

Opening up work for all

The role of assessment in the
Work Programme

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ADVANCED PERSONNEL MANAGEMENT



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Contents

Foreword.....	1
Executive summary	3
1 Introduction	7
2 Background and context	9
2.1 What we mean by 'assessment'	9
2.2 Why assessment is important	10
2.3 Current practice in using assessment at Jobcentre Plus	11
2.4 Assessment used by Work Programme providers	12
2.5 The wider evidence on assessment	14
3 Overview of assessment model.....	20
4 Understanding the customer profile	21
5 What assessment should cover	25
5.1 Employability or distance from the labour market	26
5.2 Barriers of different customers.....	29
5.3 Sustained work.....	31
6 Early assessment	34
6.1 Jobcentre Plus assessment	35
6.2 Early assessment by Work Programme providers	36
7 Ongoing assessment.....	38
8 Implementing assessment	42
8.1 Administering assessment and the adviser role	43
8.2 'Warm' handover and communication.....	45
8.3 Assessment format	46
8.4 Reviewing the assessment process	48
9 Conclusions.....	50
9.1 Implications and recommendations for Work Programme providers	50
9.2 Implications for the Work Capability Assessment	52
9.3 Implications for Universal Credit	53
9.4 Recommendations for DWP and Jobcentre Plus	53
References.....	55

Foreword

The jobs we have and the role we perform within our jobs are fundamental components of who we are. Inclusion in the workplace and the presence of a 'work identity' are taken for granted by many of us. Most would agree that having the opportunity to provide for ourselves, our loved ones and the wider community should never be underestimated. However, the path to workplace inclusion can be a rocky one for many.

This report identifies the fundamental importance of accurate and individualised assessment in determining the needs of the jobseeker. Providers need to ensure assessments are wide-ranging and sensitive, while considering a range of multiple and/or complex barriers specific to each person. Specifically, there is a need for an in-depth understanding of a range of socio-economic, personal, psychological and geographic challenges faced by the jobseeker in their day-to-day lives.

It is essential for the success of the Work Programme that we all utilise the experience of effective assessment if we are to deliver the levels of performance expected from this initiative. That is why APM is proud to support the publication of this report.

APM has been delivering assessment processes to potential jobseekers internationally since 1994. We employ qualified allied health professionals, who are able to ascertain the individual barriers to employment and make recommendations on the interventions required to move individuals into sustainable employment. The use of allied health professionals, with both knowledge of the workplace and the customers' disadvantage, disability or underlying health conditions, provides informed guidance regarding how injury, illness and disability can be successfully accommodated by employers. It is the utilisation of these professionals that sets the assessment apart. While doctors are knowledgeable about disability and medical conditions, allied health professionals, with a vocational rehabilitation background, combine this with an understanding of the requirements of the modern workplace. This means they are well positioned to give informed guidance on vocational direction, thereby facilitating sustainable employment.

Our experience in Australia has shown that many more customers can benefit from welfare-to-work programmes by adopting this approach than is the case when it is not utilised.

It is this experience of working with customers often comparable to those in the UK who are moving off long-term Incapacity Benefit that convinced APM to set up their

UK operations. We are delighted that we will be able to put our experience in to practice for Work Programme customers.

We firmly believe that applying the principles and recommendations outlined in this report, more people can be helped into employment and that employment will be more sustainable. Most importantly, by embracing the recommendations made, the path to inclusion and meaningful employment for each jobseeker is made a little smoother.

Liz Armstrong
Chief Executive, APM UK

Advanced Personnel Management (APM) is an Australian owned company that delivers welfare to work programmes across all employment service areas in Australia. APM is the largest private sector provider of Australian government-funded job capacity assessments, job capacity account services and disability employment services.

Executive summary

Accurate jobseeker assessment¹ is critical in helping Jobcentre Plus (JCP) and Work Programme providers to deliver a more effective and efficient appraisal of customer need. With the move towards more flexibility in service provision and greater personal adviser (PA) discretion, accurate assessment is vital in supporting improved decision-making about the level of resources devoted to each individual, and the nature of the services needed to increase that individual's chances of finding and sustaining employment.

This report highlights the need for **high-quality assessment**, in order to identify the right package of personalised support.

Assessment needs to be **sensitive to the complex needs of different customers** being referred onto the Work Programme. This includes customers with health conditions, who will be referred from a number of routes, make up a large proportion of the total Work Programme customer base, and have distinctive needs which cannot always easily be identified; and also groups such as lone parents who have distinctive needs but are not identified as part of the customer grouping system.

Overall, the profile of participants on the Work Programme will be very different from those on previous mainstream employment programmes. Across the customer base, many will feel **further from the labour market** than might be expected. For example, some customers who have been through the Employment and Support Allowance (ESA) work capability assessment (WCA) may have a perception of their ability to work which is at odds from the assessment's outcome. This underlines the need for thorough, early assessment, to identify appropriate support.

Assessment needs to be **thorough and holistic**, so that the complex, diverse needs of Work Programme customers can be identified and acted on; and because the issues affecting employability and movement into sustained work are wide-ranging, covering different characteristics and circumstances, needs and barriers, skills, attitudes and motivations. All of these need to be reflected in the assessment

¹ The report uses a broad definition of assessment, covering the full assessment process and including the discretion of advisers. The focus is on diagnostic assessment that is used to identify appropriate support for jobseekers, rather than assessments that determine benefit eligibility (although these are considered where relevant).

process, and **staff carrying out the assessment need to be skilled in identifying these issues**, with an emphasis on **professionalised assessment**, which recognises the specialised skill set required to undertake a valid and independent assessment. The role of the PA will be crucial throughout the assessment process, although with increasing pressure and responsibility falling on PAs, there is a potential role for specialist health professionals as part of the assessment of customers with health problems.

A thorough, **early assessment** is needed either before customers enter the Work Programme (by JCP) or on the point of entry to the Work Programme (by providers). An **up-front investment** in a thorough assessment process will help to get the right solution for the customer at the start, leading to quicker placements and sustainability of employment. This will lead to effective and efficient provision, and is therefore the best way of managing finite resources.

Comprehensive, early assessment will also provide a **framework for evaluating the success of different support interventions**, as provided by different suppliers. It will indicate the type and level of need of different customers, which can then be used to analyse the effectiveness of different interventions.

Assessment should not be a stand-alone exercise: it needs to be **fully integrated** into the Work Programme, by matching customers to appropriate support, reviewing customers' experiences of this support, and the journey into sustained work. A 'distance travelled' approach is appropriate for ongoing assessment that is integrated into service provision.

The report sets out a number of specific recommendations. We recommend that **providers** should:

- ensure they have detailed information on the profile of customers they can expect, which they can update and enhance when they obtain information from early tranches of customers. The Department for Work and Pensions (DWP) and JCP need to have a strong role in ensuring this happens; at present the data providers receive is of mixed quality
- interrogate the data that they receive from JCP about customers, and review the extent to which this is accurate and useful. This should lead to a dialogue with JCP, identifying any problems and gaps in this data and how these are to be resolved
- ensure that assessment models use a robust approach based on proven evidence about the different types of customer being assessed

- ensure that assessment models address sustained work (not just work entry). For example, assessment needs to reflect the characteristics associated with not sustaining work (such as changes in health condition and family-wide issues), as well as monitoring employment-related issues after the move into work (e.g. childcare)
- use a robust, wide-ranging and comprehensive assessment at an early stage, reflecting the complex characteristics and circumstances of customers
- use a 'distance travelled' approach for ongoing assessment. This is particularly appropriate for Work Programme customers, who are often further from the labour market. This can monitor progress over time, including the preliminary steps that are important in moving towards employability. The distance-travelled approach can also be extended to customers in work, by monitoring their perceptions of the job, as well as the issues that affect sustainability
- make sure that any assessment model is not seen as a substitute for staff expertise and discretion. There needs to be an emphasis on professionalised assessment, which recognises the specialised skill set required to undertake a valid and independent assessment
- put in place an effective review process. This can entail obtaining feedback from advisers and staff involved in the assessment process, and incorporating a review process in a distance-travelled approach. An effective assessment process will also allow providers to assess the success of different interventions and the performance of different suppliers, by examining customers' progress in relation to the type of support received.

Recommendations for **DWP and JCP** are that:

- DWP should track the three ESA groups, as part of the proposed tracking of customer outcomes against the support given, based on data provided by providers. This analysis should inform a broader review of the accuracy and usefulness of the prognosis and WCA assessment generally. We also recommend that this analysis is extended to early access customers, including reasons for early access, to monitor this process.
- DWP should consider the feasibility of providing more detailed information on customer profiles to providers, in addition to the overall projected numbers that they have supplied. For example, this could include more information on customer characteristics (e.g. lone parents identified separately), as well as additional information (e.g. on length of benefit claim).

- JCP should carry out a more extensive assessment of customers before they enter the Work Programme. There is certainly a need for further assessment of ESA customers, given the gap in the assessment process left by the removal of the work focused health related assessment.
- DWP should also consider options for an early assessment for all working age customers to assess employability. This assessment could support adviser discretion and could potentially be used in the future as part of a more sophisticated customer grouping system.
- In the mean time, DWP should review the current customer group system and resulting payments, once outcome data is available from providers. Although these groups and the associated payment structure are already in place, it will be important to review the success of this approach, to make improvements as necessary in future provider contracts.
- DWP should look to carry out or commission further analysis to inform the issues affecting sustained work. This could give useful information to providers on triggers for different types of customers leaving work or failing to sustain work, both in terms of timing and reasons for leaving a job.
- JCP needs to work closely with providers to provide a joined-up, seamless service. Warm handovers² should be conducted wherever practical, and best practice on warm handovers should be obtained and disseminated by DWP.
- More generally, we urge DWP to join the debate on assessment and promote good practice alongside providers.

² A 'warm' handover involves meetings between customers, JCP staff and provider staff, which help to smooth or enhance the transition process.

1 Introduction

Accurate jobseeker assessment is critical in helping Jobcentre Plus (JCP) and Work Programme providers to deliver a more effective and efficient appraisal of customer need. In particular, as personal adviser (PA) discretion and autonomy increases, and providers are offered greater flexibility, accurate assessment is vital in supporting improved decision-making about the level of resources devoted to each individual, and guiding PA decisions about the nature of the services needed to increase the chances of finding and sustaining employment.

Accurate and effective assessment must be fit for purpose, and should be based on sound theory and robust evidence; it must also reflect the different types of customers involved in the Work Programme. Reflecting these aims, the report presents a thorough investigation into what assessment can do and what it should be based on.

Chapter 2 provides background and context, by reviewing the assessment methods currently in use in JCP, and welfare to work provision in the UK and internationally. This includes informal feedback, which *Inclusion* received from Work Programme prime providers on the assessment methods that they use and plan to use during the Work Programme; we are very grateful to the providers who gave us this feedback. This chapter sets out the knowledge base on assessment procedures that are already in use, and asks what issues this raises for the Work Programme.

In **Chapter 3**, we set out an assessment model for the Work Programme, that is then described in more detail in the following chapters.

Chapter 4 looks at the importance of understanding the customer profile.

Chapter 5 examines the issues that need to be included in assessment, reflecting the aim of the programme in helping customers into sustained work, and the varied needs and characteristics of different customers.

Chapter 6 looks at the ways in which a thorough and robust early assessment can be implemented.

Chapter 7 focuses on ongoing assessment, using a distance-travelled approach.

Chapter 8 looks at the implementation of assessment, including the role of staff, communication between JCP and providers, and reviewing the assessment process.

Conclusions and recommendations are aimed towards the implications of assessment for the future of the Work Programme, as well as for the work capability assessment (WCA) on Employment and Support Allowance (ESA) and for Universal Credit. The report makes recommendations for the Department for Work and Pensions (DWP), JCP and providers.

