

Executive Summary

This report brings together the findings of a number of studies that were conducted over the period 2000 to 2002. These investigated the operation and impact of the different target regimes that have been in place within Jobcentre Plus and the previous Employment Service. These are:

- A desk-based ‘think-piece’ review of the case for a job entry target system based upon the explicit weighting of the relative value of job entries achieved for different target groups
- An evaluation of ‘explicit weights’ pilots that were operated in two Employment Service districts in 2000-01
- An assessment of the success of a pilot in two ES regions, in the same year, that tested the likely impact of adopting a target for the sustainability of jobs filled by ES clients
- A ‘post implementation review’ of the new target regime – including a points-based job entry target – that was introduced in the 2002-03 operational year
- An assessment of the early impact of the points-based job entry targets, six months after their introduction (November 2002)

The main findings to emerge from these studies are as follows:

- There is a strong theoretical basis for the adoption of a points-based job entry target system that provides extra ‘rewards’ for achieving positive outcomes for groups that are felt to have the highest priority in policy terms. In principle, the points-based system has the ability to reflect the needs of different client groups, and therefore influence resource allocation.
- In particular, the analysis suggests that the adoption of a points-based system would be likely to provide greater incentives for managers and staff at local level to concentrate on helping priority groups of clients.
- Evaluation of the pilot ‘explicit weights’ system in 2000-01 found that the revised target structure was well received by staff, but that most felt that they had not altered their behaviour in response to the new system.
- Analysis of the performance figures for the ‘explicit weights’ pilot districts suggested that – despite staff claims of unchanged behaviour – trends in submissions and job entries were consistent with the anticipated effects of the pilot system.
- The pilots of a ‘sustainability’ target, based on the percentage of clients still in work 13 weeks after job entry, were less conclusive. An evaluation revealed no noticeable change in sustainability performance in the pilot regions, and a feeling among ES staff that they had little influence over sustainability.

- However, the ‘sustainability’ evaluation identified some possible approaches to achieving higher sustainability, with post-placement support to employers being the most promising. However, take up of support by clients and employers was low.
- In the light of previous work, and the creation of the new agency in 2002, Jobcentre Plus decided to adopt a points-based job entry target that included additional points for sustainability and for achieving job entries in target Local Authority Districts (LADs). The target structure also included targets for the Monetary Value of Fraud and Error (MVFE), Employer Outcomes, Customer Service and Business Delivery.
- A Post Implementation Review (PIR) of the new system found that it was bedding in well and was widely understood by Jobcentre Plus staff. Most staff were aware of the five main targets and had a working knowledge and understanding of the targets that were relevant to their job role.
- The Job Entry Target was seen by most staff as the most important target and there was widespread support for the points-based system, including the incorporation of one point for job entries by employed people.
- The study also revealed widespread support for the principle of targets for MVFE, employer outcomes, customer service and business delivery. There was, however, varying understanding of some of these targets, and some suggestions for improvement.
- Analysis of job entry data for the first half of 2002-03 revealed no significant shift in the pattern of job entries following the introduction of the new job entry target. Indeed, there had been a shift towards higher priority clients prior to the adoption of the new target structure. There was no evidence of increased job entry activity in the 60 priority LADs identified by the new system.
- Jobcentre Plus staff and managers believe there have been limited changes in staff behaviour as a result of the introduction of the new system. However, there is some evidence of small shifts in staff attitudes and behaviour, plus some evidence of changes in resource allocation towards activities designed to assist higher priority groups.
- The PIR identified a number of activities being undertaken by staff to attempt to achieve the Job Entry Target. These included emphasis on recording client details accurately and increased efforts to identify and assist priority clients.
- The initial assessment of the impact of the new job entry targets supported the findings of the PIR, in that most staff expressed support for the points-based system. Staff members were also, on balance, supportive of the idea of encouraging sustainable jobs and increasing job entries in disadvantaged areas. However, they were less positive about the operation of the sustainability and LAD aspects of the job entry target structure.

- Finally, it is important to note that the studies described in this report were conducted relatively early in the life of a new organisation that was operating a radically new, and relatively untested, target regime. It will be important to monitor and evaluate the longer-term impact of these changes in order to draw more definitive conclusions about their success or otherwise in achieving their stated objectives.