



Employability Profiling System



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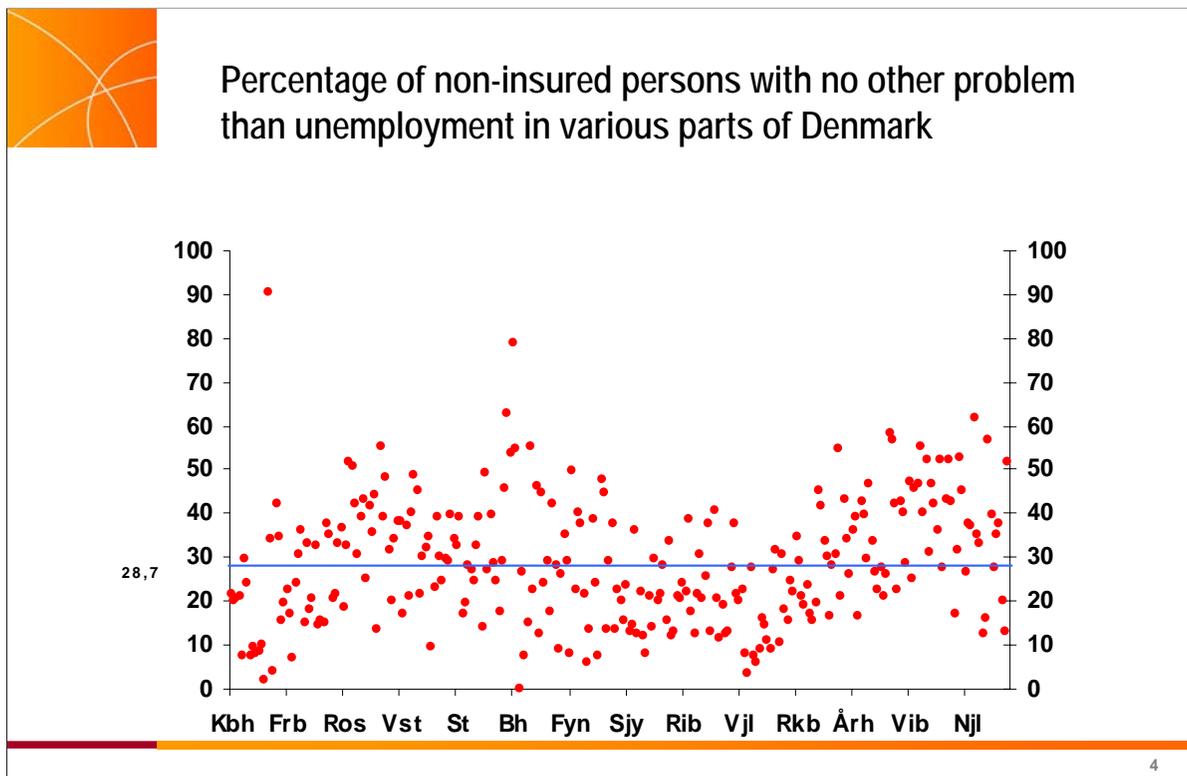
Outline

- ◆ **Background**
- ◆ **The individual tools**
- ◆ **Future aspects**
- ◆ **Questions and debate**



Divided responsibility

- ◆ Municipalities responsible for the non-insured
- ◆ PES responsible for the insured



This graph shows the percentage of non-insured persons with no other problem than unemployment in various parts of Denmark. If a person is assessed to have no other problem than unemployment the person is assessed to be ready for the labour market. Each red dot represents a municipality.

The great disparity of assessment can not be explained with socio-economic factors etc. but is based on local views and habits. This circumstance was one of the reasons why the development of the new employability profiling system was launched.

This picture is not supposed to reflect the different ways in which the **system** thinks the jobseekers' prospects are, but must reflect what the **jobseekers'** prospects actually are!



Purpose of the Employability Profiling System

- ◆ Systematic and qualified assessment
- ◆ resources priorities and targeted
- ◆ efficient and individually tailored contact process
- ◆ insured and non-insured people are to be assessed according to the same principles
- ◆ information can be reused by all relevant actors.

