

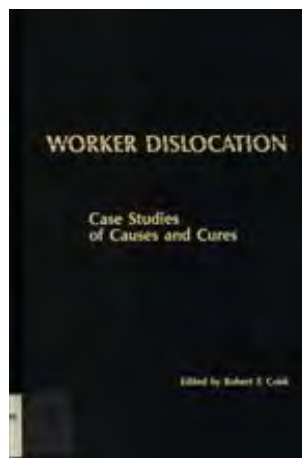
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## The Missouri Dislocated Worker Program Job Search Assistance, Inc.

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# 5

## **The Missouri Dislocated Worker Program**

### **Job Search Assistance, Inc.**

#### ***Introduction***

The State of Missouri operates a statewide Dislocated Worker Program through three subcontractors. Two of them provide Title III services in Kansas City and St. Louis, the two major metropolitan areas of the state. Job Search Assistance, Inc. (JSA), a nonprofit organization, operates the Title III program in the nonmetropolitan areas under a performance-based contract with the state. JSA sets up offices in areas of the state experiencing problems with layoffs and plant closings. It was planned that job search assistance and OJT would be provided to 1,000 participants during the transition year by JSA.

#### ***The Origin of the Project***

The Division of Manpower Planning (DMP) in the Department of Social Services administers all JTPA activities in Missouri. The director of DMP reports to the governor through the head of the Department of Social Services. DMP oversees the state's 15 SDAs through five field representatives. Since the Title III monies and the set-asides are all being operated as statewide programs, these activities are supervised by a statewide program coordinator.

Missouri's decision concerning the provision of Title III was based on two sources of information. First, DMP's Planning and Research Group produced a study entitled *Declining Industries and Dislocated*

*Worker Job Training.* Although this study was not formally published until August 1984, an earlier draft using data from 1982 was used in planning decisions for the areas to be served by the program.

The study identified 14 declining industries in Missouri, based on employment data over a 10-year period. Long-term unemployed workers from these industries were defined as those claiming unemployment insurance benefits for longer than the 14-week average period for the state. The report defines dislocated workers as long-term unemployed workers who have been displaced from declining industries. It concluded that, in 1983, there were 17,918 dislocated workers. When compared to the long-term unemployed, dislocated workers were slightly older and less concentrated in metropolitan areas. Their most recent employment was concentrated in manufacturing and mining. There were also certain occupational concentrations in the dislocated worker population.

The report also concluded that:

The Missouri job training community has begun to recognize the unique reemployment problems of long-term unemployed workers displaced from declining industries. These individuals have little chance of returning to their previous industries and should be recruited for the JTPA dislocated worker program. Furthermore, since these declining industries are expected to continue losing employment, program participants should not be trained for such jobs unless this training is part of a comprehensive plan to induce long-term employment growth in currently declining industries or is locally necessary as an interim measure while economic growth and diversification strategies are undertaken.

DMP supplemented the report with special data runs which generated the dislocated worker totals for counties and SDAs. This information was combined with a second information source which might be called a visible indication of the need for Title III services: the Division of Employment Security's plant shutdowns and layoff report.

### *State Organization of Title III*

On the basis of this research, the decision was made to operate the Title III as a statewide program targeting roughly one-third of the funds to each of the two major metropolitan areas (St. Louis and Kansas City), with the remaining one-third allocated to outstate areas. No funds were formula-funded to any SDA.

The goals for Title III project funding were twofold. First, funding was provided for several large OJT projects, mainly with automobile manufacturers. Second, projects covering each of the three targeted geographic areas were funded. These projects emphasize job search assistance efforts.

Given the economic conditions at that time, DMP believed that focusing Title III projects on job search assistance provided the best and least costly means of putting Missouri's experienced dislocated workers back to work. The approach is consistent with meeting the needs of specific target populations while complementing Missouri's overall emphasis on maximizing the economic development impact of JTPA. In addition to the use of some Title III monies for OJT, the 8 percent set-aside money under Title IIA was reserved entirely for customized training. SDAs were required to set aside an additional 10 percent of their funds for this purpose.

DMP decided to retain control over Title III funding. They felt that operating the Dislocated Worker Program as a statewide program would provide greater assurance that funds could be utilized during the transition year. This allowed the new PICs to become operational without also having to work with Title III programming. In addition, DMP could target Title III activities to areas with greater need, based on the Division's research on the location of displaced workers.

