

## **EVALUATION OF THE MODERNISATION OF THE HUNGARIAN PUBLIC EMPLOYMENT SERVICE**

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### **EXECUTIVE SUMMARY**

The report examines the results of the modernisation programme of the Hungarian Public Employment Service (PES) financed by EU grants Phare (2002-2004), HRDOP (2004-2008) and SROP (2007-2013), focusing primarily on the HRDOP 1.2 programme. The report assesses the outputs of the HRDOP 1.2 in view of its goals and identifies its impact on the reemployment rate of the registered unemployed. Based on these, we offer recommendations for the completion of the modernisation process within the second phase of the SROP 1.3.1 programme. The report is based on the analysis of programme documents, a quantitative analysis of job centre level data on reemployment rates, in-depth interviews with experts involved in planning and implementing the HRDOP 1.2 programme and in-depth interviews with job centre staff, municipalities, social workers and employers, conducted in four towns.

The main conclusion of the report is that the programme has yielded several results of crucial importance for improving the general operation and efficiency of the PES. One of these results is the establishment of an integrated data-management system covering the whole country, which can support both client services and monitoring. Similarly important improvements include the introduction of a quality assurance system that has significantly increased staff awareness and motivation and the establishment of client friendly self-access information tools and waiting areas in local job centres. The multivariate analysis of job centre data shows that the recent developments have significantly increased the reemployment rate of the registered unemployed. Of the 440 thousand people on the unemployment register in 2008, each month about 5%, that is 19 thousand registered unemployed persons found a job. Of that, about 1.4 thousand can be attributed to improvements in the PES.

These results have been established via indirect methods, as there was no data

collected during the implementation that would facilitate the direct analysis of programme effects. This shortcoming significantly constrains optimal implementation, monitoring, identifying and tackling problems, and as a result it reduces the efficiency of the PES as a whole. At present, the research staff that could undertake the collection and analysis of such data is not available at the PES, nor in the project team.

The report is structured as follows (see contents below). The introductory chapters outline the evaluation methods, the third chapter reviews results based on document analysis and interviews. Chapter four presents the quantitative analysis of job centre level data. Chapter five summarises results and based on these, chapter six offers recommendations for the second phase of the SROP programme. References and detailed background information on the evaluation are given in the Appendix.

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