A report of research carried out by the Policy Research Institute on behalf of the Department for Work and Pensions
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Summary

The Job Outcome Target (JOT) involves a shift in the way that Jobcentre Plus measures its performance from only recording outcomes where there is a documented Jobcentre Plus intervention, to measuring all off-flows from benefit into work. JOT was piloted, in two different forms, in seven Jobcentre Plus Districts from January 2005 onwards.

The JOT evaluation comprised a qualitative evaluation undertaken by the Policy Research Institute (PRI), Leeds Metropolitan University and a quantitative evaluation undertaken by Jobcentre Plus Business Measurement Division (BMD). This short report presents a synthesis of the findings of these two exercises.

Impact on Jobcentre Plus activity

• The evaluation findings suggest that JOT contributes towards achieving increased efficiency. Increased efficiency resulted primarily from reduced follow-up activity and reduced use of the Adviser Discretion Fund (ADF).

• There was evidence to suggest that JOT complements other initiatives to encourage use of self-service channels among Jobcentre Plus customers.

• Generally the evaluation suggests that JOT had the potential to enable staff to focus their efforts on the most disadvantaged customers, though it was too early to report conclusive evidence in this regard.

• A major finding of the evaluation was that JOT requires a significant shift in staff behaviours fitting in with a wider change in organisational culture associated with ‘Delivering our Vision’, with a particular emphasis on a change from managing performance by numbers to more qualitative approaches to management.

• There was some concern about the capacity of managers to effectively manage performance under JOT, principally because of the time lag involved in receiving outcome performance data, which has been available on a daily basis under the Job Entry Target (JET).
• In supporting any future roll-out of JOT, a number of consistent messages emerged: the need for continuous support and communication, the need to focus on the desired behavioural changes and to support both managers and staff in adapting to the new challenges posed by JOT.

Impact on customers, employers and providers
• The evaluation was unable to discern an impact on employers and the impact on providers was minimal.
• The quantitative findings suggested that for the short period of time for which reliable data was available, JOT was likely to have had no more than a small negative impact on outcomes for different customer groups (there was no expectation in the first instance that JOT would improve outcome performance).

Impact on overall performance
• The evaluation was unable to detect any negative impact of JOT in three out of the four Option 1 pilots (measuring off-flows using Inland Revenue data). A negative impact found in the fourth Option 1 District may have resulted from problems in identifying a suitable District for comparison, so this finding should be treated with caution.
• In Option 2 pilots (using administrative systems to track customer destinations) there was stronger evidence of a negative impact of JOT on off-flows, but this finding also needs to be treated with caution, as some short-term dip in performance might be expected to result from a significant change in management practices and business systems.
1 The Job Outcome Target

1.1 Key features and principles of JOT

On 10 January 2005, seven Districts within Jobcentre Plus began to pilot a new Job Outcome Target (JOT), based on off-flows from benefit in to work. The new target replaces the Job Entry Target (JET) in these Districts. Under JET, job entries are recorded and counted for performance purposes only if a valid submission has been made and proof of the job start has been obtained from the employer. Essentially, JOT measures all off-flows from benefit into work and also captures those customers who are not claiming benefits but obtain work through Jobcentre Plus intervention.

Two separate pilot options were tested, running in parallel from January 2005 until March 2006:

- **Option 1** pilot Districts off-flows from benefits into work are measured using the Work and Pensions Longitudinal Study (WPLS). The WPLS links individual benefit records and data from Jobcentre Plus systems to employment records held by Inland Revenue. This removes the need for any local tracking of job entries, as all the required data is sourced centrally from administrative systems. However, Option 1 involves a time lag in the provision of performance data. While partial performance data is available to Districts within one or two months, it may take up to six months for the outcomes to be reported fully back to Districts. The four Districts piloting Option 1 are North West Wales & Powys, Calderdale & Kirklees, Devon and Lambeth, Southwark & Wandsworth.

- **Option 2** pilot Districts adopted an alternative ‘known destinations’ approach. This captures off-flows from benefit into work by using existing processes and systems, such as recorded submissions activity and customer notifications, to record all known job entries regardless of whether customers received help directly or not. Under this Option, some local tracking of customers ceasing to claim

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1 Note that following the decision to roll out Option 1 nationally from April 2005, the Option 2 Districts will operate Option 1 from January 2006.
benefits was required to ensure that performance was captured. However, it was felt that this option might potentially provide a more timely indication of actual performance than Option 1. Three Districts – Grampian & Tayside, Greater Mersey and Tees Valley – piloted Option 2.

