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ORACLE®

A global perspective on
unemployment
and employability

Issues and challenges facing employment and welfare agencies

Capgemini and Oracle's World Jobseeking Report 2013

People matter, results count.

Introduction

Introduction

1 Introduction

Transformation is not an isolated activity. There are many ideas to share and develop that we can take from the impressive journeys of a number of employment and social security agencies and organizations around the world

In our digitally connected world, more and more employment and welfare agencies are demonstrating their use of smart solutions for dealing with administrative or information-based activities. This is a vital step on the journey to a broader transformation urgently needed to manage the demands of growing unemployment and more people struggling to make themselves employable.

The agencies charged with helping these citizens back to work must find ways to provide more context-rich content. They have to adapt to the digital environment and seize the opportunities for working in a far more modern and interactive environment that is faster and more immediate than ever before. They need to plan ahead and prioritize efforts and services in line with the often reduced budgets allocated by the state and ministries.

The good news is that this transformation is not an isolated activity. There are many ideas to share and develop that we can take from the impressive journeys of a number of employment and social security agencies and organizations around the world.

This report summarizes the findings of research by Capgemini and Oracle into this good practice. It identifies individual transformation successes and provides thoughtful information that will help welfare departments and governments facilitate and implement policies for tackling the common global challenge of unemployment and employability.

Country reports

Additional information based on in-depth analysis of the experiences of ten countries is available to download as a supplement to this report. This country-specific information provides an overview of individual economies and the reasons behind their current states of employment. It analyzes some of the best practices in low unemployment countries and considers the lessons for those governments around the world facing a deep unemployment crisis.

A Global Challenge

» Fast Growing Economies (FGEs)
» Issues & Challenges

A global challenge

FGEs »   Issues & Challenges

2 A global challenge

The issue of unemployment and employability has risen to the top of the political agenda. Businesses and citizens alike are facing increasing levels of unemployment as the challenging economic climate continues to hit hard. As such, it has become imperative for governments, welfare agencies, support organizations, and companies themselves to come up with a plan to arrest this alarming upward trend in unemployment.

This is clearly a global challenge. The close links between different economies make it more important than ever for countries and regions to work together to tackle this problem. Sound policies using insight from across the global job seeking landscape should now be taking precedence over more locally-driven policies.

Fast Growing Economies (FGEs)

The debate about unemployment is far reaching. It extends beyond the more high profile OECD (Organization for Economic Co-operation and Development) countries to the fast growth economies, such as Latin America, Mexico South East Asia and India. While these countries appear to be bucking the global economic trend, there are still challenges in the area of unemployment. Much of the population remains in a poor economic state because of the need to shape and invest in skills that make them employable. Reform underway is aimed at upgrading dated infrastructure, the modernization of welfare systems and labor laws, to improve life chances so that economic growth does not lead to huge income inequality.

We are seeing just such a situation in Mexico. Here, despite unprecedented macroeconomic stability reducing inflation and interest rates to record lows and increasing per capita income, Mexico is currently struggling with an increasing rate of unemployment. In the first quarter of 2007 the unemployment rate was 3.96%. Five years later in 2012 the National Institute of Statistics and Geography (INEGI) determined that this rate had risen to 4.93% for the first quarter. In the latest INEGI update, the unemployment rate for January 2013 was 5.42% amongst the economically active population.