The use of the employability profiling system is compulsory for municipalities, the PES and other (private) actors

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The purpose of the initial employability profiling and the ongoing assessment of the jobseeker's employability potential is to ensure:

- that a systematic and qualified assessment is made of the jobseeker's distance from the labour market and of the need for early supporting measures - Use the resources where the resources are most needed!
- that resources are prioritised and targeted in relation to jobseekers needing early supporting measures,
- that jobseekers needing early supporting measures can have a more intensive, targeted and individually tailored contact process, and
- that the jobseeker's distance to the labour market is assessed systematically and in a professional manner so that initiatives can be adjusted on an ongoing basis.
- that both insured and non-insured persons are assessed according to the same principles - Same problem requires the same medicine – regardless of the insurance status

Furthermore, the tools will make it possible for organisations and employees to use the same system. This applies both when information about the jobseeker is documented and when it is systematised.

By systematising in the same way, it becomes easier to get an overview of cases received from colleagues and cooperation partners. Moreover, it becomes easier to reuse information, and this is a pivotal element of efficient and effective measures in relation to the jobseeker during the



Concept of Employability Profiling

- **Initial employability profiling**
- **Ongoing assessment of the jobseeker's employability potential**

Employability profiling has different meanings:

Firstly, it may cover *initial employability profiling*. This is the initial examination and assessment of whether the jobseekers are capable of getting a new job on their own or if there is a need for special measures. This phase seeks to identify people who need more frequent contact. Jobseekers needing assistance at an early stage are people at the risk of becoming long-term unemployed. This covers people who need intensive contact and possibly active measures that are more comprehensive than regular assistance and support when looking for work. For these people, a passive process would, in itself, increase the risk of long-term unemployment. Therefore, it is important that they are identified early in their unemployment period. On the other hand, people who are able to find new jobs for themselves should not receive excess assistance. This helps avoid clientising and unnecessary use of resources.

The initial employability profiling also constitutes the basis for assessing the extent and planning of the initiatives required for the jobseeker to become employed or closer to the labour market.

Employability profiling may also cover the *ongoing assessment of the jobseeker's employability potential*. This entails an examination and reassessment of the jobseeker's prospects of getting a job as part of the individual contact (employability reprofiling). This means that, in the contact process, the initiatives are followed up so that they may be adjusted and reassessed. In this way, ongoing employability reprofiling is a central part of



Development of the Employability Profiling Tools

- ◆ The development has drawn on inspiration from home and abroad
- ◆ The tools have been developed in close co-operation with municipalities and PES



The Toolbox

1. A public assistance record
2. A job barometer
3. A preparation leaflet
4. A dialogue guide

The dialogue guide, the assessment of labour market match, the documentation and reuse of information are supported by an IT-support system

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The employability profiling toolbox contains four tools:

- A preparation leaflet for the jobseeker, supporting the jobseeker's preparation for the employability profiling interview.
- A public assistance record giving an overview of the jobseeker's previous periods on public assistance.
- A job barometer giving an indication as to the jobseeker's prospects of getting a job within the next six months.
- A dialogue guide supporting the areas needing special attention by the employment officer in his dialogue with the jobseeker.

The public assistance record and the job barometer can be found as digital tools on the labour market portal. The labour market portal is a web-based database that can be used in connection with preparation, administration, and follow-up to employment initiatives at state level as well as in local authorities and unemployment insurance funds.

Example of the Public Assistance Record

De enkelte ordninger ▼ Flere i arbejde ▼

Arbejdsmarkedsportal

Cpr nr:

Stamdata

Cpr nr:

Kommune: Køge

Region: AF-Roskilde

A-Kasse: Ikke medlem af A-kasse

Fors. kat.: 1

Oversigt

Klik på en måned for at få dagsoversigten

Filtrer data: Alle typer ▼

Mdr	1999	2000	2001	2002	2003
Januar	Ledighed	Ledighed	Ledighed	Kontanthjælp	Kontanthjælp
Februar	Ledighed	Ledighed	Ledighed	Kontanthjælp	Blandet
Marts	Blandet	Ledighed	Blandet	Kontanthjælp	Blandet
April	AF-aktivering	Ledighed	AF-aktivering	Kontanthjælp	Kontanthjælp
Maj	AF-aktivering	Ledighed	AF-aktivering	Kontanthjælp	
Juni	AF-aktivering	Ledighed	Blandet	Kontanthjælp	
Juli	AF-aktivering	Ledighed	Ledighed	Kontanthjælp	
August	AF-aktivering	Ledighed	Kontanthjælp	Kontanthjælp	Kontanthjælp
September	AF-aktivering	Ledighed	Kontanthjælp	Kontanthjælp	
Oktober	AF-aktivering	Ledighed	Kontanthjælp	Kontanthjælp	
November	AF-aktivering	Blandet	Kontanthjælp	Kontanthjælp	
December	Blandet	Blandet	Kontanthjælp	Kontanthjælp	

