

# **Prestación integrada de servicios de empleo y servicios sociales – algunas lecciones de países europeos**

**I Jornada de Intercambio de Buenas Prácticas  
“Nuevo modelo navarro de prestación integrada de servicios de empleo y servicios sociales“  
organizada por la Red de Inclusión Social, en colaboración con el  
Gobierno de Navarra**

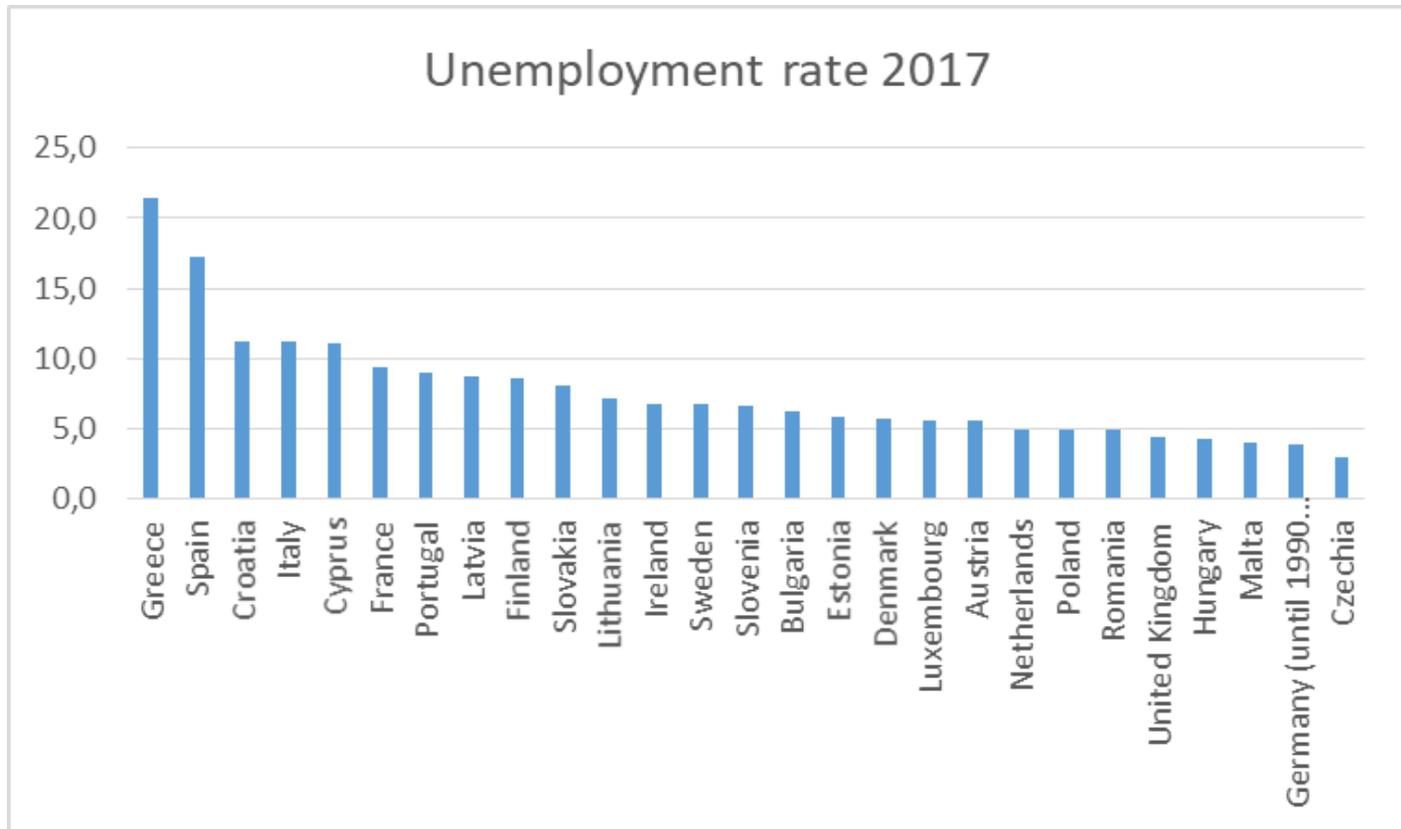
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# A common concern at several speeds

- In many countries, there exists a longlasting experience with labour market insertion at the local level / at large municipalities / by municipal social services
- Some countries have started to develop activation strategies, including activating vulnerable groups and unemployment / social benefit recipients, at the national level since the late 90s and the years 2000s; concepts of « workfare » (e.g. UK, Finland, Norway, Germany).
- In other countries, there are more recent national strategies (e.g. « accompagnement global » in France), or regional strategies (e.g. Basque country).
- The New Member States in Central and South-Eastern Europe and some Southern-European countries still have a long way to go.