### Key principles underpinning JOT pilots

- To focus on the Government’s key employment priorities as set out in the Department for Work and Pensions’ (DWP) Public Service Agreement.
- To focus on the outcomes and value added from the business processes for linking clients with labour market opportunities.
- To help provide incentives that generate appropriate behaviour and continuous improvement and facilitate reductions in unacceptable performance variation.
- To support modernisation of Jobcentre Plus and encourage efficient delivery of services and increased use of alternative resource-efficient channels.
- To be easily understood at all levels of the organisation, grounded in operational reality and translatable to the individual.
- To be specific, measurable, meet National Audit Office (NAO) requirements and be supported by rigorous IT-based systems, providing timely and localised recording and performance management information (MI).
- To complement other agendas, such as the National Employment Panel’s recommendations on skills and retention and progression in work and flexibilities introduced as a result of Building on New Deal (BoND).

### 1.2 Rationale for the JOT

JOT differs substantially from the existing JET, and marks a clear shift in approach to performance measurement and management. The JET system requires Jobcentre Plus to ‘treat’ all customers moving in to work, regardless of their need for intervention, in order to capture evidence of performance. In some cases, this results in activity which is unnecessary in economic terms. For example, job-ready customers may be helped by an adviser to find a job, through formal submissions, when in fact they are perfectly capable of finding work through their own efforts, accessing vacancy information via one of several self-service channels now available.

In addition, the weighted points system, which will still apply under JOT, provides an incentive under JET to ‘treat’ some customers when it may not be strictly necessary to do so. For example, a ‘high priority’ customer, such as a lone parent who already has a job offer, may be referred to provision or given help through the Adviser Discretion Fund (ADF) solely in order to ensure that Jobcentre Plus staff can ‘capture’ the outcome for performance purposes. Under JOT, such interventions would be
unnecessary and staff should be able to concentrate their attentions on helping customers who are less job-ready without fear of ‘losing’ points.

Another drawback of the JET system is its failure to capture true performance, as not all job entries achieved via self-service channels are credited to the organisation. As modernisation and the roll-out of Jobcentre Plus progresses, the number and type of channels available to customers has increased. Customers now regularly make use of electronic and telephone contacts in order to access and apply for vacancies.

### Strategic case for moving to an off-flows based JOT

- To capture job entries achieved through the expanding number of **modernised channels** and which involve people applying for jobs directly.
- To encourage the most **cost-effective use of new self-service channels** for those customers who can help themselves, whilst enabling personal advisers to focus intensive support on the most disadvantaged.
- To remove/reduce the need for expensive follow-up activity with employers, thus encouraging staff to spend time on more value-added activities, rather than on measuring and validation work with the sole aim of capturing job entry performance.

### 1.3 Purpose of the JOT pilots

The purpose of the JOT pilots was to explore:

- whether JOT is **feasible** as a replacement national target;
- whether it is possible to identify a set of **leading indicators** which will enable managers to monitor and influence performance;
- any gaps in **management information** (MI) which need to be filled;
- whether the JOT measure is suitable for **performance management** and reporting purposes;
- whether the measures drive **appropriate behaviours** in staff;
- how the measures impact on the use of **new channels** for service delivery;
- whether it is possible to measure outcomes for (at least) all those on benefit and maintain an **emphasis on priority groups**;
- how to measure the **specific contribution of Jobcentre Plus** to the achievement of the overall outcomes measured by an off-flows target.
1.4 Behavioural change and people issues

It was identified at an early stage that a key factor influencing the success of the pilots was delivery of the required behavioural change. As already stated, JET requires Jobcentre Plus to show that a ‘valid’ intervention or activity with the customer led directly to their movement into work. This involves often complex procedures for tracking and capturing outcomes from ‘submissions’ and ‘placings’ into Jobcentre Plus advertised vacancies, and capturing outcomes from providers and through financial incentives.

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**Extract from letter from Lesley Strathie (November 2005) announcing national roll-out of JOT**

'It is...important to remember that our purpose and vision remain the same. Our aim, through the continued development of our adviser services and business processes, is still about moving people from welfare into work. Changing our target will be a major step forward in Delivering Our Vision. JOT will bring an end to the difficulties of capturing target information while ensuring that we receive recognition for all our efforts in helping customers move into work.'

