

State employment centers in Russia: assessment by service recipients¹

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Abstract

Background: Many countries spend up to 1% of GDP on implementing employment policies and assisting unemployed citizens, so it is important to assess the effectiveness of spending these funds. One of the Russian federal projects focuses on increasing the level of service recipients' satisfaction. The target indicator is 90.0% of satisfied recipients by the end of 2024.

Purpose: This study aims to analyze the state of employment policy implementation in Russia.

Study design/methodology/approach: The information base of the study is data of two questionnaire surveys of registered unemployed conducted in 2020-2021. In 2020, 4,800 unemployed people were interviewed in order to assess their satisfaction with the services received at the employment center. In 2021, 1,000 people from this number were re-interviewed in order to assess usefulness of the provided services. The survey evaluated several parameters, which influence the recipient's satisfaction with provided state employment services. Descriptive statistics methods were used to analyze the data.

Finding/conclusions: The results show that over the past 3 years, respondents have noted positive changes in the work of state employment centers - expanding opportunities to receive services via the Internet, reducing queues in employment centers, increasing the availability of information about services. Also, the respondents rate usefulness of the received services for future quite highly employment. At the same time, low speed of service delivery, a large list of necessary documents, and insufficient customer orientation of employment centers staff are still being zones for development and improvement.

Limitations/future research: The limitations of the study include a small number of existing studies on this problem, as well as the sample size. In further research, it is advisable to increase the number of unemployed interviewed in order to obtain more accurate and objective assessments of satisfaction with the services provided in employment centers.

Keywords

Unemployment, public employment services, employment centers, service recipients, Russia

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Introduction

Many countries of the world spend huge resources on implementing employment policies and providing assistance to the unemployed. These measures include payment of unemployment benefits, costs of training the unemployed, employment subsidies, etc. (Martin, 2015). The amount of these expenditures is significant and can reach 1% of GDP (Altavilla, Floro, 2009), so it is important to assess the effectiveness of spending these funds on the implementation of employment policy measures. All this determined the motivation of this study, which is aimed at assessing the effectiveness of the implementation of an active employment policy on the example of the Russian Federation.

The development strategy of the Russian Federation is implemented through several federal projects. One of these projects is the "Labor Productivity and Employment Support", which was adopted by the government in 2018 and is valid until the end of 2024. The purpose of this federal project is to support employment through training of employees of Russian enterprises participating in the project and to modernize the employment infrastructure in the regions of the Russian Federation.

In turn, the effectiveness of the implementation of the federal project is evaluated through several key indicators. One of the main indicators is the satisfaction of citizens with the services received in the state employment center. In 2018, the value of this indicator was equal to 60.0%, and it is planned to reach the level of 90.0% of citizens satisfied with the received services of employment centers by the end of 2024 (Federal Project "Promoting Employment", 2018).

1. Literature analysis

"A set of methods and tools for working with unemployed aimed at reducing unemployment" is called active labor market policy (ALMP) (Stuken et al., 2021). It reflects the state's interference in the labor market functioning and may be performed in forms of training, subsidized employment, job search assistance, and free access to the job database (Martin, 2015; Mušikić et al., 2017; Stuken et al., 2021).

A literature analysis has shown that there are many works published by Russian and foreign authors that are devoted to assessing the

effectiveness of employment centers performance (Boeri, & Burda, 1996; Brown & Koettl, 2015; Card et al., 2020, 2018) and customer satisfaction with its services (Gennari, Barbieri, & Sestito, 2001; Suárez, Cueto, & Mayor, 2014; Kalvane, 2006; Elezaj et al., 2019).

Research conducted by Russian authors shows that recipients of public employment services are not satisfied with their quality and availability. As of 2010, only 20% of recipients report that they are satisfied with the quality of public services provided to them. As for disadvantages, they state the inconvenient working hours of employment centers, lack of information about procedure and conditions of obtaining the service, long waiting time for receiving the service, lack of politeness and low customer orientation of the employment centers specialists (Akhmedov et al., 2003; Ogneva, 2010, Bushmin & Kalneus, 2012).

Foreign authors also mention bureaucratization as one of the reasons for dissatisfaction with the services of state employment centers (Redman & Fletcher, 2021).