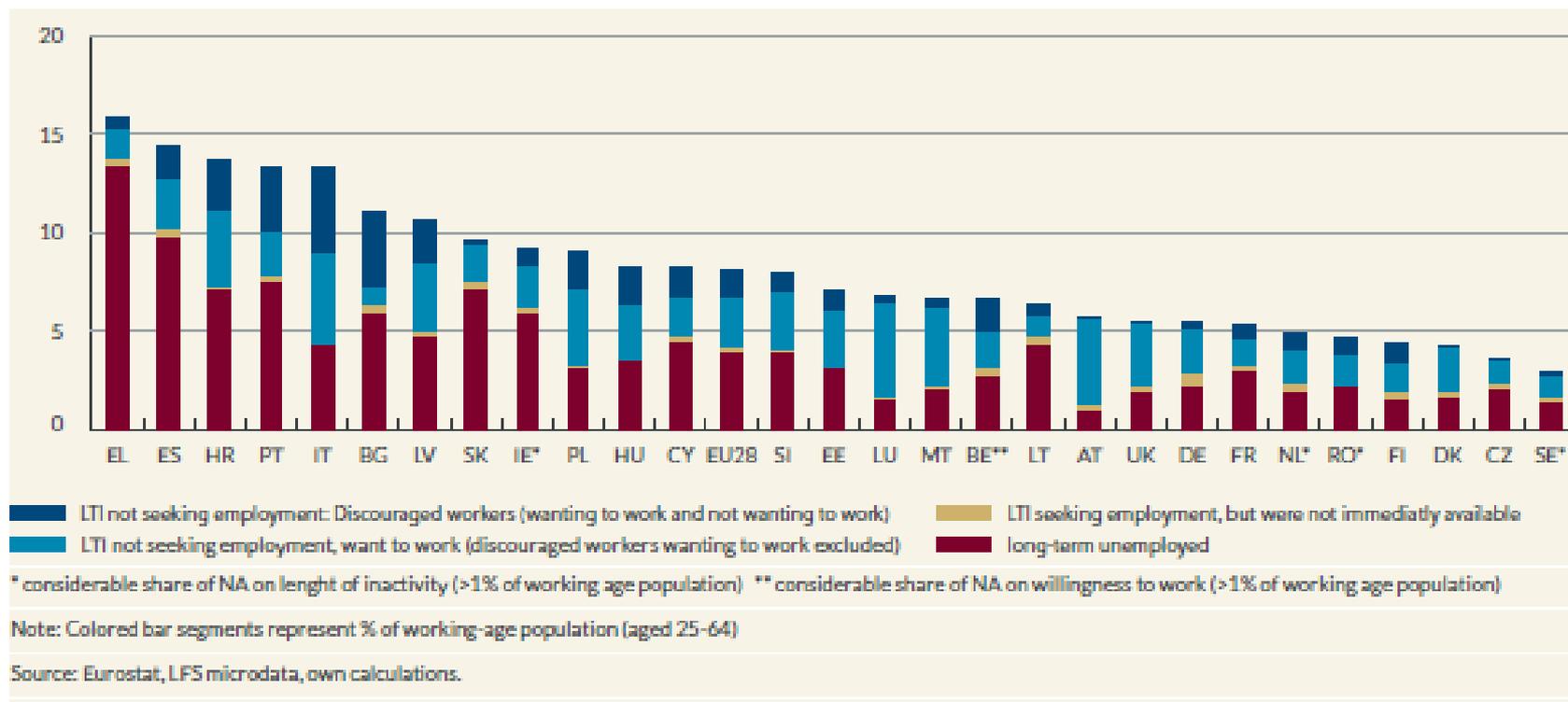
# Unemployment rate in 2017



Source: Eurostat, Labour Force Survey

→42% of unemployed are long-term unemployed (>1 year) in Spain  
30% in Finland,  
44% in Germany, 46% in France,  
60% in Italy

# Long-term non-employed with a labour market orientation: long-term unemployed, discouraged workers and inactives not searching but wanting to work (as a % of working age population), 2013

