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STREAMLINING GOVERNMENT EMPLOYMENT SERVICES IN JORDAN

Mapping of Current Services and Improvement Options

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STREAMLINING GOVERNMENT EMPLOYMENT SERVICES IN JORDAN

**MAPPING OF CURRENT SERVICES AND
IMPROVEMENT OPTIONS**

USAID JORDAN ECONOMIC DEVELOPMENT PROGRAM

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EXECUTIVE SUMMARY

Different governmental and semi-governmental entities offer public employment services in Jordan. The Ministry of Labor is seeing an opportunity in streamlining the functions carried out by the different entities for enhancing the efficiency and effectiveness of the employment services, which will result in providing better employment services to job seekers and job providers; the businesses.

Jordan Economic Development Program (SABEQ), is supporting the Ministry of Labor to conduct an in-depth mapping and analysis of the employment sector, and recommend specific strategic interventions needed to revitalize the National Employment Strategy, enhancing the efficiency and effectiveness of the employment services and to highlight SABEQ's further support areas.

The methodology used to undertake the mapping exercise included a series of interviews with relevant stakeholders, using a semi-structured scheme of questionnaires, covering a wide range of key issues delivered to the involved employment service providers and companies. The Interviews and questionnaires meant to generate responses from national institutions, and some of the employers (the demand side), on a variety of issues pertaining to aim, objectives, relevancy, efficiency, and effectiveness of the current Jordanian employment services.

The study started by meetings with the Ministry of Labor (MOL), and then conducting interviews with: Al Manar project, the National Training and Employment Project (NTEP), Vocational Training Corporation (VTC), National Company for Employment and Training, Development and Employment Fund (DEF), IRADA Project, Women Employment Unit-MOL, and some selected companies. The study clearly showed the need for strategic interventions to strengthen the national employment system and make it able to meet the emerging challenges of economic development. For concrete and reliable streamlining efforts for the Employment Services, interventions would require the adoption of national policy recommendations, pertaining to enhanced external productivity, effective system management, and quality improvement.

The consulting team studied four best practices to analyze key attributes of a successful organization of the employment sector. The study of the employment sector of Tunisia, Canada, Bahrain and Malaysia resulted in the identification of two sector organization/structure models. The first is the single execution agency model; one agency provides the full range of employment services. The second is the network model of multiple agencies providing employment services in a network approach. The consulting team also identified key common attributes that contribute to the success of both models, those attributes are:

- Roles are clearly defined between the different agencies in the sector,
- Focused national demand-driven initiatives are centrally designed and implemented,
- One IT system is used by all sector entities, providing a mean for coordination, integration and synergy.
- Employment services are provided in several modes including the web and call centers.

The consulting team clarified the opportunities and challenges in implementing each of the defined models in Jordan. The consulting team recommends that MOL, and other concerned parties review the proposed models, and balances the national preferences against the existing resources and opportunities, to reach the optimum situation for an efficient and reliable employment services.

MAPPING OF CURRENT EMPLOYMENT SERVICES IN JORDAN

This section provides an overview of employment services in Jordan organized by the entity that provides the services.

EMPLOYMENT AND TRAINING DIRECTORATE – MINISTRY OF LABOR

Mandate and Legal Status

Labor Law number 8 for the year 1996 states that the Ministry of Labor shall, by cooperation with the competent authorities, undertake the duties of organizing the labor market, vocational guidance, and the provision of employment opportunities for the Jordanians inside the Kingdom and abroad.

The Employment and Training Directorate in the Ministry of Labor manages 7 Employment Directorates and 14 Employment Sections across Jordan.

Extract from the Labor Law no. 8/1996 and its amendments.

Third Chapter: Employment and Vocational Guidance,

Article 10:

The Ministry shall, by cooperation with the competent authorities, undertake the duties of organizing the labour market, vocational guidance, and the provision of employment opportunities for the Jordanians inside the Kingdom and abroad. To this end, it may establish employment offices for the Jordanians or license the establishment of private offices to achieve this purpose.

Article 11:

Only the public employment directorates and the licensed private employment offices may do the mediation acts to employ or facilitate the employment of workers inside the Kingdom and abroad, the Minister may close the establishment contravening the provisions of this article and refer the matter to the court.

Services

Employment Directorates and Sections of the Ministry of Labor provide three main services:

1. Job matching: assisting Jordanian un-employed job seekers by matching the qualifications of job seekers to available job opportunities. Job counseling is provided to support job matching.
2. Capturing job opportunities, by contacting businesses in their area of jurisdiction to identify available job opportunities.
3. Out-reach activities, such as sessions, meetings and job fairs are organized to attract job seekers and job opportunities.

Employment Directorates and Sections use the National Electronic Employment System (NEES) to maintain the information of the job seekers, job opportunities and facilitate job matching. NEES is web-based which allows job seekers and job providers (businesses and companies) to use it, remotely and without direct interaction with the staff of the Employment Directorates and Sections.

Target Group

Employment Directorates and Sections provide the services to all unemployed and job seekers Jordanians regardless of gender or age group.

Coordination with Other Entities

The Employment Directorates and Sections coordinate with relevant entities that exist in their area of jurisdiction by referring job seekers to those entities. Job seekers are referred to training provided by vocational training centers (VTC) or other training providers, feasibility

study support provided by IRADA, financial support by the Employment and Development Fund, training provided by the national Employment and Training Project in addition to training provided by the National Employment Company.

AL MANAR PROJECT¹

Mandate and Legal Status

Al Manar is a 5-year, Canadian funded project established in 2004, dedicated to creating a comprehensive database for Human Resources Development in Jordan. The National Center for Human Resources Development initiated the project with the objective of building an Information System for human resources development in Jordan to serve relevant institutions, government entities and even ordinary individuals.

The project funding will end this year² and the sustainability of the data warehouses, (described under services below), is an important issue to the National Center for Human Resources Development and human resources development entities in Jordan.

Services

The project established a Web Based Electronic Labor Exchange; Recruitment System that is used by graduates of the universities and colleges, and the enterprises in Amman, and to a less extent in other areas. Al Manar is now coordinating with the knowledge centers of King Abdullah II Fund for Development (KAJD) to extend the use of the system to rural areas. Al Manar system does not track job placement to measure the performance of the system.

