

Profiling and Targeting Public Employment Programs

Christopher J. O'Leary and Randall W. Eberts
W. E. Upjohn Institute for Employment Research

www.upjohn.org/targeting.html

Overview

- Definitions
- Rationale
- U.S. Experience
 - Programs implemented
 - Demonstrations and pilots - FDSS
- European Experience
- Australian Experience

Definitions

- Profiling – Sorting for referral to services based on presumed needs given observable characteristics of job seekers.
 - Statistical summary measures
 - Counts of binary characteristics
- Targeting – Referral to services with the aim of promoting increased effectiveness based on sub-group impact estimates.

Rationale

- Profiling – early participation in reemployment services may shorten joblessness for those at risk of long term unemployment (dislocated and disadvantaged).
- Targeting -- heterogeneity in effects of interventions across participant sub-groups means reallocation of services across customers may increase the social dividend.

U.S. Experience

Implemented

- Job Search Assistance (1993 WPRS)
- Self Employment Assistance (1993, 1998)

Demonstrations and Pilots (TES Book)

- Welfare to Work
- Reemployment Bonus
- Personal Reemployment Accounts
- Frontline Decision Support System (FDSS)

Frontline Decision Support System (FDSS)

- **Systematic Job Search Module**

- Chance of returning to same industry
- Estimate likely reemployment earnings
- Scan job prospects
- Identify related occupations
- Provide targeted information about specific jobs

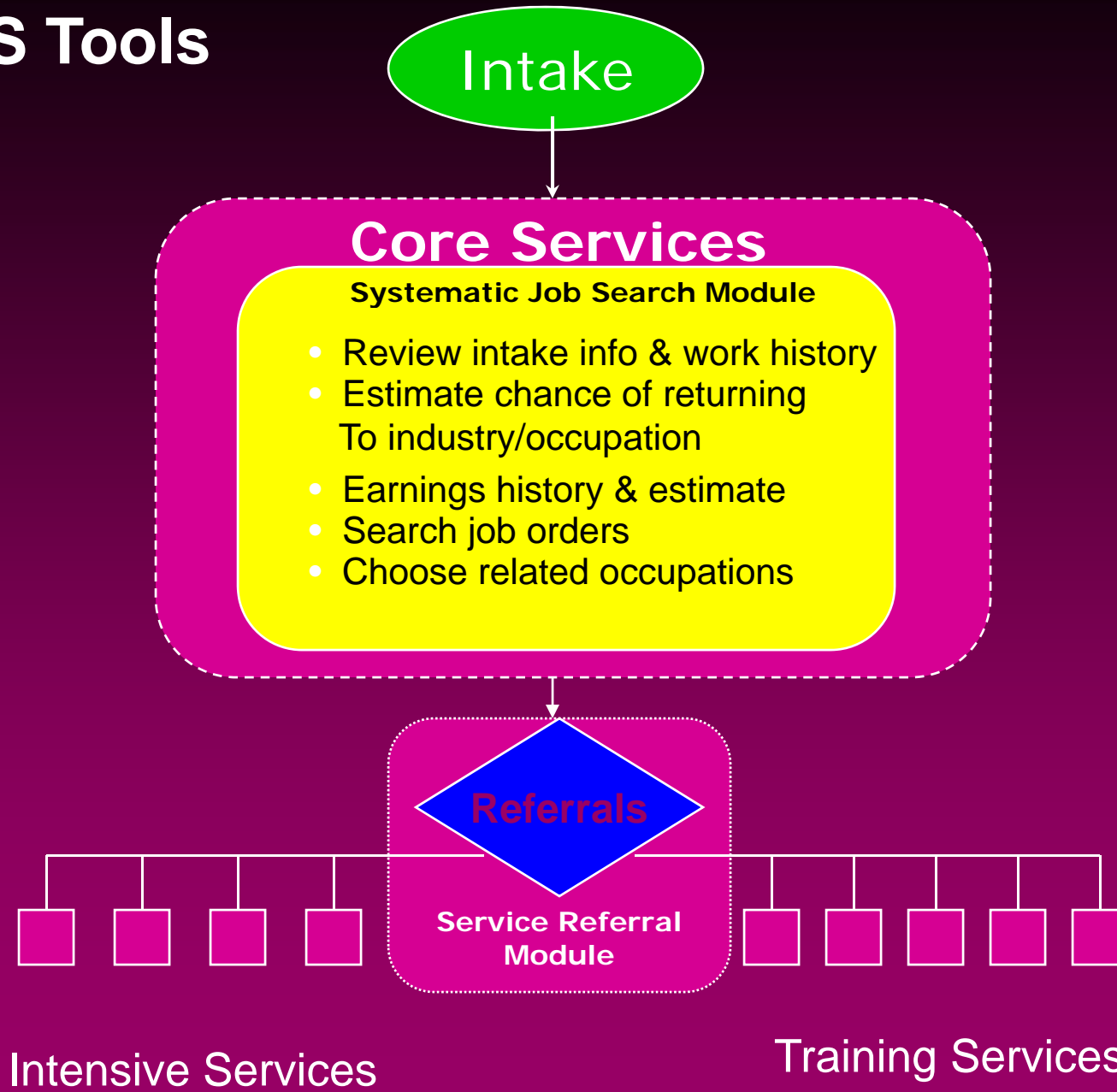
- **Service Referral Module**

- Rank services by effectiveness for re-employment
- Indicate recent rates of usage