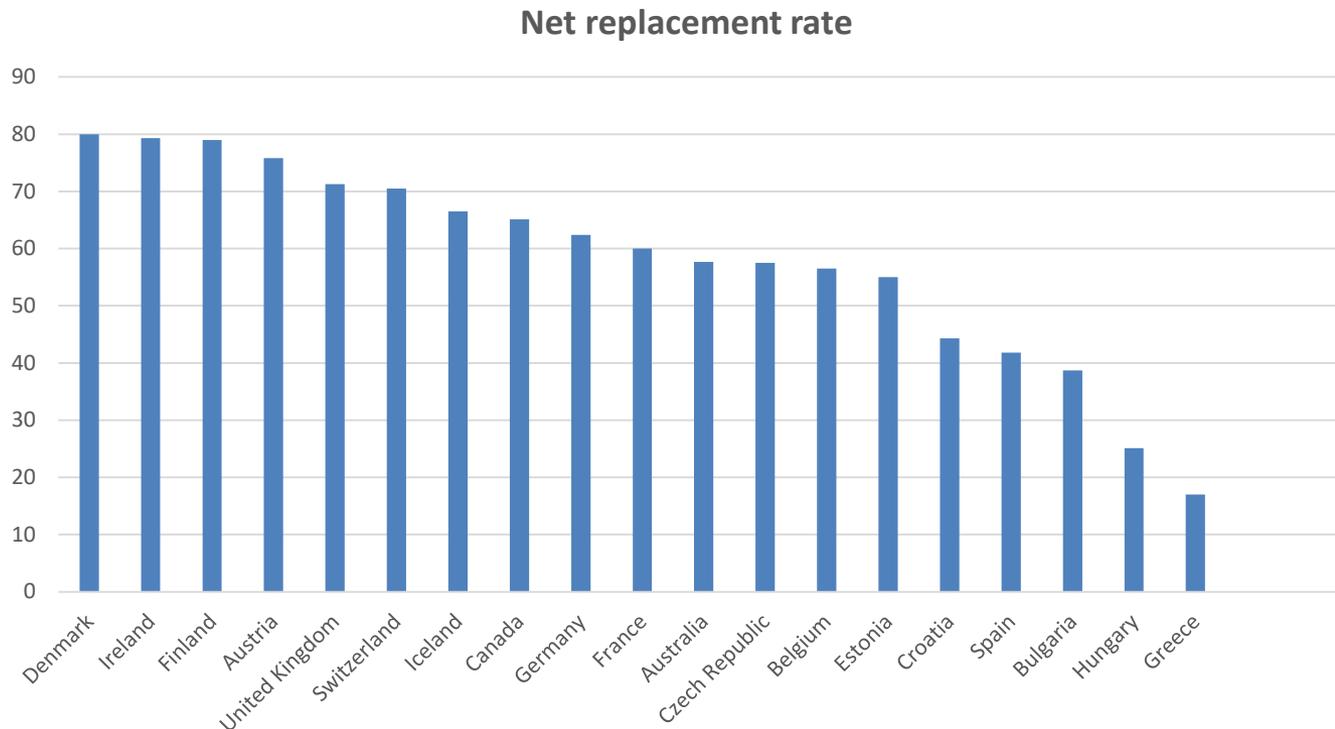


# Key factors of activation strategies in Europe

<p>(a) Generosity of benefits (unemployment benefits, minimum income schemes)</p>	<p>(b) Job-search requirement / sanctions</p>
<p>(c) Expenditures on active labour market programmes</p>	<p>(d) Quality of services, counselling, guidance, labour intermediation, individual action plans, link to social services ....</p>

# Generosity of benefits (unemployment benefit and minimum income)

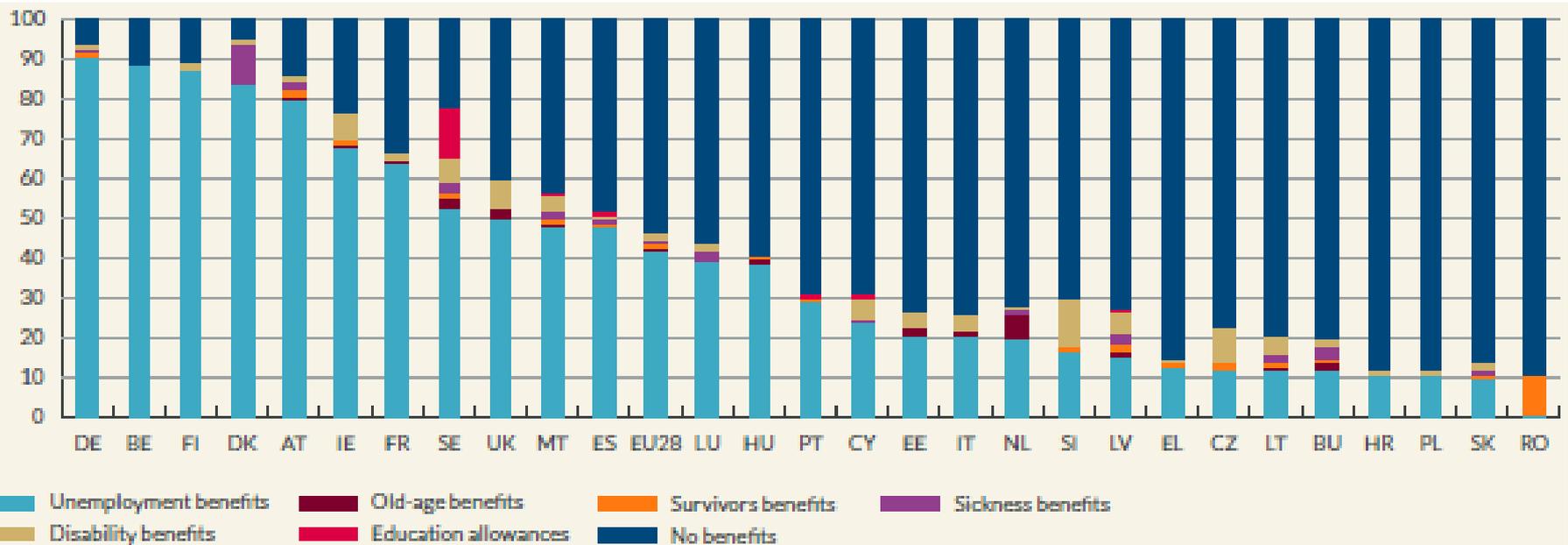
The net replacement rate shows the share of previous income that is maintained after job loss. Here for a couple with one earner, getting the average wage before becoming unemployed, with two children, average of the five years after loss of job.



Source: OECD

→ The countries which are at the forefront in active labour market policies and labour market integration are those with the more generous benefit systems.

# Benefits received by long-term unemployed, 2013



Note: Colored bar segments represent % of long-term unemployed population.