Al Manar Project developed the Human Resources Information (HRI) system that is composed of two Data Warehouses:

- Labor Force Database: including records, statistics and indicators of employed and unemployed. Related information and data is obtained from the Department of Statistics, the Social Security Corporation, the Ministry of Labor and the Civil Service Bureau.
- Higher Education Database; for university students and graduates that include individual information for enrolled students and graduates of Jordanian universities and colleges. The Database is being expanded to include a full database for students, academic and administrative staff.

The two data warehouses are regularly updated and maintained. Briefs are regularly sent to relevant institutions and government entities. Although Al Manar provided “system user training” to 20 representatives from relevant institutions and government entities, the system is rarely used or accessed.

Al Manar provides career counseling training and guidelines. Al Manar developed 10 career guiding descriptors serving as personal on-line aptitude tests. The counselors from the universities and Ministry of Labor were trained by Al Manar, to increase the use of those guides.

Al Manar also conducted several studies on human resources development and labor market, and had recently initiated an on-line interactive career forum supporting employees facing career and job issues.

¹ Al-Manar Project: Establishing Human Resources Information (HRI) unit at NCHRD.

² Project Assessment Report, May 2009.

Target Group

The recruitment system serves unemployed and businesses. Fees are borne from job providers and companies, while the service is free for job seekers. Other services of Al Manar provide information, data and support to policymaking and improve employment services of relevant institutions and government entities.

Coordination with Other Entities

Al Manar coordinates with several entities, through membership in relevant committees and attending meetings. Although the employment system and the two HRI data warehouses are regularly updated and maintained, the level of utilization by relevant entities is humble.

NATIONAL TRAINING AND EMPLOYMENT PROJECT

Mandate and Legal Status

National Training and Employment Project (NETP) is one of the Ministry of Labor's (MOL) initiatives aiming at alleviating poverty and unemployment rate among Jordanian youth. The project provides demand driven training and recruitment services for young job seekers. It is funded by the Technical and Vocational Educational and Training (TVET) Fund.

The NETP was launched in 2006 to provide demand driven training after the restructuring of the previous National Training Project, that used to provide supply driven training on specific professions.

The National Employment Center was recently merged with the NTEP. The National Employment Center manages the National Electronic Employment System (NEES) and provide employment related services.

Services

The NTEP provides demand driven training programs that are linked to specific employment opportunities in the private sector. A fast track training program is designed on a case-by-case basis and usually includes two phases: training (3-6 months) in a training center, or on-the job followed by the employment phase of two years.

The project uses the services of VTC training centers to provide training in many cases, yet it makes sure that the required skills and training curriculum is tailored to the need of the available job opportunities. The project pays the training fees in full if the training takes places in a training center, and 50% of the costs, if it takes place in the company. The project subsidizes the wages of the employees (up to 50%) and covers the employees' contribution to social security. The project obliges the company to contract the trainees for at least one year, after training.

The project works very closely with the private sector and assesses the enterprises in defining their future employment needs. NTEP signs an agreement with each enterprise, indicating the number of trainees and the required skills.

The NTEP also designs a sector/profession programs that are referred to as initiatives based on the needs of a specific sector. In such cases, the project coordinates with the sector stakeholders, business associations, relevant government entities and NGOs. Some of those initiatives are:

- Nursing training initiative with the Association of Private Hospitals, where the project is subsidizing 50% of the wages of 500 nurses for a year,

- IT training initiative for university graduates, with the Ministry of Information and Communication Technology where the project is subsidizing 50% of the wages of the graduates for 2 years.
- Satellite Units Initiative (SUI)³; by assisting businesses - particularly in labor intensive industries - in establishing satellite production units in pockets with high poverty rates, high unemployment rates, high population density - linked with high dependency rates, unavailability of companies / factories / businesses, that provide employment opportunities for young males and females, and traditional family structure inhibiting female mobility. NTEP either build the SUI or fund the rent for 5 years, in addition to wage subsidy.
- Agricultural workers initiative that supports employing Jordanians in the agricultural sector mainly in the Jordan Valley area. The project provides wage subsidy and the coverage of full Social Security fees.
- Improving the skills of workers initiative that targets employed people who require skills upgrading. Businesses are reluctant to enroll their employees to avoid reducing production hours.
- Providing training on handicrafts and micro-projects skills that targets females to assist them in working from home. The training is usually provided in rural areas and in coordination with local NGOs.

Target Group

The NETP targets Jordanians between the ages of 18 and 36 years, regardless of their gender. Although the program caters for all educational levels, it particularly targets school dropouts.

Coordination with Other Entities

The NTEP coordinates with VTC centers to provide training, the Employment and Training Directorate at MOL through meetings and employment related events.

VOCATIONAL TRAINING CORPORATION

Mandate and Legal Status

The Vocational Training Corporation (VTC) is a semi autonomous government organization, established since 1976, to provide trained workforce, through vocational training. The Minister of Labor heads the Board of Directors that includes members and representatives from the public and private sector.

Under the E-TVET reform program, VTC is being restructured to increase its effectiveness, efficiency and ability to align supply and demand in the Jordanian labor market.

Services

VTC provides the following main services⁴:

1. Provide vocational training opportunities for technical workforce, upgrade workforce in different programs and vocational training levels (none-academic).

³ Also from: brochures and leaflets of NTEP. <http://www.ntep.gov.jo>

⁴ Vocational Training Corporation, Annual Report, 2008. www.vtc.gov.jo

2. Provide assistance for small and medium enterprises-SMEs.
3. Regulate the occupational work by classifying workplaces and workers.

The Dual System is used to provide Apprenticeship Training Schemes; in which the trainee, during the training program, spends half of the time in the VTC centers, and the other half in the workplace: factory, company, firm, etc. The VTC manages 46 centers, covering the whole country, and located near the industrial and economic activities, including the industrial zones.

Additionally, VTC provides tailor-made training programs, as requested by the industry, which resulted in 45 demand-driven training programs in the last two years in cooperation with the industry. The E-TVET Fund subsidizes the wages of the trainees.

The VTC, employs 1500 people, 50% of them are technicians. The corporation provides 217 training programs, within 17 vocational families, covering the main sectors of industry, services and agriculture. With an average of 10,000 trainees annually, VTC provided training for around 300,000 over the last 33 years. The VTC is capable of catering 10,000 students every year. Most of the trainees are employed in the enterprise they were trained in (75%), the rest are employed in the same field, or do not seek jobs relevant to their training.

Through specialized training centers, VTC provides occupational health and safety training and train of trainers for other Arab countries.