Once the statewide program decision was made, DMP turned to established program operators in each of the three targeted geographical areas of the state to run the programs. Job Search Associates, Inc., was selected to operate the program in all other areas outside the St. Louis and Kansas City metropolitan areas. This three-way division of the state

corresponded to the distribution of displaced workers, approximately one-third of whom were estimated to be in each of the three areas.

DMP reviews a monthly report from the Missouri Division of Employment Security, entitled "Significant Layoffs and Census by SDA Area." DMP's knowledge of plant closures and layoffs together with the dislocated worker study led to the selection of six cities in which JSA was to open offices during the transition year. The cities were Joplin, Neosho, Mexico, St. Joseph, Springfield and Flat River. The six cities are located in five SDAs. For program year 1984, DMP identified three additional cities in which offices were opened—Independence, Hannibal, and Jefferson City.

The eligibility criteria for the statewide Title III program were those specified in the JTPA legislation. However, DMP made it clear that it expected the operators to concentrate on the first two definitions found in the Act. Providing services to long-term unemployed who were eligible for Title IIA programs was definitely not a goal in Missouri. Instead, the focus by DMP was on dislocated workers identified through their research.

DMP's service strategy emphasizes job search assistance. On-the-job training services were included to provide a comprehensive program for the Title III participants. Missouri officials believed that dislocated workers eligible for Title III would benefit most from returning to work as quickly as possible. The workers already had motivation, job-related skills and training, and good work records, but needed assistance in locating job opportunities. It was felt that relatively few dislocated workers would desire classroom training. Job search assistance was the key service element so that dislocated workers with substantial experience, but who had not sought a job for some time, could acquire the job search skills that would result in their early employment. It was recognized that some workers would need the additional assistance of OJT.

DMP's view of the appropriate service mix was reinforced by a task force established to suggest strategies for Title III programming. Task

force members reviewed existing dislocated workers programs, especially the Downriver project in Michigan, the Des Moines, Iowa Mayor's Task Force on Plant Closings and Job Retraining, and the Canadian Manpower Consultative Service. Staff members also attended the first National Conference on the Dislocated Worker. DMP memoranda on various aspects of Title III were written in March and April 1983.

Based on the review by the task force, DMP recommended a four-tiered approach to providing services for dislocated workers. The tiered approach was proposed to take into account different needs of dislocated workers in urban *versus* rural areas and differences in the workers' "attachment" to the labor force. The tiers are as follows:

- (1) Statewide services – a statewide program aimed at dislocated workers collecting UI benefits. It was noted that . . . "this approach would expand to incorporate the rural areas of the State where there are pockets of dislocated workers (i.e., Washington County)";
- (2) Community Based Programs in Urban Centers – funding for agencies with broad local support in St. Louis and Kansas City;
- (3) Pre-Shutdown Plant Intervention – programs developed by the State Council of the AFL-CIO and the Human Resource Development Institute;
- (4) Concentrated local political jurisdictions – using local PICs to provide services to workers facing layoff due to plant closings.

JSA provides statewide tier 1 services in all areas outside the St. Louis and Kansas City metropolitan areas.

DMP set performance standards for Title III operators based on historical experience under CETA. The entered employment performance standard was set at 60 percent for the transition year. The average wage was set at \$4.29 per hour. Because DMP negotiated a unit-price contract with JSA, it was not necessary to include a performance standard for cost per placement. Instead, JSA received payments on the following schedule.

| <b>Hourly wage<br/>at placement</b> | <b>Payment amount<br/>per placement</b> |
|-------------------------------------|---|
| Less than \$3.60                    | No payment                              |
| \$3.60 to \$4.56                    | \$1,341.88                              |
| \$4.56 or above                     | \$1,677.35                              |

This contract is the only statewide performance-based contract in Missouri. The payment schedule was determined by negotiations between DMP and JSA, beginning with a line item budget. This negotiated budget was then converted to the unit-price contract.

