



The governance of workforce development and employment services and its impact on jobs

Governance and Performance Management of PES in the
US and EU
Brussels, 3 - 4 September 2015

Sylvain Giguère, Head of the LEED Programme, OECD



An increasingly demanding agenda for the PES

- **Growing complexity of core and new tasks** (broader reach, prioritising, targeting)
- **Sustainable, skills-based matching** which brings value to individuals, employers and the economy
- **Stimulating skills utilisation** for higher productivity and job quality



More to do / Better at doing it: A trade-off?

- Calls for greater ability to work across policy lines, and co-ordinate with education and economic development stakeholders
- Production and better use of LMI
- More effective harnessing of profiling techniques
- Less funding

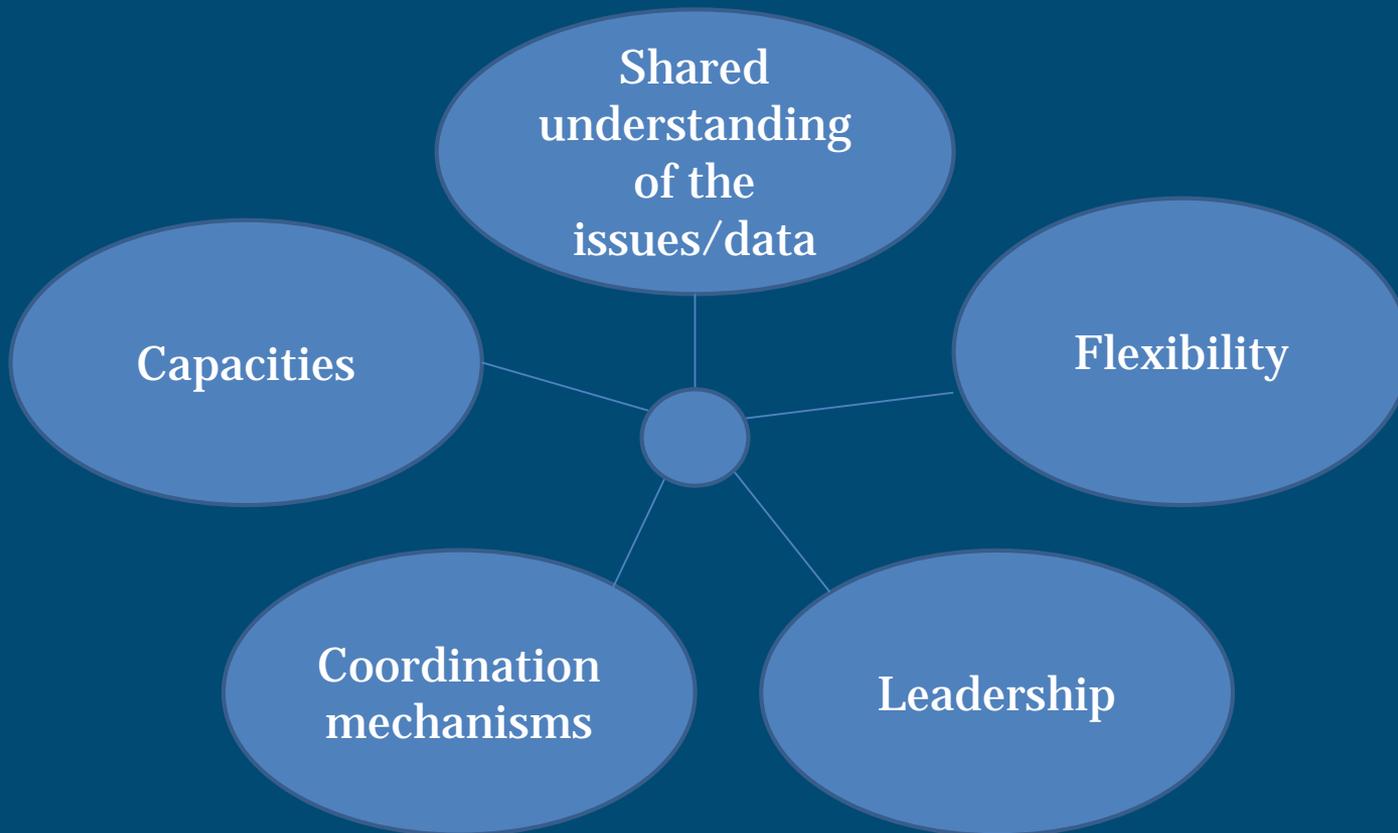


The upshot

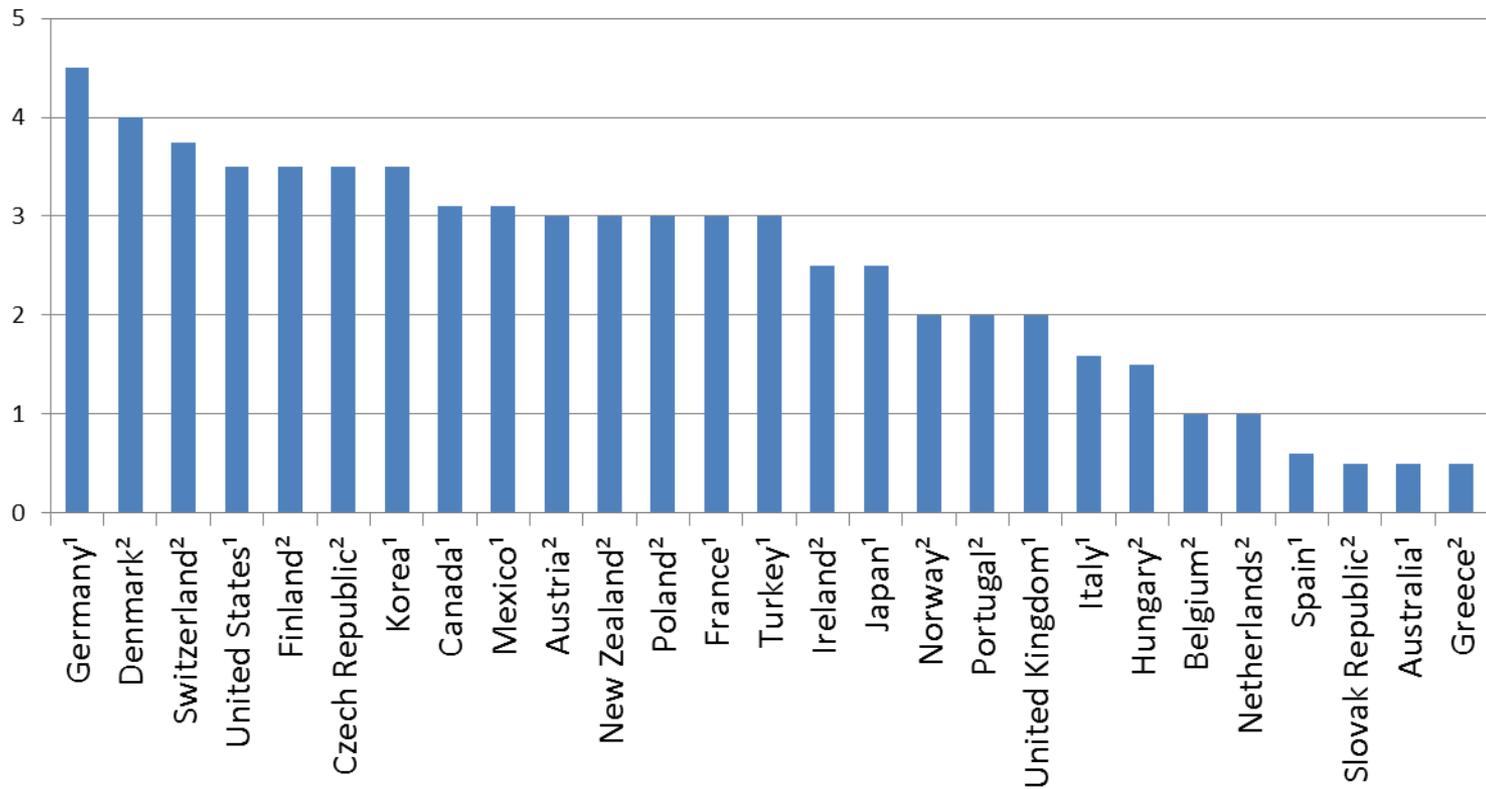
- More stringent management by objectives
- Greater pressure to work in partnership