In summary, the report:

- offers advice to providers on what they can learn from existing assessment methods, and how they can monitor and enhance their own methods, in order to maximise resources and improve outcomes. It provides evidence of good practice to help make sure that assessment processes actually work
- contains guidance to DWP and JCP in managing the transition to the Work Programme and co-ordinating support throughout the customer journey. It also highlights ways in which assessment methods might be developed in the future, in the run up to the introduction of Universal Credit.

2 Background and context

In this section, we start by defining assessment and then clarify what is important. We then look at the assessment methods that are already being used by JCP and providers, as well as the wider evidence on assessment methods internationally. This shows us where we are now, and identifies what we can learn from existing methods, and what issues this raises for the Work Programme.

Key points in this chapter

- A thorough assessment process is vital to identify the needs of individual customers accurately and comprehensively.
- At JCP, benefit status or history is the main criterion that is used to determine the treatment offered to customers, alongside adviser discretion. This raises the question of whether this method could be enhanced by a more sophisticated form of centralised assessment.
- Work Programme providers typically use a range of assessment tools and other assessment methods. It will be important that these methods are sensitive to the particular needs of Work Programme customers.
- The wider evidence highlights assessment models that focus on characteristics (often through statistical modelling), attitudes and skills, as well as those that combine these elements into a wide-ranging and holistic assessment. Such an approach will be appropriate for assessing the diverse and complex needs of Work Programme customers.
- Assessment tools can only be the starting point of an effective assessment process, in which the expertise of staff is vital in conducting the assessment and using it to identify a personalised support solution.

2.1 What we mean by 'assessment'

At the outset, it is worth considering what constitutes 'assessment'. The word is often used to denote a specific test or tool, such as a psychometric test. While this is part of 'assessment', our definition is broader, and includes the **assessment process as a whole**, covering any type of assessment method including the discretion of advisers.

Assessments also differ in terms of their aim or purpose. There is an important, broad division between those that assess customers' eligibility (such as the WCA) and those that are more diagnostic. Eligibility assessments reflect benefit rules, and assess whether individuals 'qualify' for particular benefits or treatment, by meeting certain criteria or passing defined thresholds. Diagnostic assessments are concerned with identifying appropriate support, based on individual circumstances and needs.

The second, **diagnostic type of assessment** is the focus of the report. This is clearly what is relevant to the Work Programme, in trying to **identify appropriate, personalised support based on individual needs and circumstances**. It is also relevant to DWP and JCP, in the climate of increasing adviser discretion, and the possible move towards more sophisticated ways of grouping customers: based less on benefit history and eligibility, and more on employability or distance from the labour market. This issue will become increasingly important for DWP in the move to Universal Credit, where customer groupings will become less self-evident.

While we can make this distinction between types of assessment in terms of the purpose of the assessment – broadly, 'eligibility' versus 'support needs', the content of these assessments can overlap. A key part of the WCA is the 'prognosis' of when a customer is likely to be fit for work, a prognosis that determines entry to the Work Programme. This assessment is essentially gauging an individual's distance from the labour market, a key feature of many diagnostic assessments. JCP advisers also identify 'early access' customers for the Work Programme, continuing an approach seen in earlier New Deal programmes. Again, this is essentially an eligibility assessment, but one based on customer support needs. Overall, this means that, although the WCA and other eligibility assessments are not the focus of this report, there are things we can learn from what they cover and how they are administered.

2.2 Why assessment is important

As noted in the introduction (chapter 1), accurate jobseeker assessment is critical in helping JCP and Work Programme providers to deliver a more effective and efficient appraisal of customer need.

In the Work Programme, providers will aim to provide a personalised, package of support that reflects the needs of individual customers and maximises the resources available. As this report highlights, a **thorough assessment process is vital**, in order to identify the needs of individual customers accurately and comprehensively and to ensure that the support options allocated to a customer are appropriate. This, in turn, will lead to effective and efficient provision that maximises resources.

As indicated below, many Work Programme customers will have **health problems and disabilities**, and a robust assessment process will be particularly important for these customers, to ensure that support is responsive to their needs. Without a thorough and well-conducted assessment process, there is a danger that some of these customers may receive insufficient or inappropriate support.

The assessment process also has two other important roles. First, it provides a structure for **monitoring the progress made by customers**, as part of a distance-travelled approach. Second, it can provide a basis for **evaluating different service options**, by analysing the relative success of different interventions for 'similar' customers. Without a robust assessment process, this type of evaluation will be very difficult to conduct objectively.

2.3 Current practice in using assessment at Jobcentre Plus

In the UK, identification of need and support for individuals to return to work is shaped primarily according to the **type of benefit being claimed**. For Jobseeker's Allowance (JSA) customers, the duration of the current JSA claim is a main basis for differentiating support.

In addition, JCP also uses assessment processes to identify customers for particular types of support. For example, at the start of a JSA claim, advisers assess basic skills needs and refer customers to basic skills training, if appropriate. Advisers continue to assess training needs throughout the claim. This includes skills screening, which advisers use to identify appropriate skills support.

The customer assessment tool (CAT) has also been used to help advisers identify customers' main barriers to work. It is a checklist ranking clients on work-related skills, confidence, motivation and so on. Research feedback on the use of the CAT emphasised that assessment tools were used in different ways by advisers, and with varying degrees of effectiveness. For example, some advisers used it routinely, while others did so only on a discretionary basis. The research also observed some advisers adopting a 'tick-box' approach, which was seen as 'missing a valuable opportunity to work with customers to identify real barriers to employment and ways in which they might be overcome' (Bellis et al, 2009).

Customers will be identified for early access to the Work Programme, on the basis either of benefit and activity status history, or at the discretion of JCP, if they have particular characteristics or circumstances. This is similar to the fast-tracking approach used as part of the jobseeker's regime and flexible new deal (JRFND).

In addition, some customers may be selected for targeted reviews, based on either unemployment history or the adviser's assessment. Adviser discretion is also the basis of assessment for additional support on JSA, such as support for the newly unemployed or the six-month offer.

A clear feature of these assessment processes is the **prominent role of adviser discretion**, often to make quite difficult judgements, e.g. the diagnosis of mild to moderate mental-health issues to identify early access to the Work Programme.

This increasing level of adviser discretion is likely to continue in the near future. The question is whether adviser discretion can be **supported or enhanced by a more sophisticated form of centralised assessment**, as used in some other countries. At present, benefit status or history is the main criterion that is used to determine the treatment offered to customers, alongside adviser discretion. We can consider this question in the light of the wider evidence on international assessment, outlined below.

2.4 Assessment used by Work Programme providers

The Work Programme will start in summer 2011 across Great Britain in a number of contract package areas. A key element of the Work Programme is that providers will have considerable freedom to determine what activities each customer will undertake in order to help them into, and to sustain, employment.

The customer groups covered by the Work Programme are as follows:

- JSA customers aged 25 plus
- JSA customers aged 18 to 24
- JSA customers with early access to the Work Programme
- JSA customers who have recently moved from Incapacity Benefit (IB)
- ESA new customers/flow
- ESA customers who have recently moved from IB
- ESA voluntary customers
- IB and Income Support (IS) customers.

Providers delivering the Work Programme will use a range of assessment methods to identify appropriate support for customers. Many already have assessment processes in place that they will use, or adapt, for the Work Programme.

Assessment tools are widespread. A recent survey of welfare to work providers found that common assessment activities include conducting specialised customer diagnostics (e.g. psychometric tools), and assessment tools that segment customers by their needs. In some cases, this segmentation was used to determine the allocation of resources according to the barriers faced. Other providers reported using software to record employability 'status', but with advisers completing it based on their own judgement. Other assessment methods focused on identifying and tracking underlying problems, such as those related to health and housing (Armstrong et al, 2010).

Informal discussions between *Inclusion* and providers have also indicated some of the ways that providers expect to use assessment in the Work Programme. Typically, prime providers will have some kind of 'assessment toolkit', comprising a bespoke assessment tool, followed by additional assessment processes.

Specific examples include:

- use of assessment tools, such as the 'Rickter scale' assessment, which identifies barriers amongst disadvantaged customers, as perceived by the customers themselves, using 'soft outcome' indicators (e.g. communication skills, job preparation and readiness), and tracks these over time. This helps to identify support activities. Other assessment tools are produced by organisations such as JCA and SHL
- techniques used in therapy, such as cognitive behavioural therapy and neuro-linguistic programming, in order to address attitudinal or motivational barriers. Some providers prioritise the identification of attitudinal and motivational barriers, which are addressed before moving on to tackle more practical barriers. This can be appropriate for customers who are further from the labour market
- assessment that is linked to types of work or sectors that customers are or may be interested in or suited to. This provides clear, concrete outcomes for customers and advisers to work with. These assessments often have an emphasis on pragmatic solutions, e.g. by ensuring that target jobs or occupations are those that the customer is capable of attaining and which are available in the local labour market. This requires a 'mapping' between labour market information and the customer's input

- monitoring of customers' progress over time, to guide them through the journey into sustained work. Customers are assessed on soft outcome measures (as above in the Rickter scale example) or on different components of employability (e.g. skills, motivation, overcoming barriers).

A common pattern is the **use of a number of assessment tools covering different issues**, such as psychometric tools, as well as more practical assessments (e.g. for literacy or numeracy), which are used alongside adviser discretion. This multi-faceted approach reflects the complex needs of many Work Programme customers.

A distinction can also be made between an **initial assessment**, that aims to provide an overview of the customer's needs and distance from the labour market, and a more detailed, adviser-led approach that can be provided on an **ongoing basis**.

It is also worth noting that there is likely to be a tension for providers between an assessment aimed at personalised, tailored support and one that is essentially a sifting process or triage that is responsive to funding pressures. The danger of a payment by results system is that **assessment may be used to identify the most cost-efficient solution**, rather than one that is tailored to the customer's needs. This danger is increased if the differential payment structure is not robust, and this issue is considered further in the report.

Overall, the feedback received from providers indicates that they already have a range of sophisticated assessment procedures in place. However, it will be important that these procedures are **sensitive to the particular needs of Work programme customers**, and that providers review the effectiveness of their procedures. These issues are considered in later chapters.

2.5 The wider evidence on assessment

The wider evidence on assessment models, in Britain and abroad, highlights good practice and can identify important messages for future delivery. A review conducted for DWP (Bimrose et al, 2007) looked at the international evidence on jobseeker assessment, focusing specifically on 'tools and methodologies for identifying clients requiring extensive support'. We have updated this review, and then considered the implications for the Work Programme.

This 2007 review observed three broad approaches to the identification of customer need: 'complete adviser discretion; the application of rules binding adviser discretion; and the use of diagnostic or assessment tools to aid adviser discretion'.

As part of this third approach, a wide range of assessment tools has been developed and deployed around the world. In broad terms, a distinction can be made between:

- those that attempt to **rate or score individuals on an overall measure** (e.g. level of employability). This often involves 'segmentation': grouping customers and then applying different types of treatment or support to each group
- those that look to **identify specific characteristics, strengths and barriers**. This approach is more concerned with obtaining a detailed picture of an individual's circumstances, and can be used to monitor progress over time.

These two approaches mirror the methods identified in feedback from providers, which included both an initial assessment and a more detailed, ongoing process.

In the first category, **statistical modelling** is an approach trialled in numerous countries. This approach makes use of statistical systems to identify customers requiring support or to identify the type of support to be provided. Typically, this approach 'allows the employment service to calculate the risks faced by individual clients... and then, by combining the risk scores with a decision-making rule, to allocate clients to services' (Hasluck, 2004). In these statistical models, there is a distinction between 'profiling' and 'targeting' models. In 'profiling', a single 'risk' factor is computed for each person (e.g. risk of being long-term unemployed). 'Targeting' assesses the suitability of different support options for each individual.