During the program year, the payment schedule under JSA's unit-price contract has been expanded to provide three levels of payment dependent upon the hourly wage at placement.

| <b>Hourly wage<br/>at placement</b> | <b>Payment amount<br/>per placement</b> |
|-------------------------------------|---|
| Less than \$3.50                    | No payment                              |
| \$3.50 to \$4.24                    | \$1,341.88                              |
| \$4.25 to \$4.71                    | \$1,677.35                              |
| \$4.72 or above                     | \$1,845.09                              |

### ***The Local Labor Market***

Since JSA operated offices in six cities in five DSAs during the transition year, the primary area served by each office will be discussed. Table 5-1 summarizes the local labor market for each area. The selected labor market information presented in the table is for March 1983 when initial Title III decisions were made. Data are reported for areas smaller than SDAs as an indication of the labor market conditions in the immediate area served by the JSA office. For offices opened during the transition year, the civilian labor force ranged from 10,898 in Audrain County (Mexico) to 111,707 in the Springfield SMSA. Unemployment rates ranged from 9.3 percent in Springfield to 14.6 percent in St. Francois County (Flat River). The overall unemployment rate in Missouri during the period was 11.6 percent. Although the larger SMSA units tend to have lower overall unemployment rates, they have had a number of plant closings.

**Table 5-1**  
**Selected Labor Market Information by Job Search Assistance, Inc., Office Location**

| Office                 | Data unit        | Civilian labor force | Unemployment rate | Weekly earnings | Employment in selected industry groups (thousands) |        |         |        |         |
|------------------------|------------------|----------------------|-------------------|-----------------|--|--------|---------|--------|---------|
|                        |                  |                      |                   |                 | Mfg.   | Trade  | Service | Govt.  | Total   |
| <b>Transition year</b> |                  |                      |                   |                 |  |        |         |        |         |
| Joplin                 | Joplin SMSA      | 58,249               | 10.9              | \$277           | 14.1   | 10.6   | 8.0     | 6.1    | 45.2    |
| Neosho                 |                  |                      |                   |                 | (31.2)   | (23.5) | (17.7)  | (13.5) | (100.0) |
| St. Joseph             | St. Joseph SMSA  | 46,666               | 13.2              | 286             | 8.3  | 8.7    | 7.6     | 6.1    | 36.1    |
|                        |                  |                      |                   |                 | (23.9)   | (24.1) | (21.0)  | (16.9) | (100.0) |
| Springfield            | Springfield SMSA | 111,707              | 9.3               | 284             | 17.4   | 24.0   | 21.2    | 12.3   | 87.4    |
|                        |                  |                      |                   |                 | (19.9)   | (27.5) | (24.3)  | (14.1) | (100.0) |
| Mexico                 | Audran Co        | 10,898               | 14.0              | 284             | 2.2  | 1.9    | 1.2     | 1.8    | 8.1     |
|                        |                  |                      |                   |                 | (27.2)   | (23.5) | (14.8)  | (22.2) | (100.0) |
| Flat River             | St. Francois Co. | 19,424               | 14.6              | 227             | 2.2  | 2.6    | 2.5     | 2.6    | 11.2    |
|                        |                  |                      |                   |                 | (19.6)   | (23.2) | (22.3)  | (23.2) | (100.0) |
| <b>Program year</b>    |                  |                      |                   |                 |  |        |         |        |         |
| Independence           | Jackson Co       | 76,805               | 9.2               | 343             | 60.3   | 75.4   | 75.1    | 51.3   | 320.7   |
|                        |                  |                      |                   |                 | (18.8)   | (23.5) | (23.4)  | (16.0) | (100.0) |
| Hannibal               | Marion/Ralls LMA | 18,207               | 14.8              | 238             | 2.1  | 2.2    | 2.7     | 2.0    | 10.7    |
|                        |                  |                      |                   |                 | (19.6)   | (20.6) | (25.2)  | (18.7) | (100.0) |
| Jefferson City         | Cole/Osage LMA   | 35,922               | 8.9               | 257             | 2.6  | 6.7    | 5.5     | 13.3   | 32.6    |
|                        |                  |                      |                   |                 | ( 8.0)   | (20.6) | (16.9)  | (40.8) | (100.0) |
|                        | Missouri totals  | 2,341,842            | 11.6              | 427             | 390.9  | 447.2  | 404.7   | 331.8  | 1,889.6 |
|                        |                  |                      |                   |                 | (20.7)   | (23.7) | (21.4)  | (17.5) | (100.0) |



Employment data by broad industry groups for the Joplin SMSA (Joplin and Neosho) indicate that the area has a higher concentration of manufacturing, 31 percent compared to 21 percent in Missouri as a whole. Services and government employment are proportionately lower. The area has had a number of plant closings resulting in a need for Title III services.

