



THE DANISH PES HAS PRODUCED A NEW STRATEGY FOR THE PERIOD 2018-2021, WHICH SETS OUT HOW STAR CAN SUPPORT THE FUTURE LABOUR MARKET

PROMISING PES PRACTICE¹

The Danish Agency for Labour Market and Recruitment (STAR) Strategy 2018 – 2021: Building Tomorrow's Labour Market Together

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The strategy sets out how the Danish PES can support the future labour market in view of trends towards digitalisation and automation, and the new opportunities that this presents for PES clients to help themselves while outlining the challenges posed by changing job roles and skills development needs.

Name of the PES

The Danish Agency for Labour Market and Recruitment (STAR)

Scope of measure

National

When was the practice implemented?

2018

What was the driver for introducing the practice? Was it internal or external?

The strategy addresses the following possibilities and challenges in the future of work:

- ▶ Possibilities: through increased digitalisation of client facing job centre services unemployed people closest to the labour market will to a larger extent be able help themselves in their job seeking. This development will free resources for helping the unemployed most distant from the labour market.
- ▶ Challenges: digitalisation and automation will change some job functions, contribute to flexibilisation of labour, cause greater job mobility, and require skills development.

The new strategy was partly informed by findings from the 2017 McKinsey report². This was commissioned by the Danish Disruption Council as part of a broader programme of work.

What is the practice trying to achieve?

Addressing these possibilities and challenges, the strategy sets out how the Danish PES can support the future labour market, supporting a better match between supply and demand for labour and ensuring inclusion of extra support for the unemployed who need it.

What activities are planned?

The strategy sets out the following strategic tracks:

Use of knowledge

The Danish PES will gather knowledge and make it usable and available to Unemployment Insurance Funds³, municipalities, citizens and businesses to help in decision-making and labour market actions. Use of knowledge also includes evidence-based good practice for developing new methods and approaches in delivering services. In 2018 the following project was carried out: development of a digital solution where local job consultants and their leaders in Danish municipalities can share their knowledge and experiences about good practices.

Focused implementation for frontline staff

The Danish PES will support frontline employees in job centres and Unemployment Insurance Funds to implement national reforms and initiatives. This will be built on knowledge and dialogue with job centres, Unemployment Insurance Funds, stakeholders, researchers and vocational adult educational facilities. Implementation of national reforms and initiatives will be focused and differentiated based on the municipality local context or Unemployment Insurance Fund. In 2018 the Danish PES started a collaboration with the five lowest ranking municipalities that face implementation challenges.

¹ Practices referring to promising changes/reforms/approaches.

² McKinsey and Co. (2017), 'A Future that works: The impact of automation in Denmark'.

³ The Danish PES website states that [t]he purpose of the unemployment insurance funds in Denmark is to ensure economic support for the unemployed citizen. They also work closely with the municipalities.

Unemployment insurance is a voluntary scheme administered by Denmark's unemployment insurance funds and not by the state. The Danish unemployment benefit system is based on the Ghent system...Denmark's unemployment insurance funds are private associations of employees or self-employed persons organised for the sole purpose of ensuring economic support in the event of unemployment. Unemployment benefits are, however, largely financed by the State. There are all in all 25 unemployment insurance funds in Denmark. The Act on Unemployment Insurance is administered by the Danish Agency for Labour Market and Recruitment. Available at <https://www.star.dk/en/about-the-danish-agency-for-labour-market-and-recruitment/unemployment-insurance-funds/>

	<p>Inclusion through digitisation The Danish PES will develop digital solutions that meet the individualised needs of citizens, businesses and frontline employees. Digital technology will be designed to include more groups in the labour market, and help them to make positive decisions. It will be the basis for rapid and effective job-matching. In 2018 the following project was carried out: two online dashboards⁴ were developed; one for jobseekers and one for companies. Both dashboards deliver individualised and personalised information about jobseeking and recruitment.</p> <p>Participating users The Danish PES will ensure that users co-produce employment support solutions, and that users are communicated with in an inclusive and appropriate way. This includes citizens, businesses, Unemployment Insurance Funds, municipalities and other stakeholders. In 2018 a digital solution was developed, enabling Danish PES stakeholders to communicate with each other about specific topics using social media.</p>
<p>What were the source(s) of funding?</p>	<p>Danish PES budget</p>
<p>What are the early observations?</p>	<p>Regarding the project of developing a dashboard for jobseekers and a dashboard for companies, this will potentially require investment in new IT infrastructure and capacities. There are many opportunities to exploit existing data in order to enhance jobseeking and jobseeker empowerment. However, it is still early stages and preparing and combining data through new IT solutions can be time consuming and costly.</p>

⁴ These are information management tools.



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