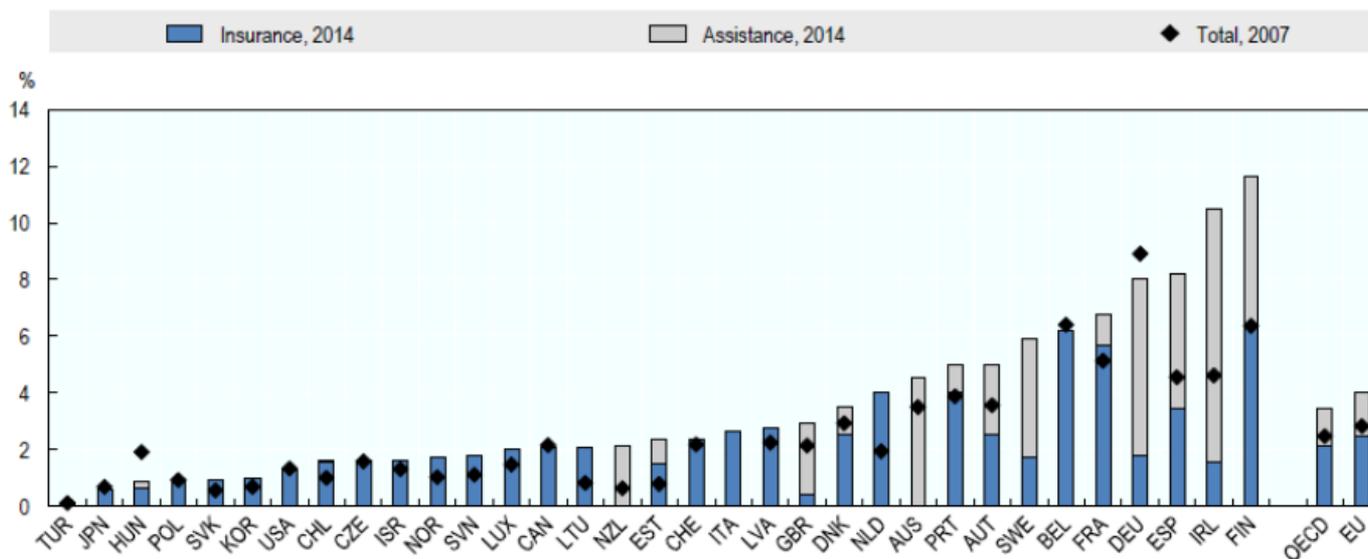
Source: Eurostat EU-SILC microdata, own calculations.

Note: unemployment benefits include also means-tested unemployment benefits / minimum income  
 Source: Duell, Thureau, Vetter, 2016, Long-term unemployment in Europe. Trends and Policies

# Unemployment-benefit receipt (insurance and assistance) 2014

Figure 5.2. Unemployment-benefit receipt rose following the financial and economic crisis

Recipient totals from administrative sources, in % of working-age population (ages 16-64)



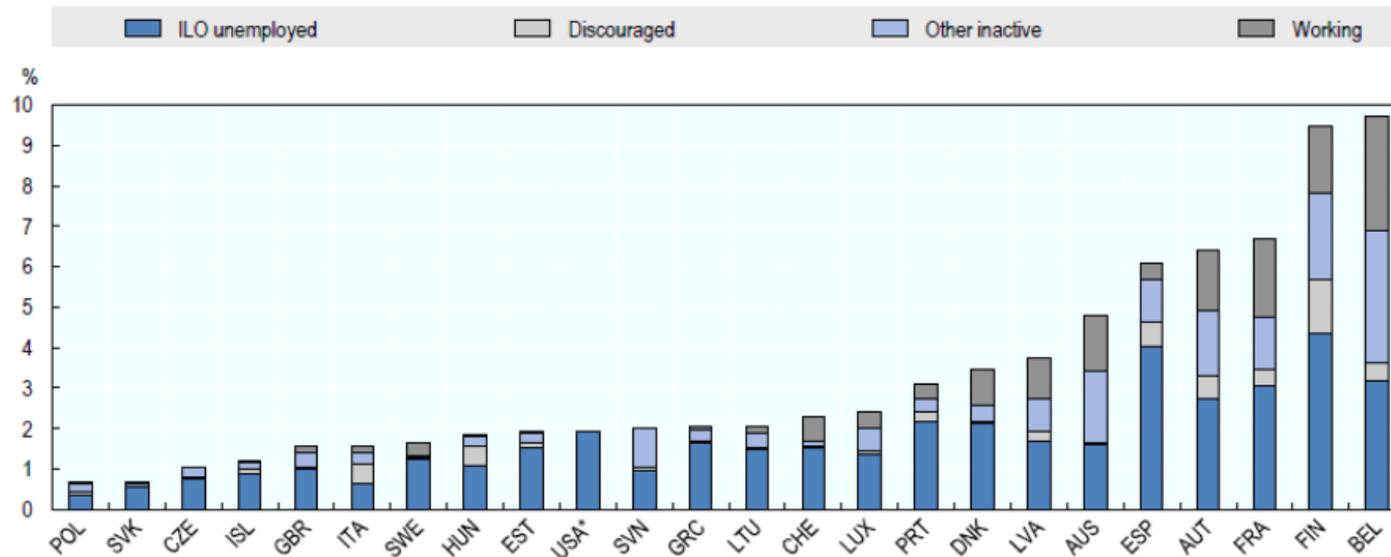
*Note:* Includes unemployment insurance and assistance benefits. Benefit recipients data for Greece are missing and there is currently no unemployment benefit in Mexico. 2007 data for Italy and Sweden are omitted for comparability reasons. In some countries, additional forms of income support may be available to some unemployed (e.g. for participants in certain labour-market programmes).

*Source:* OECD Social Benefit Recipients Database (SOCR) ([www.oecd.org/social/recipients.htm](http://www.oecd.org/social/recipients.htm)).