Data Sources

- UI wage records  Employment/earnings history
- Program records:
ES, UI, JTPA/WIA
WtW  Worker/client characteristics
Program participation
Employment history
- Labor Market
Information  Local unemployment rates
Occupation/industry
projections
Related/transferrable
occupations
Massive layoffs

FDSS Tools



Service Referral Module

- Foundations
 - Estimate models of the probability of reemployment (employability score)
 - Rank services by rate of successful outcomes for individuals grouped by employability score

Service Referral Module

- Provides a customized list of services most effective for participants in each employability group (5 in each region)
 - Core and intensive list
 - Training list
- List is based on service usage and outcome patterns for recent participants in each region grouped by employability score

FRONTLINE DECISION SUPPORT SYSTEM

Customer Background Information

Monday May 13, 2002 at 16:10:13 ET.

[Reemployment and Earning Estimates](#) | [Related Occupations](#) | [Service Referral](#) | [Training Statistics](#)

SSN:

Name - CHRIS TUCKER

Current Age:	17	Resides in:	BACON
Gender/Race:	Black	Claimant:	No
Hispanic Origin:	No	Last Chk:	
Veteran Status:	Yes	Wks paid:	
Recently Separated:	No	BYE:	
Disability:	No	POTENTIAL Dislocated Worker:	No
Citizenship:	Yes	TANF:	No
Economically disadvantaged:	No	Employment Status:	Unemployed
Disability:	Yes - Substantial	Currently in school:	No
Exhausted previous UI claim:	No	Prior Industry:	RETAIL TRADE

Exhausted previous or claim: NO Prior industry: RETAIL TRADE

County of Employment: Barrow

Education Level: 13 Years School Completed (No Post-Secondary Certificate)

High School Graduate: Yes Prior Occupation: Office and administrative support

GED: No Months Experience in Prior Occupation: 50

Driver's license: Yes Prior Hourly Wage Rate: 16 66

Available for all shifts: No Minimum Salary: 200 00 Per Week

Wage Information:

Qtr	Year	Wages
4	2001	\$ [] [00]
3	2001	\$ [] [00]
2	2001	\$ 1789 [76]
1	2001	\$ [] [00]

Recalculate values Reset original values

Reemployment Probability and Estimated Earnings

Customer Background Information | Related Occupations | Service Referral | Training Statistics

Recalculate values

Reset original values

Reemployment Probability and Estimated Earnings

[Customer Background Information](#) | [Related Occupations](#) | [Service Referral](#) | [Training Statistics](#)

SSN: 111111111 Name: CHRIS TUCKER

Probability of Return to Work in Your Prior Industry

The chance of returning to the **RETAIL TRADE** industry in **BARROW** county is **40%**.

Expected Job Growth in Prior Occupation

Over the next 5 years, employment in the **Executive Secretaries and Administrative Assistants** occupation is expected to grow by **+ 2.90%** per year in **BARROW** county.

Likely Reemployment Earnings:

Individuals with a similar background had the following estimated reemployment earnings:

25% had earnings less than **\$7.08** per hour

50% had earnings less than **\$9.18** per hour

75% had earnings less than **\$11.44** per hour

Minimum Salary desired \$6.66 per hour

Related Occupations

[Customer Background Information](#) | [Reemployment Probability and Estimated Earnings](#) | [Service Referral](#) | [Training Statistics](#)

Related Occupations

[Customer Background Information](#) | [Reemployment Probability and Estimated Earnings](#) | [Service Referral](#) | [Training Statistics](#)

The following occupations are related to **Executive Secretaries and Administrative Assistants**. For each related occupation listed, the approximate starting hourly wage and the average annual job growth rate in the **Northeast Ga** Workforce Area are given.

SSN: 111111111 Name: CHRIS TUCKER

Related Occupations	Approximate Starting Hourly Wage	Average Annual Job Growth Rate	O*NET Code
Management Analysts	WAGE N/A	+ 2.19%	13-1111.00
Library Technicians	WAGE N/A	+ 3.69%	25-4031.00
Procurement Clerks	WAGE N/A	- 1.01%	43-3061.00
License Clerks	\$8.54	+ 4.07%	43-4031.00
Production, Planning, and Expediting Clerks	\$11.27	+ 1.19%	43-5061.00

Service Referral

[Customer Background Information](#) | [Reemployment Probability and Estimated Earnings](#) | [Related Occupations](#) | [Training Statistics](#)

The following is a list of services ranked in order of effectiveness for recent clients in the **North Georgia** region with characteristics similar to those in the Customer Background Information screen.