Target Group

The VTC provides its services to males and females of the age 16 years and above. Mostly are students who finished 10th grade and did not perform well to move to high school in regular educational streams. VTC provides services for persons with special needs as well.

Coordination with Other Entities

VTC supports the National Training and Employment Project by providing training to beneficiaries. Employment Offices of MOL guide job seekers, who lack skills or education to benefit from training programs provided in VTC centers.

NATIONAL COMPANY FOR EMPLOYMENT AND TRAINING

Mandate and Legal Status

National for Employment and Training is a private shareholding not-for-profit company. It was established in response to a Royal Direction included in King Abdullah II letter to the prime Minister on the 61st anniversary of Jordan's independence. National for Employment and Training - which was registered in July 2007 and started operation in August 2007 - is fully owned by Jordan Armed Forces.

An Advisory Committee headed by the Prime Minister supervises the company. The Chairman of the Joint Chief of Staffs, Minister of Labor, Minister of Finance, Minister of Public Works and Housing are members of the committee, in addition to representatives from the private sector. The company is partially funded by the E-TVET Fund, in addition to 10% of the revenues resulting from issuing work permits to foreign workers.

The company employs 200 trainers and 128 management and administrative staff.

Services

National for Employment and Training provides vocational training in the fields of construction skills. The training program – which spans over 12 months - is composed of three stages:

1. Military training: for two months to enhance job commitment and discipline of workers.
2. Vocational training: for four months provided at the company's training center using a newly developed curricula based on European standards.
3. On-the-Job training: for 6 months in coordination with local contracting and construction companies.

The company used the training curriculum of VTC for construction professions, then updated the curriculum with the support of a French firm to adopt European standards in training and evaluation. Trainees who pass the final evaluation are provided with the Euro-pass certificate of competence.

All trainees are treated as civil members in Jordan Armed Forces, thus they receive a monthly salary, medical insurance, social security in addition to accommodation, transportation, food and clothing. Additionally, those who enroll in the program and complete it are exempted from compulsory military service.

The company use Oracle database to maintain trainees' data. It also has a special section to follow-up on trainees during the 6 months on the job-training period and assists them in finding employment opportunities.

The company graduated two groups so far. The first group including 2700 graduates graduated in 2008 of which 1370 were employed. The second group of 2700 graduated in October 2009 of which 670 were employed to date.

Target Group

The target group is un-employed males between the ages of 18-30. Vocations supported by the company are not appealing for females.

Coordination with Other Entities

The company coordinates with other entities in the sector as follows:

1. Al Manar project: the company uses the database of Al Manar project to obtain data and statistics to guide the planning and operation.
2. Ministry of Labor: The company is a member of a central committee in-charge of monitoring foreign labor permits for contractors.
3. The Development and Employment Fund: the company has a signed agreement with the fund, through which the fund is willing to finance the graduates to start their own business if they satisfy specific requirements of employing at least three other graduates from the same geographical area.
4. Chamber of Trade, Chamber of Industry, Jordan Chamber of Industry and the Syndicate of Contractors: the company has signed agreements to facilitate on-the-job training.

The company requested to be represented as a board member of E-TVET Council.

DEVELOPMENT AND EMPLOYMENT FUND

Mandate and Legal Status

The Development and Employment Fund was established in 1989 after a Cabinet decision as a public governmental organization, to finance and support small businesses and start-up projects. The fund started its operations in February of 1991 enjoying financial and administrative independence.

The main objective of the DEF is to enable the individuals and families, from poor and low-income groups, and unemployed, to start their own business. The Fund depends on the principle of self-employment and targeting to invest the capabilities of the individuals through developing their skills to initiate and manage their own business.

Projects financed by the Development and Employment Fund created 5,413 job opportunity in 2008 representing 7.7% of the total of 70,000 opportunities created in Jordan for the same year.⁵

Services

The Development and Employment Fund provides funding services as loans either directly to the beneficiaries or local NGOs, Micro-Finance Institutions Services provided by the Fund. The funding targets new and existing projects. Entrepreneurship projects of new product, service, market and/or serve a remote area are titled to larger funds.

In order to assist the loan recipients in managing their projects, the fund provides training programs. Besides, they also conduct survey studies to identify potential economic activities that could be successful in total areas. Consequently, training on those activities is provided through local NGOs.

Target Group

The funds recipients are the unemployed and the poor, regardless of gender or age. The fund focuses on providing its services in poverty pockets.

Coordination with Other Entities

The fund coordinates with IRADA and requests that all loan applications are accompanied with a business plan prepared by IRADA project. the fund uses the database of Al Manar project to guide its services.

IRADA PROJECT

Mandate and Legal Status

IRADA, the Enhanced Productivity Centers Program aims to help Jordanians develop a readiness for entrepreneurship and empower them to become self-reliant, productive citizens who are able to actively contribute to the socio-economic development of the Kingdom. By doing this, IRADA is participating in creating jobs for Jordanians.

IRADA is a project of the Ministry of Planning and International Cooperation (MOPIC) that started in 2002. It is funded by the MOPIC and implemented by the Royal Scientific Society (RSS). IRADA had 30 branches and offices covering all geographical areas of Jordan with concentration on poor areas to ensure that the services are accessible those who needs it.

⁵ Development and Employment Fund , Annual Report, 2008.(WWW.DEF.GOV.JO)

Services

IRADA provides two main services: consultancy and training. The consultancy services cover a wide spectrum of support to businesses and individuals as follows:

- Develop business and investment ideas that meet the market and community needs, based on the individual's qualifications and financial resources. This includes providing advice on needed financial resources and best financing options.
- Conduct feasibility studies, market studies and prepare business plans.
- Provide project follow-up, through regular field visits and technical support.

Under the training services, the project provides training on employability skills for fresh graduates, in addition to basic management skills and specific – business and technical skills for entrepreneurs and business owners. IRADA as well provides a 6 months internship program for fresh graduates where the interns are supported financially to cover transportations costs. IRADA tries to connect those interns to job opportunities.

All services are free of charge and are provided as close as possible to the recipients.

Target Group

IRADA provides its services to all unemployed Jordanians who are interested in starting a project with a minimum capital of JD 4,000 and up to JD 70,000. Existing SMEs can as well benefit from IRADA's services. Fresh graduates benefit from the intern program.

IRADA concentrates on providing the services to less advantage communities and rural areas and ensures that the supported projects employ Jordanians.

