



Australian Government  
Department of Employment  
and Workplace Relations

# The evaluation framework for employment services

EXPERIENCE WITH RCTS AND LESSONS LEARNT

# Employment Services Reform



We are advising the government on reforming the employment services system.



This advice reflects the vision in the Employment White paper and considers the Rebuilding Employment Services report.



Reforms are to be grounded in evidence, high quality evaluation, and continuous learning and improvement.

# Continuous Improvement and service delivery – implementing best practice

From the Rebuilding Employment Services report:

Run a new evaluation framework (Rec 24) with:

i.

inclusion of a broader range of metrics of effectiveness.

ii.

ongoing capacity to experiment with innovative service delivery approaches (Rec 27).

iii.

new initiatives subject to robust monitoring and evaluation (Rec 27), including via the application of counterfactual evaluations (e.g., RCTs)

# What goes into an evaluation strategy?

Different types of evaluations draw on a range of methods and tools to measure and assess performance. It is **important to select tools and approaches that are fit for purpose** based on the specific program or activity and the purpose of the evaluation. Some examples:

## Youth transition pathways and their relationship with labour market outcomes, 2016

Methods:

- Optimal Matching,
- Cluster Analysis,
- Longitudinal Surveys

## Parents Next 2018-2021 Evaluation

Methods:

- Participant Surveys
- Post Program Monitoring Survey,
- Descriptive statistical analysis,
- Impact analysis

# RCTs are an especially effective evaluation method for:

## Answering questions about causal relationships

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**Did the program cause the change or impact it was intended to make?**

There may be many different influences on a program, and it can be difficult to determine correlation from causation in observational approaches – an RCT overcomes this.



## Testing alternatives

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**What is the difference in people's outcomes between those who received a new form or assistance or support and those in an existing program or who received no intervention?**

An RCT establishes a clear counterfactual for comparison of outcomes.

*Qualitative methods and surveys are also used to triangulate, strengthen and complement the findings from RCTs*

# Online Employment Services RCTs



RCTs will test options that address issues identified by the Select Committee Inquiry into Workforce Australia.

- Evidence gaps and stakeholder feedback has driven the selection of trials



What is being tested? - changes in the intensity of service or optimising the level of requirements (not a yes/no to program)



Part of capability building in APS; working in partnership with ACE

# Principles for best use of RCTs

Given the high-quality evidence that RCTs can generate, this option should be embedded in our planning for future evaluations.

- 1 The feasibility of an RCT relative to other viable methods needs to be considered systematically and consistently.
- 2 RCTs should not occur in a vacuum and need to be situated within a broader evaluation framework.
- 3 RCTs are most effective when they are co-designed with policy and program/delivery experts, and multi-disciplinary trial design experts.
- 4 RCTs should be part of an iterative approach to reform, balancing short-term and medium-term evidence needs.
- 5 Evidence from RCTs should be transparent.

# The next phase

## In the future:

- Embedding trial consideration
- We are increasing our use of integrated admin data
- Will require further capability uplift – forums such as this are important.
- Applying RCT lessons learnt to next phase of implementation