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A record shows the history of a process. The public assistance record thus shows the benefits the jobseeker has received as public assistance through the last five years. This information is available on the labour market portal. Here, the employment officer can obtain a monthly overview of the jobseeker's public assistance benefits. The public assistance is for example daily cash benefit, sickness benefit, maternity benefit and student grants. The different types of benefit each have their own colour.

The public assistance record can thus be used in the preparation of the interview as well as in the dialogue with the jobseeker. In this way, the public assistance record may help improve the measures. The public assistance record thus contributes to the profiling of the jobseeker. It can not stand alone but it provides a important piece of information.

The employment officer needs to type in the personal identification number of the jobseeker in order to get a summary of the public assistance record.



The Job Barometer

High risk of long-term unemployment

Low risk of long-term unemployment

Herkomst

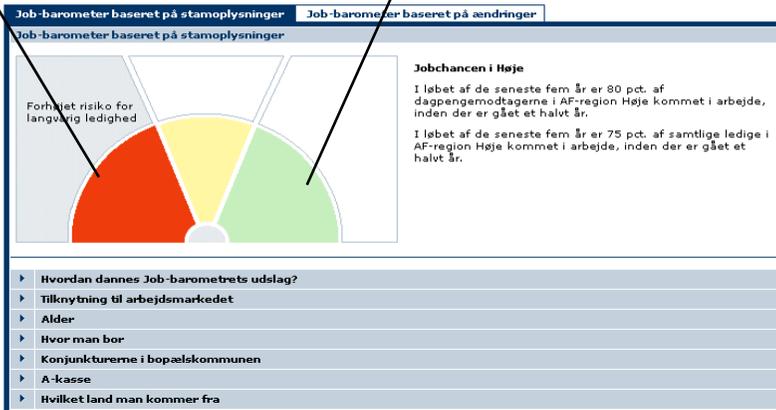
Dagpenge

Ja

Indvandrere fra vestlige lande

Høje

Gift





The Job Barometer – Main Features

- ◆ The job barometer indicates the jobseeker's prospects for getting a job within the next six months
- ◆ The jobseeker is 'employed' when he or she does not receive public assistance for at least four consecutive weeks (not including student grants)
- ◆ In its current form, the job barometer is merely applicable for predicting the job prospects of "recently unemployed" people
 - ◆ For recipients of unemployment benefits, this means people that have been unemployed for 1-7 months
 - ◆ For social assistance recipients, the elapsed unemployment duration is 0-6 months
- ◆ Tests on historical data show that the job barometer assesses the jobseeker's job prospects correctly in 70 per cent of the cases



The Job Barometer – the Method

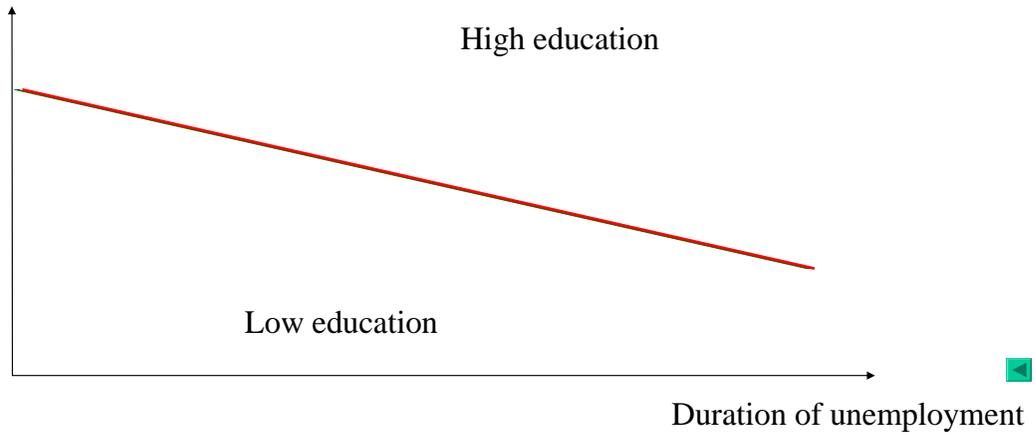
- ◆ **based on a statistical model called a duration model**
 - ◆ developed in cooperation between AMS and researchers at The University of Aarhus (Michael Rosholm & Michael Svarer)
 - ◆ A duration model estimates the duration of time spent in unemployment as a function of a number of characteristics of the job-seeker ▶