# Different labour market groups receive unemployment benefits and unemployment assistance 2016

Figure 5.4. Different labour-market groups receive unemployment benefits

Recipients in % of the working-age population (ages 16-64), 2016



Note: OECD, Employment Outlook 2018

# The role of sanctions

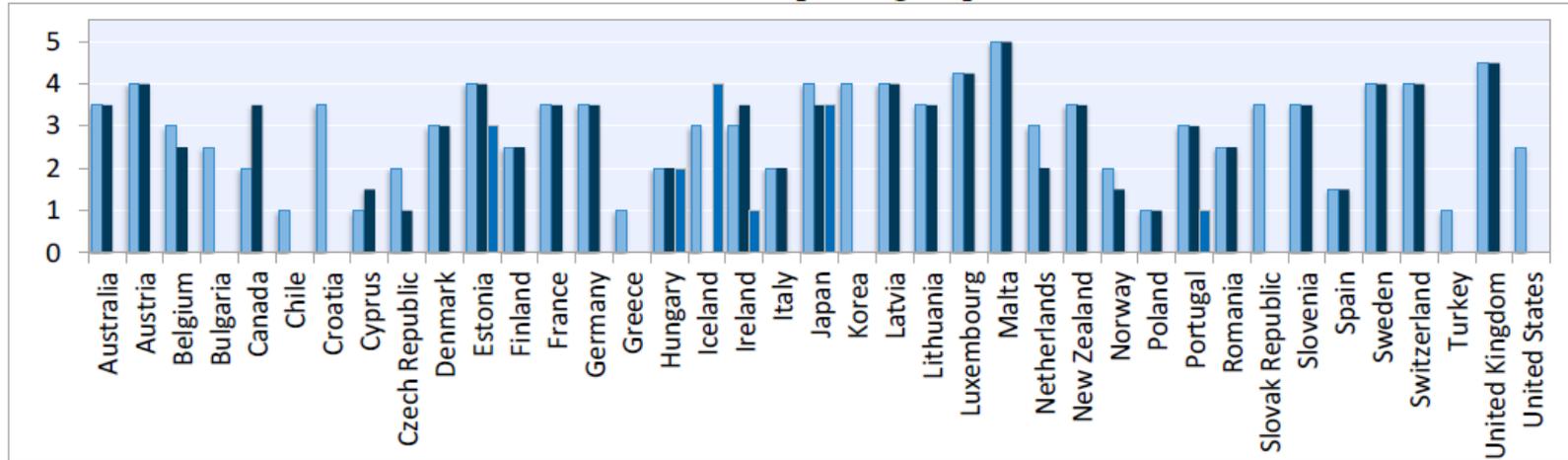
Evaluations conducted in different European countries show varied results:

- Positive effect on job-search for some groups
- Positive effects if benefits are generous and if at the same time active labour market integration measures are available (model of Northern European countries)
- Effect not clear for very marginalised groups (e.g. Germany)
- Sanctions may augment the credibility of counsellors, and in this sense build trust (depends on level of sanctions) (e.g. Switzerland).

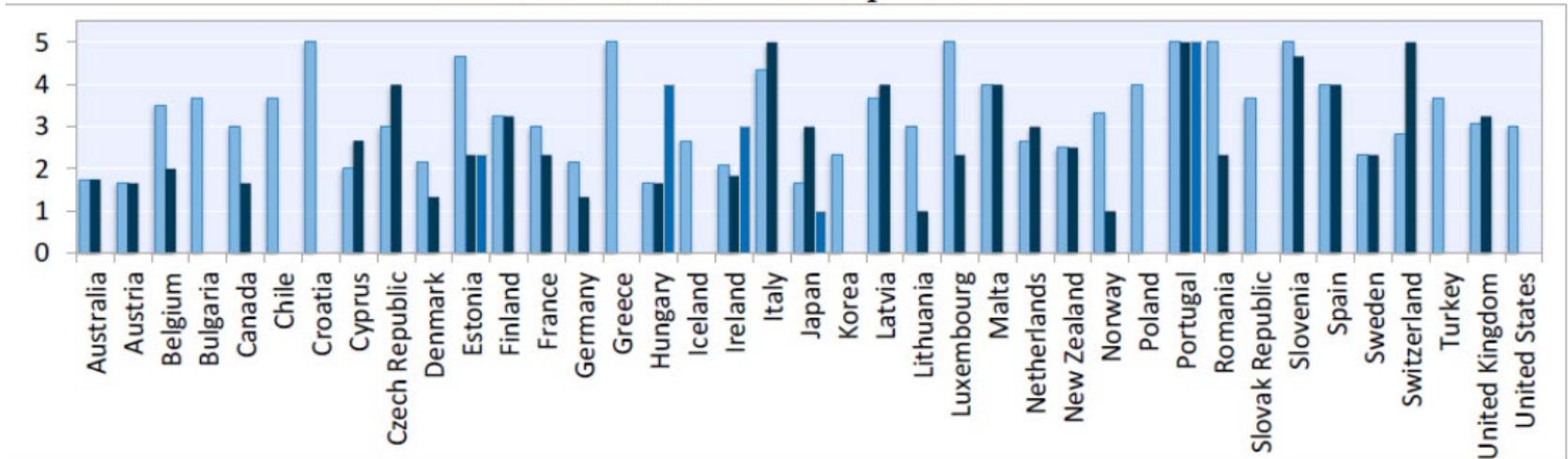
→ Sanctions should not be looked at in an isolated manner, since they interact with other measures.

