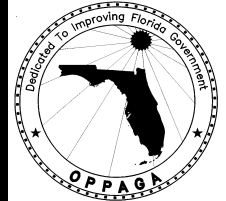




Office of Program Policy Analysis And Government Accountability



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Review of the Job Service Program Department of Labor and Employment Security

Report Abstract

- The ability of the Job Service to contribute to state initiatives to improve the quality of jobs and the workforce in Florida is limited because most targeted high-skill/high-wage jobs require several years of training or education and because employers and job applicants currently using the Job Service are listing and applying for primarily low-skill/low-wage jobs.
- The Job Service has met two and is making progress towards an additional three of its six performance standards established in the 1994-95 through 1998-99 Agency Strategic Plan to measure its success in bringing together workers with employers. The Department does not measure the long-term impact of program services.
- The Job Service could improve its performance by shifting its emphasis to a service delivery strategy driven by customer need and by increasing the number of job openings listed.

Purpose of Review

The Office of Program Policy Analysis and Government Accountability was directed by the Joint Legislative Auditing Committee to conduct a review of the Job Service Program. In this review, we sought to answer the following questions:

- What is the role of the Job Service in Florida's workforce development system?

- How effective is the Job Service in achieving its intended outcomes? and
- What options are available for improving the program's performance?

Background

In 1933, federal law created the nation's public employment service in recognition of the need for a labor exchange to match individuals seeking employment with employers seeking workers. The Job Service solicits job openings from employers to provide referrals for job applicants. The program also provides services to assist individuals seeking employment. A job applicant who registers with the Job Service can obtain job assessment and counseling, training in pre-employment and work skills, and referrals to job openings or to other workforce development programs for support services or job training. To assist with matching job seekers and employers, the Job Service maintains a statewide "job information system" that includes information on all job applicants and job openings listed with the Job Service. The Job Service also provides labor market information about Florida's workforce to employers and other interested parties.

Not all individuals who register with the Job Service receive services from the program. For example, unemployment compensation claimants accounted for 44% of the individuals who registered with the Job Service during fiscal year 1995-96. State law requires that unemployment compensation claimants register with the Job Service in order to receive

benefits. As a result, all unemployment compensation claimants register with the Job Service but some may not request any direct services from the program (e.g., job counseling, referrals to job openings or training programs) because they do not require assistance looking for employment. In fiscal year 1995-96, 44% of all individuals registered with the Job Service did not receive any reportable services from the program.

Florida's Job Service Program is part of the Division of Jobs and Benefits in the Department of Labor and Employment Security. Since 1994, the Division has operated Jobs and Benefits Centers where individuals may come to apply for unemployment compensation benefits and register with the Job Service. By August 1996, 90 centers were located across the state. The labor exchange portion of the Job Service Program is funded by federal Wagner Peyser grants that totaled approximately \$40 million in fiscal year 1995-96, but were reduced to \$36 million for fiscal year 1996-97.¹ Approximately 643 full-time equivalent positions were funded by the program during fiscal year 1995-96.

Issues

What is the Role of the Job Service in Florida's Workforce Development System?

The ability of the Job Service to contribute to state initiatives to improve the quality of jobs and the workforce in Florida is limited because most targeted high-skill/high-wage jobs require several years of training or education and because employers and job applicants currently using the Job Service are listing and applying for primarily low-skill/low-wage jobs.

In 1996 the Legislature passed legislation that focuses on state initiatives established by the Governor to improve and promote state workforce development, economic development, and welfare reform. In this report we discuss the Job Service's role in three of

¹ The Job Service receives additional funding through contracts to provide job placement services for programs, such as Job Training Partnership Act, Project Independence, Farm Labor, Offender, and Veterans Services programs. For fiscal year 1996-97, contract awards amount to approximately \$30 million.

these initiatives intended to improve the quality of jobs and the workforce in Florida.²

1. The **high-skill/high-wage initiative** is intended to align Florida's education and training programs to meet the demands of existing businesses and to prepare the state's workforce for high-skill/high-wage jobs.
2. The **one-stop career center initiative** is intended to consolidate the delivery of the state's workforce development programs by providing clients with information about the full range of services available from the state (e.g., unemployment benefits, job placement, job training) in a single visit.
3. The **welfare-to-work initiative** is intended to encourage self-sufficiency and minimize dependence upon public assistance by upgrading and expanding current state efforts to emphasize job placement and transition services for welfare recipients.