Despite unprecedented macroeconomic stability reducing inflation and interest rates to record lows and increasing per capita income, Mexico is currently struggling with an increasing rate of unemployment.
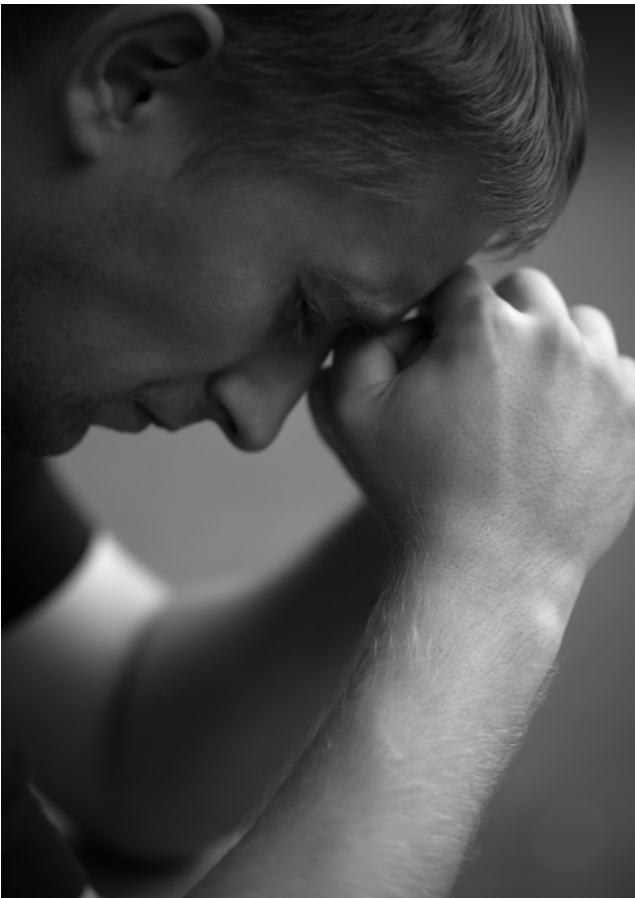
A global challenge

Clearly, despite its economic stability, Mexico is not immune to the global challenge of how to increase employability across its workforce. According to the School of Economics at Universidad Nacional Autónoma de México (UNAM), the employment outlook is dependent on how the U.S. and Europe's economies perform. *Find out more about Mexico here.*

Common issues and challenges

Whether in Mexico or Sweden, the UK or Australia, the transformation of the current employment and employability landscape has to answer three common questions:

- How can we help people find jobs more effectively?

- How can we achieve cost efficiency in the service delivered?

- How can we address the various levels of maturity in current systems and attitudes to system modernization so that we succeed in the digital world?

A Digital World

The Way Ahead

» Employment for All
» Innovation
» Long-term Unemployment
» IT Transformation

A Digital World

This Austrian success story is the result of collaboration between the Ministry of Education, Ministry of Labor and Employment, and a highly practical market-oriented employment landscape.

3 The way ahead for a transformed employment landscape

Tomorrow's employment services must be built on impeccably high quality services. It's what today's citizens demand – indeed they expect it based on the level of service they receive from the private sector organizations they interact with on a daily basis.

3.1 Employment for all – a European success story

Is the aim of today's employment agency to ensure that jobs can be found for all? Or is it, in fact, more pragmatic to assume an agency's primary task is to ensure that everyone has the right support to facilitate the finding of a job quickly? Another task should be to support a job seeker's suitability for the application with the development of skills. The job seeking agency has to ensure the proper balance between supply and demand, but to do this, offers from potential employers must be in place.

This takes us to a consideration of how the employment departments of tomorrow can learn from the efficiency exhibited in those countries with high levels of employment. Austria is a case in point. Here near full-employment is almost the norm. This Austrian success story is the result of collaboration between the Ministry of Education, Ministry of Labor and Employment, and a highly practical market-oriented employment landscape. For at least the past decade, Austria has understood the value of training at school and at university, with jobs and offers following the lesson trends. Contracts are awarded as part of this training, but there is also excellent coordination, responsiveness and flexibility in terms of training offered in secondary and higher education.

A Digital World

Watch
a Capgemini Client Story

Working Links: Overcoming Barriers to Employment in the UK .

The UK Government's Work Programme was established in June 2011 with the aim of providing tailored support for unemployed people who need more help than others in their jobseeking. Capgemini was involved in the inception of one of these providers, Working Links.

While this Austrian model requires significant developments on the part of the educational institutions, which may take time to implement, there is no doubt that lessons can be learned by those countries struggling to turn around their unemployment records.

3.2   The role of innovation

Innovation is playing an integral part in the employment programs of different countries. But many new and innovative services are still in their infancy. For example online skills assessment, by profession, is a real possibility, as are training courses adapted to the wishes of the individual, and in line with potential jobs.

Other innovations include the introduction of online training, with the possibility of online testing and rating reviews, which will expand the candidate's CV. A security protocol carefully checking the identity of the applicant could help to prevent fraudulent activity and will be part of the controls that a future back office might put in place.

3.3   Getting the long-term unemployed back to work

There is an urgency across the world about the training and employment of young people, especially in the southern Europe countries of Greece, Portugal and Spain. Can we learn from programs such as those implemented in the UK by semi-public status authorities like Working Links?

