



Making Employment Connections

Moving Beyond Common Measures



EFFECTIVE Performance Measures

- **Mission-Aligned and Meaningful**
 - Otherwise they're viewed as compliance requirements
- **Accessible** to all stakeholders, not just techies
 - Hard to ensure Accountability in absence of information
- **Transparent & Understandable** to stakeholders
 - Hard to get buy-in with "Trust us, you're failing"
 - Lack of Understanding leads to disengagement
- Provide **Accurate**, complete, reproducible numbers
 - Stakeholders have to know they can believe what they see
 - Have to Trust the Data to be Data-driven
- Available **Timely**
 - Hard to timely take action on 15 month old data
- **Efficient**
 - Gathering data to **PROVE** the result takes resources from doing that which helps you **ACHIEVE** the result



Common Measures

- Brought 2 Key Benefits
 - Made Measures more Understandable
 - One definition for all programs/populations
 - Removed integration barrier
 - Outcomes measured the same way
 - No longer had WP measured from Date of Enrollment & WIA measured from Date of Exit
- Contain Serious Flaws
 - Legendary Lag - 11 Months for Entered Employment, 17 Months for Others
 - Not well Aligned w/ Customers' Needs - Employment Goal should be "Soon" not "Someday"
 - Services Disconnected from Outcomes - Outcomes not always Reported/Attributed to Period when Achieved
 - Have nothing to do with Employers
 - Don't Really Tell "The Full Story"



Any Wages

- Chief Issues with Common Measures come from using “Existence of Wages” aka “Any Wages”
 - EE only includes those unemployed at DOP because of fear of False Positives
 - What about all the employed people who get “New Jobs”?
 - Ironically Retention & Earnings show no such concerns including wages from old jobs
- By using “Any Wages,” Common Measures
 - Overcount people who keep their old jobs
 - Undercount people who get new jobs
- But How Much?
- Does “Entered Employment” really represent the system helping make New Employment Connections between Employers & Job Seekers?



Identifying Employment Connections

- Employment Connections are Key to our Business
 - Employers & Job Seekers seek Employment Connections
- New Employment Connections identified using Wage Records
- Compare UI Wage Records for Each Employer/Job Seeker across 2 Qtrs
- New Employment Connection assumed to exist if UI wages reported this Qtr but NOT reported last Qtr for a given Employer/Job Seeker
 - Widgets-R-Us reports Wages for John Doe in 2012Q4
 - Widgets-R-Us did NOT report Wages in 2012Q3
 - New Employment Connection in 2012Q4
 - Widgets-R-Us reports Wages for John Doe in 2013Q1
 - NOT New Employment Connection in 2013Q1



“Any Wage” Distorts Results

- Examination of PY12 data suggests use of “Any Wage” distorts results
- EE doesn’t just include wages from new jobs
 - 682K WP Exiters Entered Employment (in Num)
 - 122K (17.8%) did not have a New Employment Connection
- Retention/Avg Earnings includes Continued Employment from Pre-Participation Jobs
 - 805K WP Exiters Retained Employment (in Num)
 - 218,807 (27.2%) did not have a New Employment Connection
 - Raised Reportable Performance from 82.4% to 83.1%
 - 756K WP Exiters included in Avg Earnings
 - 172K (23.7%) did not have a New Employment Connection
 - Raised Reportable Performance from \$14,253 to \$14,945



The Full Story

- Entered Employment only includes those Unemployed at Date of Participation
- New Wagner-Peyser POPs in CY2012:
 - 13.5% Employed at DOP, nationally
 - 11 States >20%
- 1.19M 10/1/11 to 9/30/12 WP EXITERS
 - 296K (20%) Employed at DOP
 - 145K (49%) Had Employment Connections by Exit+1 Qtr
- Delayed Exit can lead to Lost Outcomes:
 1. Becomes Reemployed during POP
 2. Continues to Receive Service for Months
 3. Loses/Leaves New Job
 4. Exits without Another One

55K Such Cases in Texas



What's Next?

- WIA Reauthorization Drafts make things Worse!
 - Moves “EE” out to 2nd Qtr after Exit (MORE LAG)
 - Includes those Employed at DOP who are Employed in 2nd Qtr After Exit (MORE FALSE POSITIVES)
- Texas Developing an Alternate System
 - Align Better with Customers’ Needs/System Mission
 - Reduce Lag
 - NOT Increase Administrative Overhead
 - Reconnect Outcomes to Services
 - Help Tell Full Story
- Employment Connection System
 - New Employment Connections as the foundation
 - Works for Job Seekers & Employers



Considering Several Options

- Minimally expect Job Seeker & Employer versions
 - % of recent Job Seekers with New Employment Connection
 - % of recent Employers with New Employment Connection
- Considering SERVICE-based & EXIT-based versions
 - SERVICE-based measure better for month-to-month “management”
 - EXIT-based measure better for broader, year-to-year “evaluation”
 - Unduplicates the Service-based measure
 - Job Seeker Only
- Employment Connection Rate focuses on customers currently/recently in services
 - What kinds of Services?



