



**IMPROVING PERFORMANCE
MANAGEMENT THROUGH
A POINTS BASED SYSTEM**

Job Outcome Target (JOT)

Information review: October 2015

UNITED KINGDOM

The Job Outcome Target (JOT) is a management tool for ensuring that that Jobcentre Plus (as a former Executive Agency of the Department of Work and Pensions) delivers the government's priority for getting workless people into jobs.

JOT measures the number of Jobcentre Plus customers who move into work, whether through a referral by a Jobcentre Plus Adviser or one of the contracted providers or via self-service channels such as an electronic job point or the internet.

Overall, the evaluation of the practice found that 'JOT was working as intended' and that the new system was both 'driving and facilitating' changes in working practices and changes in staff behaviours and motivations. The evaluation also recognised that JOT was part of a 'wider cultural change taking place across Jobcentre Plus' which will take time to become properly established.

Name of the PES	Department of Work and Pensions (DWP)
When was the practice implemented?	2006 – on-going
Which organisation was involved in its implementation?	Her Majesty's Revenue and Customs (HMRC) provided information on the outcomes for beneficiaries.
Which social groups were targeted by the practice?	Jobcentre Plus (PES) staff All unemployed people using Job Centre Plus services (especially the 'hardest to help'– people facing multiple barriers to entry into work.
What were the practice's main objectives?	JOT is a Jobcentre Plus (PES) performance management, points based, system, which aims to improve performance in terms of the number of people the PES helps into work. Targets are defined for different priority groups to ensure that job outcomes are achieved for those hardest to help. This is done by grading the outcomes of harder to place or priority groups more highly than other customers.
What activities were carried out?	In JOT, performance is measured using a points system. Every time Jobcentre Plus helps someone into a job they earn points towards the JOT. The system collects performance data automatically from Her Majesty's Revenue and Customs (HMRC). Jobcentre Plus customer records are matched with information HMRC systems to identify when the customers had moved off benefits and into work. When there is a match, the job outcome is converted into points depending on the customer group. The higher the priorities of the customer, the more points are achieved. Underlying the JOT was the presumption that this would lead to a range of changes in working practices aimed at making Jobcentre Plus more efficient whilst at the same time delivering the required levels of performance as set by government. JOT thus also required a large-scale cultural change.
What resources and other relevant organisational aspects were involved?	The Department of Work and Pensions (DWP) designed the JOT system and set the targets. The programme was delivered by Jobcentre Plus with the support of HMRC.
Source(s) of funding	National budget (tax revenue)
What were the outputs of the practice: people reached and products?	People reached: N/A Products: Job Outcome Target management tool.

What outcomes have been identified?

There was evidence of changes in behaviour and motivation in line with the intentions of JOT and with the changes observed in the pilot districts.

In terms of working practices:

- ▶ Staff and customers noted the trend towards encouraging the use of self-help channels among those who were able to conduct their own job search, and concentrating resources more intensively on providing assistance to 'harder to help' groups;
- ▶ Changes in working practices were noted by both managers and staff, such as an increased willingness to refer customers to other providers, improved team working within and between staff groups and less unproductive competition between staff;
- ▶ Managers felt that JOT had led to more efficient working practices in some areas; and
- ▶ A more effective use of the Adviser Discretionary Fund.

In terms of performance management:

- ▶ Delays in reporting and the difficulties of attributing performance to specific individuals or groups were problematic.
- ▶ JOT changed widely held assumptions about the impact of individual and group behaviour on customers and their job outcomes.

What are the lessons learnt and success factors?

The introduction of JOT took place in the context of significant labour market changes coupled with organisational developments. This made it difficult to isolate the impact of JOT.

However, the introduction of JOT has changed assumptions about the extent of the impact that working arrangements and attitudes of staff had on the behaviour of customers, and their ability to achieve outcomes.

The key problems and issues identified by the evaluation were:

- ▶ Delays in reporting and the difficulties of attributing performance to specific individuals or groups.
- ▶ A degree of misunderstanding and confusion among all groups of staff about the process of target-setting for JOT.
- ▶ Communication about the changes in behaviour and culture needed for the new JOT system had not been successfully spread among the staff.
- ▶ Concerns about the ability of managers to motivate and manage performance and a lack of confidence in the quality of outcome of JOT performance data.

More information on the practice

http://ec.europa.eu/employment_social/empl_portal/weesp/UK-6.pdf



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