

Measuring & Communicating Texas Workforce System Performance

Part 1: Background, Overview, Approach

Workforce Performance Landscape

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▶ **Boards are currently responsible for**

- 15 Siloed WIOA measures (defined/required by WIOA statute/regulations) – Mostly Exit-based/lagged
- 3 Integrated WIOA-based measures (General Appropriations Act [GAA] measures)
- Choices Full Work Rate (a TWC-created measure based on the federal TANF Participation Rate)
- Claimant Reemployment within 10 Weeks (a TWC-created measure)
- # of Employers Receiving WF Assistance (originally TWC-created, now likely to be WIOA mandatory)
- Average Number of Children Served per Day (based on GAA measures)

▶ **TWC WDD also responsible for**

- 3 Wagner-Peyser Measures (defined/required by WIOA statute/regulations)
- 5 AEL measures (defined/required by WIOA statute/regulations)
- WIOA Effectiveness in Serving Employers Measures (DOL/ED expected to finalize soon)
- TANF Participation Rate (in federal statute)
- 3-4 SNAP E&T WIOA-based measures (not implemented with targets yet but expected at some point)

▶ **While we have many required measures, we have some flexibility as well**

- We can propose changes to GAA measures through the Strategic Planning Process
- Tri-Agency Taskforce Legislation will require development of new Common Measures of Success
- In the meantime, we can develop more meaningful, actionable measures that can drive system/partner behavior, inform decision making & management of programs, & help communicate with elected officials, partners, stakeholders & the public

What Should Guide Measurement?

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- ▶ **Mission** – Promote & Support a Workforce System that creates value & offers Employers, Families, Individuals, & Communities the opportunity to achieve & sustain Economic Prosperity
- ▶ **Vision** - Maximize the power of Innovation & Partnerships to boost superior business outcomes & realize a competitive advantage for all Texans in the global economy
- ▶ **Philosophy** (abbreviated/consolidated)-
 - Work Guided by Core Beliefs
 - Texas Forever: A Skilled Worker for Every Employer – A Job for Every Texan who wants one
 - A Market-driven System will best meet the needs of Employers, Workers, & Texas
 - We can maximize Effectiveness through Innovation & Partnerships centered around & informed by local knowledge economic priorities
 - Individuals are responsible for making decisions & accountable for their actions
 - Ethics, Integrity, Accountability, & Efficiency throughout the system
 - Success Comes From
 - Respecting and treating our Customers, Partners, & Employees in a fair/equitable manner
 - Communicating Transparently to maintain Trust & ensure Accountability
 - Expecting nothing less than Excellence
 - Flexibility, Innovation, & Learning driving Responsiveness, Excellence, & Continuous Improvement

How do Current Measures Line Up?

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- ▶ **They don't really Communicate the Most Important Things**
 - How many found NEW jobs/employees?
 - How long did it take them to find new jobs/employees?
 - Remaining employed? At the same employer? (good new connection?)
 - How did their earnings change?
 - What are we doing for the Future?
- ▶ **WIOA based measures reward "failure"**
 - They focus on ANY Employment & Earnings
 - This means people wanting to change jobs who stay in their old jobs all count as successful – even though many of them might not think we helped them very much
 - Don't differentiate between Curious & Committed customers

What Do Good Measures Look Like?

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- ▶ **Aligned with the needs of Customers & the System's Priorities**
- ▶ **Built around services provided**
 - Measure the intended Outcomes for the services provided
- ▶ **Provide Timely, Actionable Information**
 - You can't monitor or improve if it takes 12-18 months to get data
- ▶ **Defined to include both Timely & Quality Components**
- ▶ **Focused on all types of Customers, not just "Participants"**
 - Minimal incentive to improve self-service tools if these Individuals are excluded
- ▶ **Short- & Medium-Term Focused for Accountability**
- ▶ **Longer-Term Focused for Evaluating & Communicating Effectiveness**
- ▶ **Accountability Measures that positively influence system/partner behavior**

