



**Australian Government**



## **Quality Framework**

### **V1.0**

#### **Disclaimer**

This document is not a stand-alone document and does not contain the entirety of Job Services Australia Providers' obligations. It should be read in conjunction with the Employment Services Deed 2009-2012 and any relevant guidelines or reference material issued by DEEWR under or in connection with Employment Services Deed 2009-2012.

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# Quality Framework

## Document Change History

| Version | Start Date  | End Date | Location of changes & Change Description |
|---------|-------------|----------|--|
| 1.0     | 11 Sep 2009 |          | Original Version of Document             |

## Background

The new employment services market will be underpinned by a robust, transparent, fair and equitable performance management framework to ensure the delivery of high quality employment services for all participants and employers. The purpose of this document is to provide the framework to assess quality of Stream Services delivered under the *Employment Services Deed 2009 – 2012 (ESD4)*<sup>1</sup>. This will be called the “Quality Framework”.

Via the employment services tender, through which Job Services Australia providers (JSA providers) were allocated business, the department selected JSA providers that have the capacity to provide a high quality service. The Australian Government acknowledges that both JSA providers and the employment services industry are committed to the provision of high quality services. The Government is similarly committed to working collaboratively with JSA providers and the overall employment services industry to develop a Quality Framework that will not only ensure the delivery of high quality employment services, but also drive performance and continuous improvement to achieve a world class employment service.

Quality can be difficult to measure as it invariably includes a degree of subjectivity. Finding ‘hard’ measures of quality in the employment services market has not been without its challenges. To overcome these challenges the department has worked in conjunction with the National Employment Services Association (NESA) and ACE National Network Incorporated (ACE) to develop the Quality Framework contained in this document. In developing the Quality Framework advice was also sought from an independent business consultant with expertise in this sphere, research was undertaken to investigate the relative merits of a range of quality frameworks in the human services context, and feedback from the Technical and Transition Reference Groups (which both comprise of a range of JSA providers), as well as from a number of JSA providers, was incorporated.

The intention is for the detailed methodology, as contained within the tools and instructions for departmental staff to make the assessment, to be finalised by the end of September 2009 (following consultation with broader industry through the provider portal website during September 2009).

## **Contractual provisions and what will be assessed within the Quality Framework.**

Clause 30 of ESD4 provides for the department to conduct performance reviews. Clause 30.1 provides for DEEWR to monitor, measure and evaluate the JSA provider’s performance against the requirements of ESD4, including Key Performance Indicators, the Code of Practice (the Code) and the Service Guarantees. Clause 30.3 sets out the Key Performance Indicators.

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<sup>1</sup> Note this excludes the National Harvest Labour Information Service (NHLIS) and the New Enterprise Incentive Scheme (NEIS). This Quality Framework will be adapted to apply to Harvest Labour Services (HLS).

The Quality Framework relates specifically to the department's assessment of Key Performance Indicator 3 (KPI 3): The delivery of quality Services under ESD4, the Service Guarantees and the Code. The Quality Framework is designed to enable the department to assess providers' performance against KPI 3 in a fair and objective manner.

The Quality Framework has been designed as a balanced scorecard with 50% internal JSA provider focus and 50% external client focus. The balanced scorecard can be found in section 2 below.

The Quality Framework is based on four quality measures:

- JSA provider Capability: assessment of organisational health;
- Contractual Compliance: assessing that participants are receiving services being funded through assessing JSA provider compliance with ESD4;
- Engagement: assessment that Services are tailored and provided in specified timeframes; and
- Client Experience: assessment of Services provided to participants and linkages with, employers and other stakeholders (e.g. community groups).

The quality measures are described in Section 3, Methodology for Assessing Quality in Employment Services.