- ◆ **The duration model predicts the probability that the jobseeker has not found a job within 6 months**
 - ◆ These predictions are based on previous unemployment periods experienced by people with similar characteristics ▶



The Job Barometer – the Method

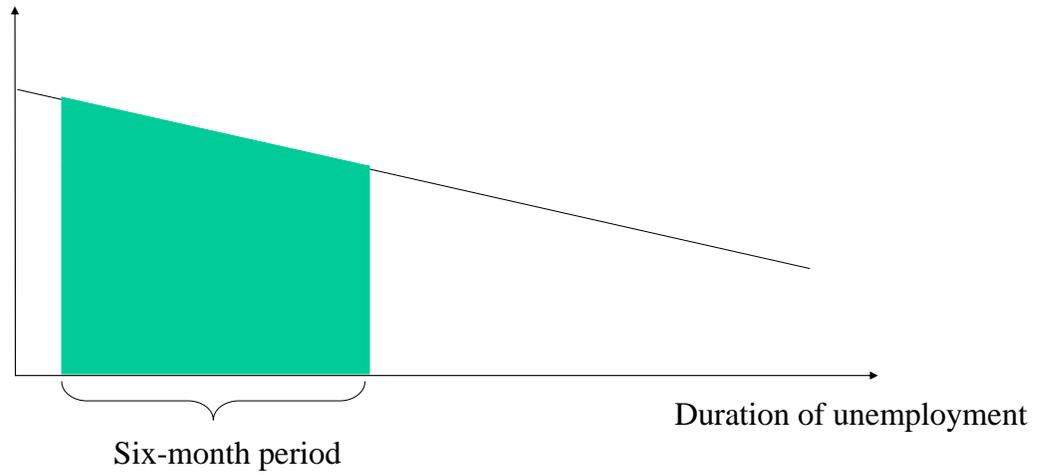
Probability of finding job next week,
Given that you are still unemployed





The Job Barometer – the Method

Probability of finding job next week, given that you are still unemployed





The Job Barometer – the Data

- ◆ Background data originate from a number of different - register-based - sources
- ◆ These include personal characteristics and information regarding previous labour market attachment ▶
- ◆ It has not been possible to include all data that can affect jobseeker's job prospects
 - e.g. education and previous work experience (however, we have good proxies for these)
- ◆ The assessments of the job barometer are based on historical data for 1.2 million people and *all their periods* on public assistance during five years, 1999-2004 ▶



The Job Barometer – the Data

- ◆ Gender
- ◆ Age
- ◆ Marital status
- ◆ Area of residence (271 municipalities)
- ◆ Country of origin
- ◆ Unemployment insurance fund membership (y/n)
- ◆ Unemployment insurance fund (36)
- ◆ Labour market attachment during the past 5 years (12 different variables)
- ◆ Local unemployment rate 



The Job Barometer – Implementation

- ◆ Eight separate estimations performed in each of the 14 PES regions (plus one for Copenhagen and Frederiksberg municipalities)
- ◆ Throughout Denmark the job barometer is based upon 120 statistical model estimations, each involving 110-150 parameter, ie. a total of approximately 14,000 parameters
- ◆ One job barometer in each region for each of the eight groups below:
 - Female recipients of unemployment benefits under the age of 25
 - Male recipients of unemployment benefits under the age of 25
 - Female recipients of unemployment benefits over the age of 24
 - Male recipients of unemployment benefits over the age of 24
 - Female recipients of social benefits under the age of 30
 - Male recipients of social benefits under the age of 30
 - Female recipients of social benefits over the age of 29
 - Male recipients of social benefits over the age of 29