The ability of the Job Service to contribute to the-high skill/high-wage initiative is limited because most targeted high-skill/high-wage jobs require several years of training or education and because employers and job applicants currently using the Job Service are listing and applying for primarily low-skill/low-wage jobs. The Job Service also plays a limited role in coordinating with other workforce development programs to improve the quality of Florida's labor market. The Job Service serves as the "front door" in the state's one-stop career center and welfare-to-work initiatives.

The Job Service assists economic development groups in their efforts to increase the number of quality jobs in Florida. However, its ability to contribute to this initiative is limited because most targeted high-skill/high-wage jobs require several years of training or education and because the current users of the Job Service list and apply for primarily low-skill/low-wage jobs.

² The Workforce Florida Act of 1996, recent economic development legislation, and the Work and Gain Economic Self-Sufficiency Act, Chs. 96-404, 96-320, and 96-175, Laws of Florida, respectively, support the implementation of the state initiatives established in the Governor's Executive Order No. 95-468.

Recent legislation requires the Occupational Forecasting Conference to identify high-skill/high-wage occupations: (1) for purposes of planning and implementing Florida's workforce development system, and (2) that are appropriate for the welfare-to-work initiative. In response to this legislation, the 1996 Conference adopted a new list of high-skill/high-wage jobs, using broadened criteria for identifying occupations and providing separate listings for implementing the workforce development system and the welfare-to-work initiative.³ The Conference targeted jobs that demonstrate high growth and job openings and pay an average wage of \$9.00 for purposes of planning and implementing Florida's workforce development system and \$7.50 for the welfare-to-work initiative. The Job Service refers applicants to other workforce development programs for training or education to help them better compete in the job market (as discussed in the following section). One of the challenges the Job Service faces in carrying out these initiatives is that there are few targeted occupations that do not require several years of training or education.

1. Occupations targeted for implementing Florida's workforce development system account for 47%, or approximately 773,000, of the projected 1.6 million new jobs between the years 1994 and 2005. However, as indicated in Exhibit 1, only 5 of the top 15 occupations projected to add the most jobs in Florida through the year 2005 are targeted for Florida's workforce development system.

In addition, as indicated in Exhibit 2, 41% of the occupations targeted for implementing Florida's workforce development system require a four-year post-secondary or graduate degree or substantial managerial experience. An additional 43% require two or three years of post-secondary education or training.

³ The state's Occupational Forecasting Conference identifies high-skill/high-wage jobs used by education, training, employment agencies, and economic developers to recruit businesses and provide training. Currently, the Conference has targeted 208 occupations for Florida's workforce development system and 28 occupations for the welfare to work initiative using the criteria of a growth rate of 25% and average annual openings of 50 (or 0% growth and 100 openings). The prior year's Conference targeted 80 occupations using the criteria of a faster than average growth rate, average annual openings of 50, and an entry level wage of \$7.50.

2. Occupations targeted for the welfare-to-work initiative are estimated to account for 7%, or approximately 120,000, of the projected 1.6 million new jobs between the years 1994 and 2005. Only 1 of the top 15 occupations projected to add the most jobs in Florida through the year 2005 is targeted for the welfare-to-work initiative (i.e., General Office Clerk). In addition, as indicated in Exhibit 2, 46% of the occupations targeted for the welfare-to-work initiative require two or three years of post-secondary education or training.

Exhibit 1
Only 5 of the Top 15 Occupations
Projected to Add the Most Jobs in Florida
Through the Year 2005 Are Targeted for
Florida's Workforce Development System

Rank	Top 15 Occupations Projected to Add the Most Jobs ²	Job Growth 1994 - 2005
1	Cashier	52,410
2	Retail Salesperson	51,470
3	Waiter/Waitress	48,320
4	General Manager/Top Executive	44,604
5	Registered Nurse	37,538
6	First Line Supervisor in Sales	36,523
7	General Office Clerk	34,992
8	Secretary (Except Legal/Medical)	31,526
9	Janitor/Cleaner	23,854
10	Receptionist/Information Clerk	22,699
11	Nursing Aide and Orderly	22,657
12	Guard	22,488
13	Food Preparation Worker	22,212
14	Hand Packer and Packager	21,763
15	Teacher, Secondary School	21,569

¹ The top 15 occupations represent 30% of the projected growth of 1.6 million new jobs between the years 1994 and 2005.

² High-skill/high-wage occupations targeted for implementing Florida's workforce development system are highlighted.

Source: Occupational Forecasting Conference and Department of Labor and Employment Security labor market information.

