



Office of Program Policy Analysis And Government Accountability



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Follow-Up Report on the Job Service Program Department of Labor and Employment Security

Abstract

- During Fiscal Year 1997-98, the performance of the Job Service improved over that reported two years prior. Improvements occurred in four of the six performance measures established to measure its success in serving individuals seeking employment and employers seeking workers.
- The department has addressed several of our recommendations by developing strategies to make it easier for individuals to apply for jobs and for employers to identify qualified job applicants.
- The department has not addressed our recommendation to develop a comprehensive plan for marketing the Job Service and is not evaluating the long-term outcomes of Job Service applicants or the long-term impact of program services.

Purpose

In accordance with state law, this follow-up report informs the Legislature of actions taken by the Department of Labor and Employment Security in response to our 1996 report.^{1, 2} This report presents our assessment of the extent to which the department

has addressed the findings and recommendations included in our report.

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.

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. The labor exchange portion of the Job Service Program is funded by federal Wagner-Peyser grants that totaled approximately \$35 million in Fiscal Year 1997-98.

¹ Section 11.45(7)(f), F.S.

² *Review of the Job Service Program, Department of Labor and Employment Security*, Report No. 96-29, January 6, 1997.

Prior Findings

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 had established six performance measures for evaluating how well the Job Service is serving individuals seeking employment and employers seeking workers. The department established performance standards for these measures in its 1994-95 through 1998-99 Agency Strategic Plan. At the time of our prior report, the Job Service had met two and was making progress towards meeting an additional three of its six performance standards. However, the program's performance against other indicators, such as the number of individuals placed in jobs, had declined over the past few years.

While there were factors outside the control of the Job Service affecting its performance, we identified several factors affecting program outcomes that the Job Service can control and modify to improve its performance.

- To improve the program's ability to place people in jobs, we recommended that the department emphasize to staff the need to increase employer participation and list more job openings. We recommended that the department do this by developing a comprehensive plan for marketing the Job Service that included strategies for listing more jobs that are suitable for individuals registered with the Job Service.
- To improve the program's job placement rates, we recommended 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), which would allow the individual to go directly to an employer without Job Service intervention.
- In addition, to allow the Job Service to find workers for employers more quickly, we recommended that the department maintain information about applicant job skills and occupational choice, which could be used to provide employers with a list of potential applicants.

Our prior report also noted that the department reported on the short-term outcomes of the Job Service by examining initial job placement rates, but did not examine the long-term impact of the program.

- To evaluate the long-term outcomes of Job Service applicants, we recommended the department review the employment status of applicants at longer intervals after receiving program services (e.g., one year).
- To evaluate the impact of program services, we also recommended 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 receiving services and/or a job referral compared to those receiving no services).

Current Status

The Job Service has improved its performance over the past two fiscal years. During Fiscal Year 1997-98, the program's performance improved over that reported two years prior for four of its six performance measures that assess its success in serving individuals seeking employment and employers seeking workers.³ These measures and performance standards were established in the department's 1996-97 through 2000-01 Agency Strategic Plan. See Exhibit 1 for details of performance against these measures. The program's performance against other indicators, such as the number of individuals placed in jobs, has also increased in most instances. See Exhibit 2 for additional information on performance indicators.

Although the department has addressed several of our recommendations, some action is still needed.

³ The department's 1997-98 through 2001-02 Agency Strategic Plan changed the performance measures for this program by eliminating two measures, adding one measure, and modifying another.

Exhibit 1
The Program's Performance Improved Over That Reported Two Years Prior
for Four of Its Six Performance Measures

| Performance Measures | 1995-96 Performance | 1996-97 Performance | 1997-98 Performance |
|---|------------------------|------------------------|------------------------|
| Percentage of Total Applicants "Directly Placed" and "Obtained Employment" ¹ | 20.7% | 19.6% | 21.6% |
| Average Wage at Placement for Individuals "Directly Placed" | \$6.04 | \$6.44 | \$6.81 |
| Percentage of Individuals Receiving a Job Referral From the Job Service "Directly Placed" | 25.7% | 25.4% | 28.8% |
| Percentage of Unemployment Compensation Claimants Placed in Jobs | 5.9% | 6.0% | 12.0% |
| Percentage of Job Openings Filled by the Job Service | 46.9% | 49.5% | 43.9% |
| Percentage of Employers in the State Using the Job Service | 16.1% | 14.4% | 15.6% |

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. 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.