### **How will the Quality Framework influence business reallocation?**

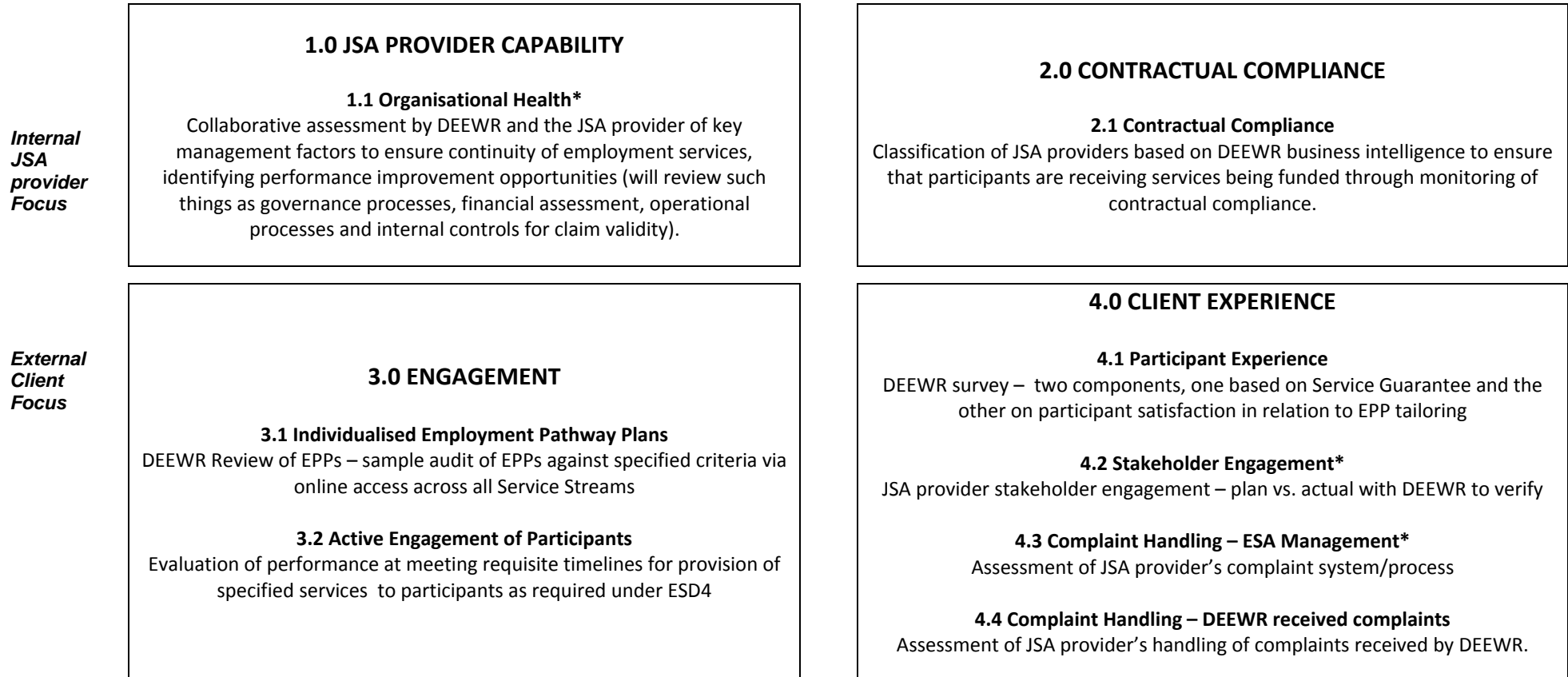
The Industry Reference Group, established by the Government to work with the employment sector to further improve quality service delivery and associated processes, will be considering the principles that will inform how the mid-term formal performance assessment will operate. Some issues that the Industry Reference Group may consider include:

- whether a JSA provider's performance against KPI 3 can place a JSA provider in scope for business reallocation; or
- whether a JSA provider's performance against KPI 1 and 2 are the determining factors that will place a JSA provider in scope or out of scope for business reallocation but the quantum of business to be allocated to a high performing JSA provider or removed from a lower performing JSA provider will be influenced by the JSA provider's performance against KPI 3.

## Balanced Scorecard

The following schematic provides a high level illustration of the balanced scorecard for KPI 3.

### KPI 3 – Quality Framework – Balanced Scorecard



Measures 1 and 2 are approached from an organisational level with ESA level ratings generally being the same across each ESA in which the JSA provider has business. Measures 3 and 4 are approached from an ESA level with an individual rating being allocated to each ESA in which the JSA provider has business. A description of the measures in more detail is provided in Section 3, Methodology for Assessing Quality in Employment Services

\* A more minimal approach will be undertaken for JSA providers with a Business Excellence Framework or Quality Accreditation (or equivalent) - following the initial assessment.

## Methodology for Assessing Quality in Employment Services

### The Methodology for Assessing the Quality Measures

This section provides information about how the four quality measures in the Quality Framework are to be assessed.

#### Overarching framework

The Quality Framework will be closely aligned with the contract monitoring processes to ensure that there is consistency in contract and quality management. The Quality Framework will not duplicate the contract monitoring or program assurance processes, but rather compliment these processes, through measuring services in a systematic and consistent manner. Therefore the measurements undertaken as part of the Quality Framework will not be additional to those undertaken in normal contract monitoring, but will form part of normal contract monitoring and program assurance activities.

#### *Conduct and Timing of Assessments*

The conduct and timing of performance assessments under this framework varies depending on the measure being assessed and whether the particular JSA provider has a business excellence framework or accredited system of quality or equivalent in place. Detailed information about the assessment method and timing for each measure will be provided in the Quality Assessment Instructions<sup>2</sup> for each measure.

Assessments will be undertaken by departmental staff. Some assessments will be conducted through, amongst other things, a discussion at the end of the six month period<sup>3</sup>. Other assessments (such as that undertaken for Measure 3.1) will be undertaken progressively throughout the six month period to enable time to perform sufficient assessments upon which a rating can be based. Other assessments will be conducted at 12 monthly intervals.

Where a JSA provider subcontracts any part of the services delivered under ESD4:

- measure 1 (organisational health) will be conducted on the JSA provider that is the signatory to an ESD4 contract (and not on their sub-contractors) although the performance of any sub-contractors (as relevant to this measure) may be taken into account; and
- measure 2 (contract compliance), measure 3 (engagement) and measure 4 (client experience) will take into account the sub-contractors' performance in relation to those particular employment services delivered by the relevant sub-contractor.

Departmental staff and JSA providers will have templates available to enable assessment of each sub-measure. Quality Assessment Instructions for each sub-measure will also be available to both JSA providers and departmental staff to ensure transparency of the assessment process and a consistent understanding of the assessment criteria and associated processes.