In the United States, Denmark and Germany, models are based on administrative data already held about jobseekers (e.g. demographic characteristics, prior educational attainment, work history and previous type of work, as well as local unemployment statistics). In Australia, the Jobseekers Classification Instrument (JSCI) is administered by staff as part of a customer's initial interview (after starting a benefit claim). This approach allows a greater number of issues to be included in the model (e.g. stability of residence, access to transport); however, like the models based on administrative data only, the JSCI focuses on characteristics, work experience and skills (rather than attitudes). The JSCI calculates a score and then allocates individuals to one of three groups (high, medium or low risk).

In the Netherlands, the 'Kansmeter' (chance meter), later replaced by 'ABRoutering', is also administered by a member of staff at a customer's initial interview, with questions on personal characteristics, skills and occupational profile. This interview examines the customer's capacity for independent job search. However, this approach differs from the other examples, as it does not use a statistical model; the

scoring system is based on the subjective assessment of the member of staff administering the questionnaire.³

Of course, a key question is how effective such a model might be in predicting long-term unemployment or level of need. A review of systems used in the Netherlands, the United States, Australia, Canada and Germany concluded that statistical models, though useful, were flawed in the prediction of unemployment. It suggests that profiling early on in unemployment can lead to misclassification (Rudolph, 2001). Driskell (2005) assessed the potential of statistical profiling, based on administrative data, to identify those customers most likely to leave JSA within 13 weeks. The predictive model was correct in 70 per cent of cases, and it was estimated that relatively short increases in average JSA durations from false predictions would negate any savings.

More recent examples have been more successful; for example a recent model tested in Ireland reported success rates of 83 per cent (for men) and 85 per cent (for women) in predicting unemployment at 12 months (O'Connell et al, 2009). A model developed by Bryson and Kasparova in the UK was also found to 'work reasonably well', although success varied by customer group (Bryson and Kasparova, 2003).

However, previous studies (O'Connell et al, 2009; Bryson and Kasparova, 2003) also acknowledged the **limitations of these types of assessment tool**, e.g. in being developed for particular customer groups in particular economic conditions, and often in being expensive to set up and run. Two models used in the past have been withdrawn because of cost. In particular, this type of approach depends critically on the quality of data available to predict outcomes, and in how easily the results can be used by advisers (as discussed below). Continuing use of this type of assessment also requires an ongoing process of review, evaluation and refinement, to ensure that the assessment remains up to date, relevant and robust.

There is currently no statistical modelling system like this in use in JCP, although development work has been undertaken to investigate the issue (including by Bryson and Kasparova). There are two obvious roles for such a system. It could support advisers when identifying customers for early intervention, potentially offering a more sophisticated assessment than is possible through adviser discretion alone. Secondly, it could enhance the current use of customer groups (based on benefit eligibility). As we discuss later in the report, within customer groups there is a wide variation in customers' circumstances and needs. As a result, the customer

³ Details of these assessment tools from Rudolph and Konle-Seidl (2005), and O'Connell et al (2009).

groups do not necessarily distinguish customers according to the type and level of support they need. **A profiling approach to indicate overall level of employability** or 'risk' would at least cut across the customer groups to indicate the likely level of support required.

While the above examples focus on assessment of customers' characteristics, an alternative approach is to focus on customers' attitudes. Much evidence points to the substantial impact of attitudes and motivation on jobseekers' ability to find work (as discussed later in the report). In fact, the limited success of some statistical models may reflect the emphasis on characteristics rather than attitudes, and a recent report noted the need, 'common to all countries... to take into account motivation, networking, "soft skills" etc. in the profiling exercise' (Konle-Seidl, 2011).

Attitudinal diagnostic models aim to identify jobseekers whose attitudes act as a constraint to obtaining employment, and are used to inform activities designed to change jobseeker behaviour. As reported by Bimrose et al (2007), examples in various countries are often based on psychological models of 'employability', typically in the form of checklists for advisers to use during interviews with customers. These models tend to lead to ordinal measures of employability (e.g. high, average, low).

In Australia, an attitudinal segmentation model has been developed which requires jobseekers to respond to a questionnaire so that job advisers can gauge their level of motivation and their openness to types of job and job-search activities. The model identifies eight types or segments under which jobseekers can be classified (examples of segments include 'struggling', 'drifting' and 'selective' jobseekers).

The Core Self-Evaluations Scale (CSES) can be used in a similar way. Developed by Judge et al in the late 1990s, the CSES is a composite measure of four core personality traits: locus of control; emotional stability; self-esteem; and generalised self-efficacy. It has been shown to be a strong predictor of job satisfaction and performance in a number of studies (Judge and Bono, 2001). Wanberg et al (2005) found a strong correlation between CSES scores and job-search intensity. Respondents with low CSES are likely to require more intensive psychosocial support.

The examples we have looked at so far – both statistical modelling and attitudinal models – look to produce predicted outcomes or scores for each individual. Other diagnostic tools look to examine **specific characteristics**, often for particular groups of jobseekers. These can assess skills, strengths, aspirations and barriers. One example was the client progress kit, which was introduced for use on the New Deal. It was designed to support existing advisory activities in JCP, particularly work focused interviews. Repeat use of the instrument also provided an indication of client

progress. It comprised nine features, for example matching job goals against skills, experience and the local labour market.

Other interesting examples include the 'activity matching ability system', which reviews what individuals are able to do and builds self-confidence. This matches people with available jobs, and is particularly relevant for those with health conditions or disabilities. The Worker Role Interview is a semi-structured interview and rating scale designed to assess psychosocial capacity for return to work in injured workers (on motivation, lifestyle and performance capacity).

Of particular relevance to the Work Programme is the Australian job capacity assessment (JCA), which assesses people with disabilities and health conditions (as noted below, a large proportion of Work Programme customers will have health problems). The primary aim of the JCA is to provide a comprehensive and meaningful assessment in the determination of a person's work capacity. While this has parallels with the UK's WCA, the Australian JCA also identifies personalised support needs and refers individuals to service providers. The assessment takes a holistic approach, covering social, psychological and environmental factors, and is carried out by health professionals. Its emphasis on 'function and capacity' has been favourably compared with a more traditional approach based on 'diagnosis and incapacity' (Organisation for Economic Co-operation and Development, 2007)

The advantage of these approaches lies in their ability to **cover a range of issues and therefore take a holistic view of individuals' needs**. They can also allow an assessment of distance travelled to monitor progress. These approaches are likely to be **more appropriate for customers with diverse and complex needs**, as will be the case for many Work Programme customers.

There are also a large number of assessments that assess individuals' skills, including several that have been commercially produced in the United States. As discussed by Bimrose et al (2007), these typically ask individuals to assess their own confidence in their ability to perform various occupational activities or skills, and also to assess their occupational interests. These can help professionals explore suitable career and training options. Similarly, the French 'bilans de compétences' or 'skills check' is an appraisal service for career development. This model has also been adopted in other countries, including Switzerland, Belgium and the Czech Republic.

In the UK, a skills check formed part of the skills coaching trials, which were designed to help adults claiming JSA or inactive benefits and who were lacking in skills to find the most effective route to improved employability. This check represents a mixed-methods approach, combining interviewer discretion with a diagnostic tool and a reflective learning tool (Hasluck et al, 2006).

Across the different types of approach described above, a key issue is the role of the assessment model alongside the **judgement and discretion of staff**. Even those based on statistical modelling are often just the starting point of an assessment. In most cases, advisers or caseworkers administer the diagnostic tool and have discretion over their outcomes.

In the models used in Germany and Denmark, for example, advisers use the results of the model as part of the judgement they make to tailor personalised support. In the JSCI, the statistical model is used alongside the personal judgement of advisers to detect 'high risk' customers. The role of the adviser is crucial, in both ensuring flexibility and personal judgement.

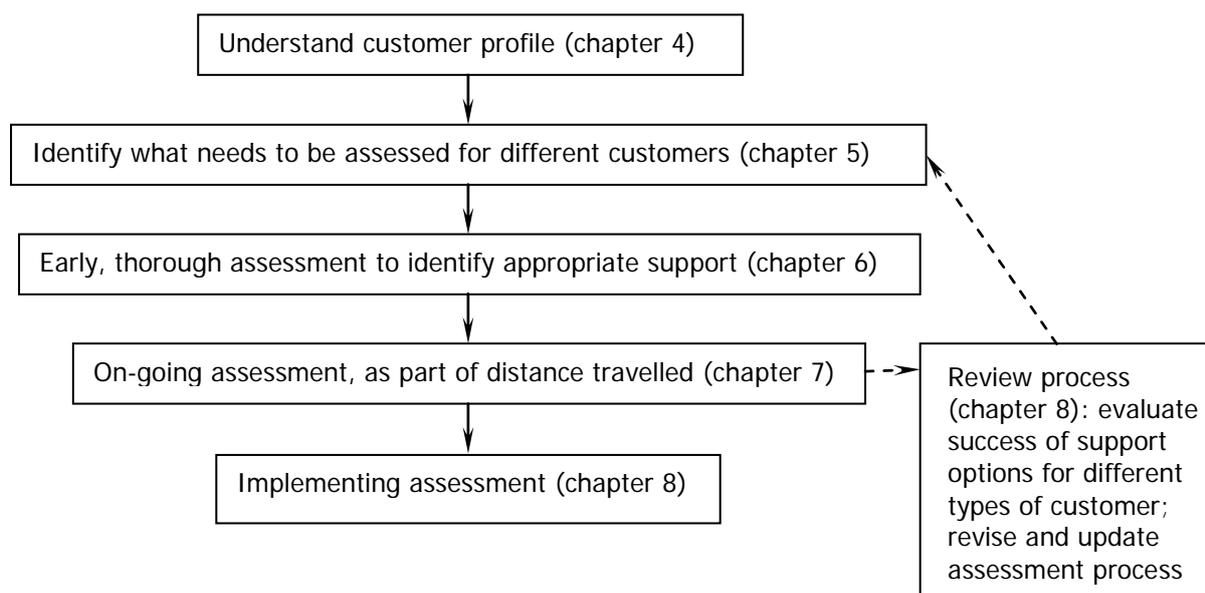
At the same time, there is some evidence that **advisers are less effective without systematic support instruments** (Lechner and Smith, 2005). A structured assessment model can provide objective evidence, which can be particularly useful when decisions need to be made over allocation of resources. It provides a systematic means of assessing need and can avoid the inconsistency that may arise with adviser discretion.

In addition, previous research suggests that, even without an assessment model, advisers may introduce their own typologies as a way of distinguishing customers, and these may be less robust than those developed as part of a more structured assessment model. A qualitative study observed typologies 'formed on the basis of body language, together with the general demeanour of customers in initial interactions', resulting in typologies 'based on a mixture of benefit categories (e.g. JSA), demographic factors (e.g. youngsters), social class or status (e.g. graduates) or inferred attitudinal or behavioural attributes (e.g. "lazy gits").' This type of categorisation tends to be more prevalent where caseload numbers are high and/or time spent with customers is limited (Rosenthal and Peccei, 2006).

3 Overview of assessment model

In this section we set out a 'model' of the assessment process. This indicates the key components of the assessment process, which we then describe in more detail in the chapters that follows. A diagram of the assessment model is shown in Figure 1.

Figure 1: Work Programme assessment model



Work Programme providers will already have their own assessment processes in place, but the use of assessment will inevitably evolve as the Work Programme progresses. In the following chapters, we have therefore set out some thoughts on best practice in assessment, as well as some specific issues that providers can consider when adapting or fine-tuning existing processes. We also consider how assessment processes can be used by DWP and JCP.