- The UK Government's Work Programme was established in June 2011 with the aim of providing tailored support for unemployed people who need more help than others in their jobseeking. Services are delivered by 18 providers who are paid by results. Capgemini was involved in the inception of one of these providers, Working Links.
  This was a pioneering public-private partnership back in 2000. Since then it has helped over 250,000 people into employment. Participants receive support and coaching to overcome barriers that prevent them from finding and staying in work. One area of its work is with the prison probation service to help inmates in eight prisons. Through the Working Links service, around £4m of profit has been reinvested into over 150 community projects which have benefited the wider social landscape. *Find out more about Working Links here.*

A Digital World

- The Slovakian Government recognizes long-term unemployment as a key challenge, and aims to address the problem using active labor market measures (ALMM). Tactics include the formation of projects supporting the creation of jobs for long term jobseekers. The government also implements policies aimed at helping individuals train or re-skill depending on current labor market trends and demands. *Find out more about Slovakia here.*

Schemes such as these demonstrate how authorities have adapted solutions to help rescue young people who need to find jobs within 6 to 12 months. After this time they enter the realms of the long-term unemployed (LTU) and become four times less able to find a job than those who know they need to change and start looking for a job before they lose their own.

Transformation through IT – examples of best practice

Internal restructuring to provide employees the tools and support they need to do their jobs more efficiently and cost effectively is vital to support transformation in government. The Australian Department of Human Services (DHS) undertook a large ICT programmer in 2011 aimed at merging and standardizing the ICT systems across three government agencies. This is making it easier for employees to do their jobs effectively by harnessing the latest technology. *Find out more about Australia here.*

Germany's Bundesagentur fur Arbeit (BA), the federal agency for the German labor market, underwent a similar transformation program for its call center and service desk platforms. It implemented a new unified and custom IT system called ROBASO. This new system is reducing the number of other IT platforms that agents have to interact with. It aims to increase the speed with which they can work through more efficient workflow management, thus delivering a better service when helping citizens back to work. *Find out more about Germany here.*

What we See

» Customer Insights
» Improved Compliance
» Customer-centric Technology
» Youth Unemployment
» Core Platform Technologies
» Digitization

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4 Key things we see

Capgemini works with leading welfare administrations around the world and is seeing a number of trends, including:

- *A drive to "digital by default"* where the government offer digital services and products that meet people's needs, in that the majority of customer interaction is either conducted online, by app, by text or using interactive telephony without the need for human contact

- *Making it simpler for jobseekers and welfare claimants to interact with government* through the use of such things as plain language and online guidance – for example welfare applicants are more likely to comply with benefits requirements, such as the need to inform of any changes of employment circumstance

- *A new compliance model where the focus is on prevention of fraud* at point of application or change of circumstance, rather than post-event detection and attempted recovery – leveraging new data sources and more sophisticated modeling tools and data mining and requiring significant changes to processes and people capabilities

- *Standardization of processes and underlying IT platforms* to simplify operations and reduce the cost of administration

- *New business models* – these include outsourcing/joint ventures for selected functions, such as placing people back into work, analytics as a service and debt recovery.

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The more you know about your customers, their capabilities, training needs, etc., the better able you are to help them back to work in jobs that are appropriate to their needs and abilities.

A more efficient service for jobseekers and reduced spending on unemployment benefits and welfare must surely be the outcomes of all the above trends. At the heart of everything is the customer – those citizens seeking ways back into work or of improving their employability for future employment opportunities. This focus on the citizen has three strands:

- Customer insight and customer centricity
- Improved compliance
- Customer touchpoints

4.1 Customer insight and customer centricity

There are a number of factors to consider in pursuit of greater customer insight. Why is this insight important? The more you know about your customers, their capabilities, training needs, etc., the better able you are to help them back to work in jobs that are appropriate to their needs and abilities.

4.1.1 The importance of 'Big Data'

How can Big Data and the customer intelligence it provides be leveraged to improve welfare delivery and better manage the journey back to work? In Germany and the Netherlands for example, various projects are underway aimed at improving the quality of data warehouses, and how best these can report insightful data to management.