Coordination with Other Entities

IRADA signed a cooperation agreement with the Development and Employment Fund, through which the entrepreneurs that approach the fund for financial support are requested to provide a business plan of their project that is prepared or endorsed by IRADA.

The regional offices coordinate with local stakeholders such as the Chamber of Industry and Chamber of Trade.

WOMEN EMPLOYMENT UNIT-MINISTRY OF LABOR

Mandate and Legal Status

Women Employment Unit in the Ministry of Labor has two functions, the first is economic empowerment and the second is social protection. The Women Employment Unit supervises two initiatives related to women economic empowerment: the satellite units project and the employment of women both under the National Employment and Training Project. Those projects are funded by the E-TVET fund, implemented in coordination with the National Employment and Training Project while the unit takes care of the awareness related to attracting female job seekers to those initiatives.

A committee that provides guidance to its work and endorses work plans supervises the Unit. Women unions, labor unions, Chambers of Industry, Trade, private sector representative, and other stakeholders are members of this committee.

Services

Women Employment Unit provides employment services to female job seekers in poverty pockets. It conducts awareness sessions and meets with local stakeholders to attract unemployed women to be trained and employed under those two projects.

Target Group

The Women Employment Unit provides its services to all unemployed women, yet is focuses on the uneducated, unskilled women living in poverty pockets between the ages of 18 and 35 years.

Coordination with Other Entities

The Women Employment Unit coordinates with the Employment and Training Directorate of MOL and participates in setting related work plans and strategies. The Unit does not have access to the databases of Al Manar project, so it depends on the Department of Statistics to identify target areas. The Unit coordinates with the National Employment and Training project in the implementation of women employment initiatives. It also coordinates with the Development and Employment Fund in some awareness activities.

Women unions, labor unions, Chambers of Industry, Trade, private sector representative, and other stakeholders are members of a committee that supervises the Unit.

EMPLOYERS VIEWS

The consulting team met with few employers from different sectors to capture their views of the employment services provided by the different governmental entities. They all agreed that the government is investing a lot of time, effort and money in employment, but the impact of this investment could be maximized if the following concerns were handled:

1. Several entities provide different services and sometimes overlapping support. Businesses are not aware of the different types of support provided by those entities.
2. All entities need to be pro-active in dealing with the private sector. Increasing communication and consultation with the private sector will increase the sector's willingness to employ Jordanians instead of foreign workers and reduces the investment the businesses made in re-training.
3. Training provided should be demand driven and closer to the businesses' needs.
4. Training providers need to provide orientation and training to enhance the workers respect to their employers, value and appreciation of work and commitment to the workplace.

FINDINGS

The employment sector in Jordan involves many entities. The consulting team met with some of them and used desk research to obtain a better understanding of the available services and level of coordination and integration between the sector services and entities. Based on the initial mapping of the employment services, the consulting team reached some findings that are categorized as follows:

1. Relevance of Employment Services to the Labor Market:
 - a. Employment services provided by the entities do not operate under a clear direction developed based on economic development priorities.
 - b. Available information and data on the labor market - although some claim it is not sufficient - is not being used to guide employment services, thus, improving the quality of the data, cannot take place since the users are neither depending on it, nor providing improvement feedback.
 - c. The relations between the employers and the employment agencies usually start by the employer. Although many entities referred to assessments they carry out to assess the employers' needs, a clear lack of pro-active approaches to involve the private sector and stronger relationships was noticed.
2. Coordination and Integration
 - a. Mechanisms and incentives for collaboration within the sector are weak, resulting in duplication of functions. Lack of a coordinating role/body could be the reason for that.
 - b. All existing employment services work under a relatively clear vision, but the efforts are scattered and fragmented. Counseling and awareness materials tend to be in short supply and there seems to be lack of reaching the job seekers, at their locations.
 - c. Due to lack of policy guidance and coordination, the services provided by the sector seems to serve some target groups and neglecting others, e.g. although several entities have offices across the country, there is no guarantee of covering all targeted areas nor targeted groups.
3. On the supply side: students, trainers, un-employed workforce:
 - a. VTC centers are distributed geographically, and therefore access to vocational training is not an issue, but Jordanian students and un-employed are not eager to learn a vocational skill.
 - b. Wage subsidy and demand driven training programs corresponds to the unwillingness of Jordanian workforce to work in certain professions, yet, many entities provide similar schemes without a strategic direction or coordination with other established programs.
4. On the Demand Side: enterprises

Private enterprises claim that they do offer incentives to attract unemployed, unskilled workforce and VTC graduates, but the workforce is still reluctant to accept a wide spectrum of available jobs due to its nature, pay or work conditions. Therefore, these enterprises find themselves forced to accept and employ foreign workers.

BEST PRACTICES

With the objective of capitalizing on best practices in organizing the employment services, the consulting team utilized its previous knowledge and expertise in addition to researching the manner in which the employment services are organized in four countries: Tunisia, Canada, Malaysia and Bahrain. Those models were selected with the Employment and Training Directorate at MOL. The following sections describes the organization of employment services in those countries.

TUNISIA

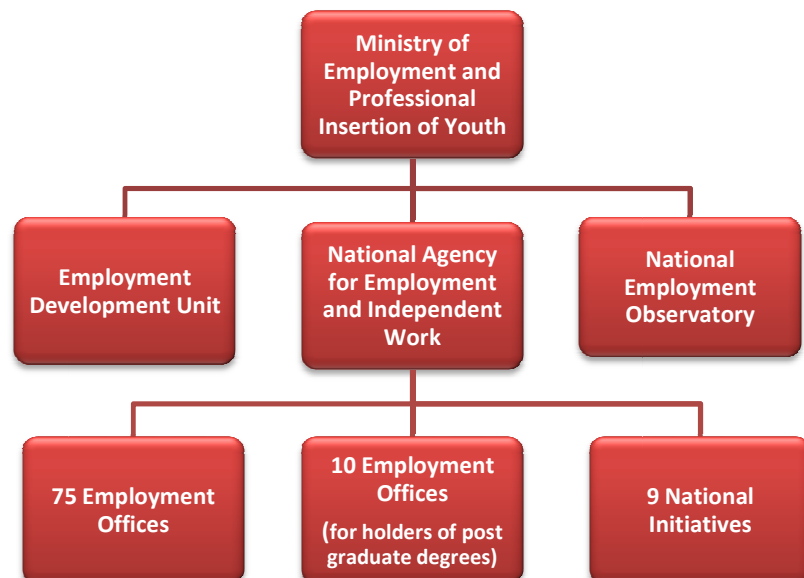
Tunisia is recognized as a regional leader in employment services, it restructured government employment services in 2008 and developed a multi-year ambitious employment strategy.