4 Understanding the customer profile

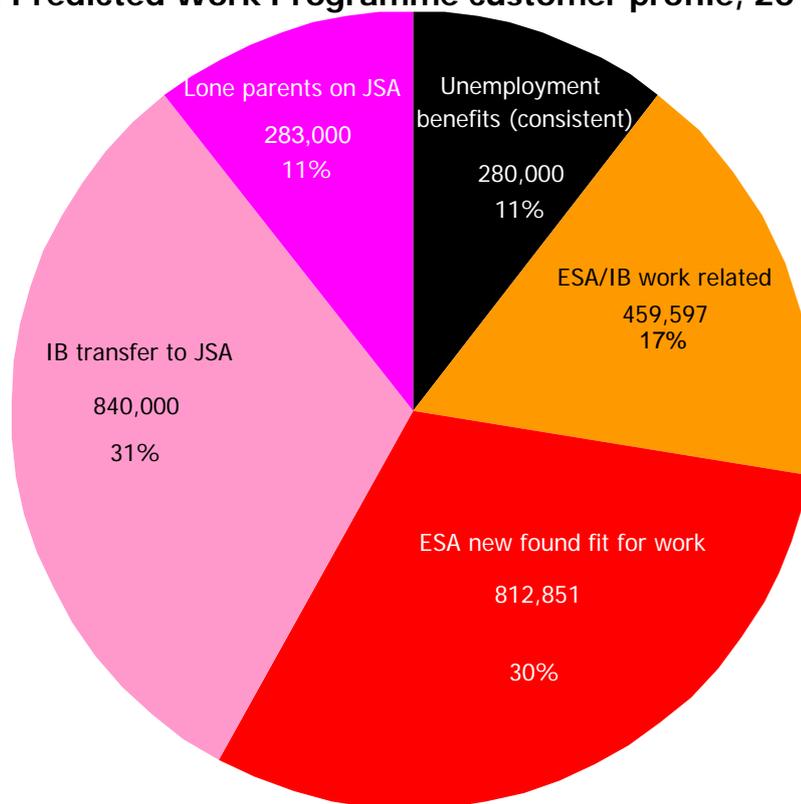
The first stage in implementing an assessment process is to obtain clear and detailed information on the customers that will be referred for support. This is so that assessment can be tailored to reflect the needs of the different types of customer in the Work Programme.

Key points in this chapter

- The profile of participants on the Work Programme will be very different from those on previous mainstream employment programmes.
- In particular, a very large proportion of customers will have previously claimed ESA or IB, a group expected to increase over time. Many customers will have long-standing health problems.
- Customers' perceptions of their ability to work may well be at odds with the outcome of their WCA. Across the customer base, many will feel further from the labour market than might be expected. This underlines the need for thorough, early assessment, to identify appropriate support.
- Providers need to gather detailed information on the profile of their customers, to be able to plan their provision. The profile data provided in the Work Programme invitation to tender (ITT, DWP, 2010) can be augmented by analysis of the individual-level data passed on to providers by JCP, as well as by information that providers obtain from customers after they start the Work Programme. In this way, providers will be able to put together a more detailed and accurate picture of their customer profile.

It is important to note that the **profile of participants on the Work Programme will be very different from those on previous mainstream employment programmes**, and this difference is likely to grow substantially over time. According to analysis carried out by *Inclusion* last year, there could be 2.7 million starts on the Work Programme by 2014, and the composition of the Work Programme changes quickly over that period. This means that providers used to delivering welfare to work on a large scale will have to respond to this challenge with a comprehensive support offer that meets the needs of a bigger and more varied client base than many of them are used to. The predicted customer profile in 2014 is shown in Figure 2.

Figure 2: Predicted Work Programme customer profile, 2014



50% of IB customers transferred to JSA, 16% job outcome rate for transferred IB/ESA

Source: *Inclusion Working Brief*, July 2010

This chart shows the predicted **very large proportion of customers who will have previously claimed ESA or IB**. Many of these customers will have long-standing health problems. For example in the research on Pathways to Work, the majority of customers had had their health condition for over five years (Sejersen et al, 2009). The ESA evaluation found health to be by far the largest barrier to work for ESA customers, and this applies to the 'fit for work' group as well as other customers: nearly half (46 per cent) of the fit for work group identified their health as the main barrier to work, far higher than other barriers (Barnes et al, 2010).

A further issue here is that when they start the Work Programme, customers may see themselves as further from the labour market than indicated by the details provided by JCP. This particularly applies to the customer groupings resulting from the WCA.

For example, in the research on ESA, a significant proportion of the work-related activity group (30 per cent) stated they were either permanently unable to work, or did not expect to work in the future. (Barnes et al, 2010). The same report noted that 'being found fit for work appeared to have little bearing on an individual's own

understanding of their health condition and its impact on their ability to work'. Despite improvements that have been made to the WCA since this research, **customers' perceptions of their ability to work may well be at odds with the outcome of their WCA.**

Similarly, many **lone parent customers**, despite being on JSA, may not see themselves as ready to look for work. Recent research amongst lone parents indicates that many of those transferring from IS to JSA do not expect to start looking for work for a number of years (Coleman and Lanceley, 2011).

This underlines the need for thorough, early assessment. Customer groupings may not accurately 'represent' individual customers, and many are likely to feel further from the labour market than might be expected. In particular, many customers will have complex, long-standing health problems.

Providers also need to gather **detailed information on the profile of their customers**, to be able to plan their provision. As part of the Work Programme, JCP will give **customer details** to providers when it makes a referral. The details which will be provided as a minimum are listed in the Work Programme ITT (DWP, 2010), and include customer group; whether the customer has informed JCP that they have a health condition; whether the customer has childcare/caring needs; preferred working pattern; employment restrictions agreed with JCP; activities already undertaken; and qualifications.

This information is potentially very useful to providers. It can provide early notice of particular needs, and it can help with planning likely resources. However, it will be important for providers to review, as early as possible, **how complete these details are, and how accurate they are** in describing the customer's circumstances and employability. It is also not clear at this stage whether JCP will provide this 'minimum' information in most cases, or whether it can provide additional data, and if so what this will cover.

These details are also important in avoiding unnecessary duplication in the information that customers have to provide, and in ensuring a seamless service between JCP and providers, from the customer's perspective. This may be particularly important for ESA customers. Firstly, the WCA will have involved detailed assessment and discussion of their health problems, sometimes including an appeal process. From a customer perspective, the WCA is part of the overall process they experience as part of their benefit claim (which may lead on to the Work Programme). Although providers will not receive the results of the WCA, it is important that providers are aware of a customer's circumstances, and of any major issues that arose as part of the WCA process. Secondly, many ESA customers will

have had complex benefit journeys, transferring from IB or IS, and then in some cases claiming JSA after an unsuccessful ESA claim. For these customers, a seamless transition onto the Work Programme is likely to be particularly important.

Overall, this chapter stresses the need for providers to obtain as much detailed information about their customers as they can. The profile data provided in the Work Programme ITT (DWP, 2010) can be augmented by analysis of the individual-level data passed on to providers by JCP, as well as by information that providers obtain from customers after they start the Work Programme. In this way, providers will be able to put together a more **detailed and accurate picture of their customer profile**.

5 What assessment should cover

This chapter examines the issues that assessment needs to address, and how this should vary to reflect the needs of a diverse group of customers.

This is based on a literature review of research evidence on the key elements that are linked to employability and distance from the labour market, as well as the key barriers to work for different types of customers. The chapter also looks at the issues relevant to assessment, focusing on sustained work.

The information in this chapter would help in the development of any new assessment procedure and can also serve as a check for existing assessment models, especially any 'off the shelf' assessment tools, by asking to what extent they focus on the most relevant issues for different Work Programme customers.

Key points in this chapter

- There are a number of core characteristics that have been found to be associated with employability, and which need to be included in any assessment model: age, gender, children, qualifications, health problems, location, employment background and housing tenure. Transport is a key factor for customers who are long-term unemployed.
- Attitudes and motivational issues are particularly important for assessments of customers who have been out of work for some time.
- There are important differences between types of customer, which need to be reflected in assessment. For example, housing is an important issue for 18 to 24 year olds, while financial issues and caring responsibilities can be prominent issues for older customers. For customers with health problems, the type of problem and the extent to which it improves or gets worse is critical, and confidence can be important for these customers. For lone parents, key issues are family structure, and attitudes to work, family and childcare.
- Overall, the diverse characteristics and needs of customers underline the need for a wide-ranging, holistic assessment that can accommodate a range of different issues.
- The type of work undertaken is generally as important as the individual's characteristics in determining sustained work.

- For customers with health problems, a key issue in sustaining work is the level of improvement in their health. This emphasises that a focus on improving claimants' health conditions is extremely important in any provision. Work retention is also a particular issue for lone parents.

5.1 Employability or distance from the labour market

A key part of the assessment is to identify the factors that are associated with employability or distance from the labour market. Evidence can identify the 'core' issues that need to be addressed (i.e. those that apply to all jobseekers), as well as those that are specific to different groups.

A number of studies have examined the elements that indicate a risk of long-term unemployment, and this is the focus of several assessment models already in use (as discussed above). This work typically focuses on **jobseekers' characteristics** (rather than skills or attitudes), as this is mainly the type of information available from administrative data. To some extent this is appropriate, as it is often noted that those in unemployment are concentrated in certain disadvantaged groups (Ritchie et al, 2005), and may face multiple and/or complex barriers which prevent them re-joining the labour market (Atkinson et al, 2006).

Taking the evidence together, it is possible to identify a number of key characteristics that have been found to be associated with long-term unemployment, amongst working age people.

- **Age and gender:** In 2004, the Office for National Statistics undertook an analysis of the characteristics of the short- and long-term unemployed (as defined by the ILO), and found that older men were disproportionately represented in the long-term unemployed cohort, as were disabled people and those with low qualifications (see below) (Office for National Statistics, 2004). Age is also a key factor for different customer groups, although the precise pattern varies.
- **Children:** those with younger children were more likely to stay out of work for longer, and this applies to both couples (Dorsett, 2001) and lone parents (Ritchie et al, 2005); a greater number of children also increases the risk of longer-term absence from work for women (Thomas, 2007; Evans et al, 2004). Pregnant women were also more likely to remain out of work for a longer period (Payne and Payne, 2000).
- **Qualifications:** having 'good' (e.g. level 2 or above) or indeed any educational qualifications has been found to be crucial in influencing length of unemployment spells (see for example Payne and Payne, 2000; Adams et al 2010).

- **Health problems and disability** also occur regularly in evidence on long-term unemployment (see for example Blyth 2006; Adams et al, 2010).
- **Location:** living in an area of high unemployment was found to be a key factor in one study (Payne and Payne, 2000) and is regularly used in existing assessment tools.
- **Employment background:** previous employment history is a component of all statistical models used in different countries to predict long-term unemployment. Research on Employment Zones found that recent experience of work was the factor most highly predictive of successful job outcomes, noting that 'it appears that greater flexibility about the type of work taken' was also important (Hales et al, 2003).
- **Housing tenure:** living in rented accommodation, or living in accommodation owned or rented by someone else was a key factor in some studies examining long-term unemployment (see for example Bryson and Kasparova, 2003). Other research found that housing tenure was associated with other barriers such as poor health, childcare responsibilities and debt (Fletcher et al, 2008).

Much of the evidence summarised above examines the risk of long-term unemployment among the non-working population as a whole. Work Programme customers will all have been unemployed for some time (with the possible exception of some customers referred from ESA), and so it is important to look at evidence relevant to these customers. Evidence from the Employment Zones, the European Social Fund (ESF) and the StepUP programme is helpful in this respect, as it identifies factors related to long-term unemployment among customers who are further from work and who have already been unemployed for some time.