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In principle, JOT captures all movement into work and it is immaterial which channel the customer used, whether the customer was seen by one or several members of staff or who undertook the final activity prior to the customer moving into work. This move away from a job entry target suggests the need for a significant shift in management of staff and performance away from numerical job entry measures often focused at individual level towards more quality-based and overall performance measures.

More specifically, early work within the pilot Districts identified a number of expected and potential changes in staff behaviour and delivery:

**Anticipated behavioural changes under JOT**

- Increased referral to self-help channels of job-ready customers.
- More time spent with disadvantaged customers, identifying routes back to work and sourcing provision to aid the move.
- Increased referrals to contracted and non-contracted provision, with an increasing identification of those providers who best help Jobcentre Plus customers.
- More emphasis on quality issues within management of advisers.
- Reduced expenditure on financial incentives such as ADF.

Continued
• Closer working with other recruitment and employment **partners**.
• A greater link **between job broking and benefit processing** teams, with a much clearer role for benefit processing teams within the achievement of job outcomes.

1.5 Customer experience

In addition, changes might be expected in how customers experience services as a result of the JOT pilots. The changes expected were:

• **job-ready** customers would potentially receive less advisory time overall. Following initial work with an adviser they would be encouraged to self-help through self-service job search channels. They would be supported through the early stages and then potentially contacted on a ‘keep-in-touch’ basis;

• **disadvantaged** customers would see increased adviser input. As job-ready customers are ‘handed off’ to self-help channels, adviser caseloads should change to include those customers who need help and support in order to become job-ready. There should be more emphasis on activities and provision to prepare such customers for work;

• **all customers** would see an increased emphasis on supplying postcode information (used to allocate performance to a District), notifying Jobcentre Plus when they move into work and the benefits of handing in P45 data to their new employer.
The evaluation strategy

The evaluation was structured around the strategic case for, and expected impacts of, the JOT pilots. To test the extent to which these expectations were realised the evaluation addressed 12 ‘key questions’:

### Evaluation of JOT pilot: key questions

**Impact on Jobcentre Plus activity and staff behaviour**

- The impact of JOT on submissions and/or follow-up activity.
- The impact of JOT on cost-effective use of self-help channels.
- The extent to which JOT enables staff to focus efforts on disadvantaged customers.
- Whether it is possible to performance manage effectively under JOT.
- The impact of JOT on people management and cultural change.
- Lessons learned from the pilot for any national roll-out.

**Impact on customers, employers and providers**

- The impact of JOT on outcomes for high priority groups.
- The existence of any adverse impacts from JOT for particular customer groups.
- The impact on employers of the JOT approach.
- The impact on providers of the JOT approach.

Although there was no expectation that JOT would increase performance per se, the evaluation also addressed the following questions:

- The impact of JOT on off-flows from benefit into work.
- The impact of JOT on overall employment rates.
These questions were assessed via a variety of evaluation methods. The **quantitative evaluation**, undertaken by Jobcentre Plus Business Measurement Division (BMD), included detailed statistical analysis of outcomes and submissions in the pilot Districts and compared these with other non-JOT Districts. It also included an investigation of potential ‘lever’ and ‘symptom’ indicators to establish whether there are appropriate predictors of performance or measures of the relationship between inputs and outputs. The quantitative evaluation also included a detailed value for money study.

The **qualitative evaluation**, undertaken by the Policy Research Institute (PRI), Leeds Metropolitan University, included three phases of fieldwork in the pilot Districts themselves, a wide range of interviews and focus groups with Jobcentre Plus staff in the Districts and in other relevant parts of the organisation. A large number of interviews were also conducted with Jobcentre Plus customers, employers and programme providers to ascertain any external impact of the pilots.

This document summarises the key messages from both the qualitative and the quantitative evaluations, both of which produced detailed standalone reports of their findings and which are available from Jobcentre Plus BMD.
3 Impact on Jobcentre Plus activity and staff behaviour

3.1 Does JOT increase the efficiency of Jobcentre Plus by reducing the amount of activity around submissions and/or follow-up?

Both the quantitative and qualitative studies found clear evidence of reduced follow-up activity around submissions. Both studies also found that all submissions dropped dramatically following the introduction of JOT. Speculative submissions fell far more significantly to around 20 to 30 per cent of those in non-JOT areas (Figure 1). Non-speculative submissions, while falling less noticeably, varied markedly among the different pilot Districts.