Exhibit 2

Most Targeted High-Skill/High-Wage Occupations Require Several Years of Training or Education

	Projected Growth in Occupations Between 1994-2005					
	Targeted for Workforce Development		Targeted for the Welfare -to-Work Initiative		Total Targeted Occupations	
	Number of Occupations	Percent of Total Occupations	Number of Occupations	Percent of Total Occupations	Number of Occupations	Percent of Total Occupations
General Education and Training Requirements						

Require Several Years of Education or Training

University Education <i>or</i> Substantial Experience	16	8%	0	0%	16	7%
4 Year Post-Secondary <i>or</i> Graduate Degree	68	33%	0	0%	68	29%
2 to 3 Years Post-Secondary Education or Training	90	43%	13	46%	103	44%

Do Not Require Several Years of Education or Training

High School Degree Preferred <i>and</i> 2 Years Experience	32	15%	14	50%	46	19%
High School Degree <i>Not</i> Required	2	1%	1	4%	3	1%

208	100%	28	100%	236	100%
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Source: Occupational Forecasting Conference and Department of Labor and Employment Security labor market information.

State and local economic development groups are working toward increasing the number of quality jobs in Florida by encouraging existing employers to expand and potential employers to relocate to Florida. The Job Service can assist in these efforts by providing employers with information about Florida's workforce and about opportunities to train employees in specific skills needed by employers. Once new jobs are created, the Job Service can help employers find qualified job applicants or refer employers to programs that can provide needed training for current or prospective employees.

The Job Service plans to focus its job placement efforts on the high-skill/high-wage occupations targeted by the Occupational Forecasting Conference. However, this may be difficult, not only because most targeted high-skill/high-wage jobs require training or education, but because the current users of the Job Service list and apply for primarily low-skill/low-wage jobs. As indicated in Exhibit 3, during 1995-96, only 10% of the job openings listed by employers were in executive, professional, or technical occupations. In addition, applicants are being placed primarily in low

skill/low wage jobs. A majority of the job openings filled by Job Service applicants listed an average wage at placement far below the average wage threshold used by the state to identify targeted high-skill/high-wage jobs. These factors will limit the Job Service's ability to contribute to this initiative.

Although the Job Service's contribution to the high-skill/high-wage initiative is limited, it fills an important role by providing a labor exchange for low-skill/low-wage jobs. The Job Service has an obligation to serve all employers and job applicants that request services, regardless of the quality of the job or qualifications of the applicants. Over 60% of the jobs in Florida are in the service and retail industries, industries which generally require few skills of their employees and pay a low wage. Job Service applicants are typically individuals who have difficulty finding jobs on their own because they lack job-seeking skills or business contacts. The Job Service provides a labor exchange between the types of jobs offered by Florida's major industries and individuals who may have difficulty finding job opportunities.

Exhibit 3

The Job Service Is Listing and Placing Applicants Primarily in Low-Skill/Low-Wage Jobs

Occupational Category ¹	Job Openings Listed With the Job Service During 1995-96		Job Listings Filled by Job Service Applicants During 1995-96		
	Jobs Listed	Percent of Total Jobs Listed	Jobs Filled	Jobs Filled as Percentage of Jobs Listed	Average Wage of Jobs Filled
<i>Administrative, Managerial</i>	6,564	2%	1,109	17%	\$9.27
<i>Professional, Technical, Paraprofessional</i>	26,878	8%	5,363	20%	\$9.91
Marketing, Sales	35,298	10%	14,603	41%	\$5.62
Administrative Support	54,114	16%	21,540	40%	\$6.48
Service Occupations	59,489	17%	27,553	46%	\$5.46
Agriculture, Forestry, Fishing	39,439	11%	21,394	54%	\$4.70
Production, Construction, Operations, Maintenance	126,874	36%	71,030	56%	\$6.53
	348,656	100%	162,592		

¹Executive, professional, or technical occupations are highlighted.

Source: Department of Labor and Employment Security Job Information System.

The Job Service coordinates with other workforce development programs to improve the quality of Florida's labor market by referring individuals who are not "job-ready" to other programs for support services and training. However, according to program data, few people who register with the Job Service are currently receiving referrals to other workforce development programs.

The Job Service refers applicants who are not "job-ready" to other workforce development programs for support services and training to help them better compete in the job market, but its role in this area is currently limited. Eight major programs provide employment assistance and training to individuals who are not ready to enter the workforce. These programs fall into two categories: (1) programs that provide vocational education; and (2) programs that provide support services such as assessment, case management, basic education, and occupational training. In addition to providing training, these programs have an established network within the community for developing job opportunities for and placing program clients in jobs. The Job Service assists in these efforts by providing training programs with information on job openings and in some instances making job referrals for individuals who the

training programs may be having difficulty placing. However, according to data maintained by the program, most people who register with the Job Service do not currently receive referrals to other workforce development programs. For example, in fiscal year 1995-96, the program reported that 6% of the applicants registered with the Job Service were referred to other workforce development programs.

