

REVIEW OF THE MATCHING ELEMENT OF THE EMPLOYER OUTCOME TARGET

Greater London Enterprises

Background

- In April 2002 Jobcentre Plus introduced a new target concerning the provision of services to employers, the Employer Outcome Target (EOT). In April 2003 the target was extended to include the matching element, which is a measure of how well Jobcentre Plus is able to match submissions to the candidate specifications of employers' vacancies.
- Jobcentre Plus Analytical Division commissioned a review of the EOT matching element to: provide feedback on bedding-in issues, the impact on field practice and the views of employers on matching performance. Research interviews were undertaken in nine selected districts between November 2003 and January 2004 with both staff and employers.

Main Findings

The key findings to note are:

- Matching is often seen in the context of other targets, especially Job Entry Target which is a key priority for staff. Awareness about EOT per se, is extremely low amongst front line staff and many were not even aware that matching is a performance measure.
- Staff stated that matching has always been considered to be an integral part of their job roles. Consequently, there is little evidence of a change in staff behaviour which can be directly attributed to the introduction of the matching element of EOT.
- Staff described a number of barriers to the achievement of the matching element

of the target. The main issues raised were resources, effective communication and need for more quality time with benefit customers to aid the matching process.

- Some specific matching initiatives have been implemented. These included appointment of special 'matching' staff and training of staff in the pursuit of 'quality submissions'. These initiatives have often been introduced to improve performance on the Job Entry Target, rather than matching per se.
- The review revealed problems with the way the matching element is measured. Some employers are unclear about by the term 'matching' when asked about this issue in the EOT survey; this problem not helped by the bluntness of the measure which does not allow for individual differences in expectations and needs.
- Employers' views about their matching needs are extremely varied. A large number of employers prefer a simple screening process to sift out unsuitable applicants, rather than a specific matching service. Some employers do not want any services at all as they believe they are best placed to screen and match suitable applicants. However, for highly skilled jobs a large number of employers believe Jobcentre Plus should offer a specific matching service.

Executive Summary

Introduction

1. Following the creation of Jobcentre Plus a new target structure was introduced for the 2002/03 operational year. The Employer Outcome Target (EOT) attempts to measure how quickly and effectively Jobcentre Plus meets the needs of employers who place vacancies with the organisation. In the 2003/04 operational year changes were made to the Employer Outcome Target with the incorporation of a matching element. The matching element is designed to establish how well individuals submitted for a given job meet the vacancy criteria.
2. With the addition of the matching element, the EOT consists of three equally weighted elements: resolution; responsiveness; and matching.
3. The EOT is measured on a quarterly basis by district. Telephone interviews are conducted with approximately 27,000 employers each quarter and are distributed across Jobcentre Plus regions according to past levels of business.

Aims of Research

4. The aim of the Review was to establish how the matching element of EOT is operating in the field, how internal processes are being changed and what specific matching initiatives are being adopted with a view to identifying good practice that can be disseminated and so improve performance. In doing so the research sought to find a link between practice and performance and to investigate how Jobcentre Plus meets employers' specific requirements for specific vacancies.

Methods of Research

5. This report provides the findings from a qualitative survey of 53 employers and case studies of nine Jobcentre Plus

districts¹. The districts were chosen from the nine cluster groups which reflect the three levels of unemployment (low, medium, high) and population density rates (low, medium, high). Districts that were high and low performers on the matching element of the EOT were chosen from the 'corner' clusters, i.e. those with combinations of high or low population density and unemployment. Two additional districts were selected where specific matching initiatives were known to have been introduced.

6. The Fieldwork was undertaken between November 2003 and January 2004. Staff interviews were undertaken with both management and frontline staff and included District Performance Managers, Vacancy Services Managers, Business Managers, Personal Advisers and frontline staff. In addition telephone interviews were undertaken with staff at eight Employer Direct and Jobseeker Direct Customer Service Centres (CSCs).

Key Findings from the Research

7. The key findings of the report are set out in the following sections.

Implementation of the matching element

8. Very few frontline staff were aware of the EOT or the matching element though they were all familiar with the concept of quality submissions. Knowledge of matching was far greater amongst senior staff and employer-facing staff but knowledge of performance was limited.
9. There was very little evidence of change in behaviour which can be directly attributed to the new matching element of EOT. This is not to say matching is not considered important -

¹ Initially ten districts were chosen but one was unable to participate

staff have always considered matching to be part of their jobs.

10. Specific initiatives exist which relate to matching, though these were generally not introduced in response to the inclusion of matching in the overall target, and were often introduced to improve other targets such as JET.

11. These initiatives are often ad-hoc in nature and dependent on individuals or teams and can be categorised as: extra services to customers; extra services to employers; and, limiting submissions. They include:

- Dedicated matching teams; introduced either to meet the specific needs of employers, particularly relating to hard-to-fill vacancies, or to match customers that are particularly motivated to find work.
- Training initiatives; to improve customer skills, sometimes tailored to the specific needs of an employer.
- Initiatives to limit submissions; following the principle that limiting submissions will improve the quality of matching.

12. However, because of the variability in performance data and the way it is collected, and the fact that many of these initiatives were only introduced recently, it was not possible to identify the precise impacts of the initiatives and so assess how effective they are.

