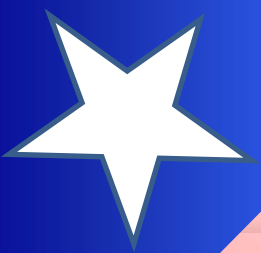


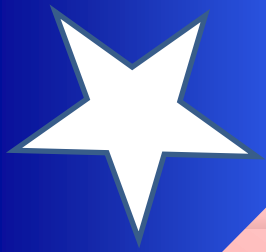
# Transformation thru Measurement

- In 2003 asked “How Demand-Driven are we?”
  - Barely 30k employers served (out of over 500k)
  - Over 50% of claimants exhausted their benefits
  - Claimants averaged over 3.5 months of benefits
  - 90+ WF measures & WIA’s Employer Satisfaction was the only Employer measure!
- We are what we measure
  - Resources are spent on the things that show up on the report card
  - Being Demand-Driven requires measures that
    - Matter to Employers
    - Focus on interacting successfully with Employers



# Employer Needs

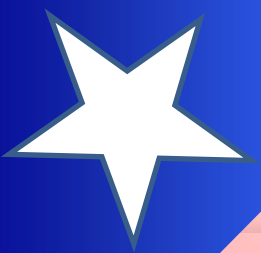
- What matters to Employers?
  - Help them find New Employees
    - Job Matching
    - Applicant Screening
    - Job Fairs
    - Interview Space
  - Help their Claimants find work
    - Layoff Transition Assistance
    - Rapid Reemployment
- Any measures related to this?
  - Not originally
  - Didn't even measure Employers Served
  - UI measures were all about processing claims
- Result: Culture of Bureaucracy & Invisible Population within Workforce System



# Measures that Matter to Employers

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- Employer Workforce Assistance
  - % of Employers using System for Labor Force needs
  - Employer Use of the System nearly tripled
- Job Postings Filled & Employer Success Rate
  - Measures of success meeting Employer hiring needs
  - >50% of Employers posting with TWS hire our job seekers
- Reemployment in 10 Weeks
  - Rapid Reemployment of UI Claimants