Increased efficiency also resulted from reduced use of the ADF. While the qualitative study identified JOT as only one of a number of influences on the reduction of ADF use, the quantitative study suggested that there were greater reductions in JOT Districts than in non-JOT Districts (Figure 3.2).

The Value for Money study undertaken as a component of the quantitative evaluation found that there was no evidence that JOT produced a negative value for money impact in relation to JET.

The qualitative study also found some evidence that JOT may contribute to efficiency by reducing the time and resources previously used in resolving conflicts and queries related to individual job entries.
Both the quantitative and the qualitative evaluations found that efficiency savings were greatest in Option 1 Districts. This was because savings generated from reduced follow-up and submissions activity in Option 2 Districts were cancelled out by increased tracking activity and in the validation process. This is summarised in Figure 3.3, which shows estimates of time saved on activities typically undertaken by different individuals (or groups of individuals) in Jobcentre Plus Districts. For example, 29 hours of adviser and/or frontline staff time per week have been saved in each of the Option 1 pilot Districts. Conversely, tracking and vacancy services staff were spending extra time on tasks undertaken as a result of Option 2.
Overall, the message emerging from both quantitative and qualitative evaluations is that **JOT does not have a negative efficiency impact**. However, the potential to realise resource savings in Option 2 Districts was severely constrained by the resources needed to operate effective validation and tracking.

### Figure 3.3   Time saved on selected activities: Option 1 and Option 2 Districts

#### 3.2 Does JOT encourage the cost-effective use of self-service channels?

There was some evidence from the qualitative study that **JOT supported wider initiatives within Jobcentre Plus** to increase the cost-effectiveness of providing support to customers, such as the increased use of self-service channels. While JOT had not **driven** the uptake in the use of self-service channels, it had **contributed** to it by removing the pressure from advisers and other staff to help customers who were able to use self-service channels, in order to gain additional JET points. As such, there was a small but noticeable increase in the take up of Apply Direct vacancies in the JOT Districts in comparison with non-JOT Districts.

However, staff reported concerns over the assumption that increased use of self-service channels was cost-effective. These concerns were related to situations where use of self-service channels was additional to, rather than a replacement for, face-to-face contact and deeply held views among some staff about the quality of service offered to customers through such channels, though these views were not always supported by customers. Similar concerns were raised in recent research conducted for the DWP on the use of self-service channels to access Jobcentre Plus services.

Overall then, it is possible to conclude that **JOT does encourage the use of self-service channels, though its role is more of an enabling than a causal one.** The extent to which the use of these channels is then cost-effective was not the
subject of this evaluation and evidence from elsewhere will need to be used to make that judgement.

3.3 Does JOT enable staff to focus their efforts more effectively on High Priority Customer Groups?

While it is too early to clearly conclude that the substantial behavioural change required to fulfil this expectation has occurred, there were significant signs from the evaluation that staff now felt able to focus their efforts more completely on Priority Customer Groups 1 and 2, as a result of JOT:

**JOT and high priority customer groups: a district manager view**

‘I think that there has been a definite shift in seeing the higher priority customers, because before when we were concentrating on Job Entries, it was like well if I can get these a job, ones that can help themselves it is still points,...but really now that is out of the window because you are going to get those points anyway...JOT makes you naturally have a shift to people who can help themselves to go help themselves...that is a JOT impact.’

However, it proved difficult to isolate what effect JOT has had in relation to a range of other modernisation initiatives which also contributed to this shift in focus.

Despite these complicating factors, there were some examples of staff increasing their focus on disadvantaged customers, spending more time with people with disabilities or Income Support (IS)/Incapacity Benefit (IB) customers for example. Some managers and advisers were making more effort to find out about relevant local provision (e.g. European Social Fund (ESF)-funded programmes) and to take a longer-term view of enhancing the employability of these customers. Some customers reinforced this by noting that they felt that they were spending more time with their advisers and that advisers were more ‘helpful’ or ‘friendly’.

The quantitative findings in relation to this question were also inconclusive, reinforcing the mixed picture presented in this report, though the Basic Skills component of the Business Delivery Target did improve, particularly in Option 1 Districts.

Overall, it is too early to conclude unequivocally that JOT has led to an increased focus on disadvantaged customers, but there is some evidence of this and, despite fears expressed by some members of staff, there is no evidence of a reduced focus on these groups as a result of JOT.