The Job Barometer – Implementation

- ◆ For each new job-seeker, the model calculates – based on the appropriate of the 120 models – the probability that the individual has not found a job within the next six months, and this probability is then compared to some threshold value
 - ◆ The probability is based on all the job-seeker’s characteristics that we observe
 - ◆ The threshold value is determined so as to maximize the number of correct predictions (based on historical data)
- ◆ If the probability is close to the threshold value, the **yellow area** in the job barometer is highlighted
- ◆ If it is sufficiently above the threshold value, the **red area** is highlighted
- ◆ If it is sufficiently below, the **green area** is highlighted

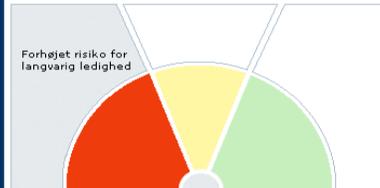
The Job Barometer – Implementation

Job-barometeret

Cpr. nummer			
Ydelsestype	Dagpengemodtager	Kommune	Høje
A-kasse	Ja	Civilstand	Ugift
Herkomst	Indvandrere fra vestlige lande		

Job-barometer baseret på stamoplysninger Job-barometer baseret på ændringer

Job-barometer baseret på stamoplysninger



Jobchancen i Høje

I løbet af de seneste fem år er 80 pct. af dagpengemodtagerne i AF-region Høje kommet i arbejde, inden der er gået et halvt år.

I løbet af de seneste fem år er 75 pct. af samtlige ledige i AF-region Høje kommet i arbejde, inden der er gået et halvt år.

- ▶ Hvordan dannes Job-barometrets udslag?
- ▶ Tilknytning til arbejdsmarkedet
- ▶ Alder
- ▶ Hvor man bor
- ▶ Konjunkturerne i bopælskommunen
- ▶ A-kasse
- ▶ Hvilket land man kommer fra



The Job Barometer – the Future?

- ◆ **The implementation of the model only allows the presentation of the job barometer, but so much more can be provided:**
 - ◆ The size of the probability – for example an arrow in the barometer
 - ◆ A decomposition of the probability – which variables were crucial for a given calculation
 - ◆ And much more
 - ◆ But the idea was to introduce the information to case workers step-by-step in order to acquaint them with the ideas first

- ◆ **Naturally, the models should also be extended to apply to job-seekers with elapsed unemployment duration longer than 6-7 months**



The Preparation Leaflet

Objective:

- ◆ to make it clear to the jobseeker that he needs to be active himself
- ◆ to give the jobseeker an understanding of the purpose of the profiling interview
- ◆ to direct the jobseeker's mind towards attachment to the labour market

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Before the interview, the jobseeker will receive a preparation leaflet. The purpose of this leaflet is:

- to make it clear to the jobseeker that he needs to be active himself,
- to give the jobseeker an understanding of the purpose of the employability profiling interview,
- to direct the jobseeker's mind towards an attachment to the labour market,
- to turn focus onto resources and future perspectives, and
- to give the jobseeker a better opportunity to prepare for the employability profiling interview.

The preparation leaflet contains questions that the jobseeker is asked to consider before the interview. These questions help elucidate how the jobseeker assesses his own chances of getting a job. The leaflet also contains a brief description of the purpose of the employability profiling interview. No matter what the employment officer do, the jobseeker will not find a job if the person is not motivated and make an active effort himself.

The preparation leaflet supplements the employability profiling interview with the individual characteristics of the jobseeker that the public assistance record (overview of the unemployment period) and the job barometer cannot say anything about.

No matter what the employment officer do, the jobseeker will not find a job if the person is not motivated and make an active effort himself.

The challenge in making the preparation leaflet was to make it simple but respectful!

The Dialogue Guide



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The dialogue guide is a tool to support the dialogue with the jobseeker.

The five attention areas can be illustrated by means of a jigsaw puzzle where the pieces are interconnected and affect each other.

Own labour market perspective

The jobseeker's own labour market perspective deals with how the jobseeker sees himself in relation to the labour market. This may include the jobseeker's ambitions for a job, where the jobseeker sees himself in six months, and how realistic these ambitions are. This may also include the extent to which the jobseeker is actively applying for jobs, and the jobseeker's expectations of his own performance in the labour market or in specific jobs.

Vocational and practical qualifications

Vocational and practical qualifications include the jobseeker's work experience, schooling, courses, education, linguistic skills, and interests (eg. leisure activities), which might be relevant for a job. This normally corresponds to the information provided on a CV.