St. Joseph's industrial distribution of employment is similar to the overall Missouri averages. However, the area has been particularly hard hit by plant closings (including the loss of 300 jobs in 1983 due to the shut-down of a meat packing plant).

Springfield has slightly higher concentrations of employment in the trade and service sectors than the statewide averages. Government employment is somewhat less than average. The local economy illustrates a mixed trend that includes both growing and declining industries. Plant closings and layoffs have also been a factor in Springfield.

Mexico, in Audrain County, has experienced a number of significant plant closings. Most recently, the Aero Drapery Company closed, resulting in a loss of 160 jobs. Employment in the area is higher than average in the manufacturing and government sectors with services employing only 15 percent of the total compared to a Missouri average employment in services of 21 percent.

The Flat River office in St. Francois County also draws dislocated workers from Washington County where the unemployment rate in March 1983 was 29.8 percent, the highest in the state. The employment distribution pattern in St. Francois County is similar to that of the state.

DMP essentially required that JSA focus its attentions on dislocated workers according to the first two definitions under the act. At the same time, JSA does not turn down individuals who are otherwise eligible. In order to serve clients who are also Title IIA eligible, JSA must document that the client does not want to be referred to the SDA in the area. This procedure seems to work satisfactorily.

All eligibles are served, but outreach and recruitment efforts attempt to locate long-term dislocated workers. Generally, the wages previously received by dislocated workers appear to be above the average of the local labor market, particularly when dealing with experienced, skilled workers with long work histories at closed industrial plants.

### *The Nature of the Project*

Job Search Assistance, Inc., provides Title III services in the targeted geographical areas. The service areas were selected by DMP for their statewide effort, excluding the St. Louis and Kansas City areas which are served by other operators. JSA established and operates an office in each of the target areas. DMP selected JSA as a provider of the statewide Title III services based on a long history of successful involvement in job search assistance programs.

The director and core staff of JSA became involved in job search assistance programs when they worked for DMP and operated an Employment Opportunities Pilot Program (EOPP) in Missouri. This program, one of 15 in the United States, was funded by the U.S. Department of Labor (DOL) and the Department of Health, Education and Welfare. The Missouri pilot program operated from October 1978 to March 1982 in eight counties which had been selected by DOL. The specific program was designed by the State of Missouri, but as part of the national demonstration it had to include job search activities as a major component. The program was for WIN registrants and provided eight weeks of job search assistance. If participants were not successful in obtaining unsubsidized positions during these eight weeks, they were placed in work training. During this time, the development of JSA's present manual was begun. The Missouri program proved successful enough that the director provided technical assistance to several other sites.

When the EOPP program was completed, DMP decided to use the staff to train Community Action Program (CAP) staff in selected CETA balance-of-state areas in conducting job search assistance programs. This effort was conducted between April and September 1982. The former

EOPP staff trained CAP staff in Springfield, Columbia, Joplin, St. Joseph, West Plains and Sedalia (previously an EOPP site). The operating procedures used in EOPP were further tested and refined. Participants in these job search assistance programs were volunteers (CETA Title IIB participants) with higher levels of motivation than had been noted in working with WIN mandatory registrants. Additionally, CAP programs operated in urban and rural areas, while EOPP had been located principally in rural areas. The programs placed a total of 800 participants during the six months.

During the final year of CETA, training was expanded to a total of 15 CAPs. CETA funding was augmented by Community Services Block Grant funds of \$322,000. CAP programs had a combined goal of 900 jobs and actually placed 1,400. During this time, the manual underwent further refinement with reduction of time spent on directed job search activities from eight to four weeks. At this time, the key staff that later formed JSA had extensive experience in operating and conducting training for job search assistance activities. This experience had been gained with WIN and CETA participants, in urban and rural locations.