# Conditionality of benefits

Panel C. Job-search and reporting requirements



Panel D. Benefit sanction provisions



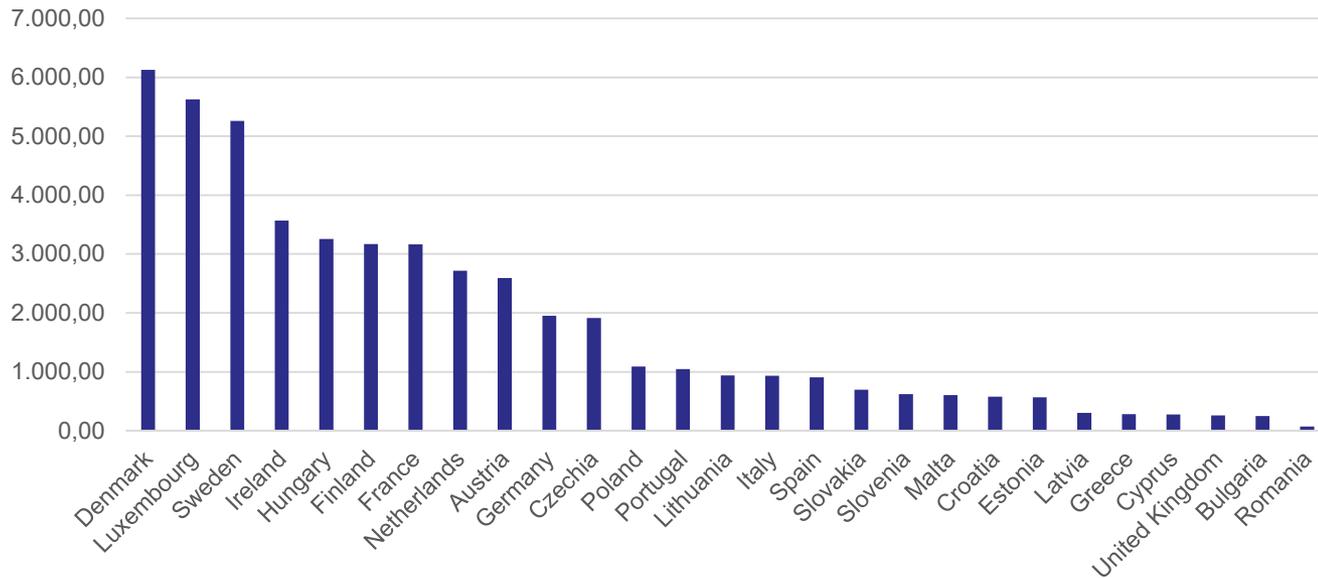
Tier-1

First lower-tier

Second lower-tier

# Expenditures for active labour market policy in 2016

Expenditures active labour market programmes (in purchasing power standard) per person wanting to work



Source: Eurostat LMP, UK: 2010, Italy: 2015

# Variety of philosophies and intervention logics for activation policies

- (i) Neo-liberalism (“work-first”)
- (ii) Interventionism
- (iii) Human capital development (“train-first”)
- (iv) Capabilities approach (Amartya Sen)

These different intervention logics are more and more often combined in a number of European countries.

## ... leading to different objectives for the activation of vulnerable groups

### **Increase the employment rate**

- Utilisation of human capital -> participation in training measures
- „Rediscovering“ certain groups such as older workers and people with health problems (end of a social compromise)
- Avoid rise in inactivity
- Rapid vs sustainable labour market integration
  - shorten the period of unemployment / re-distribution of work in times of mass unemployment

### **Fight against poverty**

- Social integration, fight against poverty
- Reduce benefit dependency
- Reduce the risk for children to grow up in non-working households
- Mutual obligation

# Access of minimum income recipients and vulnerable groups receiving no benefits to employment services

- Limited access in many countries
- They often do not represent priority groups for Public Employment Services
- Many long-term unemployed are not registered with the Public Employment Service.
- The social services often do not have enough capacities for labour market integration.
- Complex problems and multiple employment barriers require holistic and innovative approaches

→ In search of new mechanisms

# Multiple labour market barriers

## Low labour demand

- In particular in those countries most hit by the economic crisis.
- Prejudices / discrimination (e.g. older workers)

## Structural factors

- Low qualification level
- Skills mismatch, economic restructuring

## Factors linked to the individual

- Lack of social networks
- addictions
- Bad health
- Over-indebtedness
- Lack of self-confidence, life crisis
- Child care or caring duties for older parents
- Housing problems

# Cooperation between actors; holistic approaches to tackle complex labour market problems

- **One-stop-shops, merging of services** (p.ex. UK, Norway, Germany, Finland (for certain groups), ...)
- **Interinstitutional cooperation** (e.g. Switzerland, Belgium, France for certain groups, ....)
- **Cooperation between the different services within an institution**

# Lessons from IDSS Study

We identified

- **Two** pathways for integrated services that have the potential to be contribute to the efficiency and effectiveness of social services aiming at the activation of minimum income recipients in the labour market.
- These pathways resting on different institutional approaches
- **‘Encompassing’** and **‘limited’ pathway of integration** in a view to discuss the challenges for introducing these models regarding
  - Political commitment,
  - Planning/design,
  - Implementation
  - Monitoring in various contexts.

# Lessons from IDSS study (2)

Warning: To be kept in mind:

- In reality, we find reforms that can be placed on a **continuum** of integrated services – from **very loose cooperation via institutionalized cooperation to formal mergers** of previously separated agencies - depending on institutional conditions, political cultures and ambitions with integrated services.
- **No ‘one-size-fits-all’ solution suitable for all countries**

# Two pathways for reforms of integrated services

## Pathway 1 - the encompassing model

- This model of integrated service **spans different policy areas** (social policy, health, employment), and includes the **larger part of the case-processing procedure**, is based on **legislation** that allows institutional changes, and implies a **change in the distribution of tasks between the state and local government**.
- Countries that serve as an example for this model are **Denmark, Finland, Germany, Ireland, Norway, Spain/Basque country, UK**
- May be relevant for countries where existing services are relatively highly developed as well as accessible and the reform capacity of public administration is relatively high.