Overview

The Ministry of Employment and Professional Insertion of Youth heads entities and manages the projects/national initiatives that provide employment services. Three main functions are managed by the ministry as follows:

1. Labor market statistics and studies which are carried out by the National Employment Observatory.
2. Policy setting and design of employment programs which are carried out by the Employment Development Unit.
3. Employment and execution of programs by the National Agency for Employment and Independent Work. The agency carries out its functions through 75 employment offices, 9 independent work initiatives and 10 employment offices for holders of post graduate degrees.

The employment services are provided in a One-Stop-Shop manner, where the employment offices provide the full spectrum of services to job seekers and businesses in one location. One electronic system that is web-enabled- is used for employment services, follow-up of field work and follow-up on job seekers.



The National Agency for Employment and Independent Work is an autonomous government body that is financially independent under the supervision of the Ministry of Employment and Professional Insertion of Youth.

The sector restructured the national employment initiatives in 2008 and re-organized them in 6 national projects/initiatives that caters priority target groups of:

1. Fresh graduates, wage subsidies for internship of fresh graduates in relevant companies.
2. Un-employed higher education degrees holders, wage subsidy for a one year employment and training.
3. Un-employed and un-educated, wage subsidy for a one year employment and training in a vocational field.
4. Laid-off employees, wage subsidy for a one year employment and training in a relevant field.
5. Mentorship and start-up support for entrepreneurs.

Additionally, the agency keeps the door open to other programs based on local needs of specific target groups in the regions. The Municipalities cooperates in this regard and annual program agreements between the agency and the municipalities are signed accordingly.

Main Characteristics

The main characteristics of the Tunisian model are summarized as follows:

1. The employment sector is organized, all required roles (policy, statistics, employment and start-up support) are clearly defined and each entity in the sector has a clear mandate.
2. One entity executes all employment services and programs using a One-Stop-Shop approach. Each employment office provides the full range of employment services.
3. The services are also provided in several means: on the web using a web enabled system, by phone through a call center or through the employment offices the covers the country.
4. One IT system is used providing a One-Stop-Shop for employers and job seekers.
5. Initiatives/programs are clearly defined and comprehensive to cover all target groups.
6. All initiatives are demand driven and include wage subsidy and training.
7. National strategy for employment drives the implementation and there is an element of flexibility to accommodate the needs of individual regions.

Main characteristics of the Tunisian model:

- Single execution agency,
- Roles clearly defined,
- Service delivery in OSS approach
- Several service delivery modes
- Focused national demand driven initiatives
- One IT system

CANADA

Since the constitution Act of Canada gives exclusive authority to each province in Canada to make laws in relation to education, the consulting team studied the organization of the

employment sector in the province of Ontario and its relation to the national level initiatives and organizations.

Overview

In the province of Ontario⁶, the Minister of Education and the Minister of Training, Colleges and Universities are responsible for the administration of laws relating to education and skills training. This includes the administration of employment services.

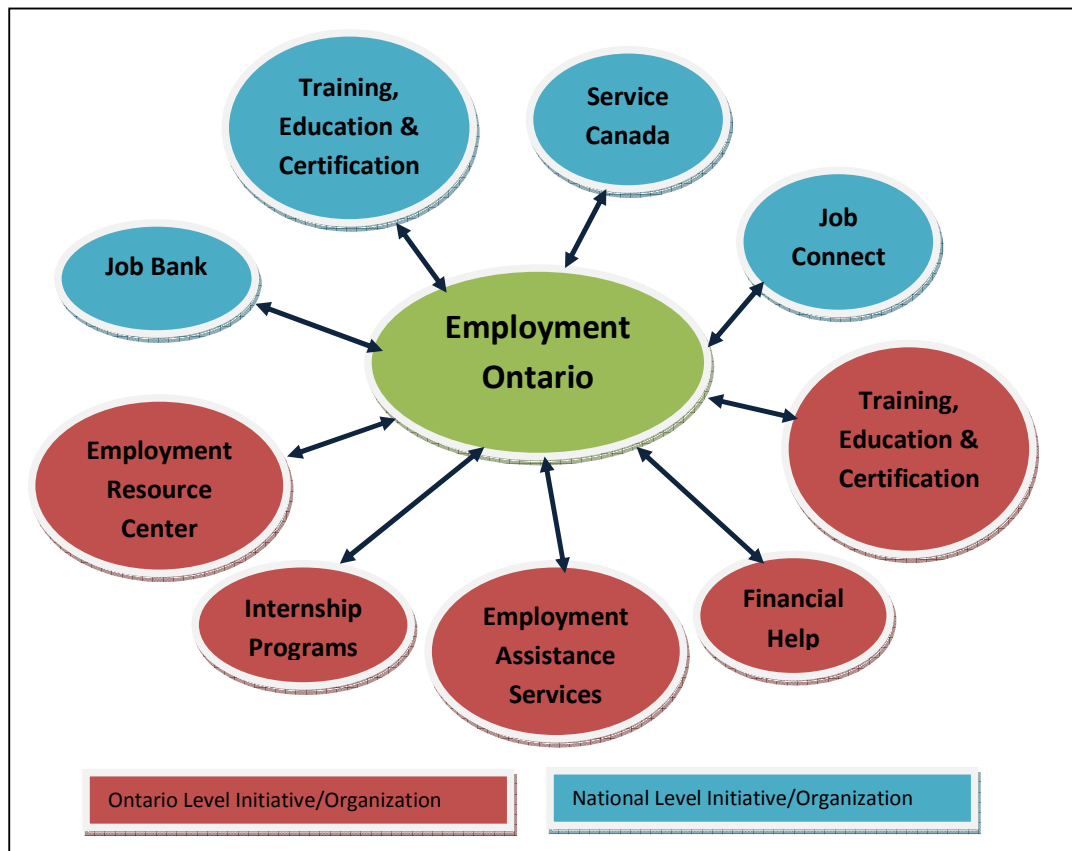
The Ministry of Training, Colleges and Universities operates Employment Ontario, which is a one-stop source of information and services for students, job seekers and employers. The Ministry is responsible for:

- Delivering employment and training services to the public across the province of Ontario
- Developing policy directions for employment and training in Ontario
- Setting standards for occupational training
- Managing provincial programs to support workplace training and workplace preparation, including apprenticeship, career and employment preparation, and adult literacy and basic skills
- Labor market research and planning

Although, Employment Ontario is an employment and training network, its services are provided in a One-Stop-Shop format through several means: through the internet, by phone through a call center, in addition to the offices of the network. It is a one-stop source of information about jobs, job search skills, training, education, and other services for employees and employers.