To some extent, this evidence confirms the importance of the characteristics noted above, but also stresses the **importance of transport**. The StepUP evaluation found that transport was often perceived as crucial to seeking and maintaining a job, and this was also a factor in the ESF evaluation. Similarly, the evaluation of Employment Zones reported that (among the eligible population) 'a particularly significant factor increasing chances of having a paid job was access to a car or van, together with possessing a full driving licence'. Without a car or van and a licence, job search could be restricted, some workplaces were difficult to access, and jobs where driving was essential were ruled out (Hales et al, 2003). The evaluation of Employment Zones saw this as part of a more general issue: 'factors associated with increased chances of gaining work can be summed up as indicating the importance of a jobseeker possessing "human capital", that is in the form of qualifications and a driving licence'. Evidence from the recent ESA evaluation (Barnes et al, 2010b) also

noted transport as a barrier to employment: participants with a variety of health conditions, including mental-health conditions, reported that they would not be able to use public transport.

The above evidence summarises factors associated with long-term unemployment, but a key issue for the Work Programme is not just getting people into work, but sustaining work. Broadly speaking, the characteristics associated with entering and sustaining work are similar. In the evaluation of Employment Zones, for example, the characteristics associated with not sustaining work were a history of unstable employment, a lack of work skills or qualifications, a health condition and a criminal record (Hales et al, 2003). Another study found that previous employment history (both number of unemployment spells and total number of months unemployed) was the main factor influencing sustained work among JSA claimants who had made multiple JSA claims (Carpenter, 2006).

While demographic characteristics can provide a strong predictor of long-term unemployment, it is also important to consider the impact of **attitudes and motivations**. There is strong evidence to indicate that attitudinal skills (e.g. confidence and motivation) are **particularly relevant to longer-term unemployed customers**. This is clearly important in considering customers of the Work Programme.

A key finding of the StepUP evaluation was that subjective measures (such as levels of confidence) were better at predicting employment outcomes than objective measures (such as skill levels and work history), *where group members had generally low levels of objective employability* (as Work Programme customers are likely to have). In particular, people who were more 'dependent' (on support from JCP staff or others or on using formal methods like newspapers) were less likely to succeed in finding work than people who 'owned' their own jobsearch (Bivand et al, 2006).

Increased confidence, motivation and self-esteem were also critical factors for participants in a number of programmes aimed at customers who were further from work: skills coaching trials and skills passports (Hasluck et al, 2006), the Working Neighbourhoods Pilot (Dewson, 2005), and the ESF-funded Global Grants programme (Jones et al, 2008). In addition, a review of evidence by Hasluck and Green (2007) found that, for longer-term unemployed customers, 'an important aspect of provision for this customer group [was] re-motivation and support in rebuilding confidence', given the length of time they had been out of work.

The above discussion has focused on the characteristics of individuals associated with long-term absence from work. This is only part of what constitutes an

individual's **employability**. A literature review conducted by Page et al (2007) examined ways of defining and measuring employability. It noted that, while some definitions concentrate on individuals, these have been criticised for focusing too strongly on individual inadequacies as the obstacle to reducing unemployment. Hillage and Pollard (1998) included additional elements in their definition. They suggested that the main components of employability are: individuals possessing skills and characteristics desired by employers, knowing how to use and market these skills effectively to employers, and the context in which they seek work.

In considering how to measure employability, most approaches (including Hillage and Pollard, 1998) include both intermediate indicators (such as possession of skills) and outcome indicators (e.g. movement off benefits and into work). The intermediate indicators are the priority for customer assessment, as these will inform the likelihood of a successful outcome. The monitoring of these intermediate indicators, or 'soft outcomes' can be used to assess customers' progress over time, as part of a distance-travelled approach. This is discussed further below.

5.2 Barriers of different customers

Research evidence has consistently shown the diverse characteristics and needs of benefit customers, described in one report as 'diverse in terms of personal characteristics, household circumstances, their neighbourhood context, the barriers to employment they face and their attitudes and motivation' (Hasluck and Green, 2007). As indicated below, the diversity and complexity of Work Programme customers is likely to be even more pronounced than for the working-age benefit population as a whole. This underlines the need for a **wide-ranging, holistic assessment** that can accommodate these diverse issues.

A range of different types of customer will receive support under the Work Programme, and any assessment will need to be sensitive to the differing needs of these groups, and the considerable diversity within groups. Evidence on the particular characteristics and barriers of different customers can be summarised as follows, reflecting both the defined customer groups and other types of customers included in the Work Programme.

5.2.1 JSA customers aged 18 to 24

Evidence from the New Deal for Young People (comparable to this customer group) indicated that participants were characterised by lack of work experience, poor qualifications, and tended to live at home and/or in social housing (Hasluck, 2000). They were also likely to have a long-term health problem or disability (Bryson et al, 2000).

5.2.2 JSA customers aged 25 and over

Evidence has indicated that long-term, adult jobseekers commonly face barriers such as a lack of basic skills; benefit reliance or financial difficulties; drug dependency; a history of offending; poor confidence and low aspirations; lack of motivation; and transport difficulties (Hasluck and Green, 2007).

For older customers (aged 50 or over), one study noted 'the importance of attitude' (i.e. customers' enthusiasm in looking for work and being receptive to help and support). Barriers to work for older people may be either age-related, such as outdated skills, poor health, caring responsibilities (for parents, a partner or grandchildren, etc.), or independent of age, such as financial barriers or a lack of suitable jobs in the local area (Hasluck and Green, 2007).

5.2.3 Customers with health problems and disabilities

A large proportion of Work Programme customers will have health problems or disabilities.

Research on Pathways to Work found that the factor most strongly associated with being in work, and in work retention, was 'how their health situation changed from the point of claim'. Other factors included previous work history, age, living with a partner who was in paid work, qualifications, and literacy or numeracy problems (Becker et al, 2010; Hayllar and Wood, 2011). Other analysis from Pathways to Work indicates that the type of illness or disability was important in movement into work and work retention. For example, those with a chronic or systemic physical disability had a smaller chance than other customers did of sustaining work, while a lack of confidence/other attitudinal and motivational barriers were important issues for customers with mental health conditions (Sejersen et al, 2009). Low confidence was also an issue identified in a recent study of ESA customers (Barnes et al, 2010). This study reported that many customers in the work-related activity group felt that they needed help, rehabilitation or training before they could consider work. As with other customers, those claiming ESA need to go through a number of preliminary steps before they can consider work seriously.

5.2.4 Lone parents and other parents

Although not identified in the customer groups, lone parents have distinctive characteristics and barriers to work.

For women with children, including lone parents, distinctive factors affecting movement into work are the number and age of children (as noted above), and beliefs and attitudes towards work and childcare, as well as constraints relating to

childcare. As with other groups, health, employment history, qualifications and skills have been found to be important factors in movement into work (see for example Evans et al, 2004; Thomas 2007). Research has also shown the considerable diversity in characteristics and circumstances of lone parents on benefits (see for example Coleman and Lanceley, 2011). A question module has been developed for lone parents to assess their choices and constraints to work. This combines attitudinal questions (on work orientation and attitudes to parental care), together with identification of barriers (see Collins et al, 2006).

5.2.5 Problem drug users

Research by Bauld et al (2010) brought together the evidence on barriers to employment for problem drug users (PDUs). Two key issues were education and skills, and health. In particular, mental health problems were found to make returning to the labour market difficult or impossible for adults with substance misuse problems. Other barriers included involvement in crime, poor self-confidence, ongoing drug use, receiving treatment while working, dealing with stigma (including by employers), problems engaging with employers and support professionals, and social disadvantage.

Chapter 7 on distance travelled provides further insight into PDUs and other customers who are further from work.

Overall, this section indicates that there are common needs and barriers across different types of customer, including skills, qualifications, employment background and health. At the same time, there **are important differences which need to be reflected in assessment**. For example, housing is an important issue for 18 to 24 year olds, while financial issues and caring responsibilities can be prominent issues for older customers. For customers with health problems, the type of problem and the extent to which it improves or worsens is critical, and confidence can be important for these customers. For lone parents, key issues are family structure (number and ages of children), and attitudes to work, family and childcare.

5.3 Sustained work

In the section above, we have noted some of the characteristics associated with customers who are able to sustain work. This section looks in more detail at the factors that cause and prevent sustained work. This highlights the key issues that need to be identified and reviewed by providers, in order to increase customers' chances of staying in work.

To a large extent, **patterns of sustained work depend on the type of work**, as much as the individuals concerned. A number of studies have found that poor sustainability of work is strongly linked to jobs that are low paid and in less skilled occupations, with temporary work by definition leading to less sustainable employment. A number of studies have found benefit customers much more likely to enter temporary work than the population as a whole (e.g. Becker et al, 2010; Griffiths and Durkin, 2007); this emphasises the challenge to Work Programme providers in helping customers into sustained work.

Other reasons for not sustaining work (as found in the evaluation of Employment Zones) relate to **the individual, or their interaction with the employer**: ill-health, transport difficulties, being dismissed or leaving jobs voluntarily because of a recurrence of barriers that had contributed to unemployment in the first place (Griffiths and Durkin, 2007).

For customers with health problems, a key issue is **whether their health has improved**. In the research on Pathways to Work, 'improving health since a claim was associated with improved work retention', while those with declining health were least likely to retain work (Becker et al, 2010). This emphasises that **a focus on improving claimants' health conditions** is extremely important in any provision.

Work retention is a particular issue for lone parents, who have been found to be less likely than mothers with partners to sustain work and to experience a permanent return to work (Brewer and Paull, 2006; Ridge and Millar, 2008; Evans et al, 2004). The availability of flexible and family-friendly working arrangements can be a key element in lone parents' ability to balance work and care successfully and therefore sustain employment (see, for example, Ridge and Millar, 2008; Griffiths and Durkin, 2007). Research has also found that successful transitions into employment can require changes in social relationships within the family, involving mothers and their children, and often other family members. This means that paid work has to be integrated with caring for children on a continuous basis and sustained over time as part of everyday family and workplace practices. Work tends not to be sustained where these supports are not available, and mothers enter work before they and their families are ready (Ridge and Millar, 2008).

The number of hours worked can also be critical for lone parents in sustaining work, as the need to balance work and family is a primary concern (Hoggart et al, 2006; Coleman and Lanceley, 2011).

Overall, the above findings suggest that ongoing support to customers when they start work must be accompanied by **communication with employers**. This may

be particularly important for customers with mental health problems, who (as noted in the ESA evaluation) can feel that employers would lack understanding about their particular health condition and the barriers that they face. Moreover, confidence is very important for long-term IB claimants, who may feel that even if they were physically able to work, they would not be able to cope in a work environment (Barnes et al, 2010).

6 Early assessment

The report has identified the need for a thorough, early assessment of Work Programme customers. This chapter considers how this type of assessment should be carried out.

Key points in this chapter

- Given the complex characteristics and circumstances of many customers, and the emphasis on flexible, personalised support, assessment methods will need to be robust and sophisticated, using a comprehensive, resource-intensive assessment at an early stage.
- This could be conducted by JCP before referral. There is certainly a need for further assessment of ESA customers, given the gap in the assessment process left by the removal of the work-focused health-related assessment (WFHRA).
- In addition, an employability assessment would be useful for all customers at an early stage of their claim. In the future, this may allow some form of employability assessment to be incorporated into the customer group system, which would enhance the very limited information contained in this system.
- An employability assessment could also be developed in the run up to the introduction of Universal Credit.
- Otherwise, prime providers will need to undertake a comprehensive assessment of customers when they are referred to them. A comprehensive assessment will be resource-intensive. However, this up-front investment will help to get the right solution for the customer at the start, leading to quicker placements and sustainability of employment. This means that the up-front investment will be cost-effective in the longer term.
- Providers may prefer to conduct a quicker, screening or sifting assessment, but this approach has its limitations. Work Programme customers have complex and multiple needs that cannot neatly be segmented.