Accurate information on the number of individuals referred to other workforce development programs is important as an indicator of how well the Job Service is coordinating with other programs to implement state initiatives. The low referral rate could be due, in part, to Job Service staff not being required to complete the data field that captures this information or because information is not kept on the number of individuals that are referred to other programs informally prior to registration with the Job Service. Initial plans for implementing welfare reform require that all welfare recipients register with the Job Service, many of whom are expected to be referred to other workforce development programs for support services and training, which will increase the number of referrals. Job Service staff should be required to record these referrals for all registered applicants in order to capture more accurate information on its contribution to workforce development in this area.

Jobs and Benefits Centers serve as the "front door" in the one-stop career center and welfare-to-work initiatives, which are focal points in Florida's efforts to improve the efficiency of the labor market.

Florida has initiated efforts to develop one-stop career centers to improve the efficiency with which public programs help workers find jobs and employers find workers. The Department merged its Job Service and Unemployment Compensation offices into Jobs and Benefits Centers, thereby allowing clients to file for unemployment compensation claims and register with the Job Service at one office. If clients are determined to be "job-ready" they can receive job search assistance and referrals to employers.

Recent legislation requires Jobs and Benefits Centers to also become a central location at which staff from the centers and the Department of Health and Rehabilitation Services deliver services to welfare recipients.⁴ During 1995-96, over 800,000 individuals registered with the Job Service, including over 360,000 unemployment compensation claimants. As a result of legislation, all current welfare recipients and new welfare applicants will be required to register with the Job Service to continue or be eligible for benefits. Meeting legislative requirements that all welfare recipients be placed in jobs will also be difficult. The Job Service anticipates serving more than 460,000 additional applicants this year, the majority of whom will most likely require more services than the typical Job Service applicant. Only 8%, or approximately 26,000, of the job openings listed during 1995-96 were in occupations targeted for the welfare-to-work initiative. Having only approximately 26,000 jobs listed that have been identified as appropriate placements for the expected 460,000 welfare applicants will make it difficult for the Job Service to meet the requirements of this initiative. As one-stop career centers expand to include more workforce development programs, demands on the Job Service will continue to increase.

How Effective Is the Job Service in Achieving Its Intended Outcomes?

⁴ The Work and Gain Economic Self-sufficiency Act, Ch. 96-175, Laws of Florida, imposes a 48-month lifetime limit on the receipt of welfare payments (some exemptions are available, although limited) and requires welfare recipients to participate in work activities while obtaining assistance. Alternative work activities include, but are not limited to: on-the-job training, community service, vocational education, and job skills training.

The Job Service has met two and is making progress towards an additional three of its six performance standards established in the 1994-95 through 1998-99 Agency Strategic Plan to measure its success in bringing together workers with employers. The Department does not measure the long-term impact of program services.

The purpose of the Job Service is to improve the functioning of the state's labor market by bringing together workers and employers. The Department has established six performance measures for evaluating how well the Job Service is serving individuals seeking employment and employers seeking workers. The Job Service has met two and is making progress towards attaining an additional three of the six performance standards established in the 1994-95 through 1998-99 Agency Strategic Plan for these measures. However, the program's performance against other indicators, such as the number of individuals placed in jobs, has declined over the past few years. Although the Department reports on the short-term outcomes of the Job Service (e.g., initial placement rates), it does not currently examine the long-term impact of program services. Economic conditions and workforce development initiatives may have affected the performance of the Job Service.

In fiscal year 1995-96, the Job Service met two and made progress towards attaining an additional three of its six performance standards for measuring its success in serving individuals seeking employment and employers seeking workers.

Individuals registered with the Job Service can ultimately obtain employment in many ways. However, the Job Service claims credit for job placement only if an individual finds employment as a result of receiving assistance from the program. There are only two types of placements that the Job Service claims as outcomes of the program:

1. Applicants "directly placed" in jobs are individuals who are referred to job openings by the Job Service and are placed in jobs as a result of those referrals; and
2. Applicants who "obtained employment" are individuals who found employment within 90 days of receiving one or more reportable services

funded at least in part by the Job Service (e.g., job search activities, referral to a training program), but not as the result of direct Job Service referrals to job openings.