Employment Ontario was created after signing an agreement between the federal government of Canada and Ontario through which Ontario provides training and employment programs through an integrated and client focused service delivery network: Employment Ontario. This network will provide a coordinated system for accessing the labor market programs of all ministries/agencies of Ontario by individuals regardless of their particular needs or barriers and for making appropriate linkages with educational and training institutions and third party service providers. The federal government of Canada will fund the programs.

⁶ Main source of information is www.edu.gov.on.ca.



The Employment Ontario links many entities/initiatives as follows:

1. Job bank: its Canada's one-stop job listing website. It assists job seekers in searching for jobs anywhere in Ontario – or across Canada and facilitates job matching, career development and building a resume.
2. Ontario Employment Resource Centers: provides career counseling and job matching and provides training on employability skills.
3. Service Canada Employment for Youth and Students: National wide set of initiative for the employment of youth and students (e.g. Public Sector Internship Program, Skill Link, Summer Employment, Legal Excellence ...)
4. Ontario Internship Program: 2 years public service internship program in Ontario.
5. Ontario Employment Assistance Services (Personalized Career Help - targets those who are eligible to Employment Insurance): connecting job seekers to employment programs, job matching, career and job counseling
6. Job Connect (Personalized Career Help - targets those who are not eligible to Employment Insurance): career counseling and job matching. It also serves the employers.
7. Financial help: financing schemes and support to entrepreneurs.
8. Certification programs for skilled workers
9. Apprenticeship options
10. Literacy and basic skills training, Languages training

11. Information on job market and job search tips.
12. Links to education providers (public, private, education funding options).

In addition to the above, Employment Ontario provides the following services for employers:

1. Hiring incentives.
2. Wage subsidy programs.
3. Labor market information.
4. Other services (layoffs ...).

Main Characteristics

Main characteristics of the Canadian model:

1. The ministry is in charge of setting the employment policy and strategy at the province level, but Canada's National strategy of employment guides the policy and the strategy execution.
2. The services are provided by several entities and initiatives, yet all the roles are well presented and in a complementary manner. Employment Ontario ensures that the services of all of those entities are provided to job seekers and employers in a One-Stop-Shop approach.
3. The services are provided in several means: the internet, by phone through a call center and in the offices of the several entities involved.
4. One IT system that allows job matching and is web enabled covering the whole country of Canada.

Main characteristics of the Canada/Ontario model:

- Multiple agencies in one "network",
- Roles clearly defined,
- Service delivery in OSS approach
- Several service delivery modes
- Focused national demand driven initiatives
- One IT system

MALAYSIA⁷

Malaysia has maintained high or full employment from the 1970s. This could be attributed to the Malaysian approach to social policy – which has been developed over a period of approximately half a century. This policy resulted in improvements in education, and ensured greater employment opportunities and a higher level of social protection for all people.

Full employment could also be attributed to the almost continuous rapid expansion of the economy over the past three decades. In certain sectors of the economy, the demand for labor has been so great that there have been shortages. Programs to increase employment and overcome labor shortages have boosted employment opportunities.

Overview

The national employment policy in Malaysia was developed with the aim of maintaining full employment. Other goals are concerned with increasing labor productivity and wages and satisfying the labor demands of an economy that has been expanding rapidly and undergoing a variety of structural changes. The practice of creating new jobs at a rapid and continuous rate has been an important component of efforts to reduce poverty and to restructure society.

⁷ "Social Policies in Malaysia". Social Policy Series, No. 4, pp 31-35. UN Report, New York, 2003

The Ministries of Human Resources, Entrepreneur Development and Youth and Sports, develop employment policies and designs employment programs in coordination with accredited private industrial training providers.

The ministry of Human Resources administers a service to disseminate information concerning job vacancies. This was eventually upgraded and replaced with a more comprehensive and computerized system, known as the Electronic Labor Exchange⁸.

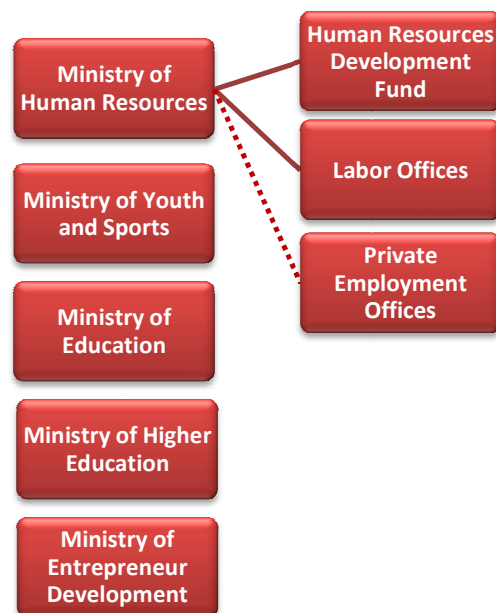
The Human Resources Development Fund, which is managed by the Ministry of Human Resources, provides financial assistance for demand driven training. Firms must contribute a small percentage of their earnings towards the Fund; this has helped in upgrading the skills of employed workers and retraining the unemployed.

Besides registered private employment agencies, employers and job seekers can seek assistance from government employment offices located throughout the country. Employers seeking to recruit workers can obtain detailed information on job seekers registered with these employment offices whose functions include:

- Undertaking publicity campaigns to aid employers' recruitment drive
- Arranging preparatory work relating to holding interviews and aptitude tests

The Department of Labor - which is part of the Ministry of Human Resources - provides advisory services to both employers and employees on all aspects of the labor laws in the country. This includes: job matching and counseling, coordination for training, etc.

Other ministries has connections with the ministry of Human Resources for matters related to training for the industries, and sometimes accommodate their facilities for meetings between, or conducting interviews for potential employees (graduates and trainees..), and job providers (employers and industrialists).