The previous chapter has shown how this assessment needs to be sensitive to the various groups of customers that are included in the Work Programme. Given the complex characteristics and circumstances of many customers, and the emphasis on flexible, personalised support, **assessment methods will need to be robust and**

sophisticated. They need to tease out the specific needs, barriers, strengths and aspirations of individual customers, and use these to tailor a programme of support that will result in sustained work.

This suggests a **comprehensive, resource-intensive assessment**, conducted either before referral to the Work Programme (by JCP), or as soon as possible after referral (by providers). We now consider these two options in turn.

6.1 Jobcentre Plus assessment

The Work Programme contracts do not envisage JCP carrying out any assessment process before referral of Work Programme customers to providers (other than those elements of assessment already conducted – see section 2.3). As noted above, the Work Programme ITT indicates the administrative data on customers that JCP will pass over to providers but this will be based on existing management data.

However, there is scope for DWP and JCP to consider additional customer assessment before referral. First, there is the possibility of carrying out **further assessment of ESA customers**. Until July 2010, claimants who were placed in the work-related activity group of ESA were required to take part in one or more WFHRAs. The purpose of these assessments was to identify specific difficulties that an individual may experience in obtaining or remaining in employment relating to their health condition. Following criticism by employment advisers, in July 2010, the government announced that the WFHRA would be suspended for a period of two years to 'provide an opportunity for DWP to reconsider the WFHRA's purpose and delivery'.⁴

Notwithstanding the criticism of the WFHRA, its removal does create **a gap in the assessment process**. In a recent report, *Inclusion* recommended that an assessment of employability should be included for ESA claimants, and that this assessment should be separate from the WCA (Tarr, 2011).

In addition, an **employability assessment would be useful for all customers at an early stage of their claim**. This could help to target pre-Work Programme support to those that need it most. An employability assessment could also be developed in the run up to the introduction of **Universal Credit**, which will inevitably require a revised customer grouping system (as it will no longer be possible to base eligibility for the Work Programme on eligibility for different benefits once they are replaced).

⁴ DWP (2010) *Letter to members of JCP customer representative group forum* dated 24 June 2010

In future, there may also be scope to incorporate some form of **employability assessment into the customer group system** used for the Work Programme. Because of the diversity of the customer population, it is likely that the customer group system will represent something of a blunt instrument in terms of distinguishing customer needs. Indeed, there are groups, like lone parents for example, who are not distinguished in the customer group system but have distinctive characteristics as a group, as well as much diversity in their characteristics and circumstances.

The customer group system is fundamental to the Work Programme, because it is the basis of the differential pricing structure. Any weakness in the grouping system will intensify the inevitable tensions that providers face between identifying the best possible solution for each customer and maximising financial efficiency. This could lead to providers prioritising some groups over others and, within groups, prioritising some individuals and 'parking' others. For now, this puts pressure on accurate allocation of customers to the relevant group but in future, there may be a case for introducing a more sophisticated assessment that incorporates employability. **We recommend that DWP reviews the customer grouping system and resulting payments as soon as possible**, once outcome data is available from providers.

6.2 Early assessment by Work Programme providers

In the absence of a thorough assessment by JCP, **prime providers will need to undertake a comprehensive assessment** of customers when they are referred to them.

Providers may feel under pressure to carry out a **quick screening or sifting exercise** to prioritise resources. Such an approach would follow many of the examples described earlier, aim to provide a screening or sifting mechanism at an early stage of the support process, by profiling individuals' employability or distance from the labour market.

This type of screening or sifting has its benefits. For Work Programme providers, this type of assessment, conducted immediately after referral, could provide an early indication of the overall level of support that a customer is likely to require and the resources required to deliver this support.

If this approach is used, it is necessary to identify key indicators. It is worth noting that these indicators may not be the only characteristics associated with employability but they will be succinct and precise predictors of employability. A simple example is possession of a driving licence. In itself, lacking a licence does not

explain what prevents someone from moving into work but as a discriminator, it can help predict unemployment, as described above. At the same time, international evidence shows the need to extend this type of assessment beyond characteristics to include attitudes, motivations and skills, to give a robust and balanced assessment.

However, **this type of screening or sifting assessment has its limitations**. As we have already discussed, this type of profiling model can be inaccurate in predicting customers' outcomes. In addition, any model that segments customers will, at best, be a blunt instrument and no more: potentially useful for scoping and planning but limited as a way of reflecting customers' needs. This is because segmentation splits customers into discrete groups, with no overlap between groups. The reality is that benefit customers tend to have **complex and multiple needs that cannot neatly be segmented**, and this will apply very much to Work Programme customers, with their diverse barriers and needs.

We therefore recommend that this type of sifting or screening is carried out only as a planning exercise, and is complemented by a thorough assessment.

It is worth acknowledging that a comprehensive assessment will be **resource-intensive**, requiring dedicated input from skilled staff, and needing sufficient time. However, this will be justified, as this up-front investment will help to **get the right solution for the customer at the start**, thereby identifying the most effective and efficient solution, and leading to faster outcomes. This report has shown that the alternative – a quicker assessment that provides a broad sift or screening of customers – is not appropriate (alone) for assessing the complex and diverse needs of customers that come into the Work Programme. Rather, a thorough, holistic assessment will lead to quicker placements and sustainability of employment, which are the key financial returns within the Work Programme payment system. In other words, the **up-front investment will be cost-effective in the longer term**.

A further benefit of an effective assessment process is that it will allow providers to assess the success of different interventions and the performance of different suppliers, by examining customers' progress in relation the type of support received (discussed in section 8.4).

7 Ongoing assessment

It is important that the assessment process is not a stand-alone exercise, but is integrated into provision as part of the ongoing support that customers receive. This chapter examines how this can be done, using a distance-travelled approach.

Key points in this chapter

- We recommend that providers adopt a 'distance travelled', approach, in which individuals' progress is monitored over time. A distance-travelled approach can contribute to the delivery of a high-quality service, for example in providing a structured and supportive process and in helping to motivate and engage customers.
- Previous research has identified key behaviours that can be included in a distance-travelled assessment. These behaviours are grouped under four broad headings: key skills for work, additional skills for work, behaviour and communication and personal development.
- Other research has identified indicators that may be particularly important for customers that are further from work, which recognise the need for some customers to achieve 'stabilisation' before they are able to consider employment, and the importance of developing low-level 'soft skills'.
- The distance-travelled approach can be extended to customers in work, by monitoring their perceptions of the job, as well as the issues that affect sustainability.
- The Work Choice programme recommends the use of distance travelled. In general Work Choice will be a useful reference point for providers, given the high proportion of customers with health problems that will be on the Work Programme.

We recommend that providers adopt a **distance-travelled** approach, in which individuals' progress is monitored over time, against various criteria. This approach can assess how customers' needs and barriers change over time. It can also involve the use of specified soft outcomes which customers can be measured against (by advisers or through customer self-assessment), relating to skills, attitudes and motivation, on their journey into sustained work.

The distance-travelled approach forms part of the DWP specification for the Work Choice programme, which expects 'a Distance Travelled mechanism to form a vital part of the planning and ongoing monitoring of... participants' development throughout their period on the Work Choice programme' (DWP, 2009). The specification references the University of Northumbria's report *Developing a Distance Travelled approach in WORKSTEP development planning* as an example which can be recommended. WORKSTEP was part of a broad range of programmes and schemes funded by DWP, which aimed to help disabled people find and retain work.

The research on WORKSTEP has indicated that a distance-travelled approach can contribute to the delivery of a high quality service, for example in providing a **structured and supportive process** and in helping to **motivate and engage** disabled customers (Purvis et al, 2009). This study also identified a list of key behaviours (from previous evidence and work carried out with WORKSTEP providers as part of the WORKSTEP project) that could be included in a distance-travelled assessment.

Table 1: Key behaviours

1. Jobseeking skills	2. Understand requirements of employment	3. Deliver requirements of employment
4. Health and safety	5. Reliability	6. Equal opportunities
7. Time management	8. Adaptability	9. Motivation
10. Concentration	11. Problem solving	12. Communication skills
13. Appropriate behaviour	14. Supervision	15. Team working
16. Literacy and numeracy	17. Self-esteem/confidence	18. Personal presentation
19. Living skills	20. Independent travel	21. Health and well being

Source: Purvis et al, 2009

These behaviours were grouped under **four broad headings**: key skills for work, additional skills for work, behaviour and communication, and personal development. The WORKSTEP study also suggested that customers be assessed over time according to five monitoring levels, ranging from 'lacking the appropriate level of competence' to 'routinely demonstrating the appropriate level of competence'. This allows customers' progress to be monitored and reviewed over time.

The WORKSTEP project identified a number of important supporting features to the process of monitoring progress or distance travelled against key behaviours. These included the:

- need to use an evidence-based approach to monitoring, rather than the perceptions of customers or staff
- need for comprehensive staff training in the use of a distance-travelled approach

- need to ensure that the approach is fully integrated with any existing assessment and development planning processes
- importance of customer engagement with the monitoring process.

The WORKSTEP project also noted that whilst distance travelled can be monitored via a numerical scale, it is not valid to aggregate this type of data, or use it to describe customer progress in percentage terms. Essentially, it is a mechanism for **reviewing an individual's skills and attributes over time**.

Shaw Trust has also outlined some of the specific benefits of a distance-travelled approach.⁵ Benefits include the identification of clear, identifiable customer goals; measurable progression towards these goals, which can help to motivate customers; the ability to link the distance-travelled tool to customer interventions; and accurate intervention cost allocation.

A literature review by Lloyd and O'Sullivan (2004) studied the different methods of measuring soft outcomes. This review noted that some indicators may be particularly important for **groups that are further from work** (see Table 2).

Table 2: Target group-specific outcomes

Target group	Possible indicators
Disaffected young people	Improved behaviour Improved attendance at school or at project sessions Improved engagement with learning or project activity
Women returners	Recognition of prior skills and experience
Drug/alcohol (ex) users	Better health Lower levels of drug or alcohol abuse Improved personal appearance/presentability
Ex-offenders	Lower rates of reconviction Lower rates of re-offending A slowing of re-offending
Homeless people	Permanent accommodation
People with mental illness	A greater level of self-awareness Reduced anxiety and depression

Source: Dewson et al (2000), Table 3.2

In addition, three pilot initiatives which aimed to improve employment prospects for individuals exposed to serious social exclusion, particularly ex-offenders, found that

⁵ From *Distance Travelled*, a presentation by Katherine Stephens and Carole Carson, Shaw Trust Disability Action Centre, given at *Inclusion's Welfare to Work Wales Convention 2010*

achieving 'stabilisation' is a vital pre-condition for customers before they are able to consider employment, particularly regarding access to benefits, homelessness and substance abuse (Atkinson et al, 2010). Another study found that offenders often needed to **develop low level 'soft skills'**, including 'learning how to learn', and the development of emotional literacy to allow them to manage classroom environments better, before progressing on to acquiring basic skills (Pleace and Minton, 2009).

These findings indicate that a distance-travelled approach may be particularly appropriate for assessing customers who are further from work, to **monitor the preliminary steps** that are important in moving towards improved employability.

The distance-travelled approach can also be extended to **customers in work**, by monitoring their perceptions of the job, as well as the issues (noted above) that affect sustainability, such as the ability to balance work and care (for lone parents) and the extent to which a health problem is improving or worsening (for customers with health problems). This approach could identify customers who are at risk of leaving work, and guide support and communication with these customers.