All Service?

- **3 Primary Service Types for Workers**

- Employment Connection Services – Services to help find new/secondary employment
- Employment Qualification Services - Services to Enhance Qualifications (i.e. Education/Skills Training)
- Supportive Services

- **3 Primary Service Types for Employers**

- Employment Connection Services - Help finding new employees
- Workforce Qualification Services - Service to Enhance Skills/Education of Employees
- Employment Transition Services - Assistance During Downsizing (e.g. Rapid Response)



ECR Basics

- ECR focuses on those receiving Employment Connection Services (ECS)
 - Job Search, Job Development, Employment Plan, Referrals, Resume/Interview Assistance, etc.
 - Active Job Postings, Job Development, Job Fair, Job Testing, etc.
- Why not Employment/Workforce Qualification Services?
 - Workers not ready to find employment
 - EQS often involves incumbent worker training
- Customers included in measure during Qtrs in Employment Connection Services (ECS Qtr)
 - **ECR Looks for New Employment Connection within ECS Qtr or ECS Qtr+1**



Employment Connections

- How big a role do we play in making New Employment Connections?
 - Basic Employment Connection
 - New Employment Connection involving a recent/current Job Seeker
 - Double Employment Connection
 - New Employment Connection where Job Seeker & Employer are both recent/current customers
 - Referred Employment Connection
 - New Employment Connection as result of referral
- New Employment Connections in Texas
 - 8M NECs Oct 2012 to Sept 2013
 - 1.1M NECs involve recent TWC Job Seekers (Basic EC)
 - 148K Job Openings Filled (Referred EC)



What about Retention?

- Expect to keep basic Employment Retention for Job Seekers
 - Based on New Employment Connection Qtr, not Qtr after Exit
 - Employed 2 Qtrs After New Employment Connection
- Considering “Maintained Employment Connection” as a joint Job Seeker & Employer measure
 - Employment Connection lasting at least 2 Qtrs after NEC
- MEC run for ALL Employment Connections in Texas
 - Not Just WF System Customers
 - Performance Standards based on REAL WORLD PERFORMANCE
 - Can do analysis by industry!
 - Do our connections last longer than the general populace?



Employment Connections Benefits

- Employment Connections Meaningful to Employers & Job Seekers
- Employment Connections could help tell the Full Story
 - Includes Hires of Employed and Unemployed
 - Allows System to Report Multiple Outcomes
- Employment Connection Reporting could reconnect Outcomes with Services
 - Not Waiting until Exit to Report
 - Easier to determine what services/mix may have helped achieve outcome
- Employment Connection Report could avoid reporting “Old Wages”
 - Use of New Employment Connection data would reduce reporting wages from prior jobs as successful outcomes
- No Additional Overhead



Employment Connections Benefits

- Lag? How does this Reduce the Lag Problem?
- CMs are based on Federal Reporting Periods
 - Federal Reporting Periods set up based on UI Wage Lag **in the 90s when wages were primarily filed on paper**
 - Assumption was it took 6 to 8 months to obtain wage records
 - Why not change now that electronic filing is prevalent?
 - Texas Wage Reporting
 - 2002 Records 82% Complete after 60 days (99% after 240)
 - 2009 Records 97% Complete after 60 days (99% after 116)
 - 2012 Records 99% Complete after 60 days
- Should be able to shorten Lag by ~5 months
 - EE reported 10-11 Months after Exit Qtr
 - Employment Connections could be reported ~5 Months after Service Qtr



Lag on EE vs. ECR

	2012Q4			2013Q1			2013Q2			2013Q3			2013Q4		
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Entered Employment	Exit Qtr			Exit+1										DOL	LBB
Employment Connection Mthd	Service Qtr			Service Qtr+1											
UI Wage Records	Measurement Period								99%						

	Entered Employment	Employment Connection
PY13 Report Periods	Oct 2012 – Sept 2013	Apr 2013 – Mar 2014
PY14 Report Periods	Oct 2013 – Sept 2014	Apr 2014 – Mar 2015
PY15 Report Periods	Oct 2014 – Sept 2015	Apr 2015 – Mar 2016



What's Missing?

- Almost, but not Quite, **Everything**
 - How does ECR REALLY work?
 - What does it mean to be in Employment Connection Services? Especially after a New Employment Connection?
 - Separate Measures for Employed and Unemployed?
 - Unemployed → Employed is easy to pick up (NEC record) What about Employed → Unemployed?
 - How about Transitioning In/Out of Employment Qualification Services (Training/Education)?
 - What about Income Enhancement?
- Early in a multi year development process



Implementation Plan

- Multi-year Process
- Conceptual Work
 - Finish Evaluating Measure Options
 - Work with Boards to Understand Needs
 - Develop all the Business Rules/Identify IT Changes
- Development Work
 - IT/Report Development
 - Analysis of Data
 - Training
- Implementation
 - FY16 is earliest for full system
 - Some concepts may be usable earlier