Personal skills

Personal skills include the jobseeker's ability to participate in professional and social relationships. This could include the ability to socialise with colleagues at a workplace. It could also include the jobseeker's feelings about changing to another job or another job function, ie. how mobile the jobseeker is in relation to the labour market. Finally, it could include the jobseeker's ability to learn and how the jobseeker likes to acquire new skills.

Financial situation and network

Financial situation and network could include several aspects. It might include clarifying whether the jobseeker has a network that could help him get in touch with specific employers. It might also include the extent of support and backup he gets from his family and friends with regard to finding a job. It could also include the jobseeker's housing situation.



The Dialogue Guide

- ◆ A tool to support jobseeking and the assessment of the jobseeker's employability potential
- ◆ Focus on resources
- ◆ Supplements the public assistance record and the job barometer with individual factors

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The dialogue guide is a tool to support the dialogue with the jobseeker.

This means that in the dialogue with the jobseeker, attention is directed towards some areas that may be important for the jobseeker's job opportunities. At the same time, it may help structure the information needed for an assessment of the opportunities.

The dialogue guide emphasises that dialogue is important and that the jobseeker should also be allowed to speak. It is always important to elucidate how the jobseeker can find a job - irrespective of what other tools may show. The information from the other tools may, however, complement the dialogue with the jobseeker. In this way, it is possible to create a subtle basis for a specialist assessment of the jobseeker's employability potential.

The dialogue guide is a kind of "checklist" to support the dialogue with the jobseeker. This means that in the dialogue with the jobseeker, attention is directed towards some areas that may be important for the jobseeker's job opportunities. Focus is on resources and a realistic but also optimistic approach.

As a rule, focus should be on the jobseeker's own labour market perspective and on vocational and practical qualifications. This means that it is only relevant to touch upon the other areas if it is assessed to be of importance for the jobseeker's opportunities of getting a job.

The Employability Profiling Process



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There are three overall steps in the employability profiling process: preparation, interview with the jobseeker and overall assessment.

In principle, the process is the same irrespective of whether we are looking at an initial employability profiling or ongoing assessment in the individual contact. There will, however, be some differences between the initial employability profiling and the ongoing assessments during the contact - both as regards preparation and the information basis that supports the assessments.

The figure thus shows how the employability profiling tools can be incorporated in the process.

The overall assessment is done on the basis of 5 categories of match to the labour market.



5 Levels of Labour Market Match

- ◆ **Full match**
- ◆ **High degree of match**
- ◆ **Partial match**
- ◆ **Low degree of match**
- ◆ **No match**

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As completion of an interview, an overall specialist assessment of the jobseeker's distance from the labour market is carried out. This may both take place as part of the employability profiling and in the subsequent contact.

The assesment shows the match between the jobseeker and the needs and requirements of the labour market.

The assessment of the degree of match between the jobseeker's resources and the labour market requirements must be made in relation to a holistic assessment. This entails that the employment officer make a specific assessment of the significance of the individual attention areas in relation to the labour market.

The jobseeker's employability potential is shown in the five levels of labour market match. The categories of labour market match are intended to help maintain the jobseeker's labour market perspective. This also applies to jobseekers with other problems than unemployment.

The five categories of labour market match can be described as follows:

•**Full match:** The jobseeker has skills and resources that immediately match the labour market requirements. The jobseeker's skills and resources are compatible with the performance of job functions widely existing in the ordinary labour market. The jobseeker may have qualifications and skills within bottleneck areas of the labour market.

•**High degree of match:** The jobseeker has skills and resources that immediately match the labour market requirements to a significant extent. The



The Further Process

- ◆ The employability profiling system is from 1/12-2004 compulsory for municipalities, the PES and other (private) actors.
- ◆ More than 2,300 employment officers have been trained in the new tools
- ◆ A challenge to insure that the new IT-support system is operational
- ◆ The employability profiling system will be evaluated in 2005-2006

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The employability profiling system is from 1/12-2004 compulsory for municipalities , the PES and other (private) actors.

The important task ahead is to insure that the new profiling system become rooted in the local organisations. More than 2300 employment officers have therefore been trained in the new tools

Another big challenge is to insure that the new IT-system continues to be operational. The IT-system is the backbone of the employability system and a vital aspect in insuring that this dynamic organisation works.

Finally we will have external consultants to evaluate the profiling system in order to be able to improve the performance.