In addition, the unemployed are often dissatisfied with the characteristics of the job provided. Employment centers usually provide the unemployed with seasonal or temporary job offers from autumn to spring, which are during the highest unemployment rate periods. "The organization of public works is often complicated due to a mismatch in the skills needed and the qualifications possessed by the jobseekers. There are also some social and psychological aspects of participation in public works, such as low prestige and low qualifications for the work, which are not desirable or sufficient to satisfy certain jobseekers" (Meager, 2007; Kuddo, 2009).

Moreover, the satisfaction of citizens with provided services largely depends on the emotions that a person experiences while receiving the service (Liljander & Strandvik, 1997). The results from an empirical study of customers' experiences of the services of a labor force bureau show that negative emotions have the largest impact on customers' satisfaction.

It is also of interest to assess the satisfaction with public employment services of recipients with different socio-demographic characteristics (Caliendo et al., 2017; Escudero, 2018).

Some researchers study gender effects on satisfaction with employment services. According to results, women have higher expectations regarding the importance of service delivery

issues than men. However, there were found no differences between male and female respondents in their actual satisfaction with the employment service received (Ross et al., 1999).

2. Research

The purpose of this study is to analyze the implementation of the state employment policy. In order to do that, we used the assessments of citizens who have received employment services. The range of serviced provided by state employment centers include temporary employment, informing about the state of the labor market, public works, organization of job fairs, professional training, career guidance, psychological support, assistance in self-employment, assistance in relocation to another area, assistance in job search, support for the employment of disabled people, social adaptation and other services.

The information base of the study is the data of questionnaire surveys of registered unemployed, which were conducted in 2020 and 2021 in one of the typical regions of the Russian Federation (Omsk region).

In 2020, we interviewed 4,800 unemployed people in order to assess their satisfaction with the services received at the employment center. A

year later, in 2021, 1,000 people from this number were re-interviewed in order to assess the usefulness of the provided services for employment.

Our hypothesis was that the satisfaction of the unemployed with the help they receive in finding a job increased from 2020 to 2021, as state employment centers improve their performance, including increasing the availability of services for recipients.

Descriptive statistics methods were used to analyze the data.

Let us consider the main results of the study.

First, the respondents were asked to assess the development level of different characteristics of the employment centers' performance. Such characteristics are speed of service delivery, attentiveness and politeness of personnel in employment centers, territorial convenience of the employment center location, availability of information about the provision of services, comfort (availability of parking, comfortable seats, etc.), work schedule of the employment centers, qualifications of personnel in employment centers, clarity of the rules for receiving services.

The results are shown in table 1.

Table 1 Assessment of characteristics of employment centers' performance, % of responses

Performance characteristics	Type of settlement	Excellent	Good	Poor	Very poor	N/A
Speed of service delivery	City	60.5	26.2	2.9	1.5	8.9
	Region	59.0	30.4	2.2	1.7	7.3
Attentiveness and politeness of personnel	City	67.7	21.1	1.5	1.3	8.4
	Region	63.4	28.7	1.6	1.4	4.9
Territorial convenience of the employment center location	City	54.9	27.1	2.4	1.2	14.4
	Region	52.9	34.1	2.0	2.2	8.8
Availability of information about the provision of services	City	57.1	28.7	2.4	1.3	11.5
	Region	61.2	31.2	1.5	1.5	4.6
Comfort (availability of parking, comfortable seats, etc.)	City	49.0	24.6	4.9	1.3	20.2
	Region	55.5	33.4	1.8	2.3	7.0
Work schedule of the employment center	City	63.0	25.3	1.3	1.0	9.4
	Region	62.6	30.8	1.2	1.1	4.3
Personnel qualifications	City	66.3	22.6	1.3	0.9	8.9
	Region	68.7	24.4	1.3	0.9	4.7
Clarity of the rules for receiving services	City	64.0	23.2	2.1	1.3	9.4
	Region	64.4	28.1	1.5	1.2	4.8

Source: the authors

All the characteristics of employment centres' performance were evaluated in the context of the settlement type - city or region. It was found that respondents who live in the Omsk region rate the

performance of employment centres higher (the sum of excellent and good ratings) than those who live in the city of Omsk. This situation is observed for all the evaluated characteristics (the gap in

ratings ranges from 2.2% to 15.4% for different characteristics). In general, it can be noted that the respondents assess the characteristics of employment centres' performance rather highly; the sum of excellent and good ratings was more than 80.0% for almost all characteristics.