Main Characteristics

Main characteristics of the Malaysian model:

1. The Department of labor, under the Ministry of Human Resources, through the governmental employment offices, provides free

ian model:

Iriven initiatives

⁸ Department of Labour Peninsular Malaysia. <http://www.jarang.my>

services for job seekers and job counseling for the unemployed, during the period of job search.

2. Roles are clearly defined between the different agencies and focused national demand-driven initiatives are in place.
3. Registered private employment agencies also provide employment services.
4. The polytechnics and the community colleges also provide facilities for prospective employers to conduct interviews for graduating students in their institutions.
5. A written contract of employment must be given to every employee where the employment period exceeds 1 month. The contract must include particulars of the terms and conditions of employment and notice period required to terminate it.
6. Strong coordination with the training providers, from the Public sector: Ministries of Human Resources, Higher Education, Education, Youth & Sports, Entrepreneur Development, and the private sector.

BAHRAIN

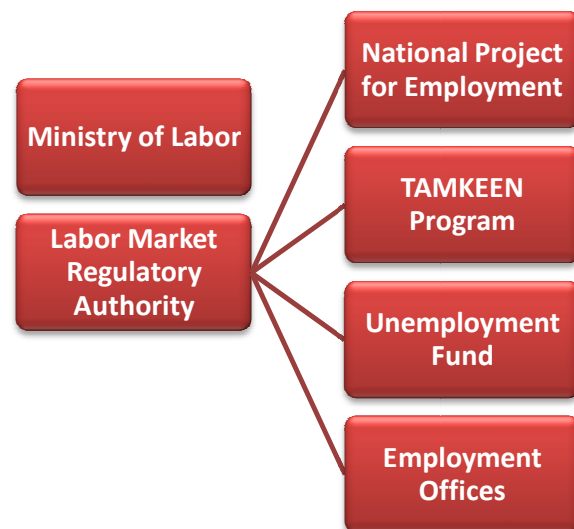
Bahrain is characterized of being among the countries that's workforce is composed of a high percent from foreign workers. The Ministry of Labor is leading the employment sector by establishing employment policies and designing employment programs that encourage, support the employment of Bahrainis and regulate the employment of foreign workers. Currently, Bahrain is assessing the employment sector to absorb the Bahraini nationals in job vacancies by conducting a nationwide survey, to understand both the macro and micro environment, in which the expatriates workforce operate. The objective of the study is to provide inputs to the regulatory authorities in order to formulate and improve upon policies and procedures relating to the employment and labour market.

Overview

The Bahraini Government has to handle several challenges in to employing locals, these challenges lie under one or more of the following:

- Education occupation profile not matching
- Lack of experienced candidates
- Lack of work ethics
- High salary expectations

In order to handle those challenges, the Ministry of labor designed several initiatives to enhance the employment of Bahrainis. The following describes the government entities that provide employment services, their roles and national initiatives supporting those roles.



The employment services provided in Bahrain are lead by the Labor Market Regulatory Authority; LMRA, under the Ministry of Labor, that establishes employment policies, designs

employment programs and regulates the employment foreign workers. The main functions are:

- Setting policies and designing programs
- Providing employment services (job matching, counseling) through its employment offices
- Administering and operating the system of electronic employment services that provides registration of job seekers, job providers, and job vacancies in addition to the e-support helpdesk

The Labor Market Regulatory Authority (LMRA⁹) is responding to the challenge of employment in the labor market, by establishing a quarterly system of Bahrain Labor Market Indicators. It combines administrative data on employment from several entities (General Organization for Social Insurance (GOSI), the Pension Fund Commission (PFC), and the Civil Service Bureau (CSB)), and adjusts them against each other and against available census and survey data. In a summary LMRA is in-charge of the following:

- Labor market information system/ data and indicators
- Providing employment services/ job matching and counseling

LMRA employment offices provides employment services of job matching, job orientation and counseling in addition to registration of foreign workers.

TAMKEEN Program conducts fund raising for employment obtained as fees from the sectors employing foreign workers. TAMKEEN program transfers those funds to the LMRA for job creation.

The National Project for Employment is a professional development program, to improve wages, enhance confidence and maintain job stability in the companies.

The Unemployment Fund, is a fund which registers the unemployed and organizes the monthly payments. It coordinates with the LMRA where job seekers are prohibited from receiving un-employment funds if they refuse a job offered by the employment offices for three times in a row.

Main Characteristics

The Bahraini model is characterized with the following features:

1. LMRA: One entity is in charge of combining and analyzing of labor market statistics for the use of the sector.
2. Acting as a single execution agency: the employment offices provide the employment services: free services for job seekers and provide job counseling for the unemployed during the period of job search.
3. Availability of large budgets for Professional Development Programs, and support for the employees with low salaries.

Main characteristics of the Bahraini model:

- Single execution agency,
- Roles clearly defined,
- Several service delivery modes
- Focused national demand driven initiatives
- One IT system

⁹ LMRA from: <http://www.lmra.bh>

4. Strong connections and coordination mechanisms with the private sector to employ and make the Bahraini's a preferred option for employment.
5. Supporting and establishing private agencies for the employment of Bahrainis

ANALYSIS OF BEST PRACTICES

The consulting team analyzed the international models that were studied and came-up with the conclusion that the employment services are usually provided through one of the following two models:

1. Single Execution Agency, characterized by a single entity that provides the full set of employment services.
2. Network of Agencies, where the employment services provided through several entities, yet coordinated in a network.

In addition to the two models that were recognized, the consulting team identified the following key attributes that are shared in both models:

- Roles are clearly defined between the different agencies in the sector
- Focused national demand-driven initiatives are centrally designed and implemented
- One IT system is used by all sector entities, providing a mean for coordination, integration and synergy.
- Employment services are provided in several modes including the web and call centers

MOVING FORWARD

There are many governmental institutions and bodies providing employment services in Jordan. The national goal is poverty alleviation and reduction of unemployment, led to the creation of those institutions, with various forms and types. Full participation and functionality of those entities is hindered by many obstacles, connected to funds, availability of data and information, training and re-training, advisory and counselling services, and above all, to coordination between those entities. The sections below clarify the opportunities and challenges in implementing each of the defined models in Jordan.