It was to utilize this expertise that DMP turned to JSA, which was incorporated as a not-for-profit corporation in July 1983 by the core staff that had begun in October 1978. Both DMP and JSA believe that job search activities are ideal for dislocated workers who have some skills and a high level of motivation as evidenced by their work histories. It was felt that JSA could be successful with dislocated workers since it had proven its effectiveness with welfare and CETA participants.

DMP selected the sites for Title III operations. DMP notified the PIC in a selected SDA that JSA would be opening an office to provide Title III services in that area. JSA begins by making an informational presentation on the program at a PIC meeting. It requires participants to be registered with the appropriate Employment Service (ES) office. The majority of linkages between JSA and employers are contacts made for recruiting and placement purposes. Since many of the areas have low levels of union membership, JSA's main contact with employers covered

by collective bargaining agreements often occurs when setting up an on-the-job training contract with a company. In such cases, it obtains concurrence from the bargaining agent before proceeding with OJT operations.

All participants receive up to three weeks of job search assistance. If they have not located an unsubsidized position at the end of three weeks, efforts are made to place them in an OJT position. During the transition year, 576 out of 963 left the job search assistance component for an unsubsidized job after, on average, 6.5 sessions. An additional 100 were enrolled in OJT.

JSA can serve any individual who is eligible for Title III services. The long-term unemployed are served only if they have been actively seeking work, i.e., meet the labor force definition of "unemployed." Typically, JSA's offices draw most heavily from the geographic areas nearest the office. Any eligible applicant will be placed in the job search assistance component within five days of application with new classes beginning each Monday afternoon.

In addition to the virtual absence of a waiting period, the JSA program is notable for its performance-based contracts. Under this unit-price contract JSA only receives payments for placements at wages above \$3.59 per hour. Employer reimbursements made for OJT contracts are deducted from JSA's payment, or, more accurately, are counted as an expense. JSA uses a voucher procedure and only reimburses the participating company if the individual is hired after the OJT contract period. This has the benefit of improving the commitment of employers to the individual under OJT. For example, companies are more willing to work with trainees and to have JSA provide additional counseling to help them move into an unsubsidized position.

JSA does not generally provide industry-specific Title III services. Due to the statewide nature of the program, it is difficult to generalize about the types of industries and former occupations represented by the participants. Since the economies of many rural areas are dominated by a single major employer, a layoff or plant closing disrupts the entire

local economy. The broad industry group which most frequently triggers this is manufacturing. However, in the Jefferson City area, a number of workers lost construction-related jobs when Union Electric Company's Callaway nuclear plant was completed. The prime contractor, Daniels International, had used a number of workers from the counties in SDA 5 (JSA's Mexico and Jefferson City offices are in SDA 5). The state's report on declining industries identifies 14 at the two-digit SIC level. These include mining, food and kindred products, apparel, leather, and transportation equipment.

A major determinant in DMP's decision to utilize JSA for statewide services was their past record. A second important factor was the short response time that JSA could provide in setting up a local office operation. In a typical situation JSA enters a new area and begins operation in three to four weeks. In a hypothetical example, an area coordinator will go into an area and contact a realtor for space, place advertisements for personnel, and obtain phone service and furniture. A local office, with a weekly enrollment goal of 10, is staffed by an assessment counselor, job counselor, community relations representative (similar to a job developer), and a clerical worker. After resumes are screened, the director of operations assists in the hiring decision. Existing JSA staff are initially sent to assist new staff in outreach. New workers are enrolled in the first job club run by JSA to train the local staff. They then conduct the next two job clubs, and are critiqued by a representative of JSA. Because JSA has operated and trained for so long, the process goes relatively smoothly.

As the project has been implemented for dislocated workers, some changes have been made in the operations manual. The manual had been developed for use with welfare recipients and then CETA participants, and some changes were warranted for the Title III population. Generally, these changes added some sophistication to the presentations to take cognizance of the previous work experience and the expected higher motivation of dislocated workers.

For the program year, JSA has intensified its OJT efforts as a result of DMP's insistence. DMP's view is that job search assistance pro-

grams must include an OJT option to provide a comprehensive employment and training approach for dislocated workers. This increased OJT emphasis has been beneficial for participant recruiting since it puts JSA in contact with employers who are not laying off workers. JSA's position is that they can offer some service to any employer. If a company is hiring, it can screen and provide quality workers. Companies laying off can be a source of program participants for job search assistance services and this also helps the company from a public relations point of view. A company that is neither hiring nor laying off can provide JSA with referrals of company job applicants. This assists the company, since it can avoid taking job applications while also helping job seekers.