The Job Service met two of its four performance standards that measure its success in serving individuals seeking employment, as indicated in Exhibit 4. In fiscal year 1995-96, the Job Service met the Department's standard for the percentage of total applicants "directly placed" or who "obtained employment." The Job Service reported 20.7% of registered applicants were placed in or obtained a job, exceeding the 18.7% standard. The Job Service also met the Department's standard for average wage at placement. The Job Service reported an average wage at placement of \$6.04, which exceeds the \$5.82 standard. The Job Service is making progress towards meeting a third standard. The Job Service reported 25.7% of the individuals receiving a referral from the Job Service were "directly placed" in jobs, an improvement over the prior year, but below the 30% standard. The program's performance declined against the fourth standard. The percentage of unemployment compensation claimants placed in jobs by the Job Service was below its 10% standard and declined from 8.6% to 5.9% during the past two fiscal years.

We also noted that the Department's performance declined against other indicators of how well it serves individuals seeking employment. The number of individuals registered with the Job Service declined 13% (from 951,931 to 832,310) and the number of applicants "directly placed" in jobs declined 11% (from 151,168 to 134,959), over the past three fiscal years. Additionally, the Job Service's ranking among the 50 states on the percentage of applicants placed in jobs dropped from 8th to 38th between fiscal years 1984-85 and 1994-95.

Although the Job Service has made progress toward attaining its two performance standards for serving employers over the past two fiscal years, as shown in Exhibit 4, the program has not met the standards. The percentage of job openings filled by the Job Service increased from 42.2% in fiscal year 1994-95 to 46.9% last fiscal year, but still did not meet the 50% standard. The percentage of employers using the Job Service increased from 14% to 16.1% but still did not meet the 20% standard. Furthermore, while the Job Service is serving a larger percentage of Florida's employers, the number of job openings listed with the Job Service decreased by 15% over the past three fiscal years (from 399,329 to 340,749). When fewer job openings are listed, the Job Service is limited in its ability to place individuals in jobs. Additionally, the Job Service ranked 27th among the 50 states on the percentage of job openings filled during fiscal year 1994-95.

Exhibit 4

The Job Service Has Met Two and Is Making Progress Towards Meeting Three of Its Six Performance Standards for Serving Individuals Seeking Employment and Employers Seeking Workers

Performance Measure	1994-95 Performance	1995-96 Performance	Performance Standard
Performance Measures for Serving Individuals Seeking Employment			
Percent of Total Applicants "Directly Placed" and "Obtained Employment"	20.0%	20.7%	18.7%
Average Wage at Placement for Individuals "Directly Placed"	\$5.89	\$6.04	\$5.82
Percent of Individuals Receiving a Job Referral From the Job Service "Directly Placed"	24.4%	25.7%	30.0%
Percent of Unemployment Compensation Claimants Placed in Jobs	8.6%	5.9%	10.0%
Performance Measures for Serving Employers Seeking Workers			
Percent of Job Openings Filled by the Job Service	42.2%	46.9%	50.0%
Percent of Employers in the State Using the Job Service	14.0%	16.1%	20.0%

Source: Department of Labor and Employment Security records.

The Department should measure long-term outcomes of the Job Service to allow it to evaluate the impact of program services.

The Department reports on the short-term outcomes of the Job Service, but does not examine the long-term impact of program services. While information on short-term outcomes, such as initial placement rates, provide important indicators of performance, they do not always predict long-term employment outcomes. The Department should collect information that provides long-term indicators of Job Service performance.

Applicant characteristics and the degree of services received by the applicant can also affect employment outcomes. Not all individuals who register with the Job Service receive services and those who do are typically individuals who have less education and may have limited job search skills. Information as to the degree of services received by the applicant and their characteristics (e.g., gender, race, education) may provide further indicators of the impact of the program. The Department should measure long-term outcomes overall and by the amount of assistance received by its applicants to evaluate the impact of program services.

Economic conditions and workforce development initiatives may have affected the performance of the Job Service.

The performance of the Job Service may have been affected by economic conditions. For example, the decrease in the program's performance measure for the job placement rate of unemployment compensation claimants may have been affected by the continued downsizing of the defense industry in Florida. As many of these unemployed individuals held professional and technical positions, it is difficult to find comparable employment. In addition, the decline in Florida's unemployment rate over the past three years from 7.4 % to 5.4% may have contributed to the decrease in the number of job applicants registered with the Job Service, since relatively fewer people are looking for employment. Job Service staff said the decline in the unemployment rate would normally increase the number of job listings, as more employers turn to the Job Service when their own attempts to find workers are unsuccessful. However, the number of job listings has declined despite the drop in the unemployment rate in Florida.