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<sup>2</sup> The Quality Assessment Instructions will be developed in consultation with the employment services industry and published for providers by the end of September 2009.

<sup>3</sup> Where the assessment is undertaken via a discussion with the JSA provider, then this discussion will be as per the terms of the JSA provider's Communication Protocol. JSA provider's Communication Protocol's may be adapted to contain specific information on how the JSA provider would like the department to interact with the provider in relation to quality assessments.

Departmental staff will send a full report on the JSA provider's performance against the Quality Framework to JSA providers every six months<sup>4</sup>. Prior to sending the reports to JSA providers, the department will conduct a review of the reports to ensure compliance with the Quality Assessment Instructions and consistency in approach. The report will contain a quality assessment rating for each measure and submeasure.

Where a JSA provider does not agree with any of the ratings in the report, it may seek a review through its Account Manager. The Account Manager will refer the documentation and the assessment material to a departmental unit with expertise in that particular measure and with the authority to review decisions. The Account Manager will notify the JSA provider of the outcome of the review. If the JSA provider does not agree with the review decision the JSA provider may seek a further review from the relevant State Manager.

ESD4 provides for performance reviews at an ESA and site level, however quality assessments will be undertaken on an ESA basis. Measures 1 and 2 are approached from an organisational level, with the same organisational rating for these measures generally being applied at each ESA in which the JSA provider has business.

Where site data is obtained in an ESA, each of the JSA provider sites assessed will be averaged to determine an overall ESA rating for that JSA provider.

In assessing each of the quality measures, unanticipated extreme circumstances which affect service delivery in an ESA will be taken into account. These include floods, fires, pandemics or other natural disasters.

#### *Business Excellence Frameworks and Quality Accreditation*

Measures 1, 4.2 and 4.3 enable an alternative means to undertake quality assessment (as well as reduced frequency of assessment in the case of the latter two sub-measures) where JSA providers have a Business Excellence Framework, an accredited system of quality or equivalent in place (collectively referred to in this document as a 'Quality System'). In these cases, the department will assess JSA provider's performance against these measures every 12 months. However, this only occurs where the JSA provider's Quality System meets the department's standards as specified in the relevant Quality Assessment Instructions. While the means of undertaking the assessment and the frequency of assessment is different for these JSA providers, the department will look for evidence of the same key factors being applied within the JSA provider whether a provider has a Quality System in place or not.

The department acknowledges that JSA provider's may have developed internal frameworks which may not formally be recognised, but may meet the general requirements of these frameworks. Therefore the department will recognise frameworks which are equivalent to a Quality System, and which analyse provider performance against the following factors at least annually:

- leadership and innovation;
- planning processes;
- management of data, information and knowledge;
- people management;
- stakeholder focus (including participants and employers);
- complaints handling; and
- improvement of processes and services.

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<sup>4</sup> Where particular measures are assessed twelve monthly, and the six monthly performance feedback is due between the twelve monthly assessments, the assessment from the previous period will be applied.

If a JSA provider does not have a Quality System in place initially, but adopts one during the Term of ESD4, the department will take it into account at the next assessment as long as it meets the criteria outlined in the relevant Quality Assessment Instructions and a report is available on the JSA provider's performance against the relevant measure at the time of making the assessment.

Where reports assessing the JSA provider's Quality System are to be provided to the department, then the most recent report within the applicable assessment period is required.

### *Results of quality assessments*

Although the department will inform a JSA provider as soon as possible after it becomes aware of a problem with a JSA provider's service quality, formal quality assessments will be conducted periodically<sup>5</sup> as described in this document. At the end of a formal quality assessment period the JSA provider will be given a score (wherever possible) or a rating (as appropriate) for each ESA in which the JSA provider delivers services (Section 3.2 and Annexure A to this document provide an overall summary of the frequency of assessment and the possible assessment results).

Where ever a score is allocated against a particular measure or sub-measure JSA providers will have available the data for that assessment period in relation to:

- its own ESA performance;
- the averaged performance of other JSA providers in the Labour Market Region (LMR);
- the top score/percentage achieved in that LMR
- the JSA provider's rank in the ESA (where applicable);
- the National average; and
- the top percentage achieved nationally

There will be no predetermined benchmarks. Rather, continuous improvement will be achieved through JSA providers competing against one another to ensure that they maintain or improve performance against peers. Where a JSA provider sees that its performance in relation to a measure (or measures) is below the average performance of other JSA providers in the area, then it is important that the JSA provider focuses on improvements in relation to that measure (or measures). To assist JSA providers in this regard, where ever possible, data will be provided progressively to JSA providers to enable continuous assessment of progress.

### *Sampling of Participants*

*Where the department is unable to assess a particular quality measure, or sub-measure, due to insufficient data to make a reasonable assessment, a JSA provider will receive a rating of 'insufficient data'. The department will ensure that JSA providers with this rating will not be disadvantaged through the lack of information.*

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<sup>5</sup> Although the department will be assessing each quality measure periodically (as specified in this document), if the department obtains evidence of contractual non-compliance by any JSA provider against any measure in between assessments, the department reserves the right to act on the non-compliance immediately but still take the non-compliance into account in the next scheduled assessment. This applies whether non-compliance has taken place in the relevant assessment period or not.