What it takes to work effectively in partnership



Flexibility in workforce development varies greatly: Selected OECD countries



Notes: TL3/NUTS3 or below; ¹ Last updated in 2015; ²Last updated in 2009
Source: OECD LEED Database; OECD LEED contribution to the G20 (2015) ;
OECD (2009), *Flexible Policy for More and Better Jobs*

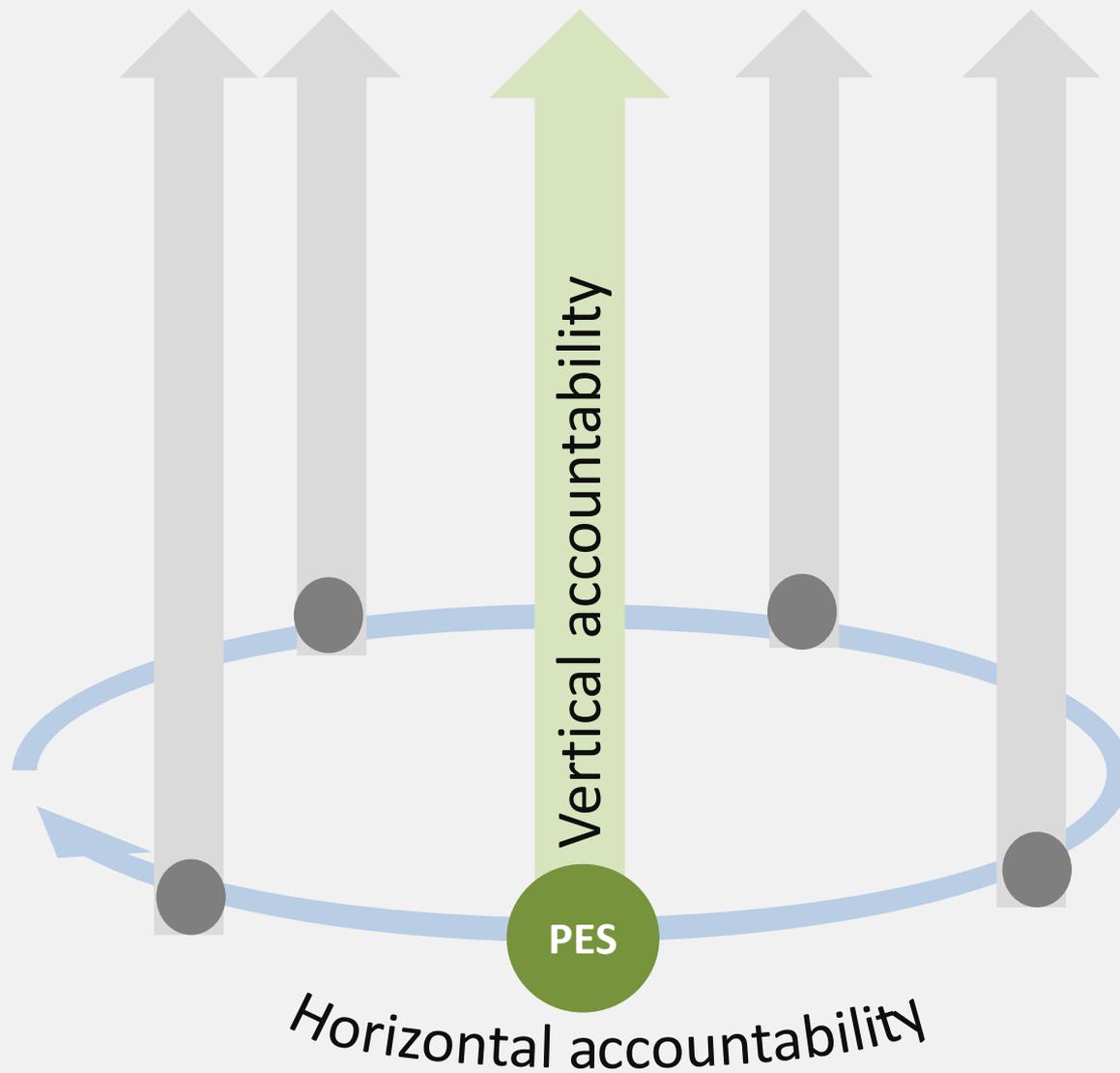


Managing flexibility and accountability

- Performance management
 - Broad qualitative targets
 - Local-national negotiations
- Budget management
 - Amalgamation
- Legal framework
 - Waivers



More flexibility needs to be matched by horizontal accountability





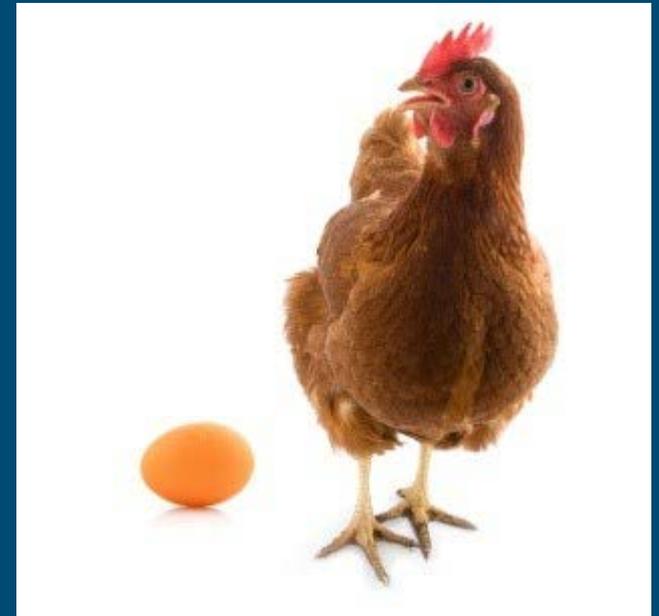
Horizontal accountability

- Often achieved through boards, associations and advisory committees, e.g.:
 - Workforce investment boards in the United States
 - Four Party Association, Korea



Capacity is also key

- Poor capacity locally (skills and resources) can prevent the effective use of flexibility
- It is difficult to build capacity with no leeway to 'learn by doing' (one response is incremental flexibility e.g. US waivers, UK city deals)





Going forward

- You can reconcile greater demands on the system with addressing cross-cutting challenges
- Flexibility needs to precede partnerships requirements
- Flexibility can be injected in all PES systems, all country structures
- Flexibility does not reduce the system's ability to attain national objectives (if well managed), in fact evidence (to be treated cautiously) suggests the opposite
- Capacity can be built at the same time as you increase flexibility
- Important to capitalise on experience: collect practices, compare, analyse and disseminate



Thank you

sylvain.giguere@oecd.org
www.oecd.org/cfe/leed



What do we mean by local flexibility?

- Strategic vs delivery
- Level of local labour markets
- About management issues (not political devolution, e.g. regionalisation)
- Getting down to the ‘nitty-gritty’
 - programme design
 - performance management
 - budget management
 - the determining of eligibility
 - outsourcing
 - possibility to collaborate with other stakeholders



Where there is more flexibility (from the World of PES Survey)