## Pathway 2 - the limited model

- This model is built on **more or less institutionalized cooperation**, is embedded in the **existing institutional setting** and characterized by **considerable local leeway and variation**. It also **spans different policy areas**.
- Countries that serve as an example for this model are **Austria, Belgium, France, Poland, Romania, Switzerland, and partly The Netherlands**. In some countries, elements for both models can be found (Slovenia).
- May serve as a model for countries where employment or social services (or both) are less developed/highly fragmented, or where the capacity to implement complex institutional reforms is constrained.

# Pathway 1

## PHASE 1 - Political commitment and goal setting

Reforms to integrate services are often complex, affecting multiple stakeholders and reveal the significance of state capacity, political commitment, political institutions and capacities.

**Political commitment** facilitates the establishment of complex reforms such as integrated services

- a centralized governance system with relatively few strong veto players in the political system
- cross-party consensus over goals and key policy solutions (Denmark, Germany, politically agreed-upon definition of a multi-faceted problem )
- political support and commitment of high-ranking public employees at governmental level institutions (Slovenia)

**Goal setting: broad and complex** in pathway 1 type reforms

Often one component of **larger welfare reforms** and/or that reforms imply a change in institutional settings that require legal changes (Hartz 4 Germany; Ireland)

Goals often span organisational changes, efficiency of schemes and benefit dependency

**A window of opportunity**

Election, scandal, crisis, high figures of benefit reciprocity

# Pathway 1

## PHASE 2 - Planning and design

In this stage, the institutional setting of a country is decisive in determining involved actors and form and content of integrated services

- **Which services and benefits are to be integrated**
  - Focus on competences necessary to work with multi-problem clients
  - No rule about which type of actor is more appropriate than another, the more important decision is that a broad range of competencies is included to meet the multiple needs of clients (incl public and private)
  - Question of how far-reaching integrated services can or should be.
  - Social services and PES play the dominant role in all our examples: this mirrors the responsibility the PES has received for vulnerable groups and the increased importance of activation policies for groups far from the labour market, adequate provision (sufficient offices) of both throughout the country is an essential precondition for Pathway 1 reforms.
- The **appropriate institutional form** of the planned integration  
Pathway 1 reforms often reach across different political and administrative levels of government; decisions regarding organization (**mergers, colocation**), **steering** (variations of “Steering not rowing” devolving of responsibility but remaining control on national level, e.g. performance requirements), models of shared vs single leadership), relationship between national control and local autonomy.

# Pathway 1

## PHASE 3 - Implementation

- Developments of **joint routines around case-processing** procedure is of particular interest
  - Often the more detailed terms of cooperation and institutional arrangements between actors have to be worked out at the local level, this includes agreements regarding the allocation of staff from earlier separated organisations, meeting procedures, documentation (Finland: service chain)
    - depends on earlier chosen lead organisation
- Particular emphasis on **staff education**
  - Diverse background of education, preparation/involvement of staff highly necessary [Efforts to deal with that in Ireland: large scale staff briefings, staff surveys, a ‘culture and values’ programme]
- **Shared IT-systems**
  - Legal barriers because of lack of clear legislation on data transfer between separate legal entities and strong regulations on personal data protection (issue of designing and the implementation phase)

# Pathway 2

## PHASE 1 - Political commitment and goal setting

- **No political commitment at national level** or **state capacity** for the establishment of more complex reforms
  - Political conflicts, strong regions, poor institutional capacities
- Integrated social service delivery as an element of a **gradual reform process/ processes-oriented reforms**
  - Reform of PES (Poland),
  - Reform of the social benefit scheme (Slovenia),
  - Implementation of a joint guidance of minimum income recipients and intensified cooperation between the PES and the social services in France.

Pathway 2 reforms do not need a change in legislation, instead, **build on signed agreements and commitments between the relevant actors**

- **Political commitment at the regional level** sometimes more important than at the national level, increase acceptance and feasibility of reforms, at the price of a higher heterogeneity across the country.
- Use of pilots common, enables to test social innovations.

# Pathway 2

## PHASE 2 - Planning and design

- **Inter-institutional cooperation as an objective**
  - PES and social services play a main role in Pathway 2 reforms,
  - Crucial position of the PES in integrated services mirrors the increased importance activation policies has for groups far from the labour market.
  - Issue of blurred boundaries between the responsibilities of social services and PES, question of how parallel and overlapping interventions can be avoided without losing sight of the specificities of both target groups.
- Modes of inter-institutional cooperation vary in their **formalisation, the intensity of cooperation, autonomy of the key actors and responsibilities**
  - Models are often the result of conflict of interests
  - (Lack of) financial incentives to cooperate and institutional incentives (use/share of networks, cooperation)
- **Models of leadership**
  - Mixed, institution with the highest capacity or to the institution which was the driver of the cooperation agreement
  - Effectiveness of the chosen model depends on the capacity of the main actors
- **Performance indicators**
  - need to take the distance from the labour market/vulnerability of vulnerable groups into account, often missing at social welfare services
- **Challenge in some countries: limited access to social and other services**

# Pathway 2

## PHASE 3 - Implementation

- **Profiling / identification** of groups in need of employment services and social services support
  - the social services and the PES do not use the same methods and tools to identify groups at risk;
  - more advanced examples do work on shared profiling (e.g. France, Switzerland)
- **Fostering cooperation**
  - between different services within and across institutions
  - cooperation between different services within each of the institutions,
  - horizontal cooperation mechanisms (meetings, personal links)
- **IT-systems / exchange of information** (e.g. Austria, Slovenia, France)
- **Modes of case management**

Three main models of case management can be identified:

  - joint or common case management / continuously providing joint services;
  - regular coordination,
  - case by case coordination

# Cont.

- **Outreach activities**

limited access to social benefits/services makes strategies to reach those who are not claiming means-tested minimum income benefits. In some countries such activities have been developed for vulnerable youths who are detached from the labour market, in others for long-term minimum income recipients.