SINGLE EXECUTION AGENCY

Opportunities

The single execution entity is very successful in Tunisia, yet it came after restructuring the employment sector and distributing the roles very clearly between the sector entities. In Tunisia, policy and program design is the responsibility of the Employment Development Unit, while the National Employment Observatory is in charge of obtaining and maintaining employment data and statistics. The success of the model could also be attributed to the national employment strategy that leads the sector in addition to the use of a One-Stop-Shop for service delivery. The Labor Market Regulatory Authority; LMRA, in Bahrain, on the other hand, is leading and regulating the employment opportunities, through well-defined procedures. These procedures are closely coordinated with both the supply side and demand side, in the country.

Using a single execution agency in Jordan to provide employment services will assist in overcoming the lack of coherent career guidance and vocational counselling to support job placement and matching. Compatibility of systems and applications will result in the provision of a convenient service; enhance accessibility and efficiency of the provided services.

Single Execution Agency- Opportunities:

- Centralized policy and program design
- Facilitates provision of services in OSS manner
- Higher efficiency and Compatibility of systems and applications
- Maximum resources for implementation
- Enhancing geographical presence
- Increasing visibility

The single execution agency could be seen as a structure, or an initiative, to get round the problems and obstacles of coordination, and thus to avoid the duplication of efforts, in the field of employment, exerted by the various governmental and non governmental bodies.

Some sector weaknesses that could be attributed to lack of human and resources could be overcome by grouping the resources available within the different entities or the parts of those entities that provides employment services. The great resources resulting from transforming to a single execution agency will support the implementation process. It will also enhance visibility and outreach through a wider geographical presence.

Challenges

Although the single execution agency model seems to be a reliable model, the reform

Single Execution Agency- Challenges:

- Huge reform of the employment sector
- Serious legal and regulatory amendments
- Closing/shutting down or restructuring of sector entities,
- Long reform and transition period
- Magnitude of resources (human & financial) needed for the transition
- Transformation into a customer based service delivery

required to be achieved is substantial and involves many risk factors that may hinder its success. Resistance to change and need to build consensus between sector stakeholders on the strategy, operational and functional level requires strong and committed leadership, skilled implementation team and large investments in change management. It also has to be supported by a clear employment strategy and role distribution between the resulting sector players, in addition to changing the mode of service delivery to a One-Stop-Shop mode supported by a single database-system.

Since the legal status is different from one entity to the other, merging, restructuring, or even streamlining the functions, will cause extensive administrative burdens and will require amending laws, regulations and legal frameworks, which is cumbersome and time consuming.

The magnitude of the reform is huge and will require serious legal and regulatory amendments to transfer the employment responsibilities from the several entities involved to the newly developed “single execution agency”. This may result in shutting down some entities, mergers and transition of staff and resources.

The reform will require a long transition period, first due to the long legislative drafting and approval followed by implementation of transition and handling of all administrative and logistical arrangements related to staff, offices, assets and systems. This will require extensive financial resources needed to carry-out such a reform.

The expected resistance to change will be an issue that has to be handled, due to the structural and legislative change imbedded in the reform. Another change will require attention and will be faced by fierce resistance; that is transformation of service delivery approach into a customer based service. Although may be perceived as an opportunity, adopting a customer centric approach requires massive investment in change management.

NETWORK OF AGENCIES

Opportunities

The mapping exercise had shown that the employment sector lacks a system that brings together all available resources in the sector entities, projects and initiatives. The network model can be a solution to build concrete links between sector entities themselves and then with sector stakeholders. This will result in improving employment services and enhance job

matching links. The networking model will additionally support the development of linkages to financial schemes that will enable future entrepreneurs to start small enterprises.

The Canadian model; Employment Ontario as a network, combines national and province level agencies and initiatives in a network that serves as a One-Stop-Shop for job seekers and employers. The required level of coordination and cooperation between the entities and initiatives is substantial, yet the success of this proves that this coordination results into excellent services to the recipients.

The networking model will build the capacity of sector entities utilizing coordination and knowledge sharing to achieve results. It will be a gradual approach to a better service delivery, improved policy making and better design of national initiatives and programs.

Network of Agencies- Opportunities:

- Enhancing visibility by leveraging the assets and resources of all entities.
- No closing/shutting down of sector organizations/entities,
- Ensuring all roles required and sector functionality is provided in a coordinated manner
- Better focus of initiatives and programs
- Builds the capacity of sector entities
- Enhancing knowledge transfer and information gathering/utilization

Providing the employment services utilizing a network approach, will increase the visibility of employment services and will utilize the geographical presence of all entities in the network. Utilization of the resources of all of employment entities in a coordinated manner, will certainly enhance efficiency and effectiveness with a focus on the service provided and not the entity that provides the service.

Compared to the single execution agency model, implementing the network model in Jordan will not result in shutting down of any of the sector organizations. This will result in less legal changes and change resistance.

Challenges

Using a network model in Jordan will require extensive coordination between the current agencies and may result in some modification of the services provided by those entities.

Network of Agencies- Challenges:

- Huge coordination effort for implementation and during service delivery
- Legal and regulatory changes to resolve/minimize all overlapping mandates
- High caliber HR resources are needed to operate the transformation.
- High caliber HR resources to manage and ensure sector coordination in the umbrella organization
- Integration of backend systems

This model has to be supported by regular, planned and targeted coordination activities (meetings, workshops, dissemination of data...). This model will not be successful unless a single employment strategy and implementation plans leads the work of all of those agencies. Several integration activities will have to take place on not only the functions and services level, but also the IT systems and databases as well.

The network approach, although with less risk factors, will necessitate a national strategy for employment, that may result in modifications of the services provided by some entities, and will require investment in unifying/ integrating IT and other modern systems.

High caliber human resources will be needed to operate and implement the networking model and mainly to carry-out the first and most important step; that is resolving overlapping mandates between the sector entities. This will require some legal and regulatory changes and may result in substantial resistance to change.

RECOMMENDATIONS

The consulting team recommends that MOL, and other concerned parties, review the proposed models, and balance the national preferences against the existing resources and opportunities, to reach the optimum situation for an efficient and reliable employment services.

The investment in the transformation into any of the above-mentioned models, or a model that integrates both, will require leadership support, investment and extensive change management. Even if all key success factors are available, the time required to transform the sector organization, in addition to service delivery approach, will require a minimum of two years.

It is also very important to mention that both models are successful due to many attributes that are shared in both, those attributes are:

- Roles are clearly defined between the different agencies in the sector
- Focused national demand-driven initiatives are centrally designed and implemented
- One IT system is used by all sector entities, providing a mean for coordination, integration and synergy.
- Employment services are provided in several modes including the web and call service centers.

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