

# Job Services Australia New Performance Management Framework Fact Sheet

## For providers



### Background

The Australian Government, working together with the employment services industry, an expert reference group and Access Economics, has developed stronger performance management approaches for employment service providers.

The new framework has been designed to support quality services and results through Job Services Australia, particularly for the most disadvantaged job seekers. The new framework also responds to clear feedback from public consultations about the need to improve past approaches to performance management.

This extensive consultation process with expert guidance has developed a framework that uses fairer and more streamlined processes. The benefits of the new framework for employment providers are outlined below.

### New Performance Management Framework

Expert recommendations have informed development of a New Performance Management Framework that delivers **clearer and more timely information for providers** about what is working and what can be improved.

### Continuous improvement and quality assurance

Information will be shared with all providers to encourage continuous improvement and promote best practice. A **new Performance Management Framework** will enhance the collection of provider data, the sharing of information and consistent delivery of quality services.

A **new Charter of Contract Management** outlines more balanced and transparent practices and standards overseeing DEEWR's dealings with providers. The Charter seeks to strike the right balance between achieving the goals of the contracts and creating an environment that fosters and encourages good practices. It will achieve this through focusing on consultation, communication, collaboration and consistency with Job Services Australia providers and by building supportive, positive business partnerships with key stakeholders.

### Enhanced performance measurement

The Employment Performance Management System will provide more relevant, timely and detailed performance information to providers. The major advantages for providers are that they will be able to:

- measure their own performance rating and ranking against other providers every three months to conduct their own analysis and make continuous improvements
- receive six monthly milestone performance reports in a formal review process and
- receive regular help and advice to improve performance, based on best practice.

Business re-allocation will only be considered at the mid-Deed review mark. The industry will be further consulted on the specifics of how the business reallocation process will work.

### New key performance indicators (KPIs) and ratings

**KPI 1 Efficiency** is the time taken to achieve an employment outcome for a job seeker in a certain stream compared to the time taken by other providers.

**KPI 2 Effectiveness** is how effective in achieving outcomes in a certain stream by measuring each provider's results.

Measurement of Key Performance Indicators 1 and 2 will simplify and improve calculations of a provider's performance rating by comparison with other providers.

The new system will:

- be based on a limited number of job seeker factors (reduced from over 280 to under 60)
- be based on new Employment Service Areas which are linked to ABS Statistical Local Areas and use more accurate employment data
- use weights or measures for each indicator to reflect sustainable job outcomes - different weights will be applied to each of the KPIs and
- use simpler and fairer ratings-
  - for each stream and an overall rating with an emphasis on the hardest to help job seekers
  - with five ratings bands and no half ratings
  - that will no longer have a fixed number of one star rating providers and instead work out how far from the average performance is acceptable avoiding a 'winners and losers' approach and
  - that ensure providers have confidence that ratings accurately reflect their performance on the ground.

### **KP1 3 Quality**

Assessments of the quality of a provider's service will include feedback from job seekers as well as consider provider performance. The new Code of Practice and Service Guarantees provide a clear expectation base against which quality can be measured. Providers will have access to formal feedback on service quality which can be used to boost performance. The new Code of Practice and Service Guarantees will clearly show the services providers will be offering and copies are available at [www.deewr.gov.au/employment](http://www.deewr.gov.au/employment).

The new framework will also recognise those that have invested in quality servicing and have adopted quality accreditation arrangements in their own organisation. This will not form part of the numerical rating. It will underpin clear and timely feedback from DEEWR to give providers the opportunity to rectify issues raised. It will also support continual improvement to service delivery.

### **Future performance system enhancements**

Benchmarking is being examined as a future performance measurement option but will not be considered as part of the Employment Services Deed 2009-12.

### **More information**

Further details on this and Job Services Australia can be found at [www.deewr.gov.au/employment](http://www.deewr.gov.au/employment).