The Work Choice programme can provide useful learning here, given its emphasis on in-work support. The Work Choice specification highlights the fact that distance travelled can 'be used for those remaining in longer-term supported employment to ensure they maintain and develop skills to continue meeting the requirements of the job'. Consultation with employers is an important element of this work. In general, **Work Choice will be a useful reference point for Work Programme providers**, given the high proportion of customers with health problems in the Work Programme. In fact, depending on the accuracy of the WCA and the prognosis (which determine ESA customers' eligibility for the Work Programme), the profile of Work Programme customers may be closer to the Work Choice customer base than expected.

8 Implementing assessment

The report now moves on to the implementation of assessment. This chapter looks in more detail at the role of staff in delivering and implementing the assessment process. It then looks at the role of the 'warm handover' and communication between JCP and providers. We then look at options for the format for delivering assessment, and finally consider ways of reviewing the assessment process.

Key points in this chapter

- The role of the PA will be crucial throughout the assessment process, although with increasing pressure and responsibility falling on PAs, there is a potential role for specialist health professionals as part of the assessment of customers with health problems.
- It is clear that staff carrying out assessment will need to be skilled in identifying diverse and complex needs. It is vitally important that any assessment model should not be seen as a substitute for staff expertise and discretion.
- In general, it is clear that the need for skilled, knowledgeable advisers has never been greater, and this links to the establishment of a framework for the professionalisation of PAs in the welfare to work industry. This should include an emphasis on professionalised assessment, which recognises the specialised skill set required to undertake a valid and independent assessment.
- The evidence indicates that a warm handover is important; however, in practice it may be difficult to achieve. Where a warm handover is not possible, this places greater emphasis on the completeness and accuracy of customer details provided by JCP to providers. It also makes the need for a thorough, early assessment even more pressing
- An effective review process is extremely important. This can include obtaining feedback from advisers and staff involved in the assessment process, and incorporating a review process in a distance-travelled approach. An effective assessment process will also allow providers to assess the success of different interventions and the performance of different suppliers, by examining customers' progress in relation the type of support received.
- DWP can also use outcome data to review the process of identifying early access customers, and examine the success of the WCA in grouping ESA

customers effectively according to fitness for work, and in the accuracy or usefulness of the prognosis.

8.1 Administering assessment and the adviser role

Chapter 6 discussed the importance of a thorough and holistic assessment of customers, conducted at an early stage. Given the complex and diverse needs of customers, and in particular the large numbers of people with health problems on the Work Programme, it is clear that staff carrying out the assessment will need to be skilled in identifying these needs.

The role of the PA will be crucial throughout the assessment process, although with increasing pressure and responsibility falling on PAs, there is a potential role for **specialist health professionals** as part of the assessment of customers with health problems. This specialist expertise may be valuable in understanding the nature of the health condition and its impact on employability, particularly for more complex health problems (e.g. mental health). This could help to identify appropriate support and move customers closer to work. As noted above, the main factor affecting the ability of people with health problems to sustain work is the extent to which the health problem improves.

Whoever delivers the assessment, as we saw earlier, it is vitally important that **no assessment model should be seen as a substitute for personal expertise and discretion.** Rather, it should be part of a process that provides information to enhance knowledge and facilitate decision-making. This is particularly important, given recently reported customer views that adviser-led interviews at JCP can sometimes feel like a 'tick box' exercise, with the adviser working to a prescribed set of questions and not taking into account the actual circumstances or support needs of the individual. This can lead to customers thinking that the resulting referrals and support provided were inappropriate (Citizens Advice Bureau, 2010).

These findings are consistent with recent DWP commissioned research, which looked at how PAs manage the style and content of work-focused interviews. It found a tailored, more claimant-focused approach more effective at helping claimants move closer to the labour market than a process-led 'tick-box' approach. In practice, this means that advisers need to ask more open questions 'inviting the customer's story', and should try to 'involve claimants in playing an active role in recording this information' (Drew et al, 2010). The language used in any assessment is also very important. It needs to be clear and comprehensible to customers, and 'in their own language' rather than the language of administration and process. One of the findings from Skills Coaching, was that that 'the language of the skills diagnostic tool could still be too complex for many users' (Levesley et al, 2009). A previous

Inclusion report examined the role of behavioural economics in welfare to work. This report identified the importance of effective communication in building relationships between PAs and customers (Tarr and Riley, 2010).

To help advisers play an effective role in the assessment process, it is important to make sure they are **included in the development and implementation** of any assessment, rather than having it imposed on them. A key success factor in the development of the WORKSTEP distance-travelled system (described above) was consulting and involving staff who would be using the approach. The review of customer assessment conducted in 2007 noted that 'recent lessons in the implementation of assessment frameworks... emphasise the importance of convincing both practitioners and managers of the value of the tools' (Bimrose et al, 2007).

At the same time, it will be important for staff to **communicate with customers**, to inform and prepare them for any assessment. Research examining best practice in adviser interviews stressed the importance of explaining the purpose and coverage of any interview or assessment to customers (Drew et al, 2010). This issue will be particularly pertinent for customers who have been through the ESA WCA process, as they may carry a negative experience of assessment and, by implication, of any 'assessment' that they then receive. This makes it even more important to stress the purpose of any assessment conducted on the Work Programme. As noted in previous research on skills assessments, 'attending to the anxieties of users, who may associate a skills appraisal with negative experiences of assessment, emerges [as a] critical success factor in their effective implementation and use' (Bimrose et al, 2007).

Overall, it is clear that the need for **skilled, knowledgeable advisers** has never been greater. Working on the front line, typically providing one-to-one support to customers but also performing employer engagement, recruitment, training and tutoring roles, advisers are fundamental to helping clients move into work. At the same time, in a context where there is robust competition among providers and, increasingly, a payment by results approach, the effectiveness of advisers in supporting customers directly affects the financial success of employment services providers. Advisers who work at a confident and competent level, and are able to provide personalised and expert support, will therefore be critical to the successful implementation of the Work Programme.

Inclusion has argued for the establishment of a framework for the **professionalisation of PAs** in the welfare to work industry. In its report, *Professionalising the welfare to work industry*, it set out to benchmark the current skills, qualifications and backgrounds of PAs and argue for the creation of a

framework for accreditation (Crawford and Parry, 2010). Resultant work across the sector means that an employment-related services framework, including an apprenticeship and a management qualification, is due to be launched in 2011. Similarly, the recent evaluation of JRFND highlighted 'the importance of attracting and retaining staff with appropriate skills, ongoing training, and the sharing of best practices (Vegeris et al, 2010).

This professionalism agenda can be extended to assessment, to promote the importance of **professionalised assessment**. This recognises the specialised skill set required to undertake a valid and independent assessment of employment, disadvantage and work capacity. An emphasis on professionalised assessment can help to avoid the 'tick box' approach noted above, and ensure that the assessment process can fulfil its aims.

Specific skills required in assessment include the following:

- skills in engaging customers in the limited time that the assessment has been allocated
- ability to gather relevant information from a variety of sources and knowing when to consult externally
- knowledge of both the functional impacts of disability/disadvantage and their impact on employability; identifying 'triggers' and issues that require further investigation
- capacity to identify and clarify inconsistencies in information gathered, and to draw conclusions or make recommendations that are evidence based.

8.2 'Warm' handover and communication

The Work Programme ITT (DWP, 2010) recommends a **'warm' handover process** where the provider's delivery model supports it. Research on JRFND recommended the use of a 'warm' handover, involving meetings between customers, JCP staff and provider staff (Vegeris et al, 2010). Providers also stressed the value of these 'warm' handovers, to 'smooth or enhance the transition process' (Armstrong et al, 2010). This indicates that 'warm' handover should be the normal procedure.

The same research studies also highlighted the need for effective co-ordination between JCP and programme providers. In the JRFND research, JCP managers and advisers re-iterated the need to build relationships with providers (Vegeris et al, 2010). Similarly, feedback from providers indicates that their relationship with JCP is 'key to the successful delivery of customer services'. This research flagged up

providers' views on good practice, including information sharing and face-to-face meetings. Providers also saw a role for JCP and DWP in facilitating the sharing of best practice in this area and disseminating the findings (Armstrong et al, 2010).

The JRFND research provides a word of warning, reporting that JCP managers and advisers included in the research suggested that it had become more difficult to build relationships with providers 'because of the move towards regional and national service contracts'. In some cases, at the time of referral JCP staff did not know which individual supplier the customer would transfer to, and were therefore unable to pass on any information on customers. In general, JRFND customers 'typically reported they had received little or vague information about what providers [could] offer and commented they would have appreciated more details to help them anticipate the next stage of the process'. These findings indicate that communication between JCP and providers needs to improve on previous experiences. The JRFND report also recommended more personal contact between JCP offices and prime and sub-contracted providers, to 'create a more joined up customer experience' (Vegeris et al, 2010).

While the evidence indicates that **a warm handover is important, in practice it may be difficult to achieve**. With pressures on resources and budgets, and with some prime providers co-ordinating their services through a central contact centre, it may not always be practical. Where a warm handover is not possible, this places greater emphasis on the completeness and accuracy of customer details provided by JCP to providers (as discussed above). It also makes **the need for a thorough, early assessment even more pressing**, in which providers can gain an understanding of their customers, and individual staff involved in the assessment can communicate with those involved in ongoing support.

8.3 Assessment format

Assessment models can include structured, standardised assessment tools and/or a more informal set of questions or a checklist for staff to use. This will depend on how the results will be used and the type of information the assessment is trying to obtain. The more prescriptive and standardised the approach, the more objective the results will be. A standardised approach is particularly important for any model that is designed to produce a 'score'. On the other hand, a less standardised approach allows the flexibility to respond to customers' individual issues and concerns, and gives staff the discretion to draw on their own professional judgements.

For assessment tools that are not led by the adviser, there are various options for completion. One is to ask customers to carry out a **self-completion questionnaire**, either written or online. A self-completion approach is particularly

appropriate for more personal or sensitive questions, or where it is helpful for customers to consider their answers at their own pace. For example, questions about confidence, motivation and attitudes to work may be easier for customers to answer honestly using a self-completion approach. This may also be appropriate if the assessment is carried out at the start of customers' contact with a provider, when they will not yet have become familiar with staff.

At the same time, there are also some issues that customers may be unwilling to disclose as part of an assessment, which advisers are able to address over time as they build up a relationship with a customer. Similarly, with a structured model, it is important to ensure that customers do not 'play the game' and provide 'expected' responses. For example, questions are sometimes asked about jobsearch flexibility and commitment, e.g. how long customers are willing to spend travelling to work. However, analysis of the StepUP evaluation suggests that customers were answering on the basis of JSA rules rather than their personal preferences. To respond to this, it may be preferable for questions to use scales that do not have a 'right answer', and also to avoid questions that are directly focused on jobsearch. This illustrates that some issues may be better handled through ongoing interaction with an adviser, where the adviser is able to build up rapport with a customer and tease out the relevant issues.

There may be practical constraints to a self-completion approach, such as the amount of time and availability of private areas for customers to use. In addition, literacy and cognitive ability may limit the ability of some customers to complete a questionnaire themselves. The WORKSTEP project examining distance travelled (discussed in Chapter 7) also identified other difficulties using a customer-perception based model; for example, customers often under- or over-estimate their skills and abilities, and their attribution of questionnaire scores is very much linked to their general mood at the time of completion. These findings led a recommendation of an evidence-based approach to distance travelled. In addition, previous research found that although JCP customers generally viewed online completion positively, potential problems were identified regarding a lack of IT resource and a lack of IT skills (Campbell-Hall et al, 2010).