Workforce development initiatives have and may continue to have an impact on Job Service performance. In July 1994, the Job Service and Unemployment Compensation programs were merged to create one-stop career centers, an initiative intended to increase customer service and productivity. The initial focus of the merger was to ensure that Jobs and Benefits Center staff processed unemployment compensation benefit claims properly rather than help individuals obtain employment and market the program to employers.⁵ Department staff and other workforce development officials believe that Florida's recent welfare reform legislation, which establishes the Jobs and Benefits Centers as the "front door" for welfare recipients, will have a similar negative impact on the performance of the Job Service.

Another factor affecting Job Service performance may be the decline in federal funding for this program. Federal funding for the program for fiscal year 1996-97 has been cut to approximately 1990 levels and the number of full-time equivalent positions funded by the program has decreased from 684 to 643 over the past six years. As a result, the Job Service has fewer staff available to serve individuals seeking employment and employers seeking workers.

What Options Are Available for Improving the Program's Performance?

The Job Service could improve its performance by shifting its emphasis to a service delivery strategy driven by customer need and increasing the number of job openings listed.

While there are factors outside the control of the Job Service affecting its performance, such as economic conditions and workforce development initiatives, we identified several factors affecting program outcomes that the Job Service can control and modify to improve its performance. These include shifting its emphasis to a service delivery strategy driven by customer need and increasing the number of employers who use the Job Service.

⁵ Unemployment compensation benefit claim errors has been an area of concern to the Department. In Report No. 95-37 (February 21, 1996) OPPAGA commented that the Department's error rate in making unemployment compensation benefit payments had increased since 1991; for example, in calendar year 1994 DLES had a 9% benefit overpayment rate (e.g., percentage of benefit dollars overpaid). Since 1993 the Department has been developing strategies to reduce this error rate.

The Job Service could improve its performance by changing its procedures to make it easier for applicants to apply for job openings and for employers to identify qualified job applicants.

The traditional service delivery strategy for job service programs placed an emphasis on one-on-one service between a client and program staff. Some states have been placing a greater emphasis on self-service and group activities to make services more widely available, with one-on-one services reserved for those really needing such services. Self-service activities include providing direct access to job opening information, computers, fax machines, telephones, and resource libraries. Group activities include group registration, orientation/assessment, and workshops. Greater emphasis on self-service and group activities allows these states to serve more people without reducing service quality by allowing clients to choose what service delivery method is right for them (i.e., self-service, group, or one-on-one activities).

Florida's Jobs and Benefits Centers have started offering more self-service and group activities. Every center has established Professional Placement Networks, which allow professionals seeking employment to meet to discuss job search strategies and in some centers to obtain access to the Internet to identify job vacancies. CD-ROM software is being installed in the Jobs and Benefits Centers that will allow people to prepare resumes and to improve their job interviewing skills. In addition, the Orlando office has begun providing some client services in groups (e.g., job search strategies).

However, the process used by the Job Service to place people in jobs is labor-intensive and should be changed to improve the program's job placement performance. The current process requires an individual to register with the Job Service and search Job Information System listings to identify job openings that interest the applicant. Since the computer system does not identify the employer, the individual must meet with Jobs and Benefits Center staff to obtain this information. Staff are responsible for determining whether the applicant is qualified for the job openings and referring the individual to the employers for job interviews. Some states make it easier for applicants to apply for job vacancies listed

by their job service program by identifying employers in their job information systems (with the employer's permission). This allows an applicant to go directly to an employer without Job Service intervention. The Department sent a survey to all states to determine how many were including employer information in job listings. Of the 20 states responding, 9 are currently including employer information and an additional 5 indicated that it was under consideration. Identifying the employer in the Job Information System would make it easier for individuals to apply for jobs, allow the Job Service to reduce the costs associated with staff referring each applicant individually, and improve the efficiency of the service delivery process.

The process for filling job openings is also inconvenient for employers and should be changed to allow employers to find workers more quickly. After a job opening is listed with the Job Service, the employer generally must wait for an applicant to select their job listing and be referred by the Job Service. Jobs and Benefits Center staff cannot provide the employer with a list of Job Service applicants that have the needed skills or interest in a specific type of job because applicant skill information is not recorded and the occupational choice is no longer required applicant information. Some Jobs and Benefits Centers have opted to continue including applicant occupational choice in the computer system to allow staff to identify applicants for job openings. Maintaining information about applicant job skills and occupational choice would allow the Job Service to provide employers with a list of potential applicants more quickly.