Processes and Roles

13. All Jobcentre Plus vacancy processes can impact on matching and therefore improvements to existing processes could yield benefits for matching performance. The key elements are:

- Vacancy Taking – accurate and detailed information to enable advisers to screen customers.

- Employer liaison – complement the vacancy-taking process through; local information on wage rates, realistic expectations about filling the vacancy and ‘soft’ information to advisers.
- Submissions process – combine the information about the vacancy with the adviser’s knowledge of the customer.

14. At the heart of this process is ensuring that the needs of customers and employers are understood and that these are disseminated to all staff involved in the vacancy process. LMS is the basis for this and clearly facilitates matching, however, in practice it appears to have limitations for communicating the soft information that can improve matching. This has implications for Jobseeker Direct where the focus on ‘job ready’ customers should be reinforced.

15. Staff interviews have also identified a number of factors which impact on the extent and to which Jobcentre Plus undertakes matching:

- Resources – Extra resources and time are necessary to make a quality submission. Matching is a time-consuming process whether it involves interviews with customers, caseloading customers, screening application forms or discussing a vacancy with an employer.
- Policy goals and targets – There is a tension between meeting employers’ needs for ‘job ready’ candidates with the focus of Jobcentre Plus’s matching resource on the least ‘job ready’.

External influences on Matching

16. There are a series of external factors (i.e. beyond the immediate control of Jobcentre Plus) that may influence matching performance in different districts.

17. There does appear to be a relationship between population density and low matching element performance. A higher population density is associated with lower performance on the matching element in quarter one and two of the 2003 data, where eight of the ten worst performing districts were urban areas. This evidence is supported by staff interviews with a high proportion considering matching to be more difficult in urban areas.
18. Staff felt that the key external factor impacting on their ability to match successfully was the labour market and in particular the fact that a tight labour market (where unemployment is low and vacancies are high) impacts on the ability of Jobcentre Plus to fill vacancies through conventional processes. However, this was not necessarily thought to be negative for matching performance - it meant that other things needed to be done to provide employers with the appropriate service.
19. London districts do particularly badly on matching. This seems likely to be related to some external labour market issues as well as some internal Jobcentre Plus issues (e.g. staff shortages and high staff turnover) that are particularly strong in London. External factors include a series of barriers and disincentives to work, the ratio of vacancies to unemployed people and there may be issues around the skill distribution of the workforce and its relationship with typical Jobcentre Plus customers and vacancies.

Employer Views

20. Overall the level of engagement in the interviews was poor and many employers found the specific focus on matching to be confusing. A number of employers found it difficult to differentiate matching from the wider

service they receive from Jobcentre Plus. Employers consider matching as being important because it helps ensure that their vacancy is filled and avoids wasted time interviewing candidates that are not suitable for the vacancy. This potentially has implications for the number of submissions per vacancy.

21. A number of employers saw matching as most appropriate for higher skill jobs, because vacancy details are more precise and the applicants have a clear understanding of what they are applying for and are therefore more likely to have the relevant qualification. Employers felt that for lower skill occupations, where there is a greater reliance on 'soft' skills, matching is more difficult because it is more subjective.
22. From the responses, it appears that the vast majority of employers want some level of choice between candidates submitted with the level of matching depending on the type of job. However, some employers do not want Jobcentre Plus to do any matching at all.

Process and Performance

23. One aim of the research was to try and identify links between practice in the field and measured performance at district level. This was not possible due to the volatility of measured performance for districts (the variation in performance of each district over the first three quarters of 2003) and because it was not possible to link what seemed to be good or bad matching practice with performance against the matching element of the EOT. This reflects external issues and also a disjuncture between matching as measured by the target and the ability of Jobcentre Plus staff to impact on it.
24. Employers are weighted equally in the EOT performance data whatever the

level of service they receive. This research has revealed that employer-facing staff may favour certain employers, which will influence the level of service they receive.

25. Employers themselves have differing expectations and interpretations of the levels of service they receive making it unlikely that there could ever be consistent levels of satisfaction. There is no consistent understanding of even whether Jobcentre Plus does any matching and there are employers who would prefer that none was done.
26. There are also factors that lie outside the organisation's immediate control.
27. The wording of the question in the questionnaire used to measure performance on EOT may also have an impact on the results as it is (by its nature) subjective and subject to interpretation by respondents. The research undertaken for this project has identified that employers are not particularly engaged in what 'matching' means and so there must be doubts about whether they are able to interpret and answer the question in a way that makes the response a meaningful or useful way to measure performance.

Conclusions

28. The Employer Outcome Target is a measure of employer satisfaction and is therefore measuring something important. However, it is difficult to

see how useful the target is in shaping Jobcentre Plus processes and practice. All stages of the vacancy filling process influence matching, as do external factors (including employers' expectations), that are outside Jobcentre Plus's control. The target's volatility and the fact that it requires interpretation by employers also make drawing conclusions about what Jobcentre Plus should do difficult.

29. Further statistical analysis of these issues and their relationship with matching performance may help gain a clearer understanding of what is influencing that performance and by extension the extent to which Jobcentre Plus staff are able to influence it.
30. Ownership of the EOT and specifically the matching element is an issue. Because performance is measured at district level the matching element has little relevance to individual Jobcentre Plus offices, particularly as other parts of the organisation, such as Employer Direct and Jobseeker Direct, can influence the process.