4.1.2 Developing a skilled workforce

Developing new skills that correspond to labor market needs will increase the productivity and employability of workers. Countries must extend the capacity of education and training systems so that they ensure quality of initial education and lifelong training opportunities. Training must be open to low-skilled or highly skilled workers, and be organized in cooperation

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with social partners and enterprises. Where possible, for example within regions such as the EU, states should encourage labor mobility through systems for recognizing acquired competencies.

4.1.3 Customer-centric technologies for greater employability

There is a growing expectation from service users that they can access services easily via online, mobile, and self-service channels. This has the added benefit that expensive face-to-face services can be scaled back in order to reduce costs. In Denmark for example, there is a major shift towards such e-Service provision and an accompanying reduction in face-to-face services. *Find out more about Denmark here.*

In Germany, a program known as EKIM Stuf 2 aims to provide a single sign in and web portal for users of many different services. *Find out more about Germany here.*

The lack of an effective job matching system is recognized by many countries as a bottleneck for employment. In the Netherlands a system known as 'Werkm@p' is used to push relevant jobs to people via various electronic methods, but the quality of matching is thought to be an issue. *Find out more about the Netherlands here.*

As previously mentioned one possibility is to use technologies from the private sector, as the UK Government has done by building elements of the Monster.co.uk jobseeking website into its new Universal Jobmatch service. *Find out more about the UK here.*

Mobile technologies are a huge growth area of technology usage, and it is only natural that employment agencies aim to take advantage of this to cater to their users' needs. A great example of this is the Swedish Arbetsförmedlingen (employment agency) application for smartphones. The application allows for user-specific searches that tailor results to the user's experience, location and preferences. *Find out more about Sweden here.*

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4.2 Improved compliance

While Tax & Welfare regimes differ across countries (and within regions or states) there are a number of common activities that transcend boarders and boundaries. How do you ensure people pay the tax they owe and receive the benefits they are fairly entitled to? When someone returns to work, are they able (or prepared) to alert the relevant agencies of their new situation? If they can't (or won't) how can this be tracked and rectified?

This is a crucial step in the new fiscal regimes where spending cuts can only deliver so much. Increasing the tax yield and cutting overpayments and error in welfare are clearly other avenues for governments urgently seeking to reduce huge budget deficits. Analysis of data across tax systems and risk assessments provide the richest picture of your customers, their behaviors and spending patterns. Achieving this requires a different approach to business and technology supported by logical and practical governance.

Across the world, we are already seeing the adoption of leading practices designed to improve tax compliance and reduce inappropriate welfare payments, including:

- Data matching
- Modeling and alert detection
- Visualization
- Case Management & workflow
- Results feedback loop

4.3 Customer touchpoints

How can employment and welfare agencies adapt to an increasingly global and changing world in which we must offer the ability to work anywhere? With the environment increasingly complex and international, part of the challenge is to understand other cultures, and to operate effectively in other countries. This is already happening in certain countries.

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Online customer touchpoints such as these multi-language portals are an important part of the journey to digital inclusion that is helping employment and welfare agencies reduce their costs and deliver citizen-centric services.

Employment agencies offer multilingual portals in all Northern European countries (Sweden, Netherlands, Norway), which is an evident sign of openness. Southern European countries should take this example and have versions of their web portals in other languages.

Online customer touchpoints such as these multi-language portals are an important part of the journey to digital inclusion that is helping employment and welfare agencies reduce their costs and deliver citizen-centric services. To achieve this citizen centricity, service users need to be at the center of any welfare system reform. Many current systems are a confusing web of portals, paper forms, assessments and processes, which makes it unclear and challenging for users to gauge where they stand in the system. But there are some great examples of this situation being transformed.

The New Zealand Government has implemented a three year program (2012-2015) aimed at making its current benefit system easier to understand and use. It is committed to grouping benefit support differently and changing the benefit names to be more intuitive (e.g. Jobseeker Support, Sole Parent Support). Similar to *Universal Credit in the UK*, there is also an overarching aim to create a more active system, which is simpler, with clear obligations for beneficiaries, and more transparent to taxpayers. *Find out more about New Zealand here.*

In Germany the welfare services provide online portals aimed at service users, to help various aspects of their employment objectives. Lernbörse ("Learning Exchange") is a free e-Learning portal for job seekers, while KURSNET is another more advanced training database with an online portal. *Find out more about Germany here.*

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Youth unemployment poses the risk of reducing the pool of available people contributing into government pension funds in the future. This compounds the systemic strain caused by aging populations in many first world countries.