## Measure 1. JSA Provider Capability

### 1.1 Organisational Health

The department will assess that JSA providers have in place the fundamentals of good governance as required under ESD4. The organisational health quality measure focuses on key management factors to ensure continuity of the JSA provider and provision of quality employment services. The ability of JSA providers to achieve effective governance, financial viability and operational effectiveness and efficiency will ultimately lead to improved business performance. Where issues under this measure are identified the department will work with JSA providers to develop strategies for continuous improvement.

In assessing the health of the JSA provider at an organisational level, the department reserves the right to take into account additional information at the site level which may impact on the organisational rating under this measure.

Where results from the other measures in the Quality Framework, or routine contract monitoring, identify issues that may indicate concerns with a JSA provider's organisational health the department may undertake further monitoring and reassessment of this measure.

#### *Measurement*

At the initial assessment the department will discuss the organisational health with each JSA provider to ascertain that each JSA provider has in place current and relevant fundamentals of good governance practice. A Quality Assessment Instruction on how assessments are to be made under this measure will be available to departmental staff and JSA providers.

The assessment will include, but is not limited to, the JSA provider having in place a fraud control plan, appropriate recruitment practices, financial assessment<sup>6</sup>, financial controls and training to ensure claim validity, an Indigenous Employment Strategy, appropriate processes for checking staff background and ensuring that staff have the appropriate skills and experience to provide quality and culturally sensitive services to participants, employers and local communities and whether the JSA provider sought the department's consent prior to a change of control. If at the initial assessment point a JSA provider does not have all of the above strategies or processes in place, the department will provide a reasonable time period for the JSA provider to rectify (one month<sup>7</sup> or as otherwise directed by the department) after which time the department will make its first formal assessment under this measure.

In subsequent assessments, the method of assessment will differ depending on whether the JSA provider has a Quality System that meets the department's standards or not.

For JSA providers without a Quality System that meets the department's standards, the department will conduct a financial assessment annually (as required under ESD4) and an assessment for the other organisational health factors as outlined above.

Where a JSA provider has an operational Quality System which meets the department's standards, the department will still conduct an annual financial assessment (as required under ESD4). The assessment of organisational health will be based on a report on the JSA provider's organisational health (conducted on behalf of the JSA provider under its Quality System). The report must be organised by the JSA provider at least annually and be made available to the department for the purposes of this assessment. Full details of this assessment will be contained in the Quality Assessment Instructions for this measure.

#### *Frequency of Assessment*

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<sup>6</sup> The financial assessment will not duplicate the process for the provision of financial details required under ESD4.

<sup>7</sup> The department may provide a timeframe shorter than one month to rectify if the strategy or process which has not been implemented could have a major impact on service delivery.

Initially at the six month point of ESD4 and every 12 months thereafter. If there are aspects at the initial assessment point that require rectification, the department will give the JSA provider one month to rectify, after which time it will be assessed. If after the initial, or any subsequent, assessment the department cannot see evidence for all of the contractually required governance measures and practices in place, the JSA provider will be reassessed after a further six months (from the assessment point) rather than after a full 12 months. This does not preclude the department from taking contractual action in this regard.

## Measure 2. Contractual Compliance

### 2.1 Contractual Compliance

Inclusion of a contractual compliance measure ensures that there is an emphasis on JSA providers acting with due care and diligence to ensure that participants receive the services for which the JSA provider is receiving payment. The ability of JSA providers to ensure that participants are receiving relevant and appropriate services, including through ensuring well governed claims compliance processes, will ultimately lead to continuous improved business performance and improved outcomes.

Although this measure is focused on contractual compliance at an organisational level, the department reserves the right to take into account additional information at the site level which may impact on the organisational rating and result under this measure. The department may choose to address an ESA specific issue by giving an assessment at the ESA level for that JSA provider which might be different to the assessment that the JSA provider receives in other ESAs.

#### *Measurement*

The department will assess this component by assessing evidence of any contractual non-compliance of which the department has become aware. A Quality Assessment Instruction on how assessments are to be made under this measure will be available to departmental staff and JSA providers.

The department will undertake an assessment of the JSA provider's contractual compliance. JSA providers with only evidence of compliance with ESD4 will be assessed as 'Compliant' under this measure.

Where evidence of non-compliance comes to light, the department will categorise non-compliance into three categories as follows:

- **mild non-compliance** – non-systemic invalid claims or contractual breaches that are rectified quickly and do not have a significant impact on delivery of services to participants, this could also constitute low value, low numbers of invalid claims.
- **moderate non-compliance** – contractual breaches that are not defined as serious (below) but are not able to be rectified quickly and impact on delivery of services to participants.
- **serious non-compliance** – systemic invalid claims, high value invalid claims where there were no protections put in place by the JSA provider to detect or prevent such claims, evidence of lack of service delivery, repeated breaches of ESD4 or intentional lodgement of invalid claims.

Non-compliance, (should any exist) will be detected through the usual program assurance, contract monitoring /management mechanisms. However as the department relies on performance data from any source including participant and employer feedback, should the department become aware of potential non compliance, this will be investigated by the department's program assurance area. Standardisation mechanisms will be used to ensure staff assess and measure JSA providers consistently to reduce the potential for inconsistent assessments across different ESA's.