Measures to Drive Change

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- ▶ **TWC has a Long History of Using Measures to Drive Change**
- ▶ **10 Week Claimant Reemployment Drove Claimant Engagement**
 - Pre-measure performance was 28%
 - 1st year performance under new measure was 40%
 - 2nd year performance was 50%
- ▶ **Employers Receiving Workforce Assistance Drove Employer Engagement**
 - Pre-measure performance was 30K Employers Served
 - 1st year performance under new measure was ~60K
 - 2nd year performance was ~91K
- ▶ **Choices Full Work Rate reduced administrative overhead while promoting more meaningful Engagement aligned with agency policies**
 - 1st year performance under new measure was 37.2%
 - 2nd year performance was 43.3%
 - 3rd year performance was 48% with 18 of 28 Boards at/above 50%
 - **Now Need to Modify to align with longer range goals for Choices**

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Part 2: Future Landscape

▶ **Statute still drives some Board measures**

- 15 Siloed WIOA Job Seeker measures (defined/required by WIOA)
- Effectiveness in Serving Employers (required by WIOA as part of Accountability model – being finalized by DOL & ED)
- TANF Choices Participation Rate
 - A TANF Statutory Requirement for states
 - Not required for Boards but they are responsible for the program & thus outcomes
- Children Served per Day (based on GAA measures - single most clean connection of measure, program requirements, & funding)

▶ **Now we need More Meaningful Measures aligned with Customers' Needs & Categories of Service**

▶ **Two Primary Service Types for Individuals**

- Employment Connection Services – Services to help find new/secondary employment
- Employability Services – Services to Enhance Qualifications or ability to Succeed in the Workplace (i.e., Education/Skills Training/VR/Supportive Services)

▶ **Two Primary Service Types for Employers**

- Employment Connection Services:
 - Help finding new Employees
 - Assistance during Downsizing (e.g., Rapid Response, Rapid Reemployment)
- Workforce Employability Services – Providing a Skilled Workforce

▶ **Ideally, Measures for each Type of Customer & Set of Services**

▶ **Connection Rate – Focuses on New Employment Connections**

- Job Seekers: % of Job Seekers with New Employment Connection or moved to Employability Services within X Period
 - If you can't get them employed, get them into services that make them more employable – Goal should be “soon” not “someday”
 - What should X be? Ideally measured in Days using NDNH but can be Quarters using wage records to identify New Employment Connections for now
 - Can be drilled into by population, program, etc.
- Employers: % of Employers Hiring TWC Job Seekers
- Child Care Parents: % of Child Care Parents in Connection Services with New Employment Connection within X Period

▶ **Direct Connection Rate (All Customers)**

- % of New Employment Connections between TWC Employers & Job Seekers where there was a referral

▶ **Child Care Family Reemployment Engagement**

- % of Unemployed Child Care Parents Engaged in Connection Services

► **Maintain Employment Connection Rate -**

- Job Seekers & Employers: % of NECs maintained thru the next 2 quarters
 - Focuses on New Hires of TWC Job Seekers – Compares to Other New Hires
 - This measure offers a unique opportunity to Measure against Reality –
 - Employers make ~2M new hires per quarter
 - What is their Maintaining Employment Connection Rate without us?
 - How do we compare?

► **Earnings Impact -**

- For Emerging/Transitioning (including Child Care) Workers: % Earnings Change OR % with Earnings Change of X%
- For those seeking Reemployment: % Earnings Replacement OR % with Earnings Replacement of X%

- ▶ **Some for Accountability, Some for Communication & Evaluation**
- ▶ **Long-Term Child Care Quality Measure(s) - Accountability**
 - TRS Program Growth
- ▶ **Long-Term Connection/Employability - Communication & Evaluation (Future Development)**
 - Employment Sustainability (Employment all 4 post-Qtrs)
 - Employment Stability (Average Number of Employers in all 4 post-Qtrs)
 - Earnings Change at 1 Year Average % Increase in Earnings? % with Earnings Increase of X%?
 - Employment/Earnings 1, 3, 5, Years Later