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2 Jobcentre Plus has five Priority Groups (PG) for customers: PG1, Customers who are Lone Parents or People with a Health Condition or Disability. PG2, Customers who are Partners, in Employment Zones, on JSA New Deals, are long-term JSA or People with a Health Condition or Disability not covered in PG1. PG3, Customers who are short term JSA claimants. PG4, Customers who are unemployed but not claiming benefit. PG5, Customers who are employed.
3.4 Is it possible to manage performance under JOT?

It is clear that Jobcentre Plus has for many years had organisational culture based around reliance on regular Job Entry Placings data which was used by managers and staff to isolate and track performance at individual, office and District level.

Achieving change in organisational culture is often a difficult and long-term process. It is therefore unsurprising that many staff in the pilot Districts have experienced some difficulties in adjusting to the significant changes introduced by JOT.

However, an equally sizeable group of staff felt comfortable with the changes required and this suggests that managing performance under JOT is possible.

Effective roll out of JOT will require the development of support for managers and staff to operate more comfortably and effectively under JOT. Three particular concerns were raised in relation to this strategic evaluation question:

**Concerns about performance management under JOT**

- Difficulties in understanding the relationship between inputs and outcomes.
- Time lags in the availability of outcome data.
- The level of disaggregation available in outcome performance data.

Under JET there were clearly and widely understood assumptions about this relationship principally in the form of ‘submissions to placings’ ratios. The qualitative evaluation highlighted that the introduction of JOT has disrupted these assumptions. Work in the quantitative evaluation to develop ‘lever’ indicators to predict future outcome performance also failed to identify any appropriate measures at the present time.

Discussions with staff suggested a developing emphasis on the quality rather than the quantity of inputs. However, it was also clear that assessing the quality of inputs (such as through observations of adviser interviews) was challenging and required skilled managers with the time available to perform them. Again, this highlights the need to support managers in encouraging behavioural change and in responding to poor performance.

Work from the quantitative evaluation suggests that it may be possible to reduce the impact of lags in the availability of job outcome performance data under Option 1 through the use of models of off-flow data at national level which produce forecasts of outcome performance possibly only to two months in arrears, with a relatively small margin of error. The development of similar forecasting models at regional or District level would involve a further major programme of work.
While this may overcome some concerns, it is clear that support will be needed to shift the emphasis further away from daily job entry data (which will only be available with a time lag and never at all at the individual level) towards the interpretation of the available management information (MI) and the quality of inputs. Developing effective support in this regard will be a key determinant of the success of JOT, should it be rolled-out.

3.5 Is it possible to effectively manage people under JOT?

Despite the focus of the evaluation question being on the impact of JOT on management capacity and competencies, a good deal of the discussion with Jobcentre Plus staff focused on the impact of JOT on issues of motivation, behaviour and organisational culture.

There were two common responses from staff in regard to behaviour, with some, especially advisers, feeling ‘liberated’ by the removal of the pressure of individual targets, while others felt that this had led to a loss of motivation, incentive and individual accountability. A key issue here was that staff were concerned about how they could ‘prove’ to managers that they were working effectively.

Moreover, respondents also questioned their assumptions about what represented ‘good’ or effective working practices under JOT, with less confident or able advisers and Adviser Managers, in particular, feeling unsure about this. While an equal number of more confident staff and managers felt that they were enabled to focus on the job as ‘it always should have been’ as opposed to ‘playing the job entries game’, further clarity is needed over the behavioural changes expected as a result of the introduction of JOT.

It was also reported that while early in the process of achieving organisational and behavioural change, the influence of JOT was broadly in line with the modernisation of Jobcentre Plus, such as the increased focus on disadvantaged customers, reduced footfall (personal visitor traffic to local offices), more use of a wider range of providers, less time spent on chasing ‘points’ and a greater emphasis on helping customers into sustainable employment. A further key change reported by all staff groups was reduced conflict with increased potential for team working and sharing of skills, knowledge and experience.

A key implication of JOT is its impact on management functions. It was commonly reported that the shift from JET to JOT necessitated a shift from ‘managing numbers’ to ‘managing people’ and towards making use of the full range of available MI. This led to an increased emphasis for managers at all levels, but particularly Adviser and Business Managers, on ‘soft’ communication, coaching, motivational and mentoring competences. This is a significant change under JOT, with many respondents at all levels of the organisation reporting that this would pose problems for many managers and that an effective roll-out of JOT would require additional training and support in this regard.
3.6 What lessons can be learned for any national roll-out?