#### *Frequency of Assessment*

Six monthly assessments with assessment results provided to JSA providers as available.

## Measure 3. Engagement

### Sub-measure 3.1 – Individualised Employment Pathway Plans

The Employment Pathway Plan (EPP) underpins the provision of services and is the key record which will set out an individualised pathway to employment for each participant. Each EPP will be tailored to the needs of the individual participant, will outline the agreed activities to be undertaken to gain sustainable employment, and will include elements such as:

- (a) the frequency of contact between the JSA provider and participant;
- (b) the timing and details of vocational and non-vocational activities that JSA providers and participants will undertake with the objective of the participant gaining employment, such as education, training, intensive activities, counselling and work experience; and
- (c) details of the participant's obligations, including participation in Work Experience Activities and job search requirements.

#### *Measurement*

The department will assess a discrete but representative sample of EPPs<sup>8</sup> per JSA provider per six month period taking into account the size and composition of the JSA provider's caseload at the ESA level. A Quality Assessment Instruction on how assessments are to be made under this measure will be available to departmental staff and JSA providers.

In assessing EPPs it is expected that individual EPPs will be diverse and individualised in content. However all EPPs will be assessed to ensure that they contain the following:

1. evidence that individual circumstances and obligations are referred to;
2. details of defined activities and/or assistance which relate to the participants goals set out in the EPP; and
3. dates and milestones.

In addition to the random sample of EPPs within the current assessment period the department may also include EPPs in periods outside of the assessment period or other EPPs where evidence of poor quality has been brought to the department's attention.

Each JSA provider will receive data on the percentage of EPPs in each ESA for each assessment period that met all of the above criteria. Information on why any EPPs did not pass these criteria will also be provided.

#### *Frequency of Assessment*

This measure will be assessed every six months and data will be provided to JSA providers as available.

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<sup>8</sup> Further detail on the EPP sampling methodology is available in the relevant Quality Assessment Instruction

### **Sub-measure 3.2 – Active Engagement of Participants**

A participant's engagement with their JSA provider is a fundamental component of the employment services system that enables JSA providers to deliver individualised and tailored quality services.

#### *Measurement*

Participant engagement will be measured via a number of reports<sup>9</sup> that will assess that the participant is receiving specific services within the contracted timeframes such as:

- Clause 51.1 - Report detailing the achievement of the minimum contracted contact schedule for participants on the JSA provider's ESA caseload
- Clause 52.2(e) – Report detailing the percentage of Stream 1 participants on the JSA provider's ESA caseload who have a resume loaded into the department's IT system following stream commencement
- Clause 30.4 (h) – Report detailing the time taken to commence a participant into a provider's caseload compared to the time taken by other employment service. This report will include measure all streams and work experience commencements. This report will also measure providers whose participants have a future appointment date for servicing.
- Clause 52.5(a) – Report detailing the percentage of Stream 2 and 3 participants on the JSA provider's ESA caseload who have a resume loaded into the department's IT system within 13 weeks of their period of service in stream 2 and 3 commencement
- Clause 52.5(a) – Report detailing the percentage of Stream 4 participants on the JSA provider's ESA caseload that have a resume loaded into the department's IT system within 52 weeks of their period of service in stream 4 commencement
- Clause 53.1 – Report detailing the percentage of Stream 1 participants on the JSA provider's ESA caseload for whom a Skills Assessment is completed within 17 weeks of their period of service from stream 1 commencement
- Clause 54.1 – Report detailing the percentage of Stream 1 participants on the JSA provider's ESA caseload for whom an Intensive Activity has been organised within 17 weeks of their period of service from stream 1 commencement
- Clause 57.3(a) (b) (c) (d) – Report detailing the percentage of Stream Services and Work Experience participants who have had their EPP amended or updated as required.
- Clause 62.2 – Report detailing the percentage of participants on the JSA provider's ESA caseload that commenced into a Work Experience activity within six to eight weeks period of service from the Fully Eligible participant's Work Experience Commencement.

The final percentage of all reports will be averaged into a final aggregate score. A Quality Assessment Instruction on how assessments are to be made under this measure will be made available to departmental staff and JSA providers.

#### *Frequency of Assessment*

Data will be available for this measure on a regular basis (and will include aggregate data as well as specific data for each report). This measure will be assessed every six months.

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<sup>9</sup> Only commenced jobseekers without exemptions will be taken into account in the data

## Measure 4. Client Experience

The Client Experience measure consists of the four sub-measures as follows:

- 4.1. Participant experience;
- 4.2. Stakeholder engagement;
- 4.3. Complaint handling - ESA management; and
- 4.4. Complaint handling - departmental received complaints.

Full details of each sub-measure are outlined below.

### Sub-measure 4.1 – Participant Experience

Participant experience focuses on ensuring that the participant is receiving a tailored service in accordance with the Service Guarantees. It provides an independent measurement of the participant's experience.

#### *Measurement*

This will be measured through a survey, conducted by the department<sup>10</sup>, of participants that are receiving services at an ESA level. The survey would have two parts:

- questions designed to establish if participants are receiving services in accordance with specifications in the applicable Service Guarantees; and
- a question relating to the participant perspective in regards to the tailoring of the EPP.