- **Outsourcing**

Option if private entities and NGOs are specialized in dealing with complex problems and vulnerable groups, overcome limited institutional capacities.

- **ALMPs and instruments for promoting labour market integration**

The types of active labour market programmes (ALMP) used depends on the overall activation strategy, PES and the social services open up their programmes for the wider target groups, Pathway 2 countries are less likely than the pathway 1 countries to design new ALMPs targeted at minimum income recipients.

- **Institutional capacities and resources**

Caseload, staff

# Key lessons and policy Recommendations – The political commitment and goal setting

- (i) Service integration is not a silver bullet: it **does not solve all inefficiencies** in service provision and it **requires considerable administrative capacity** to design and implement appropriately. (Need to evaluate capacities)
- (ii) Governments need to weigh the potential **gains** of a large and encompassing institutional reform against other options that are more **feasible** or may yield similar benefits at lower **cost** or within less time.
- (iii) Putting service integration on the agenda:
- Though **service integration reforms are mainly technical** in nature,
  - for **ambitious reforms** it is important that the government secures a **broad political consensus**.
  - For **limited and process-oriented reforms**, political commitment at **local** level is essential.
- (iv) Goals need to be defined about **what type of services** and for **which target groups** should be integrated, going beyond monitoring conditionality of benefits. This should be perceived as a **process**. When starting with narrow objectives in terms of target groups, service areas or

# Key lessons and policy recommendations – The designing phase

(i) **Understanding the need** for improved integration of social services

- Reviewing experiences gained over time for similar target groups.
- Continue research on how to integrate people into work with physical and mental health problems and potential role of occupational doctors.
- Involve a wide range of stakeholders

(ii) **Introduce financial incentives**

- End-of-year auditing and realignment of budgets based on workloads and cost savings,
- Increased investment in preventive services,
- Pooling budgets,
- Creation of a surplus account funded by system-wide cost savings to meet shortfalls in budgets due to higher demand in a given service

# Key lessons and policy Recommendations – The designing phase (continued...)

(iii) Clear decision on **leadership** between institutions:

- Giving the lead role to the PES may work well especially if the main goal of the reform is to increase activation and the existing case-management capacity of social services is limited.
- If social and employment services are equally developed, close coordination and cooperation between the PES and the social services may be more appropriate, e.g. in the case of shared roles assign to one agency responsible for coordination of the partnership and service delivery;
- Rotating leadership

(iv) **Planning resources:**

- quantity and expertise of staff and their allocation across service units in the whole country,
- including rural areas.
- Reduce case load (number of vulnerable jobseekers per counsellor)

# Key lessons for the implementation phase (cont)

## **(i) Integrating IT systems**

## **(ii) Internal cooperation / team work**

- Test shared profiling and diagnostic methods
- Adapt / improve internal communication structure
- Work in inter-disciplinary teams, multi-competencies teams

# Key lessons for the implementation phase (cont)

## **(iii) Work organisation and counsellors' role**

- Combine case management and specialists' work
- Find the right balance between autonomy of the job counsellor and the rules defining their action
- Introduce mechanisms for outsourcing of specialised services, so as to avoid creaming effects (e.g. how to define "objectives")
- Encourage development of social innovations

# Key lessons for the implementation phase (cont)

## (iv) Individualised approach

- In order to identify **employment barriers** and **competencies** of the jobseeker
- **Allow for failing**
- Promote the **autonomy** and **self-confidence** of jobseekers
- Organise **group activities, workshops, peers**
- Take proactive approaches to reach out to the individuals
- **Mediators** coming from the target groups
- Partnerships with **NGOs** and **civic society**

# Key lessons for the implementation phase (cont)

## **(v) Better combine different programmes and services**

- Develop new instruments / programmes for labour market integration : e.g. combine guidance, work experience and training measures

## **(vi) Cooperation with employers**

- Take a pro-active approach and contacting employers
- Partnership with employers, networks with companies having corporate social responsibility schemes, social enterprises
- Follow-up services, once hard-to place groups are hired.

# Key lessons and policy Recommendations – monitoring and evaluation

- (i) Collected in a uniform IT platform that allows access to individual-level data at all organisational levels; ideally common monitoring system
- (ii) Collect information on service costs per client and service units
- (iii) Regular surveys on service user and staff (especially counsellor) satisfaction should be conducted
- (iv) Need to adjust and extend existing monitoring systems with new indicators (e.g. length and ‘smoothness’ of the client journey, time spent on administration, client waiting times in local offices, and possibly poverty or social inclusion)
- (v) Understand evaluating reforms and processes towards integrated social service delivery as a learning process
- (vi) Conducting process-orientated evaluations
- (vii) Counterfactual evaluations, including evaluating pilots
- (viii) Include non-tangible results when assessing the effectiveness of the integration of social services delivery in the long-term (including potential effects on the next generation)

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Gracias!