Source: Department of Labor and Employment Security records.

Actions Taken

The department has developed strategies to make it easier for individuals to apply for jobs without Job Service intervention.

The department has implemented an Internet registration and job referral system. This system permits applicants to directly apply with an employer without having to be referred by the department. The department also maintains up-to-date and active websites to assist workers with a variety of employment and training information services. The

department has plans for additional systems that will enhance the ability of individuals to apply for jobs.

The department maintains information about applicant job skills and occupational choice to allow the Job Service to find workers for employers more quickly.

The department has purchased and is now using a computer program that matches job applicant skills to available job openings. The program has been in operation for approximately one year and the department reports that "direct placements" by the program have increased.

Exhibit 2
"Direct Placements" by the Job Service Have Increased

| Performance Indicators | 1995-96 Performance | 1996-97 Performance | 1997-98 Performance |
|--|------------------------|------------------------|------------------------|
| Total Applicants Registered with Job Service | 832,310 | 929,255 | 955,747 |
| Applicants Receiving a Job Referral from the Job Service | 525,241 | 547,182 | 528,875 |
| Applicants "Directly Placed" by Job Service | 134,959 | 139,023 | 146,881 |
| Applicants "Obtained Employment" | 37,345 | 182,286 | 59,488 |
| Unemployment Claimants Registered with Job Service | 362,092 | 345,273 | 324,834 |
| Unemployment Claimants Placed in Jobs | 21,682 | 20,572 | 28,929 |
| Job Openings Listed with Job Service | 340,749 | 322,026 | 359,485 |
| Job Openings Filled by the Job Service | 160,122 | 159,540 | 157,736 |
| Employers in the State Using the Job Service | 61,537 | 56,418 | 63,979 |

Source: Department of Labor and Employment Security records.

Actions Not Taken

The department has not developed a comprehensive plan for marketing the Job Service.

Although regional marketing plans have been submitted to the department, a comprehensive plan for marketing the Job Service has not yet been developed. The department plans to use the regional plans to develop a comprehensive marketing plan that will support regional efforts.

The department has initiated several program-wide marketing strategies to aggressively pursue new job openings from employers. For example, in response to the need to identify jobs for WAGES participants, the program contacted the top 500 employers in the state and asked them to post their job openings with the Job Service. In addition, letters were sent to all of Florida's employers introducing them to the WAGES program and asking them to list jobs with the program.

However, we continue to believe there is a need for the department to develop a comprehensive plan for marketing the Job Service that includes strategies for listing more jobs that are suitable for individuals registered with the Job Service. We recommend the department continue with its efforts to develop such a plan.

The department is not evaluating the long-term outcomes of Job Service applicants.

The department is not evaluating the long-term outcomes of Job Service applicants at this time. However, the department plans to contract with the Florida Education Training and Placement Information program (FETPIP) to obtain the information needed to review the employment status of applicants one year after receiving program services.

The department has made no progress in evaluating the long-term impact of program services.

The department has not addressed our recommendation to evaluate the long-term impact of program services overall and by the amount of assistance received by its applicants. The department indicates that the type of data needed to satisfy this recommendation is not currently available. However, in a supplemental analyses to OPPAGA's Review of the Job Service Program we used FETPIP data to evaluate the long-term impact of program services.⁴ Using this information, we were able to evaluate the outcomes of Job Service applicants by the amount of assistance received and the characteristics of applicants. For example, for the period evaluated, applicants who only received services from the Job Service had better outcomes than applicants that also received a direct job referral by the Job Service. However, applicants receiving a job referral did better than applicants receiving no services from the Job Service.

We continue to believe the department should pursue the use of available information as to the degree of services received by the applicant and their characteristics to allow it to evaluate the long-term impact of program services.

⁴ In OPPAGA Report No. 96-34, *Supplemental Analyses, Job Service Program*, we obtained the employment status of applicants registering with the Job Service in Third Calendar Quarter 1994 one year prior to application and one year subsequent to application to evaluate the impact of program services overall and by the amount of assistance received by applicants.

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