De-identified aggregate data obtained through the surveys will be provided to each JSA provider on a regular basis to assist in continuous improvement.

JSA providers will be advised of their overall rating against this measure in terms of the percentage of participants surveyed over the six month period that articulate that they have received services as specified in the applicable Service Guarantee and the percentage of participants surveyed over the six month period who state that the EPP is tailored to their needs. A Quality Assessment Instruction on how assessments are to be made under this measure will be available to departmental staff and JSA providers.

Where there are insufficient participants to assess, a rating of '*insufficient data*' will be allocated.

#### *Survey Methodology*

The department intends to use its existing Post Program Monitoring (PPM) survey<sup>11</sup> to assess the participant experience measure. The questions relating to participant experience will be added to the PPM survey from January 2010.

Prior to using for the purpose of quality measurement, the survey questions will undergo cognitive testing using a variety of participants. Participants will be sought from both English and non-English speaking backgrounds, Indigenous and non-Indigenous, young and mature participants, all four Streams and Work Experience, employed and not-employed, metropolitan and rural<sup>12</sup>, people with disability, varying education levels and socio-economic situations.

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<sup>10</sup> Whilst the department acknowledges that some JSA providers have internal survey mechanisms (as part of Business Excellence Frameworks), the survey will be conducted by the department to ensure equity in the conduct of the survey and consistency in the measurement of the participant's perspective. The survey conducted by the department, provides the participant with an avenue for providing open and unqualified feedback.

<sup>11</sup> The PPM survey includes a target sample of 420,000 jobseekers per annum and is sent out every two weeks on a rolling basis. There is a 50% response rate to this survey. The department will closely monitor the response rate to the survey for providers at the ESA level.

<sup>12</sup> The department is currently reviewing the methodology for the PPM survey. Within this review the department will conduct a feasibility study on new and innovative ways to increase the response rates in rural and remote areas, for example through the provision of assistance to complete forms, mechanisms to provide access to telephones etc.

Once the questionnaire has been cognitively tested and refined, it will then be pilot tested. Pilot testing allows for processes to be checked and refined, response rates to be monitored, interviewers to be trained and any issues not resolved at earlier stages of testing to be identified and addressed.

The department will only assess JSA providers on this measure where results obtained through the survey are statistically robust. Where the number of responses in relation to a provider at the ESA level will not allow the calculation of statistically robust results, the department will not assess the JSA provider on this measure until adequate data has been collected (this may mean that the period of the assessment is longer than six months to enable the collection of sufficient data). In the interim the JSA provider will receive a rating of '*insufficient data*'.

In addition to the PPM survey, the department will also investigate the longer term feasibility of using other methods for collecting participant experience data, such as surveys located on participants' personal pages and also surveys handed out by JSA providers to participants at each site.

#### *Frequency of Assessment*

The first indicative survey results will be available in June 2010, and will relate to survey responses collected in the period January and April 2010. Data for this measure will subsequently be released on a six-monthly basis, with results relating to all survey responses collected in the previous six months.

#### **Sub-measure 4.2 – Stakeholder Engagement**

Stakeholder engagement focuses on the obligations under ESD4 for JSA providers to develop and build strong labour market knowledge through linkages and engagement with stakeholders including local employers, education institutions, community welfare organisations etc. This engagement should result in the development of strategies that create employment opportunities that meet employer's needs. The discussion on stakeholder engagement may be conducted with the head office of a JSA provider or otherwise as specified in the JSA provider's communication protocol. However the assessment must focus on engagement strategies in each ESA.

#### *Measurement*

At the initial assessment, this measure will be assessed by departmental staff undertaking an assessment to ascertain that the JSA provider is meeting the requirements of clauses 56 and 116 of ESD4. Initially this will be determined by assessing whether the JSA provider has begun delivering the commitments made in its tender submission and how these tender commitments have been implemented (or modified with the department's prior approval) to meet the needs of the labour market in which the JSA provider is operating. A Quality Assessment Instruction on how assessments are to be made under this measure will be available to departmental staff and JSA providers.

At the initial assessment departmental staff, in conjunction with JSA providers, will complete a template in order to demonstrate how these commitments have been met and will be met in the future. Departmental staff will assess that the JSA provider has evidence which demonstrates all of the above stakeholder engagement strategies are in place (or a reasonable attempt has been made to put the strategies in place the strategies in an ESA). If there are deficiencies the department will provide one month for the JSA provider to rectify after which time the department will make its first formal assessment under this measure.

In subsequent assessments, the method of assessment will differ depending on whether the JSA provider has a Quality System that meets the department's standards or not.

For JSA providers without a Quality System that meets the department's standards, the department will conduct the assessment through a joint JSA provider/departmental discussion to assess whether the JSA provider is maintaining and improving on this measure against results of the initial discussion.

Where a JSA provider has an operational Quality System which meets the department's standards, the assessment will be based on a report of the JSA provider's stakeholder management for employment services at an ESA level (conducted on behalf of the JSA provider under its Quality System). The report must be organised by the JSA provider at least annually and be made available to the department for the purposes of this assessment. Full details of this assessment will be contained in the Quality Assessment Instructions.