Local private sector representatives are not directly involved in the planning and implementation of the program. However, DMP's overall statewide strategy for Title III was approved by the Missouri Job Training Coordinating Council and the governor. Also, JSA has developed close contacts with many employers in each of its primary service areas.

Unions are not directly involved with the program, either. However, this can be largely attributed to the lower incidence of unions in rural Missouri as opposed to St. Louis and Kansas City. JSA obtains prior approval from collective bargaining agents for OJT contracts with covered employers.

### ***Program Services***

All participants receive the same service sequence. Potential applicants have an opportunity to attend a daily orientation. If interested, they are scheduled for a formal application and eligibility process. If eligible, they begin in the job club the following Monday afternoon. The job search assistance provided through the job club is the primary service, and continues for a maximum of three weeks. Attempts are then made to place any remaining participants in OJT positions. Details of all phases of program services follow.

### *Outreach and Recruitment*

The JSA community relations representative makes a broad range of community contacts both with employers and sources of applicants. In some cases, he advertises job openings and uses job clubs as a mechanism to screen prospective employees for companies. Additional outreach techniques include newspaper advertisements, television and radio shows and public service announcements, JSA business cards or signs at employers, and occasionally, direct access to employer applicant files. Employers and newspaper ads have proven to be the most useful tools.

### *Orientation and Intake*

Orientation and intake are conducted in four phases as an ongoing process. First, all prospective participants are asked to complete general applications separate from the official intake applications, and make an informal declaration of the Title III program they believe best represents their situation. Second, the program's goals and philosophy are explained at daily orientation sessions. Third, interested individuals are prescreened after the orientation sessions and provided with a list of documentation required for the formal intake interview which is then scheduled. Fourth, the formal intake interview is conducted by the assessment counselor. At this time, eligibility is determined and an Employability Development Plan is completed, all program forms and releases are signed (releases are obtained for previous work references, providing participant information, receiving information from hiring companies, and the complaint and grievance procedure), and the JTPA intake form is completed. Referrals to other programs are made if the JTPA intake form indicates referral to vocational rehabilitation or JTPA Title IIA. Applicants are also sent to Employment Service to register. All eligible applicants are scheduled to begin the job club the following Monday.

### *Job Club—Week One*

Job search assistance activity uses a structured job club approach. The job club meets four hours each afternoon during the first week. Sessions are conducted by the job counselor. After the first day, each

participant is expected to have two job interviews with employers each day. The main daily activities or topics are indicated below.

### **Day 1**

- Presentation of job search work policies and the signing of the counselor/job seeker agreement;
- Successful interviewing;
- Interview questions;
- Leads;
- Obtaining three letters of recommendation; and
- Completion of sample application.

### **Day 2**

- Resume preparation;
- Interview question responses;
- List of ten job leads;
- Phone outline introduction;
- Writing qualifying statements for use in phone contact; and
- Role-playing telephone outline.

### **Day 3**

- Rehearse interview questions;
- Review telephone outline; and
- Present telephone rebuttals.

### **Day 4**

- Follow-up calls and letters of recommendation; and
- Presentation of personal appearance and body language.

### **Day 5**

- Continue phone contacts;
- Job-keeping skills; and
- Mock interviews.



### *Job Club—Weeks Two and Three*

Participants who have not found unsubsidized employment continue job club activities in the morning of weeks two and three. These sessions provide additional follow-up and reinforcement to the job club's week one material. Activities in weeks two and three are somewhat less structured. However, participants are required to make five personal contacts daily. These must include at least three interviews with a company person who can hire and fire people.

### *On-the-Job Training*

The job counselor and the community relations representative work in close contact concerning participants. Usually after the first week the counselor can determine whether or not a participant may need to gain entry to an employer using an OJT contract. The community relations representative is continuously contacting employers for direct placement opportunities and on-the-job training positions.