The program could further improve its performance by increasing the number of job openings listed with the Job Service.

While efforts are being made by economic development groups to improve the quality of jobs and the workforce in Florida, the state currently has many workers and jobs, that if matched efficiently, could improve the productivity of the labor market. Efficiently matching workers with jobs requires that the Job Service solicit from employers a sufficient number of job openings that are suitable for individuals registered with the Job Service. During fiscal year 1995-96, the number of jobs listed with the Job Service was less than half the number of

applicants seeking jobs. To improve its ability to provide workers with better job opportunities, the Job Service must increase the number of job openings listed with the program.

The Job Service is listing job openings for only 16% of the employers in Florida, rather than meeting its performance standard of 20%. Interviews with employers and Job Service staff indicate that employers may not be using the Job Service because they do not know about available services. Although the Department has developed policies and procedures for marketing the program, there is no comprehensive plan that provides marketing staff with the strategies and tools necessary to penetrate the employer market.⁶ Job Service marketing representatives we interviewed indicate that fewer staff are available to market the program and provide offered services to employers since the creation of Jobs and Benefits Centers. With a shift in program delivery strategy, efficiencies could be realized that would allow resources to be directed to marketing activities. The Job Service will need to increase its marketing activities to increase employer participation and list more job openings that are suitable for individuals registered with the Job Service.

Conclusions and Recommendations

The Job Service assists in state initiatives to improve the quality of jobs and the workforce in Florida, but its ability to make significant contributions to these initiatives is limited because most targeted high-skill/high-wage jobs require several years of training or education and because the current users of the Job Service list and apply for primarily low-skill/low-wage jobs. In addition, they are now faced with the challenge of trying to find job placements for welfare applicants. The Job Service has met two and is making progress towards an additional three of its six performance standards established in the 1994-95 through 1998-99 Agency Strategic Plan to measure its success in serving individuals seeking employment and employers seeking workers.

⁶ Although a 1993 internal study recommended the development of a marketing strategy, the Department has not implemented the recommendation.

However, the program's performance against other indicators, such as the number of individuals placed in jobs, has declined over the past few years. While there are factors outside the control of the Job Service affecting its performance, the current process used by the program to place people in jobs and fill employer job openings is labor-intensive and should be changed to improve program performance.

To improve the program's ability to place people in jobs, we recommend that the Department emphasize to staff the need to increase employer participation and list more job openings by developing a comprehensive plan for marketing the Job Service. In order for the Job Service to make a significant contribution to state initiatives, the program's marketing plan will need to include strategies for listing more jobs that are suitable for individuals registered with the Job Service.

Other states have begun to place greater emphasis on self-service activities to make program services more widely available, with one-on-one services reserved for those really needing such services. We recommend that the Department continue with its current efforts to offer more self-service and group activities to Job Service applicants. To improve the program's job placement rates, we recommend that the Department develop strategies to make it easier for individuals to apply for jobs. For example, the Department could identify an employer in the Job Information System (with the employer's permission). In addition, we recommend that the Department maintain information about applicant job skills and occupational choice to allow the Job Service to find workers for employers more quickly.

The Department reports on the short-term outcomes of the Job Service by examining initial job placement rates, but does not examine the long-term impact of the program. We recommend that the Department evaluate the long-term outcomes of Job Service applicants by reviewing the employment status of applicants at longer intervals after receiving program services (e.g., one year). In addition, we recommend that the Department measure long-term outcomes of the Job Service overall and by the amount of assistance received by its applicants (e.g., those directly placed in jobs compared to those receiving no services) to evaluate the impact of program services.

Agency Response

**Florida Department of Labor and
Employment Security**

December 26, 1996

Mr. John W. Turcotte, Director
Office of Program Policy Analysis and
Government Accountability (OPPAGA)
Room 312, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32301

Dear Mr. Turcotte:

As required by Section 11.45(7)(d), Florida Statutes, the Department of Labor and Employment Security is submitting the enclosed response to OPPAGA's preliminary and tentative findings and recommendations in its *Review of the Job Service Program*.

We appreciate the opportunity to comment on this report. We also wish to thank OPPAGA staff for their diligent work in reviewing and making recommendations to us for improving our performance. If you have any questions, please contact Ms. Kathleen L. McLeskey, Director, Division of Jobs and Benefits, at 488-7228.