The possible explanation might be the fact that the employment centres located in the city have more requests from citizens and, consequently, the specialists of these centres are busier. In addition, people living in the city have more opportunities to find a job independently or to apply to non-state recruitment agencies. This can also affect their assessment of the employment centres' performance.

40.5% of the total number of respondents who took part in the survey had already applied for the

state employment services before. We were interested in how these people assess the changes in the quality of service delivery over the past time.

As can be seen from the figure 1, respondents note that some characteristics of the employment centres' performance have been changed over the past 3 years. In particular, the majority of respondents say that it has become possible to receive employment services via the Internet, what makes the process of applying for a service simpler and faster. Despite the fact that employment centres have been working in this direction for a long time, this has largely become possible due to the coronavirus outbreak and the lockdown introduced because of it.

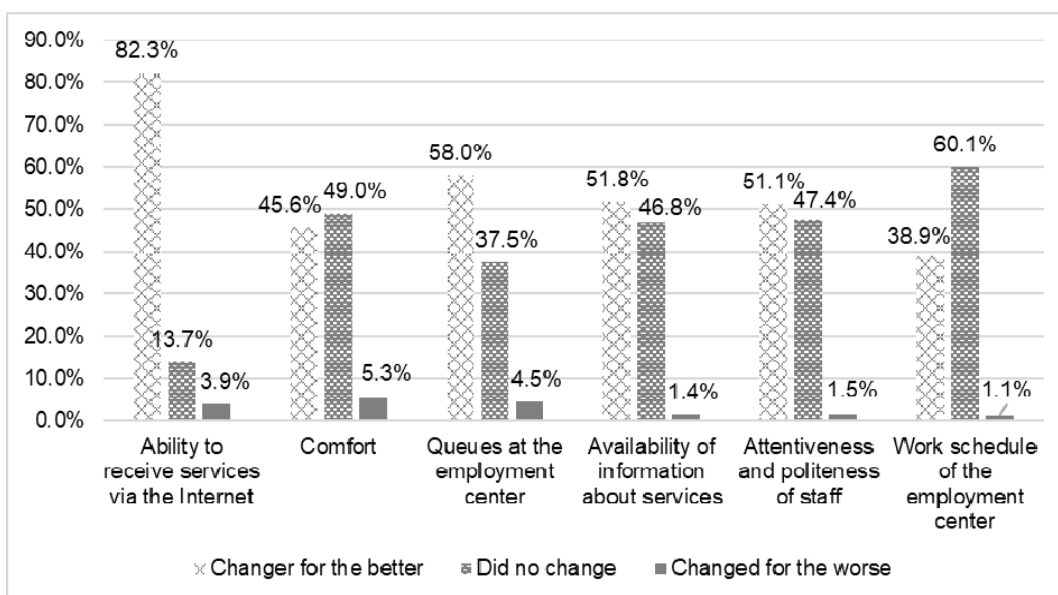


Figure 1 Changes in the employment centers' performance characteristics over the past 3 years, % of responses
Source: the authors

It should be noted that over 50.0% of the respondents noticed changes for the better over the past 3 years. These are a more convenient work schedule, a more attentive attitude of personnel in employment centres, and a reduction in queues at employment centres. These results confirm our hypothesis.

Also, 7.2% of all unemployed people who took part in the survey admitted that they are not satisfied with the work of employment centres. So, the respondents from this group of unemployed were asked specifically about what they did not like about the work of employment centres.

The following responses were received (Table 2).

The main reason for the dissatisfaction of the unemployed applying to state employment centres is the level of unemployment benefits, which is considered by them too low. At the time of conducting the survey, the maximum unemployment benefit was 12,130 rubles, which corresponds to 158 US dollars and is equal to the minimum wage in the Russian Federation.

Table 2 Reasons for the dissatisfaction of the unemployed with the work of employment centers), %

Reasons for the dissatisfaction	% of responses
Low level of unemployment benefits	58.2
Lack of suitable vacancies	27.4
Large number of required documents	25.4
Slow service delivery	14.1

Formal approach of specialists to solving problems of a service recipient	6.9
Lack of help and responsiveness from specialists of employment centers	6.1
Excessive requirements of regulatory documents	4.3
Impolite attitude of the staff	4.3
The specialists of employment center do not answer the phone calls	2.0

Source: the authors

The responses of the unemployed confirm that the provision of services in state employment centres still remains a bureaucratic procedure. So, every fourth unemployed person (25.4%) notes that it is necessary to collect a large number of documents in order to receive a state employment service. Every seventh respondent (14.1%) is dissatisfied with the speed of service delivery and considers it low. As the reason for dissatisfaction, there were also mentioned excessive requirements of regulatory documents, which make it almost impossible to get the necessary service (4.3%).

