

Evaluation of the Job Outcome Target Pilots: findings from the qualitative study

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The Job Outcome Target (JOT) is a potential replacement for the Job Entry Target (JET) which has been in operation within Jobcentre Plus since 2002. Essentially, JOT measures all off-flows from benefits into work and also captures those customers who are not claiming benefits but obtain work through Jobcentre Plus intervention.

JOT marks a significant departure from the existing JET system in that it is not necessary under JOT for Jobcentre Plus to demonstrate that an intervention has taken place in order to 'claim' a job entry for performance measurement purposes. This has several important implications. Firstly, JOT obviates the need for Jobcentre Plus to 'manufacture' interventions in order to claim a job entry through, for example, providing an Adviser Discretion Fund (ADF) grant to a customer who obtains a job independently of Jobcentre Plus.

Other potential beneficial consequences from the operation of JOT include improved team working by Jobcentre Plus staff, as all parts of the office stand to achieve equal credit for performance, whereas under JET there were some incentives for undesirable competition in this regard. Frontline staff, in principle, should be more willing to advise customers to use self service channels or undertake other forms of job search, as there is less fear of 'losing' that individual from the system. Use of non-contracted providers should increase for similar reasons.

On the other hand, JOT introduces some new challenges, namely: the loss of daily performance monitoring reports and of straightforwardly quantifiable individual performance targets. Due

to the potentially significant impact of adopting such a radically different approach to measuring performance, it was decided to pilot JOT in seven Jobcentre Plus Districts. It was also decided to pilot two different options. Under Option 1, job outcomes are measured with reference to Inland Revenue data which, when integrated with data on benefits, is capable in principle of identifying off-flows from benefit into work after a time lag of approximately six months. Option 2 relies on tracking by Jobcentre Plus of people ceasing to claim benefits, with the perceived advantage that data retrieved in this way would be available after a shorter period of time (still several months) than Option 1. The pilots went 'live' on 10 January 2005.

Jobcentre Plus commissioned the Policy Research Institute (PRI), Leeds Metropolitan University, to undertake a qualitative evaluation of the operation and impact of the JOT pilots. The research took place over three phases. Phase 1 (December 2004) involved a baseline assessment of the views and expectations of staff in the pilot Districts. Phase 2 (March 2005) also focused on staff and examined early implementation issues after around three months of the pilots' operation. Phase 3 (July 2005) was a more extensive exercise involving interviews and focus groups with Jobcentre Plus staff, a survey of customers, interviews with providers and employers.

The qualitative evaluation focused on nine key evaluation questions, and results are summarised below.

Submission and follow-up activity

The key question under consideration here is: *'Does JOT improve the efficiency of Jobcentre Plus by reducing the amount of activity around submissions and/or follow-up?'*

- There is evidence that there has indeed been a significant reduction in resources devoted by local offices to follow-up and submission activity.
- The clearest manifestations of such resource savings relate to reductions in the use of speculative submissions and ADF.
- No clear pattern emerged as to the scale of the resource savings resulting from JOT, but most respondents were clear that such savings are significant, particularly for Option 1.

Use of self help channels

The relevant strategic high level question is *'Does JOT encourage cost-effective use of self help channels?'*

- The qualitative evidence is consistent with the view that JOT has reinforced and supported an already existing process of increasing reliance on self service channels by customers, and contributed to increasing efficiency by reducing incentives for staff to expend effort and resources on customers that are capable of helping themselves.

Focus on hardest to help customers

The third strategic high level question asks: *'Does JOT enable staff to focus their efforts more effectively on the hardest to help customers?'*

- It is not possible to state unequivocally on the basis of the qualitative evidence that JOT has, in practice, enabled staff to focus even more clearly than before on harder to help customer groups. There are some signs, however, of moves in this direction and there is no evidence of any reduction in focus on these groups as a direct result of JOT.

Performance management

There are two parts to the fourth strategic high level question. Firstly: *'Is it possible to effectively performance manage JOT?'* Secondly: *'What gaps in management information need to be filled prior to any national roll-out?'*

- In terms of the first part of the strategic high level question, the existence of large groups of managers and staff who feel comfortable with performance management under JOT, suggests strongly that it is **possible** to effectively performance manage under JOT. It is clear, however, that broadly equally sizeable groups of managers and staff have experienced some difficulties in adjusting to significant changes in the target and data regime.
- Specific gaps in management information relate primarily to the effective tracking of adviser activity in a situation where measuring the relationship between inputs and outputs is becoming more important. The key issues relate to the timeliness of job outcome information, its disaggregation to office level and guidance on the interpretation of MI.

People management and cultural change

The first part of the strategic high level question under this heading: *'Is it possible to effectively manage people under JOT?'* is very similar in nature to the question above on performance management. Under JOT, people management and performance management are closely related.

The second part of the question asks: *'Does JOT produce a cultural change within Jobcentre Plus offices?'*

- Many respondents referred to the need for 'culture change' in order to optimise the potential benefits from JOT. The types of changes that were felt to be desirable in the JOT context include a greater focus on qualitative approaches to management (*'managing people not numbers'*); an emphasis on team rather than individual achievement; more flexibility around issues such as the referral of

customers to providers and a more outward-looking approach to working with contracted and non-contracted organisations.

- JOT does not lead **automatically** to a 'culture change' within Jobcentre Plus. However, it is consistent with – and in many ways is driving – some of the attitudinal and behavioural changes that may lead over a longer period to a 'culture change'.

Impact on employers

- The qualitative research – supported by the quantitative evidence – found no evidence of any impact, positive or negative, of JOT on employers, with no employers contacted for this study expressing any awareness of JOT and very few being aware of job entry targets in general.

Impact on providers

- The vast majority of providers contacted for this study were unaware of JOT and had only a sketchy knowledge of job entry targets. Cutbacks in the budget for provision and uncertainty about future budgets were the main areas of concern for providers, with JOT having no discernable impact on their activities at the six-month stage.

Impacts on particular customer groups

The qualitative study looked at the impact of JOT on customers in general, with particular attention paid to variations between different groups of customers:

- The 211 customers interviewed for this evaluation study identified a number of changes in their experience of the Jobcentre Plus service that had occurred over the first six months of 2005 and were consistent with the intentions of JOT.
- The customer survey results are consistent with the view that customers in general have not experienced a decline in service quality in the JOT pilot Districts, despite the concerns of some members of staff.

The relevant strategic high level question is: *'Are there any adverse impacts from JOT for particular customer groups?'*

- The qualitative research found no strong direct evidence of adverse impacts from JOT on particular customer groups; however it is not possible to state categorically on the basis of our evidence that the impacts feared by many staff have not occurred in some instances.
- We can conclude from the qualitative research that JOT has in general had a neutral impact on customer service, with no evidence of negative consequences for any particular customer groups.

Lessons for national roll-out

The final strategic high level question is: *'What other lessons can be learned for any national roll-out?'*

- Constant and consistent two-way communication with all levels of staff, tailored where appropriate to different groups, is a vital ingredient in the success of any roll-out and will help to embed the types of behavioural and cultural changes that need to take place over the medium to long term.
- Finally, a key conclusion is that investment in support, training and development activities for all staff is an essential pre-requisite for the successful roll-out of JOT.

The full report of these research findings is published for the Department for Work and Pensions by Corporate Document Services (ISBN 1 84123 922 4. Research Report 302. November 2005).

It is available from Paul Noakes at the address below.

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