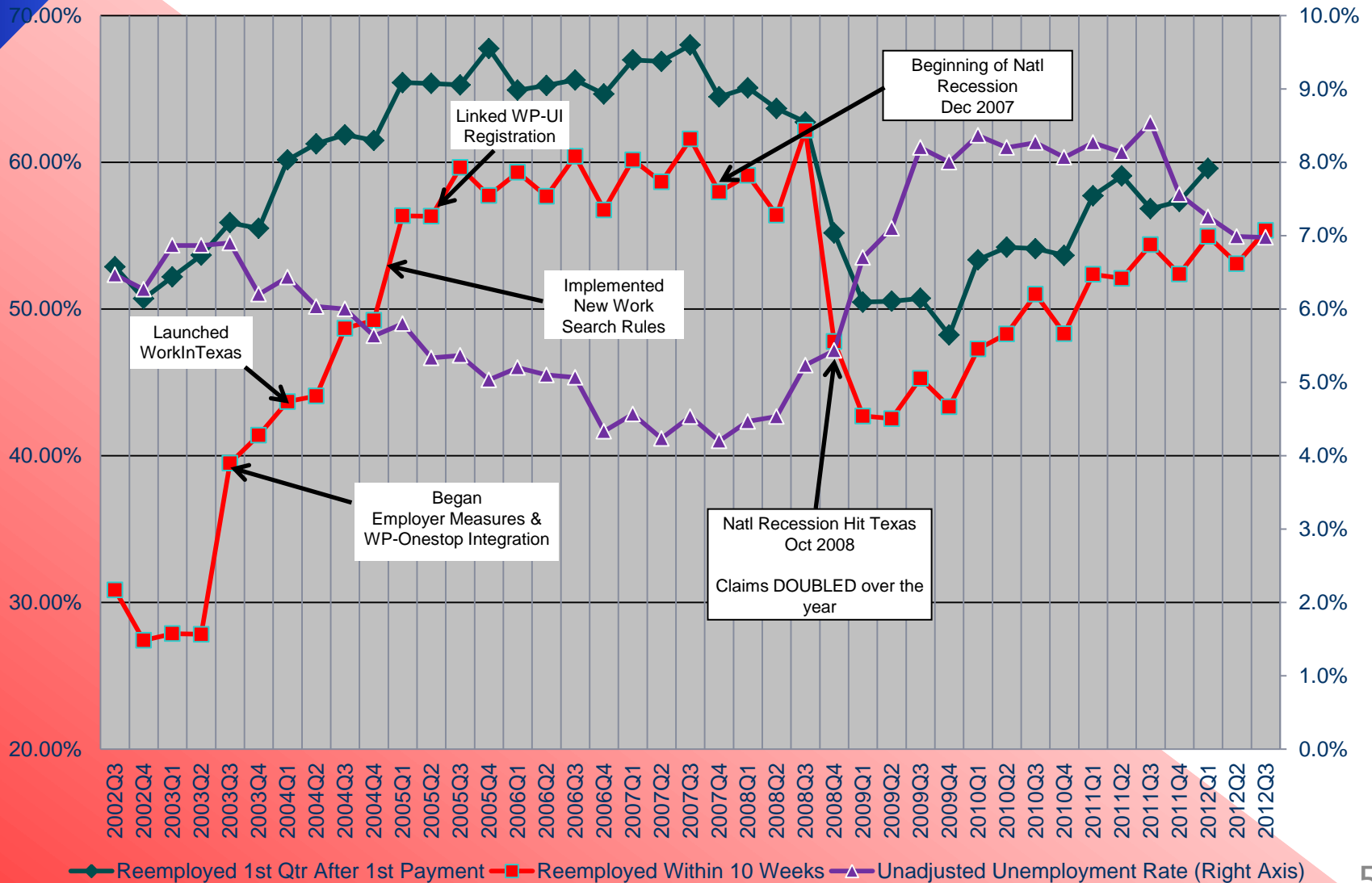
# Claimant Reemployment

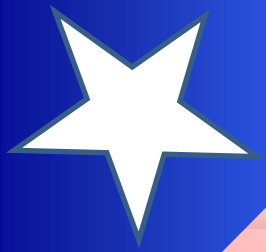
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- Slow Return-To-Work:
  - Drives up UI taxes
  - Creates economic hardship for claimants
  - Hurts local communities
- UI Claimants actually an important untapped resource
  - Employment Experience & Hard/Soft Skills
  - Recent attachment to workplace
- Improved Return-To-Work is Economic Development that doesn't cost a dime
- Coupling New Policies with New Measures can bring results



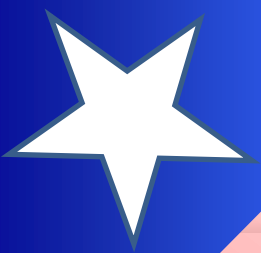
# Reemployment Trends





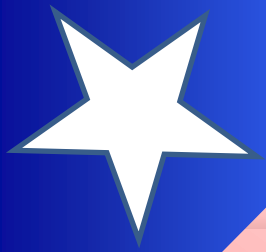
# Rapid Reemployment Results

- Reemployment in 1<sup>st</sup> Quarter after 1<sup>st</sup> UI Payment
  - Rose from 52% to a high of 68%
- Reemployment within 10 Weeks
  - Rose from 27% to a high of 64%
  - Dropped to 41% low during recession
  - Now 54% & climbing
- Avg Wks of Regular Benefits Per Claimant
  - Dropped from 15.3 to a low of 12.4
- % of Claimants Exhausting Regular Benefits
  - Dropped from over 52% to a low of 36%



# Improved RTW Pays Off

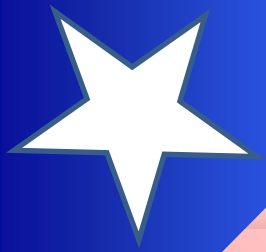
- Goal is Return-to-Work within 10 Weeks
  - Even 13 weeks is better than 16 or 20 or 26
- 1 week improvement in RTW in Texas (w/ prerecession # of claimants) is worth:
  - \$102.5 Million savings to UI Trust Fund
  - +\$307 average per claimant
    - (Median Weekly Wage – Average Weekly Benefit)
  - \$101.3 Million Total Direct impact to claimants
    - (330k claimants \* \$307 in extra earnings over benefits)
  - \$157 Million Total Indirect impact to local economies
    - (1.55 \* Total Direct Impact)
  - Equivalent to adding 6,346 workers to economy
    - 330k claimants divided by 52 work weeks in a year



# First 5 Year Payoff (prior to recession)

- \$998 Million savings to UI Trust Fund
- \$943 Million Total Direct Impact to claimants
  - (Difference between Median Weekly Wages and Average Benefits \* weeks improvement in RTW \* claimants)
  - +\$508 average per claimant
    - (Total Direct Impact / claimants)
- \$1.46 Billion Total Indirect Impact to local economies
- Equivalent to adding 14,099 new workers to economy per year
  - 3.7 Million extra weeks worked divided by 52 work weeks in a year divided by 5 years





# Other Measure Driven Changes

- Entered Training Related Employment
  - Reportable Performance had been poor
  - Performance tripled after offering an Incentive Award
- Child Care Admin/Ops
  - > \$ spent on overhead means < \$ spent on care
  - Admin/Ops in 2005-2008 had been ~13.4%
  - Created \$500K in annual prizes
  - 2 Years later, Admin/Ops down to 11.7%
    - Equivalent to about \$9M more available for care per year
    - ~Cost of 2,340 kids per day in care