Due in part to JSA's unit-price contract which provides no JTPA reimbursement unless the hourly wage exceeds \$3.60 and the fact that OJT payments to employers are expenses to JSA, OJT contracts are only written at wages above \$3.60 per hour. Additionally, the employer's commitment to the trainee's success is strengthened because the job search voucher system only reimburses employers if the participant is hired in an unsubsidized position after the OJT period. Employers receive no payments for participants they terminate or who quit. This procedure reduces the exposure of JSA to incurring expenses not associated with placements, but, more importantly, it gives the employers a stake in achieving success with each OJT participant.

### *Employment Verification*

JSA's unit-price contract with DMP requires that every placement be verified to establish the correct payment which is based on hourly wage at placement. All placements are verified, even those for which JSA receives no compensation (those below \$3.60 per hour). JSA converts the verification process into a job/participant development con-

tact by requiring that the community relations representatives take the verification form to employers in person. This gives the JSA representative an opportunity to begin contacts with new employers when participants have secured their own job, which is often the case.

Counseling plays an important ongoing role in JSA's program. The primary focus of the job club activity is to provide the experienced dislocated worker with the job search skills necessary to become re-employed. JSA data for the transition year indicate the average participant who obtains employment attends 6.5 sessions and goes to 6.6 interviews before obtaining a job. Note that these outcomes have been achieved in rural and smaller urban areas which have relatively high levels of unemployment.

Counseling is also utilized to overcome the two main attitudinal obstacles faced by dislocated workers: they were initially not expecting the layoff, and many expect to be called back to work by their previous employer. These two attitudes must be overcome in order to successfully proceed in the job club. As illustrated by the labor market information provided above, most of the areas where JSA operates have below average wages for the state. While the experienced dislocated worker may have received wages above the area average based on industry affiliation, skill level or tenure, many do not have to make as major an adjustment in wage expectations as do workers in large urban areas with higher pay scales and greater union representation. This reduces the need for extensive wage expectations counseling. However, it is still necessary to counsel participants that starting in a new job will probably mean beginning at a lower wage rate.

### ***Program Participants***

Table 5-2 presents enrollment and participant characteristics for the transition year and the first six months of program year 1984. Participants have been predominantly white males between the ages of 22 to 44. This pattern appears consistent with the typical dislocated worker one would expect in the areas where JSA offices are located.

**Table 5-2**  
**Enrollment and Participant Characteristics Period:**  
**Transition Year and Program Year 1984 (6 months)**

| Selected characteristics            | TY 1984 | Percent | PY 1984 | Percent |
|-------------------------------------|---------|---------|---------|---------|
| Total participants                  | 963     |         | 2,030   |         |
| Total terminations                  |         |         |         |         |
| Entered employment                  | 735     | 76      | 1,186   | 58      |
| Other positive terminations         | 576     | 60      | 1,017   | 50      |
| Other terminations                  | 159     | 17      | 169     | 8       |
| Sex                                 |         |         |         |         |
| Male                                | 601     | 62      | 1,179   | 58      |
| Female                              | 362     | 38      | 851     | 42      |
| Age                                 |         |         |         |         |
| 14-15                               | —       | —       | —       | —       |
| 16-17                               | 1       | *       | 1       | *       |
| 18-21                               | 101     | 10      | 204     | 10      |
| 22-44                               | 697     | 72      | 1,498   | 74      |
| 45-54                               | 122     | 13      | 242     | 12      |
| 55 and over                         | 42      | 4       | 85      | 4       |
| Education                           |         |         |         |         |
| School dropout                      | 140     | 15      | 241     | 12      |
| Student (H.S. or less)              | —       |         | —       |         |
| High school graduate                | 535     | 56      | 776     | 38      |
| Past high school                    | 288     | 30      | 1,013   | 50      |
| Race                                |         |         |         |         |
| White                               | 922     | 96      | 1,925   | 95      |
| Black                               | 25      | 3       | 76      | 4       |
| Hispanic                            | 3       | *       | 13      | 1       |
| Native American                     | 7       | 1       | 8       | *       |
| Asian                               | 6       | 1       | 8       | *       |
| Employment barriers                 |         |         |         |         |
| Limited English                     | 6       | 1       | 5       | *       |
| Handicapped                         | 13      | 1       | 34      | 2       |
| Offender                            | 24      | 2       | 54      | 2       |
| Other                               | —       |         | —       |         |
| Benefit reciprocity                 |         |         |         |         |
| U.I. claimant                       | 302     | 31      | 820     | 40      |
| U.I. exhaustee                      | 152     | 16      | 203     | 10      |
| Public assistance (GA)              | 7       | 1       | 13      | 1       |
| AFDC                                | 34      | 4       | 37      | 2       |
| Youth AFDC                          | —       |         | —       |         |
| Labor force status (prior 26 weeks) |         |         |         |         |
| Unemployed 1-14 weeks               | 252     | 26      | 695     | 34      |
| Unemployed 15 or more weeks         | 674     | 70      | 1,240   | 61      |

