

IMPROVING EMPLOYMENT SERVICES IN OREGON

Requiring personal employment plans did not change the employment rate

Target a Priority Outcome The U.S. Department of Labor Employment and Training Administration's core goal is to enhance employment opportunities and business prosperity. As the state-level agency responsible for administering the Federal-State Unemployment Insurance (UI) Program, the Oregon Employment Department's mission is to support people who have lost their jobs through no fault of their own to find new employment. Helping job seekers find suitable employment more quickly has potentially large financial implications, by reducing state funded UI payments. In 2015, Oregon made over 1.5 million UI payments, which totalled \$529 million.¹ The Oregon Employment Department sought to increase the rate and speed of re-employment among UI claimants by modifying aspects of their job search experience.

Translate Evidence-Based Insights Having the intention to engage in meaningful job search activity may not always result in productive behavior. Multiple studies show that when goals are linked to concrete actions, people are more successful in completing their objectives.² Evidence from recent pilot programs suggests that requiring job seekers to develop job search plans, commit to specific actions, and attend regular in-person meetings has been effective at reducing total period over which they claim UI benefits. An early study of the behavioral components of job search in the Netherlands found some evidence that implementation intentions can help bridge the gap between job search intentions and job search behavior.³ More recently, the British Behavioural

Insights Team (BIT) tested the effectiveness of implementation intentions in two randomized controlled trials. Both trials found that having job seekers develop plans in which they commit to specific future actions and attend regular in-person meetings increased the rate at which they stopped claiming benefits after 13 weeks.⁴

In 2016, Oregon implemented an evidence-based intervention building on these findings to better support job seekers and urge them to develop more forward looking action plans. The intervention included three components. For the first component, Oregon mailed job seekers additional information with the standard welcome letter encouraging them to think of local WorkSource job centers as a supportive resource. The second component required job seekers to complete a structured, four-week Personal Employment Plan (PEP) at their first in-person meeting with the assistance of a WorkSource staff person. The PEP prompted job seekers to think more expansively about their job search – for example, by including actions related to personal wellbeing – and to develop implementation intentions that included the specific time and place they would accomplish various tasks.⁵ The third component of the intervention included a series of 12 bi-weekly emails that contained tips to enhance customers' job searches, reminders for job seekers to meet their PEP goals and add to their employment plans, and motivational quotes.

Embed Tests The intervention was tested with a pair-randomized design. Oregon grouped 14

¹ The figures include regular UI claims only.
[http://www.oregon.gov/EMPLOY/Agency/Documents/2015/924%20\(Benefit%20Payments%20by%20County\)/UIPub924-YTD_Summary.pdf](http://www.oregon.gov/EMPLOY/Agency/Documents/2015/924%20(Benefit%20Payments%20by%20County)/UIPub924-YTD_Summary.pdf)

² Gollwitzer, P. M. (1999). Implementation intentions: Strong effects of simple plans. *American Psychologist*, 54(7), 493.

³ van Hoof, E. A., Born, M. P., Taris, T. W., Van der Flier, H., &

Blonk, R. W. (2005). Bridging the gap between intentions and behavior: Implementation intentions, action control, and procrastination. *Journal of Vocational Behavior*, 66(2), 238-256.

⁴ Behavioural Insights Team. (2015). Update Report 2013-2015. http://38r8om2xjhl25mw24492dir.wpengine.netdna-cdn.com/wp-content/uploads/2015/08/BIT_Update-Report-Final-2013-2015.pdf

⁵ Gollwitzer (1999).

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WorkSource job centers selected for the pilot into 7 pairs based on the similarity of the offices and the claimants they serve. Particular weight was given to (1) the number of job seekers coming in for the welcome process; (2) the geographic location of the office (rural vs. urban and coastal vs. inland); and (3) staff capacity. OES randomly assigned one job center in each pair to pilot the intervention and the other to continue business as usual. The pilot ran between March 28, 2016 and February 28, 2017.

Analyze Using Existing Data The analysis used quarterly wage data from the Oregon Unemployment Insurance database. The primary outcome of interest was the employment rate in the first quarter of 2018. The total earnings were included as a secondary outcome of interest. These outcomes can be interpreted as the medium-term effect of the pilot, as most job seekers would have initiated a claim one to two years prior to the analysis period.

Results The employment rates in the treatment offices were not significantly different than the rates in the control offices, as shown in Figure 1.⁶

In treatment offices 56.3 percent of job seekers included in the pilot had wages in the first quarter of 2018 which was a slight improvement over the 54.9 percent of job seekers in control offices who had wages over the same period, but the difference was not distinguishable from zero ($p = 0.593$). Individual average wages in treatment offices were \$4,353 for the quarter compared to \$3,998 in control offices ($p = 0.781$).⁷ The difference was not statistically distinguishable from zero. Several robustness checks were run with models that included both individual- and office-level covariates and by including and excluding influential observations. The results from the additional analyses were consistent with the main findings of no effect.

Build Evidence The test showed state level administrative data can be used to evaluate the effectiveness of pilot programs. The results suggest that the pilot was not effective at increasing the rate of employment in the medium-term. The Oregon Employment Department discontinued the pilot and returned to business as usual operations for customers filing new claims beginning March 1, 2017.

Figure 1: Estimated Effects

| Outcome | Control Mean | Treatment Mean | Estimated Effect | p-value |
|----------|--------------|----------------|------------------|---------|
| Employed | 54.9% | 56.3% | 1.42 ppt | 0.594 |
| Wages | \$3,998 | \$4,353 | \$355 | 0.781 |

⁶ Inferences were made using a permutation approach. The difference in employment for the actual treatment assignments was compared to the difference that would have been observed for all 128 possible assignment combinations. Creating all possible combinations of assignments produces a true null distribution, or the range of differences in employment rates that would be observed assuming no effect of the intervention. The p-value generated from the permutation approach indicates how likely it would be to see a difference of the same size or larger purely by chance.

⁷ The analysis is not conditional on having been employed.