The research findings emphasise the fact that roll-out cannot, and should not, be a one-off event, nor should it be regarded purely as a technical exercise in changing the way in which outcomes are measured and targets set.

A series of more substantive lessons for national roll-out can be discerned:

<table>
<thead>
<tr>
<th>Key lessons for national roll-out of JOT</th>
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<tbody>
<tr>
<td>• The need for constant two-way <strong>communication</strong> with all levels of staff tailored, where appropriate, to different staff groups.</td>
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<tr>
<td>• The need to focus on the types of <strong>behavioural and cultural change</strong> that are required over the medium- to long-term.</td>
</tr>
<tr>
<td>• Investment in <strong>training and development</strong> will be needed to support these behavioural changes and the shift in the necessary competencies emphasised under JOT.</td>
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<tr>
<td>• Particular attention needs to be paid to:</td>
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<tr>
<td>– <strong>line managers</strong>, who would need to take a more qualitative approach to people and performance management;</td>
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<tr>
<td>– <strong>advisers</strong>, whose roles and approach to performance measurement would change significantly; and</td>
</tr>
<tr>
<td>– <strong>frontline staff</strong>, on whom the onus is placed to ensure that customers are directed to the most appropriate channels to ensure that they receive the best available service.</td>
</tr>
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4 Impact on customers, employers and providers

4.1 Are there any adverse impacts of JOT on particular customer groups?

The quantitative evaluation looked for evidence of any impact from JOT on different Jobcentre Plus customer groups. In the short period of time for which data is available, the analysis showed performance had not changed considerably.

Some weak evidence was found of a negative JOT impact under both Options on Priority Group 1 (PG1) customers (people with disabilities, lone parents and inactive benefit claimants). There was stronger evidence of an effect on Priority Group 3 (PG3) customers (short-term Jobseeker’s Allowance (JSA) claimants). There is also a suggestion that job outcomes were lower than might be expected for customers in Option 2 Districts in some age bands (18-21, 34-44 and 60-64 years), although there is no obvious reason why this should be so. It is suggested that these effects may be the result of a ‘bedding-in’ effect due to the extent of behavioural and other changes in working practices. The timescale for the evaluation meant that the existence of such an effect could not be tested for.

In Option 2 Districts, some deterioration in outcomes (compared with their counterparts in non-JOT Districts) was found for customers in Priority Group 5 (PG5) (employed). Problems in the data prevent any firm conclusions being drawn from this but tentative suggestions can be made that this is in line with one of the aims of JOT, namely to refocus Jobcentre Plus activity on disadvantaged customers who need most help. This may mean that some PG5 customers are less likely to find work through Jobcentre Plus self-service channels, though it is more likely that the data systems are less likely to record an outcome than previously.

The quantitative analysis also considered differences in outcomes as a result of JOT in relation to ethnicity, age and gender. Again, while data problems prevent a firm conclusion, there was no available evidence to suggest that JOT had a
**negative impact on any particular ethnic group.** In Option 1 Districts there was no evidence either of any impact on customers in relation to their age, though there was some evidence of a negative impact on customers with a claim length of one to six months (again consistent with a focus on more disadvantaged customers).

Figure 4.1 presents data on job outcomes as a percentage of customers in each Priority Group before the introduction of JOT in January 2005 and after the JOT pilots had been running for three months (in March 2005), comparing customers in Option 1 Districts with those in four ‘matched Districts’ with characteristics as close as possible to those of the pilot Districts.

The chart shows some evidence that the job outcome rate for PG1 and PG3 customers declined in the JOT Districts while remaining approximately the same in the ‘matched Districts’. The decline for PG3 customers was larger than that for PG1, and further investigation suggested that the decline in PG1 was due to atypical performance in one of the ‘matched Districts’.

**Figure 4.1 Outcomes as a percentage of clients – Option 1 PGs**

The qualitative evaluation suggested that some customers may be negatively affected by the loss of face-to-face contact. This potentially affected high priority groups where the speed of assessment by frontline staff might lead to mistakes in the referral of customers to self-help channels or where PG4 and PG5 customers would benefit from face-to-face contact. This is clearly not solely a JOT impact but customer groups that were identified by staff as being potentially negatively affected in this way were:
• migrants with a poor command of English;
• older people who may not be comfortable with telephone electronic channels;
• people with mental health problems;
• people with poor communication or IT skills or lacking confidence in these areas.