\*Less than .5 percent

Most participants have at least a high school diploma with almost 30 percent having completed schooling beyond high school. During the transition year, 47 percent of participants were receiving UI benefits or had exhausted the benefits. Approximately 70 percent had been unemployed 15 weeks or longer.

JSA can provide service to all eligible individuals. However, DMP has stipulated that they concentrate their efforts on persons meeting the first two definitions of a dislocated worker in the JTPA Act. All participants receive identical services.

### *Program Outcomes*

JSA's job development/placement process places primary responsibility on the individual. The job search assistance activities undertaken during the job club sessions stress that most available jobs are in the hidden job market. These jobs can be found by using the tested approaches learned in the job club sessions. The JSA technique involves the use of telephone contacts to develop interview opportunities so that participants have a chance to demonstrate their skills and work experience record.

This approach is augmented by job development for direct placement which is conducted by the JSA community relations representative. More important, the representative develops on-the-job training positions for use by participants who have been unsuccessful in three weeks of job club.

During the transition year, all Title III contractors had performance standards written into their contracts. DMP expected an entered employment rate of 60 percent with an "other positive termination rate" of 5 percent. The average hourly wage standard was set at \$4.29. JSA had no performance standard for cost per placement because it operated on a unit-price contract. For program year 1984, the entered employment performance standard was increased to 65 percent and the other positive termination rate remains unchanged at 5 percent. Selected performance indicators for both time periods follow.

|   | <b>Transition<br/>year</b> | <b>Program year<br/>(6 mos.)</b> |
|---|----------------------------|----------------------------------|
| Average hourly wage at<br>termination (of those placed) | \$4.69/hour                | \$5.08/hour                      |
| Cost per placement                                      | \$1,023                    | \$1,300 (est.)                   |
| Proportion of terminees placed                          | 78%                        | 86%                              |
| Wage replacement rate                                   | 83%                        | 80%                              |

It should be noted that the rising cost per placement is caused by the higher entered employment rate at increased wage levels achieved during the first six months of program year 1984. Since the terms of unit-price contract provides higher payments for higher wage rates, JSA has received higher payments in the first six months of the program year as a result of improved performance.

#### *Overall Assessment*

JSA's Title III operations have several important aspects which contribute to its success. First, key personnel have extensive experience operating job search assistance programs dating back to 1978. Second, their expertise has enabled them to revise their operations manual to take account of the changing environments in which they have operated. For example, JTPA Title III services are provided to dislocated workers, most of whom have good previous work records and higher skill levels than the welfare and CETA populations served previously. Third, past experience enables JSA to identify and hire quality staff for their local offices. Fourth, in addition to hiring quality staff, the company believes in keeping them motivated. Fifth, the company can draw on their experience to start up new offices and begin providing job clubs quickly (within approximately 30 days). Sixth, JSA's policy of providing employer reimbursement for OJT only if the participant is hired seems to improve the employer's commitment; it is also in JSA's interest, given their unit-price contract. Last, JSA's performance-based contract with DMP focuses attention on attaining unsubsidized placements at relatively high wage levels.

Based on the goals and objectives of DMP's statewide Title III effort emphasizing job search activities, the JSA program is achieving high employment rates at wages above the statewide average wage performance standard. Costs per placement are low compared to other program strategies.

The program appears to be appropriate for the eligible population. For example, during the first six months of program year 1984, the average participant who was placed attended 6.4 sessions and had 5.8 interviews before obtaining a job. The 86 percent employment rate and average wage of \$4.94 are considerably above planned levels. JSA's goal for the entire program year is 1,250 placements. In the first six months, 1,017 participants found unsubsidized employment.