4.4 Challenges and findings relating to youth unemployment

Youth unemployment is becoming an increasing problem in today's tough economic climate. In the UK for example, youth unemployment has increased disproportionately to unemployment in the general population. Greece, Spain and Slovakia have the highest youth unemployment rates in the EU, forcing their governments to take a closer look at how to tackle this issue.

Youth Unemployment is thought to be driven by three trends in the wider job market:

- Older workers are more pressured to hold onto jobs for longer, due to a personal desire for greater fiscal security in later life and/or mandated changes (e.g. an increase in the retirement age at which one can draw a pension)

- In the current fiscal market, employers prefer workers with known experience, rather than those who may need long-term training and up-skilling to fulfill a given role

- Labor market regulations can make it risky or expensive to take on new workers. This tends to impact particularly on young people entering employment for the first time

Youth unemployment poses the risk of reducing the pool of available people contributing into government pension funds in the future. This compounds the systemic strain caused by aging populations in many first world countries.

All of the countries covered in our survey recognized youth unemployment as a key problem, and have programs in place to tackle the issue, ranging in scale and type.

4.4.1 Direct government funding of jobs

In some countries jobs for young people are being directly funded by central government. In Slovakia for example, active labor market measures aim to create jobs in both the public and private sectors through projects for employers. There will be an emphasis on regions with the highest unemployment rate and more than 50% of these supported jobs will be designed for people up to 29 years of age.

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Increasing the educational levels of the young population is a key lever in making them fundamentally more employable, and as such many governments have chosen to invest in supporting those who study.

4.4.2 Education and training

It is widely recognized that a quality education and secondary qualifications are key for making a person more attractive to potential employers, as well as widening the breadth of opportunities available to them. Increasing the educational levels of the young population is a key lever in making them fundamentally more employable, and as such many governments have chosen to invest in supporting those who study.

- The German Bundesagentur für Arbeit (BA) offers a benefit called Berufsausbildungsbeihilfe (BAB). This is a payment which supports the first professional qualification that a person undertakes and is targeted specifically at young people. *Find out more here.*

- In Australia, a program known as Youth Connections helps young people who have not completed, or are at risk of not completing, Year 12 or equivalent qualifications and have barriers that make it difficult to participate in education, training or employment. *Find out more here.*

- In Mexico, the National Employment Service offers a web portal for students and new graduates to provide advice on how to maximize employment chances after their study. It contains detailed information on how to choose a career, and how one can adapt and excel in a working environment. *Find out more here.*

4.4.3 Alternatives to full-time employment

Where there is simply not enough labor demand, alternatives to full time work can provide relevant and useful opportunities for the younger working age population.

- In the UK, voluntary work experience is available to anyone aged 16 to 24 who is receiving Jobseeker's Allowance, giving them the opportunity to take part in a work placement with a real employer.

- This is similar to the Australian Apprenticeship Access Program that helps job seekers who experience difficulty entering skilled employment to get the training, support and assistance they need.

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- In New Zealand the government introduced the Youth Opportunities Package in August 2009. This provides subsidies to support vocational training, work-experience placements, community program work and short-term military service volunteering.

Youth specific initiatives – examples of best practice

Programs that are able to specifically target the needs and problems associated with youth unemployment are an obvious point from which to start tackling the issues. Interestingly in our increasingly digital world, the following two examples recognize the importance of human interaction in the challenge of getting young people into work.

- Local Connections to Work (LCTW) is an Australian program that helps disadvantaged youth into work. The program aims to bring together a range of government services under one roof. It is available via local Department of Human Services centers and enables job seekers to access services more conveniently. This helps to break down barriers to work, and removes some of the complexity in the job seeking process. *Find out more here.*

- Similarly in Germany, there is a dedicated unemployment team called "Berufsberatung/Arbeitsvermittlung U 25". This targets people younger than 25 years. The team tailors its offering to the specific needs of this target group, offering vocational guidance and career counseling, as well as the training needed for people to enter a certain job placement. Across online portals for the German welfare organizations there are specific webpages for young people which make them easily aware of the services on offer. *Find out more here.*

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5 Making operational process work harder

In order for back-to-work and welfare systems to be as efficient as possible there is a fundamental necessity for them to be supported by robust and scalable technologies. However, due to the way in which information technology developments have been implemented over the years, this is not the case in many countries. This poses a barrier to the improvement of employability services and welfare provision.