Another group of reasons for citizens' dissatisfaction is related to the personnel of employment centres. Respondents note the formality and disinterest of the employment centres specialists (6.9%), the lack of their help (6.1%), impolite attitude (4.3%), as well as the fact that the specialists do not answer the phone calls (2.0%). In addition, the lack of suitable vacancies is also a reason of dissatisfaction with state employment services for 25.4% of the unemployed.

According to the results of the repeated survey, it was revealed how people who have applied to the employment centres before assess the usefulness of the services received for employment. Respondents were asked to rate the usefulness of the received employment services on a scale from 1 to 5 (where 1 - absolutely useless, 5 - very useful).

Table 3 Average ratings of the usefulness of services provided by employment centers

Service	Average rating
Assistance in finding a suitable job	3.9
Psychological support	4.1
Professional training	4.5
Career guidance	4.4
Social adaptation in the labor market	4.0
Assistance in self-employment	3.9
Public works	4.1

Source: the authors

As can be seen from the data in table 3, in general, the clients of employment centers rate the usefulness of the services received quite highly.

The average ratings obtained vary from 3.9 to 4.5 for different services.

Professional training (4.5 out of 5) and vocational guidance (4.4 out of 5) received the highest rating according to the criterion of usefulness for future employment. Such high ratings of the usefulness of these services can be explained by the fact that career guidance and professional training allow a person to acquire a new or additional profession, which increases the competitiveness of an employee in the labor market and increases his chances to be employment.

Service recipients gave the lowest ratings to assistance in finding a suitable job and assistance in self-employment. - 3.9 out of 5 for each service. Many respondents noted the lack of suitable vacancies for them in the labor market, which is why the specialists of employment centers did not provide much help when looking for a job.

Conclusion

The obtained results made it possible to draw several conclusions.

First, the level of satisfaction of the unemployed with the services provided by state employment centers is quite high. More than 80% of the surveyed unemployed give a positive assessment of the employment centers performance according to most criteria (except for the comfort criterion, which characterizes the presence of parking, comfortable seats, etc.). At the same time, unemployed people living in the region demonstrate higher satisfaction with the received services than unemployed people living in the city.

Also, the clients of employment centers rate the usefulness of received services in terms of increasing the probability of future employment quite highly. According to the respondents, the most useful services of employment centers are career guidance and professional training for the unemployed.

Our assessment of the satisfaction level with the received services is higher than those obtained in previous studies of other authors. Nevertheless, although today the satisfaction level is quite high, it does not yet meet the target value that is fixed in the national project of the Russian Federation (90.0% of recipients satisfied with state employment services by 2024).

Second, unemployed people who have previously used the services of employment

centers note positive changes in their work. Thus, the following changes were noted as changes for the better: the ability to receive services via the Internet, reducing queues in employment centers, increasing the convenience of the employment centers' work schedule, and the increasing attentiveness of the employment center specialists to clients.

Third, the study showed that the provision of services by state employment centers remains a bureaucratic procedure. A significant part of the unemployed notes that the specialists of the employment centers approach the provision of services formally, do not answer phone calls, work slowly, and in order to apply for any service, the unemployed need to collect a lot of documents.

Thus, we can conclude that, in general, there is a positive trend in the work of state employment centers and customer satisfaction with the received services. Our hypothesis has been confirmed: we can indeed observe a positive trend in the satisfaction indicators of recipients of employment assistance services.

But, at the same time, there are areas for further development in the employment centers' performance. One of the problems that respondents noted was the lack of suitable vacancies in the labor market. In this case, we consider it necessary to strengthen the direction of professional training by selecting such educational programs for the unemployed that would meet not only the needs of the labor market, but also take into account the personal characteristics of the unemployed.

The solution of the identified problems could be facilitated by the revision of the amount of unemployment benefits (regular indexation for the inflation rate), automation of the registration process of the unemployed, as well as an increase in the level of customer orientation of employees of employment centers.

This study also has a number of limitations. These include a small number of studies on the satisfaction of the unemployed with public services, as well as the sample size. In further research, it is advisable to increase the number of unemployed interviewed in order to obtain more accurate and objective assessments of satisfaction with the services provided in employment centers.

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