SSN: 111111111 Name: CHRIS TUCKER

Service	Number of Clients Using Service	Percentage of Clients Using Service	Percentage of Service Users Steadily Working	Relative Effectiveness Index
Testing	50	0.5	68.0	1.20

Service Referral

[Customer Background Information](#) | [Reemployment Probability and Estimated Earnings](#) | [Related Occupations](#) | [Training Statistics](#)

The following is a list of services ranked in order of effectiveness for recent clients in the **North Georgia** region with characteristics similar to those in the Customer Background Information screen.

SSN: 11111111 Name: CHRIS TUCKER

Service	Number of Clients Using Service	Percentage of Clients Using Service	Percentage of Service Users Steadily Working	Relative Effectiveness Index
Testing	50	0.5	68.0	1.20
Job Search Assistance	1092	10.2	59.2	1.04
Resume Preparation	89	0.8	58.4	1.03
Specific LMI	3400	31.8	57.0	1.01
Order Search	4707	44.0	56.1	0.99
Job Referrals	7573	70.8	56.4	0.99
Call-In	723	6.8	55.9	0.99
Job Search Planning	733	6.9	53.5	0.94
Job Development	224	2.1	52.2	0.92
Bonding Assistance	10	0.1	50.0	0.88
Expanded Workshop	10	0.1	50.0	0.88
Referred to Support Services	81	0.8	49.4	0.87
Counseling	87	0.8	40.2	0.71
Workshops	68	0.6	39.7	0.70
Referred to Training	18	0.2	38.9	0.69
Service Needs Evaluation	136	1.3	27.9	0.49
Customer Service Plan	122	1.1	27.0	0.48
Service Coordination	5	0.0	20.0	0.35

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Service Needs Evaluation	136	1.3	27.9	0.49
Customer Service Plan	122	1.1	27.0	0.48
Service Coordination	5	0.0	20.0	0.35
Job Finding Club	1	0.0	0.0	0.00

Training Statistics

[Customer Background Information](#) ; [Reemployment Probability and Estimated Earnings](#) ; [Related Occupations](#) ; [Service Referral](#)

The following is information about the recent use of the four general types of adult training by clients in the **North Georgia** region with characteristics similar to those in the Customer Background Information screen.

SSN: 111111111 Name: CHRIS TUCKER

Training Type	Number of Clients Using Service	Percentage of Clients Using Service	Percentage of Service Users Steadily Working	Relative Effectiveness Index
On-the-Job Training	35	3.6	28.6	1.33
Adult Ed, Basic Skills, Liter	81	8.3	27.2	1.27
Comprehensive Assessment	540	55.2	21.5	1.00
Occupational Skills Training	358	36.6	19.8	0.92

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European Experience

Denmark

- Flex-security policy success
- Predicting long term unemployment
 - Statistical model
 - Caseworker assessments
- Early referral to reemployment services
- Implemented and withdrawn (job barometer)

European Experience

Switzerland

- Pilot test of statistical assignment to most effective services for employment success
- Effectiveness models based on job seeker characteristics, service usage, and outcomes
- 50-50 random assignment of availability of effectiveness model results for use by frontline staff in counseling job seekers
- Extremely low usage by frontline staff

European Experience

United Kingdom

- Survival models of UI duration
- Logit models of long term UI (12 months)
- Factors: employment office, housing arrangement, sex, knowledge of local labor market, expectation of job finding
- Statistical models were judged inadequate to identify disadvantaged customers
- Pilot methods not implemented

European Experience

The Netherlands

- Frontline staff **subjectively** assign unemployed into one of 4 employability categories:
- (1) difficult, (2) moderately difficult, (3) favorable, and (4) extremely good
- Services focused on the middle two groups
- Performance measurement judged relative to employability group assignment
- Outcomes measure the success rates of individual reintegration plans

European Experience: Grouping

Austria	3 zones 3 bundles	Employability (objective) Service needs (subjective)
France	7 groups	Questionnaire and interview (subjective)
Germany	4 groups	Characteristics and questionnaire (mixed)
Hungary	3 groups	Statistical model (objective)

Australian Experience

The Job Network (1998 unemployment 7.7%)

- A competitive system of employment placement enterprises (including for profit providers)
- System entry point Centrelink (PES)
- A Job Seeker Classification Instrument (JSCI– a statistical model of long term unemployment)
- Target intensive services to long-term unemployed
- **Statistical model augmented by staff judgment**
- Objective is to minimize the risk of excluding services to those at highest risk of long-term unemployment
- Participation in assigned services is required for continued UI eligibility

Australian Experience

Employment Pathway Fund (2009)

(Unemployment rate 4.2%)

- Centrelink applies statistical JSCI and sets Employment Pathway Plan (EPP)
- Categories: work ready, employability development, LTU to the dole and PSE
- Customized services for job seekers
- Satisfying labor demands by employers in geographic areas with skills shortages

Summary

- Profiling and targeting are sophisticated techniques for public management
- They have been tried and used in countries throughout the world
- When implemented properly in appropriate contexts they can yield improved cost effectiveness

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