Sincerely,

/s/ Doug Jamerson

DJ/kc

Enclosure

cc: Ms. Kathleen Neill
Mr. James Mathews
Ms. Kathleen L. McLeskey
Mr. Allan Waldron

RESPONSE TO

**THE OFFICE OF PROGRAM POLICY ANALYSIS
AND GOVERNMENT ACCOUNTABILITY'S
(OPPAGA'S)
REVIEW OF THE JOB SERVICE PROGRAM**

OPPAGA's *Review of the Job Service Program* contains three major findings. The first concerns the role of the Job Service in the state's workforce initiatives; the second relates to the performance of the Job Service; and the third outlines options for improving services.

The Job Service Role:

We agree with the first finding, the observation that the ability of the Job Service to contribute to the new state workforce initiatives is presently limited. However, as the text of the report makes clear: "The Job Service has an obligation to serve all employers and job applicants who request services, regardless of the quality of the jobs or the qualifications of the applicants." To meet the needs of many job seekers and many of Florida's employers, we will necessarily continue to match many lower-skill job seekers with lower-wage job orders. Nonetheless, we believe that the Job Service can play a significantly larger role in filling high-skill, high-wage jobs.

The Department of Labor and Employment Security is now using over \$1 million annually to support Professional Placement Network programs to improve services to professional, technical, and managerial job seekers. We have also recently purchased a new job matching system from Document Systems, Inc., to improve our ability to identify and match qualified job applicants, particularly with higher-skill employment opportunities. The Job Service is now posting all its job openings on the Internet. We will soon have a system in place for employers to receive referrals of qualified job applicants directly through the Internet, without any Job Service staff intervention. This system will also permit job applicants to register for and receive job referral services directly from the Internet, without ever having to visit one of our local offices.

Related to workforce development, we concur with the report's finding that the number of Job Service referrals of job applicants to other workforce development programs appears low. The reason for this is that the reporting of this data has not, to date, been a federal or state priority. This is essentially a reporting problem, and the current data is not indicative of the degree of such services provided. We will correct this problem as quickly as possible.

We also agree that the new welfare reform legislation, the Work and Gain Economic Self-sufficiency

(WAGES) Act, will place increased demands on the Job Service. In anticipation of the increased workload that the Job Service will face and the lack of target jobs for welfare recipients, the Job Service is repositioning front-line staff positions to solicit suitable job openings from employers in support of the program. Although the Job Service may be required to serve an additional 435,000 job applicants through WAGES, the new legislation's sharp focus on job placement will make it possible to integrate this program into our existing basic labor exchange systems, assuming we have adequate new staff resources.

Job Service Performance:

As the report notes, we have met two of the department's five-year performance standards, and we are making progress towards meeting three other standards. We have met the most important standard, that of placements. We have also met the standard for wage at placement. Further, we are making significant progress towards improving our percentage of referrals placed and towards reaching our goal of 50 percent of all job openings filled. Finally, we are improving our penetration rate for employers, increasing this rate from 14 percent to 16 percent, though we admittedly have more work to do on this measure.

The only measure where our data shows a decline is in the percentage of unemployment compensation claimants placed. Since OPPAGA completed its draft report, we have found problems in the automated data system which identifies the claimants who register with the Job Service. We have also found reporting problems in our local office procedures for registering claimants. Although we have not completed our review of the system, we have been able to determine that the data for this measure has been significantly flawed since the beginning of Program Year 1995. We are preparing to rewrite the programming for the identification of unemployment compensation claimants with a view to re-running the data for this measure. We will also issue revised procedural instructions for the registration of claimants to all of our local office staff.

We concur with the finding that the Job Service needs to measure its long-term outcomes. Working with the Jobs and Education Partnership, we will be providing data to the Florida Education and Training Placement Program to conduct long-term follow-up.

Options for Improving Job Service Performance:

We concur with the recommendation in this section of the report that the Job Service, with employer permission, should permit the identification of employers in its job information system. We have completed a study of the practices of other states and have determined that we will pursue this option. We expect to have a systems request completed soon to accomplish this recommendation.

OPPAGA Note: We performed extensive analyses of Department data to support the conclusions summarized in this report. Details of these analyses will be forthcoming in a separate supplemental report. Copies of the supplemental report can be obtained upon request from the sources listed below.

This project was conducted in accordance with applicable evaluation standards. Copies of this report may be obtained by telephone (904/488-1023 or 800/531-2477), by FAX (904/487-3804), in person (Claude Pepper Building, Room 312, 111 W. Madison St.), or by mail (OPPAGA Report Production, P.O. Box 1735, Tallahassee, FL 32302).

Web site: <http://www.state.fl.us/oppaga/>

Project Supervised by:
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