The same research (Campbell-Hall et al, 2010) also looked at other methods of completing assessment. Respondents participating in the research felt that face-to-face completion required the least effort on the part of the respondent. However, it was acknowledged to be potentially time consuming. Customers felt that telephone interviews shared the advantage of ease of response with face-to-face interviewing, while offering practical advantages if a call-centre facility could be used.

Government guidance points out that a decision on which method to use will also depend on the normal channels which customers use to interact with an organisation's services (Cabinet Office, 2007). In this context, it is useful to look at a previous DWP research project that looked at preferred modes of communication. This research found that 'a preference for telephone contact is more pronounced among less mobile people – those with disabilities or health problems, or those looking after children or the home. Face-to-face contact is most popular among younger men and those on lower incomes' (Coleman et al, 2002).

Overall, an appraisal of completion method will need to include the **practicalities of how providers already make contact** with customers and how assessment can be fitted into this; what is most **appropriate mode for the information being gathered** (e.g. in the light of sensitive questions); and communication methods that customers are **already used to and/or are most comfortable with**.

8.4 Reviewing the assessment process

Whatever assessment procedures providers are using, it will be necessary to review the effectiveness of these procedures over time. This can be done by:

- obtaining feedback from advisers and staff involved in the assessment process: how well they think it has worked and whether they feel it successfully identifies customers' support needs
- incorporating a review process in a distance-travelled assessment process. This can allow customers' progress to be monitored in relation to the support provided.

Most importantly, an effective assessment process will allow providers to analyse outcomes for different customers, according to the outcome of any assessment and the type of support received. This approach can also help to assess **the success of different interventions and the performance of different suppliers**, by examining customers' progress in relation the type of support received. Without an effective assessment mechanism, it will be very hard to compare different interventions and/or different suppliers meaningfully.

There are also ways in which DWP and JCP can use a review. First, certain elements of JCP assessment are integral to the Work Programme. Identification of early access customers involves an assessment of employability, based on various criteria. It will be important for DWP to **review the process of identifying early access customers**, and this review should include an examination of the criteria used.

The outcome of the WCA also determines whether customers enter the Work Programme and the timing of entry for some customers (according to the fit for work prognosis for work-related activity group customers). In addition, the WCA also has a bearing on placement into the various customer groups (in terms of whether ex-IB claimants are referred to JSA or the ESA work-related activity group).

DWP will be tracking customer outcomes against the support given, based on data provided by providers. As part of this analysis, it will be important to track the three ESA groups, both to monitor progress on the Work Programme and to consider outcomes in relation to their WCA assessment. This analysis will be valuable in examining the **success of the WCA in grouping ESA customer effectively** according to fitness for work, and in the accuracy or usefulness of the prognosis.

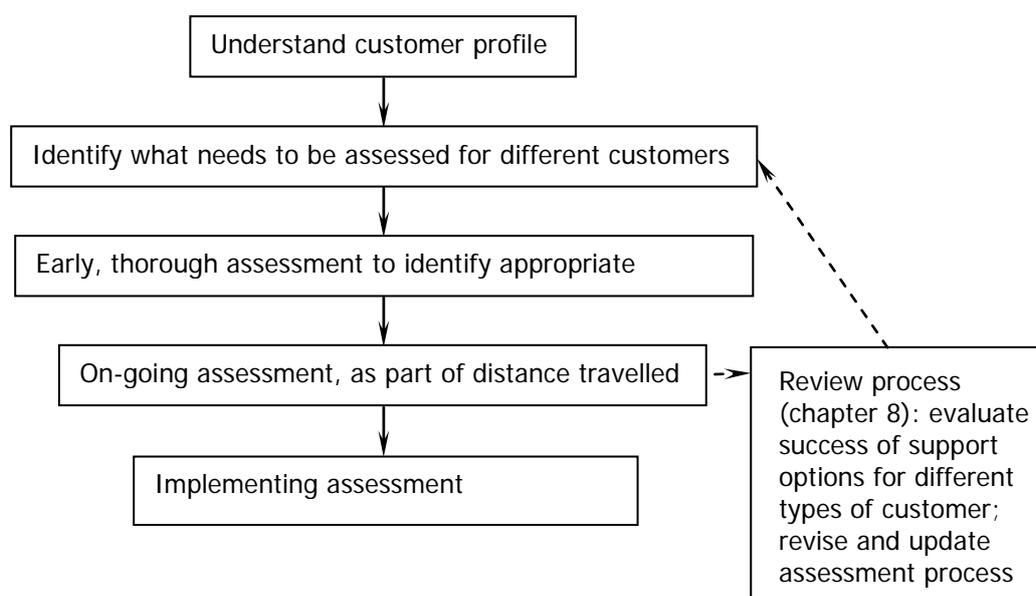
9 Conclusions

9.1 Implications and recommendations for Work Programme providers

Work Programme providers will already have their own assessment processes in place, but the use of assessment will inevitably evolve as the Work Programme progresses. In this report, we have therefore set out some thoughts on best practice in assessment, as well as some specific issues that providers can consider when adapting or fine-tuning existing processes.

Figure 3 shows an assessment model for use in the Work Programme, as outlined in this report.

Figure 3: Work Programme assessment model



The key issues for each of these headings are as follows.

9.1.1 Understanding the customer profile

The report has noted that the overall profile of customers will be very different from many previous programmes, and that the customer profile is likely to change over time, with an increasing number (and proportion) of customers with health problems. The report has also shown how the needs of customers differ, and that

assessment procedures therefore need to reflect these differences. As a result, we recommend that providers should:

- ensure they have detailed information on the profile of their customers. Providers should augment the information contained in the Work Programme ITT with analysis of individual-level data (which will be passed on to providers by JCP), as well as information they obtain from customers when they start the Work Programme
- interrogate the data that they receive from JCP about customers, and review the extent to which this is accurate and useful. This should lead to a dialogue with JCP, identifying any problems and gaps in this data and how these are resolved.

9.1.2 Identify what needs to be assessed for different customers

Assessment models will need to include core characteristics that have been found to be associated with employability. Coverage of attitudes and motivational issues are particularly important for assessments of customers who have been out of work for some time. Assessment also needs to acknowledge that there are important differences between different types of customer (e.g. financial issues and caring responsibilities can be prominent issues for older customers). Key recommendations are that providers:

- ensure that assessment models use a robust approach based on proven evidence about the types of customer being assessed
- ensure that assessment models address *sustained* work (not just work entry). For example, assessment needs to reflect the characteristics associated with not sustaining work (such as changes in health condition and family-wide issues), as well as monitoring employment-related issues after the move into work (e.g. childcare).

9.1.3 Early, thorough assessment to identify appropriate support

- Given the complex characteristics and circumstances of many customers, and the emphasis on flexible, personalised support, assessment methods will need to be robust and sophisticated, using a comprehensive, resource-intensive assessment at an early stage.
- A comprehensive assessment will be resource-intensive. However, this up-front investment will help to get the right solution for the customer at the start, leading to quicker placements and sustainability of employment. This means that the up-

front investment will be cost-effective in the longer term. Providers may prefer to conduct a quicker, screening or sifting assessment, but this approach has its limitations. Work Programme customers have complex and multiple needs that cannot neatly be segmented.

9.1.4 Ongoing assessment, as part of distance travelled

- Ongoing assessment that uses a distance-travelled approach is particularly appropriate for Work Programme customers, who are often further from the labour market. This can monitor progress over time, including the preliminary steps that are important in moving towards employability. The distance-travelled approach can also be extended to customers in work, by monitoring their perceptions of the job, as well as the issues that affect sustainability.

9.1.5 Implementing assessment

- The role of the PA will be crucial throughout the assessment process, although with increasing pressure and responsibility falling on PAs, there is a potential role for specialist health professionals as part of the assessment of customers with health problems.
- In general, it is vitally important that no assessment model is seen as a substitute for personal expertise and discretion. There needs to be an emphasis on professionalised assessment, which recognises the specialised skill set required to undertake a valid and independent assessment.

9.1.6 Review process

- An effective review process is extremely important. This can mean obtaining feedback from advisers and staff involved in the assessment process, and incorporating a review process in a distance-travelled approach. An effective assessment process will also allow providers to assess the success of different interventions and the performance of different suppliers, by examining customers' progress in relation the type of support received.

Overall, this report should be seen as a starting point in trying to bring together best practice in jobseeker assessment. We hope that providers will take this forward by sharing their experiences and promoting good practice across the Work Programme.

9.2 Implications for the Work Capability Assessment

DWP will be tracking customer outcomes against the support given, based on data provided by providers. As part of this analysis, it will be important to track the three

ESA groups, both to monitor progress on the Work Programme and to consider outcomes in relation to their WCA assessment. This analysis will be valuable in examining the success of the WCA in grouping ESA customer effectively according to fitness for work, and in the accuracy or usefulness of the prognosis. We also recommend that this analysis is extended to early-access customers, including reasons for early access, to monitor this process.

9.3 Implications for Universal Credit

Current customer groups in the Work Programme are based mainly on benefits received, and this is also the basis of the grouping system that has been used by DWP in the past. With the introduction of Universal Credit, it will not be possible to distinguish customers in the same way (as they will all be receiving the same benefit), so groupings will need to be carried out differently. This will also present an opportunity to move to a more sophisticated system for grouping customers, which we recommend includes an assessment of employability.

9.4 Recommendations for DWP and Jobcentre Plus

The report has highlighted the need for providers to have detailed and accurate data on the profile of customers that transfer to them. DWP should consider the feasibility of providing this type of information from administrative data, in addition to the overall projected numbers that they have supplied. This could include more information on customer characteristics (e.g. lone parents identified separately), as well as additional information (e.g. on length of benefit claim).

The report recommends that customers receive a thorough assessment before, or immediately after, entry to the Work Programme. This could be conducted by JCP before referral. There is certainly a need for further assessment of ESA customers, given the gap in the assessment process left by the removal of the WFHRA.

As noted above in relation to Universal Credit, the report has also raised the possibility of an early assessment for all working-age customers to assess employability. The feasibility of an early-stage assessment for all customers has been enhanced in recent years with administrative data now containing more extensive information on national insurance contributions and employment (via HM Revenue and Customs records). This allows more detailed, relevant information to be available automatically for each customer. We therefore recommend that DWP consider options for this type of assessment.

This assessment could support adviser discretion in identifying customers who need more intensive support at an early stage (before the Work Programme), and could

inform decisions on early access customers. This type of assessment could potentially be used in the future as part of a more sophisticated customer grouping system.

In the mean time, we recommend that DWP reviews the current customer group system and resulting payments, once outcome data is available from providers. Although these groups and the associated payment structure are already in place, it will be important to review the success of this approach, to make improvements as necessary in future provider contracts. The evidence presented in this report suggests that the current grouping system is unlikely to distinguish effectively the employability or level of support required by different customers.

This report has included some preliminary evidence on sustained work, but this issue could be explored further through analysis of administration data and/or large scale surveys, such as the Labour Force Survey. This could give useful information to providers on triggers for different types of customers leaving work or failing to sustain work, both in terms of timing and reasons for leaving a job. We recommend that DWP look to carry out or commission this analysis to inform the issues affecting sustained work.

The report also contains a clear message that JCP needs to work closely with providers to provide a joined-up, seamless service. Communication and co-ordination between JCP and providers is particularly important, given the use of regional contracts involving a complex supply chain; the fact that many JCP advisers may have limited knowledge of providers and what they can offer; and the fact that many customers will already have experienced complex benefit journeys before entry to the Work Programme (e.g. from IS or IB to a claim for ESA, and then to JSA). Specifically, we recommend that warm handovers are conducted wherever practical, and that best practice on warm handovers is obtained and disseminated by DWP.

More generally, we urge DWP to join the debate on assessment and promote good practice alongside providers.

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