crisis, the use of online tools and remote working increased significantly in most OECD countries. This affected all stakeholders in ALMP provision – PES staff and management, jobseekers and employers, service providers, and key partners. Many PES report that stakeholders now feel more comfortable with digital tools and have become used to them. Furthermore, the skills required to use digital tools and telework effectively have increased. PES clients have also become more accustomed to digital tools and are likely to demand them more in the future.



Figure 2. PES need to develop their exit strategies and strategies to cope with the aftermath



**It is necessary to speed up plans for digitalisation of services**, particularly considering that these can support PES efficiency and effectiveness in coping with potentially higher levels of clients in the future. Digitalisation of PES services has proven to be a crucial element during the global financial crisis to cope with consistently high caseloads for PES staff and to respond to demands for increased efficiency and cost reduction. Investing in digitalisation in PES is crucial for efficient benefit processing. Furthermore,



digitalisation has helped some PES to offer more personalised and effective services (European Commission, 2014<sub>[17]</sub>). For example, the Dutch PES uses fully digitalised profiling tools that allow identifying the online services that are the most suitable for every client. The Flemish PES has developed a system of automated matching that minimises the need for caseworker intervention. The application automatically searches for jobs and matches jobseekers based on detailed descriptions of jobs and skills requirements. Therefore, advancements in the digitalisation of services help to better respond to the immediate Covid-19 related challenges PES are facing, but also to stand better equipped for future challenges. Agile developing methodology should be applied when advancing in digitalisation, involving cross-functional development teams (including also competences in PES business model). This enables continuous improvement and fast and flexible response to dynamic needs on the labour market. It is important that PES take advantage of the existing IT infrastructure available in the country, as well as considering its pitfalls to avoid delays and excessive costs. The Estonian PES has fully automatized several of its processes successfully (such as registering jobseekers, processing unemployment insurance benefits and the STW scheme), as a national infrastructure to exchange securely real time data between registers is in place ([X-Road](#)). The absence of such a national infrastructure can be an additional challenge that needs to be overcome. For example, the absence of such an infrastructure has been a stumbling block in the United Kingdom when implementing Universal Credit, which requires real time data on peoples' earning and employment situation.

Recent changes in operating models and progress with digitalisation provide a good momentum to set public employment services on a more efficient path than ever before.

**PES have to be prepared for flexible working arrangements.** The COVID-19 crisis will change the way of working in many sectors of the economy. PES have to be prepared to adapt to these changes, above all to ensure the safety of their staff as governments ease up lockdown measures. Arranging for employees to be able to telework, reorganising work routines to limit interpersonal contact, and working with flexible shifts are essential measures to ensure that staff are safe (OECD, 2020<sub>[11]</sub>), and to deal with the uncertainty brought by the Coronavirus (crisis). PES also have to think ahead about how they want to organise their large meetings and events, and generally, what “business as usual” will look in the post-COVID-19 world.

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## Contact

Stefano SCARPETTA (✉ [stefano.scarpetta@oecd.org](mailto:stefano.scarpetta@oecd.org))

Mark KEESE (✉ [mark.keese@oecd.org](mailto:mark.keese@oecd.org))

Anne LAURINGSON (✉ [anne.lauringson@oecd.org](mailto:anne.lauringson@oecd.org))

Silvia GARCIA-MANDICÓ (✉ [silvia.garcia-mandico@oecd.org](mailto:silvia.garcia-mandico@oecd.org))

Kristine LANGENBUCHER (✉ [kristine.langenbucher@oecd.org](mailto:kristine.langenbucher@oecd.org))

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