Solid systems are needed to match jobs to jobseekers, monitor benefits claimants, and ensure that benefits are calculated and paid accurately. Employees within the government agencies need to be supported with the right tools and modern processes to enable them to do their jobs efficiently (and accurately). Process digitization, worker enablement and heightened performance management must all feature in the transformed employment and welfare agency of the future. This demands investment in core platform technologies and digitization.

5.1 Core platform technologies

A digital transformation of the employment services technology platform has taken place in Slovakia. After almost 20 years of using more than 500 different databases by different Office of Labour, Social Affairs and Family (OLSAF) offices, a new central Employment Services Management System was in April 2012. The new system introduces:

- Single candidate file
- Central database of registered job offers
- Performance management across different OLSAF offices
- Scanning of currently paper based confirmations and reports that can be subsequently shared across OLSAF office and among particular offices in different regions.

> In order for back-to-work and welfare systems to be as efficient as possible there is a fundamental necessity for them to be supported by robust and scalable technologies.

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Some countries do not have existing system platforms, and there is a large scope for developing and leveraging such technologies in the future. Mexico for example, does not have a central job seeking database;

The central system will now hold legacy databases from candidate databases, vacant jobs database, database of mass lay-offs, etc. *Find out more about Slovakia here.*

In the UK multiple authorities are responsible for providing different components of welfare payments. Disparity of information between the various systems they use means available data is not always congruent. Until recently job matching services have not been as effective as they could be with the support of more advanced systems. To tackle this, the Department for Work and Pensions (DWP) is implementing a new and advanced IT system as part of its 'Universal Credit' single benefit scheme. The DWP will be in control of the new IT system, which aims to be more efficient and scalable in the future.

The UK system will boast advanced online features for users, and incorporates features aimed at markedly reducing fraud and error. Furthermore, in order to better match jobs to jobseekers, a new job search service called 'Universal Jobmatch' has been implemented. This allows both employers and jobseekers a much greater degree of visibility on the opportunities that they can find. *Find out more here.*

Some countries do not have existing system platforms, and there is a large scope for developing and leveraging such technologies in the future. Mexico for example, does not have a central job seeking database; this makes job matching a laborious manual process undertaken by an employment advisor. Jobseekers are unable to register for unemployment benefits online, but instead must do so via the postal system, which can take a minimum of 46 days. Given the current lack of a central welfare strategy, there is no drive for complex systems such as those found in the UK or Germany. However, the implementation of core ICT platforms is a key enabler for future welfare provision. *Find out more here.*

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5.2 Process digitization to meet employment market demands

Employer demand is a key factor in the drive towards greater digitization of employment services. Employers must be provided with search tools to help them track down the best candidates and meet demand in record time. There should be a focus on job areas where demand is growing, with additional training enabling an accelerated response to new offers. This is about more service, better quality, constantly improving results-oriented and customer satisfaction for both the employer and the candidates.

To meet this demand, the employment agency of the future will be able to offer quick solutions, with adaptability way beyond what we can imagine today in areas such as:

- Self-service
- Virtual job interview preparation
- Virtual coaching with advice offered depending on the individual case.

As an example, the UK's new job search service Universal Jobmatch gives both employers and jobseekers a much greater degree of visibility on the opportunities for jobs and the candidates available to fill positions. *Download the UK factsheet to find out more.*

In the Netherlands work is currently underway to bring a strong self-service and online component to social services. Online services, e-training, self-fulfilment and webinars are being implemented. Advisers will be re-skilled into new "e-coachers", ready to support service users on-line before engaging through face-to-face channels. The breadth of services will be suitable for both citizens and employers alike. *Download the Netherlands factsheet to find out more.*

Conclusion

» The Role of Quality
» Creating New Jobs

Conclusion

Complex welfare and back-to-work systems must be untangled and legacy processes and technology restructured to simplify and reduce the cost to serve. Making it easy for citizens to understand their obligations and comply with the rules is an essential component of a simpler, yet more efficient social services agency.