**Note:** departmental staff may validate assessments under this measure by verifying with a sample of stakeholders. This verification would be conducted in a sensitive manner to ensure that the JSA provider's relationship with stakeholders is not adversely affected.

#### *Frequency of Assessment*

This measure will be assessed at the six month point and then every six months of ESD4 in the case of JSA providers without a Quality System that meets the department's standards or every 12 months in the case of JSA providers with a Quality System that meets the department's standards.

### **Complaint Handling**

The processes for handling customer initiated feedback and for resolving complaints are indicators of a quality service. There are two registers of feedback and complaints, a JSA provider's internal register of complaints (the Customer Feedback Register) and the department's employment services feedback system. Both of these can be used to measure the JSA provider's responsiveness to a complaint.

### **Sub-measure 4.3 – Complaint Handling – ESA Management**

#### *Measurement*

In the first six months of ESD4, and periodically thereafter, this measure will be assessed by departmental staff undertaking an assessment to ascertain that the JSA provider is publicising the complaints process at each site and keeping a Customer Feedback Register in accordance with the requirements of ESD4. A Quality Assessment Instruction on how assessments are to be made under this measure will be available to departmental staff and JSA providers.

If at the initial assessment a JSA provider does not have a Customer Feedback Register that complies with the requirements of ESD4, the department will provide one month for the JSA provider to rectify after which time the department will make its first formal assessment under this measure.

JSA providers that are still then assessed as not having a complaints mechanism that complies with the requirements of ESD4 will be rated as '*not yet competent*' against this measure and may be subject to further contractual action in accordance with clause 110 of ESD4.

JSA providers who have been assessed as having a Customer Feedback Register that complies with the requirement of ESD4 will have a rating awarded depending on the scores achieved when assessing sampled complaints. The department will conduct the assessment by taking a representative sample of complaints from each site within an ESA every six months (excluding complaints that have been lodged with the department). This sample would be assessed based on a matrix which assesses the JSA provider's responsiveness against the severity of the complaint. The JSA provider's responsiveness is not a test of a participant's satisfaction with the response to the complaint, rather it is a test of the actions undertaken by

the JSA provider to resolve the complaint. This matrix and the corresponding definitions of severity and responsiveness, are contained in the relevant Quality Assessment Instruction.

For all subsequent assessments JSA providers that meet the standards above, the method of assessment will differ depending on whether the JSA provider has a Quality System that meets the department's standards or not.

For JSA providers without a Quality System that meets the department's standards, the department will conduct subsequent assessments based on the same process conducted at the initial assessment.

Where a JSA provider has an operational Quality System which meets the department's standards, the assessment will be based on a report of the JSA provider's complaint management for employment services at an ESA level which includes an assessment of the responsiveness of the JSA provider in handling these complaints against the severity of the complaints registered with the JSA provider. The report would be conducted on behalf of the JSA provider under its Quality System and must be organised by the JSA provider at least annually and be made available to the department for the purposes of this assessment. Full details of this assessment will be contained in the Quality Assessment Instructions for this measure.

#### *Frequency of Assessment*

This measure will be assessed at the six month point and then every six months of ESD4 in the case of JSA providers without a Quality System that meets the department's standards or every 12 months in the case of JSA providers with a Quality System that meets the department's standards.

### **Sub-measure 4.4 – Complaint Handling – Departmental received Complaints**

#### *Measurement*

The department's complaints management system collects data for complaints that are received by the department.

Only complaints where JSA providers have the opportunity to assist the department in resolving the matter will be factored into a rating against this sub-measure. Complaints that do not require any action from a JSA provider and complaints made against JSA providers where no consent is provided for follow up with the JSA provider will not be included (as JSA provider responsiveness and actions are not possible).

The rating awarded will depend on the average of scores achieved when assessing relevant individual complaints. The complaints will be scored against a matrix which assesses the severity of the complaint against the responsiveness. This matrix and the corresponding definitions of severity and responsiveness, are contained in the relevant Quality Assessment Instruction.

Where a JSA provider has no complaints recorded in the department's complaints management system that they have had the opportunity to assist the department in resolving a rating of '*insufficient data*' will be applied.




A Quality Assessment Instruction on how assessments are to be made under this measure will be available to departmental staff and JSA providers.












#### *Frequency of Assessment*

Data will be available for this measure on a regular basis however this sub-measure will only be assessed every six months.