However, as noted already, interviews with customers found no evidence of such negative impacts occurring in practice.

It may be that these findings partially explain the downturn in measured outcomes for some PG4 and PG5 customers in some JOT pilot Districts, though the qualitative findings relating to older people are not corroborated by the quantitative evidence.

4.2 What is the impact of JOT on employers?

The impact of JOT on employers was tested in a variety of ways including analysis of Employer Outcome Target data, interviews with Jobcentre Plus staff and interviews with employers themselves.

Analysis of Employer Outcome Target data highlighted very few differences between JOT and non-JOT Districts during the first six months of 2005. Responses in terms of overall satisfaction, sufficient numbers of applicants, job readiness and frequency of contact were all almost identical. The increasing percentage of respondents stating that there were enough applicants to choose from and/or that applicants were ‘job-ready’ is consistent with the view that submissions are becoming marginally more ‘appropriate’ under JOT. Certainly it can be concluded that there is no evidence to suggest that submissions to jobs are becoming less appropriate under JOT.

Most staff were unable to give a view of the likely impact of JOT on employers. Those that offered an opinion tended to be senior managers, Employer Engagement Teams, Field Account Managers and Vacancy Services Teams. Three types of views emerged:

• The first was that JOT may improve the service to employers by reducing the amount of inappropriate submissions and the amount of bureaucracy required of employers, for instance in follow-up activities.

• At the other extreme were suggestions that JOT might lead to a deterioration in the quality of service to employers because of the increasing focus on disadvantaged customers who might not appear to be of equal job-readiness as lower priority group customers.

• Third was the majority view that the impact of JOT would be very small and only likely to manifest itself over the long-term. The major example of impacts on the relationship with employers tended to relate to jobs fairs and gradual shift away from such events or moves to refocus them on higher priority group customers.
Discussions with employers themselves suggested that very few were aware of JOT. Also, employers were largely unable to identify any changes in the quality of service received during the last six months of 2004 and the first six months of 2005.

4.3 What is the impact of JOT on providers?

The impact of JOT on providers was tested through discussions with staff and providers themselves.

The views of staff suggested that JOT had in principle allowed them to consider a broader range of provider and provision than previously. There was some limited evidence to suggest that advisers had an increased demand for knowledge of the range of local provision and in some cases, local directories had been created or updated as a result of this.

However, a number of factors limited the extent to which this translated to increased referral to different providers and to the extent that this was happening, some respondents questioned whether this was a purely JOT impact or whether it had occurred as a result of restrictions on the budget for contracted provision. Limiting factors included regulations about provision for New Deal customers, pressures on resources and the limited availability of provision, especially in rural areas. Some staff were also concerned about the implications of attending certain types of provision for customers’ continued eligibility for benefits.

Interviews with providers themselves were overshadowed by recognition among them of the resource pressures facing Jobcentre Plus. Most providers had been impacted on in some way by cutbacks or uncertainties over funding for provision. They also commented on the low morale of Jobcentre Plus staff, which they felt affected their working relationship, especially where there were frequent changes of personnel or short-term appointments within local Jobcentre Plus offices. Providers generally saw these issues as to the fore and as such considered JOT as relatively insignificant. Thus, while providers noted major changes within Jobcentre Plus, they did not attribute these to JOT.
5 JOT and overall job outcome performance

As noted in the introduction, there was no expectation that the introduction of JOT would lead to any change in overall performance, as measured by job outcomes. However, the quantitative study did compare job outcome performance in JOT and non-JOT Districts and the results are summarised in this section.

Given the wide range of factors which impact on the overall employment rate, it is not possible to isolate the influence of JOT on this measure. However, it is possible to consider the impact of the JOT on off-flows from benefit into work. Overall, the evaluation was unable to detect any negative impact of JOT in Option 1 pilots. In Option 2 pilots there was a small negative impact on off-flows (see Figures 5.1 and 5.2).

Figure 5.1 Option 1 total daily outcomes pre- and post-JOT
However, these findings need to be qualified in two ways. First, as mentioned previously, the data is based on a very short time series and, as such, may overestimate the long-term significance of any change in performance. Second, the period in which a new performance management system ‘beds in’ might be expected to produce an actual, but temporary, dip in performance. Certainly, this would be in line with the qualitative and quantitative findings in relation to the volume of submissions in the early period after JOT was introduced and indeed, in at least one Option 2 District where there were also problems with the capacity of self-service channels, especially in the immediate post-implementation period.