6 Conclusion – a social services transformation

The employment/back-to-work sector is part of the broader social services landscape. The delivery of social services is ever more vital at times of economic crisis when more and more people need a helping hand from government. Thus social services agencies must respond to the prevailing pressure to become more efficient in the face of reduced budgets, yet at the same time manage greater demand on their services.

They will achieve this in a number of ways. Complex welfare and back-to-work systems must be untangled and legacy processes and technology restructured to simplify and reduce the cost to serve. Making it easy for citizens to understand their obligations and comply with the rules is an essential component of a simpler, yet more efficient social services agency.

The issues of welfare fraud, overpayment and tax non-compliance that are draining government purses is being addressed by some nations – and others are watching closely. For example, the use of predictive analytics to spot mismatches between a citizen's economic activity and his reported taxable income or welfare claim is a vital tool that is getting results.

Acceptance of eGovernment is gradually growing as a means for citizens to access employment and welfare services. Even so, many people are still not wholly comfortable with using online channels to interact with government. Some countries are forcing the issue. For example, in Denmark the government has used legislation as a 'game changer' and the country has already achieved most of its digital agenda targets.

Conclusion

Importantly, we believe that this change will never be to the detriment of quality: the quality of jobs that were at the heart of the concerns of the mid-2000s: the quality of skills and expertise in response to requests from businesses; and the quality of the work accomplished in response to employers' requirements.

Another approach to managing social services provision at times of austerity is to fundamentally rethink the ethos behind welfare provision. This is exactly what is happening currently in the UK, with the implementation of Universal Credit (UC). This aims to make work pay with benefits being reduced to a lower rate than additional earnings are received through work. There will also be an explicit 'claimant commitment' linking receipt of benefits to job-seeking obligations.

6.1 The role of quality in unemployment and employability

It is clear that employment agencies must – and will – adapt. Indeed many have already embarked on their transformation journeys as part of the wider social services reform agenda.

Importantly, we believe that this change will never be to the detriment of quality: the quality of jobs that were at the heart of the concerns of the mid-2000s: the quality of skills and expertise in response to requests from businesses; and the quality of the work accomplished in response to employers' requirements.

This focus on quality is about being effective – because this is a public demand. In the world of unemployment and the pursuit of jobs, the quality of services touches a sensitive subject that sustains a family. Public employment agencies should strive to increase services with a sustained strategy focused on improving the quality of services delivered.

Can these services be delivered in a more user friendly way? In France the answer to this is yes. As part of a deep transformation at the French employment agency Pôle emploi, there has been a significant upgrade of front-end services in recent years. Service improvement schemes and multi-channel transformation have included the implementation of SMS functionality in February 2013 in one region. This aims to significantly reduce the number and cost of unnecessary phone interactions, such as those used to confirm meetings between jobseekers and employment centres. *Find out more here.*

Conclusion

In terms of youth unemployment and job creation, it is essential to exclude the education and training budget from the fiscal program.

6.2 Creating new jobs

The solution for unemployment is, obviously, to create new jobs. Usually, a healthy economic growth rate of 2-3% in developed economies is enough to create the new jobs needed to keep unemployment from rising. When unemployment creeps above 6-7% and stays there, it means the economy isn't strong enough to create sufficient new jobs without help. That's when the government is expected to be more aggressive and step in to provide solutions.

In terms of youth unemployment and job creation, it is essential to exclude the education and training budget from the fiscal program. During post-recession, the importance of increasing investment on training and job subsidies for new job creation cannot be underestimated. Two measures that helped Germany keep youth unemployment low are apprentice training and subsidized employment for young people, including self-employment.

What we must recognize is that employers by themselves will not (and cannot) create enough jobs in recession to keep unemployment low. Of course, to some this is the essence of recession, but the jobless rate also depends on other factors, not just on the fall in demand. For example, government must support the development of new skills that correspond to labour market needs, enabling workers' productivity and employability to be increased. There needs to be a better matching of the available jobs with forecast skills in order to get people back to work quickly and create more value in the market.

If initial financing can be found, there is a creativity and entrepreneurship in young people that can be unleashed. Governments need to help with this, just as they help with student loans.

In Europe, the EU has set itself the target of increasing the employment rate for women and men aged 20-64 to 75% by 2020. Digitization, process optimization, systems modernization and social and cultural change are all part of the transformation either currently underway or needed in pursuit of this target.

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