## Table of Assessment Frequency and Data Availability

The table below summarises the frequency of data availability and the data source for each measure.

| Action required                           | Symbol  |
|---|---|
| DEEWR to undertake desktop/system review  |  |
| Discussion between DEEWR and JSA provider |  |
| JSA provider information required         |  |

| Measure                          | Sub-measure   | Data Source   | Data Availability (for JSA providers)   | Frequency of Assessment   |   |   |
|----------------------------------|---|---|---|---|---|---|
| <b>1 JSA provider Capability</b> | Organisational Health                                 | <ul style="list-style-type: none"> <li>Financial Assessment</li> <li>Discussion between DEEWR and JSA provider</li> <li>Evidence provided by JSA provider</li> <li>Quality System – where applicable</li> </ul> | <br><br> | Six month point initially and then every 12 months thereafter                                       | Assessed once at the six month point and then every 12 months – again after six months if JSA provider does not achieve standard. |   |
|                                  |   | Compliance  | Claims data on DEEWR's IT System and evidence emerging from program assurance/contract monitoring activities.   |                   | Limited indicative data up until 12 month point. Then provided six monthly  | Commencing at 12 month point and then six monthly |
|                                  |   | Individualised EPP  | DEEWR's IT System   |                  | Limited indicative data up until 12 month point. Then provided six monthly  | Commencing at 12 month point and then six monthly |
| <b>3 Engagement</b>              | Evidence that participant is engaged                  | DEEWR's IT System   |    | Limited indicative data up until 12 month point. Then regularly provided and updated (e.g. monthly) | Commencing at 12 month point and then six monthly   |   |
|                                  | <b>4 Client Experience</b>                            | Participant Experience  | Survey through Post Program Monitoring Survey   |                  | Limited indicative data up until 12 month point. then provided six monthly  | Commencing at 12 month point and then six monthly |
|                                  | Stakeholder Engagement                                | <ul style="list-style-type: none"> <li>Tender submission</li> <li>Discussion between DEEWR and JSA provider</li> <li>Future Agreed strategies</li> <li>Quality System – where applicable</li> </ul>             | <br>  | Six monthly or twelve monthly with a Quality System   | Six monthly or twelve monthly with a Quality System   |   |
|                                  | Complaint Handling – ESA management                   | <ul style="list-style-type: none"> <li>JSA provider Complaints Register</li> <li>Quality System – where applicable</li> </ul>   |    | Six month point initially and then six monthly or 12 with a Quality System                          | Commencing at six month point and then six monthly or twelve monthly with a Quality System  |   |
|                                  | Complaint Handling – departmental received complaints | DEEWR's complaint management system   |    | Six month point initially and then regularly provided and updated (e.g. monthly)                    | Commencing at six month point and then six monthly  |   |

## Attachment A

### Summary of Assessment Results

| Sub Measure  | Frequency (during ESD4)   | Result   | Business Excellence and Accreditation               |
|--|---|--|---|
| <b>1.1 Organisational Health</b>                                 | Six, 18 and 30 months into ESD4 <sup>13</sup>   | Rating per ESA, per JSA provider of: <ul style="list-style-type: none"> <li>Competent; or</li> <li>Not yet competent.</li> </ul>   | Taken into account at 18 and 30 month assessments.  |
| <b>2.1 Contractual Compliance</b>                                | 12, 18, 24, 30 and 36 months into ESD4  | Rating of: <ul style="list-style-type: none"> <li>Compliant; or</li> <li>Compliance Issues Identified: <ul style="list-style-type: none"> <li>Mild;</li> <li>Moderate;</li> <li>Severe.</li> </ul> </li> </ul> Ratings will be applied either at the ESA where the non-compliance occurred or to all of the ESAs in which the JSA provider has business depending on the nature of the non-compliance. | N/A   |
| <b>3.1 Individualised EPPs</b>                                   | 12, 18, 24, 30 and 36 months into ESD4  | The percentage of EPPs assessed in each ESA for that JSA provider for the relevant six month period that met the criteria or where applicable a rating of 'Insufficient data' will be applied.   | N/A   |
| <b>3.2 Evidence that participant is Engaged</b>                  | 12, 18, 24, 30 and 36 months into ESD4  | The final aggregate percentage for that JSA provider in each ESA or where applicable a rating of 'Insufficient data' will be applied.  | N/A   |
| <b>4.1 Participant Experience</b>                                | 12, 18, 24, 30 and 36 months into ESD4  | The percentage of participants for that JSA provider in each ESA that state that they have received the services under the relevant Service Guarantee and the percentage of participants for that JSA provider in each ESA that state that the EPP is tailored to their needs or where applicable a rating of 'Insufficient data' will be applied.   | N/A   |
| <b>4.2 Stakeholder Engagement</b>                                | Six, 12, 18, 24, 30 and 36 months into ESD4 with no Quality System or Six, 18 and 30 months into ESD4 where providers have a Quality System | Rating for each ESA of the JSA provider of: <ul style="list-style-type: none"> <li>Competent; or</li> <li>Not yet competent.</li> </ul>  | Taken into account for 18 and 30 month assessments. |
| <b>4.3 Complaint Handling – ESA Management</b>                   | Six, 12, 18, 24, 30 and 36 months into ESD4 with no Quality System or six, 18 and 30 months into ESD4 where providers have a Quality System | If complaints register does not comply with ESD4 requirements, rating of 'Not yet competent'. If complaints register complies with ESD4 requirements a rating out of 10 for each JSA provider in each ESA, or where applicable a rating of 'Insufficient data', will be applied.   | Taken into account for 18 and 30 month assessments. |
| <b>4.4 Complaint Handling – Departmental Received Complaints</b> | Six, 12, 18, 24, 30 and 36 months into ESD4   | Rating out of 10 for each JSA provider in each ESA or where applicable a rating of 'Insufficient data' will be applied.  | N/A   |

<sup>13</sup> Unless issues are identified in which case the assessment will be six monthly until issues are rectified.