

A Case Study in the Use of VendorStat, An Accountability System for a Public-Private Partnership in New York City's Welfare-to-Work Program

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What is a Public-Private Partnership?

- The government arranges for the private sector to perform certain public activities using public funding.
- Partnerships occur through different institutional arrangements. The arrangements between government and the private sector include franchises, grants, and contracts. The most common form is the contract.(Savas, 2001).

The Advantages of Contracting

- Among advantages, according to Savas (2001), are that Contracting is more efficient, allows flexibility in adjusting the size of a program, and makes it possible for government to take advantage of specialized skills that are lacking in its own workforce.
- One of the arguments by those who argue against government contracting is that “the contractor is held to be neither accountable to nor under sufficient control of the government” (Savas 2001).

Accountability System

- An accountability system is essential for an effective public-private partnership and the key element of this system is the creation of performance measures with which to help define and measure program goals.
 - Typical performance measures in the case/instance we are looking at here are: job Placement, job retention on 90th day and job retention on 180th day.

Once you have created these key performance measures, you have the basic components of a Performance Stat accountability system.

PerformanceStat according to Robert Behn

PerformanceStat should:

- Contain accurate and timely data
- Incorporate regular discussions of program strategy
- Be open to addressing and resolving problems and issues
- Have a mechanism for follow up
- Command accountability
- Foster Competition and

IMPROVE OUTCOMES

New York City's Welfare Reform Employment Programs

In 1999, New York City's Human Resources Administration, decided to contract out employment programs to a number of for-profit and non-profit organizations through 100% performance based contracts. Twelve organizations were contracted to provide services through more than 30 sites.

While these contracted employment programs only received payment when they achieve desired outcomes, there was always a sense that a focused performance management system was needed to monitor their progress and support their efforts.

Performance Measurement: NYC's Welfare Reform Employment Progr

- **VendorStat**, was the performance measurement system developed to monitor the performance of these contracts. It was modeled around HRA's welfare center accountability system, JobStat, and NYC Department's well known and well documented CompStat that to provide program managers with a systematic way to manage contracts.
- ***"VendorStat ... is a statement of agency priorities. The items contained on the tool should be the most important to the agency and should tell the contractor in which areas should be the heaviest focus."*** - Seth Diamond, Executive Deputy

What is VendorStat?

VendorStat Performance System has two major components:

1. Monthly Reports providing timely data and measuring the performance of every provider site and compares their performance over time and against all other providers
2. Weekly Meetings, between HRA administrators and vendor representative, structured to review performance and understand vendor service philosophy and practices

*More
current*

The VendorStat report is not a substitute for contract monitoring. It should be used as supplemental tool to contract monitoring providing more current program performance data and promoting improvements in performance.

In addition, employment providers can use the tool to gauge how they are performing in relation to their counterparts- fostering competition.

ESP Vendor

ESP Employment Vendor*Stat Report, Version 3.0

Month, Year

Director:
 Sr. Managers:
 Contract Term:
 Job Center(s):
 Region Manager:
 Dpty Rgn Mgr(s):

Vendor Staffing	Mar-06
Case Managers	
Job Developers	
Retention Specialists	
Support Staff	

Renewed Contract Rate	CTD
% of Contract Amount Sp	109%
Renewed Contract Milestone	CTD
Placements	998
3 Month Retention	477
6 Month Retention	275

	Site						Vendor					All Vendors		
	Actuals						Actuals					Actuals		
	Mar-06	Rk	3 Mo. Avg	CTDAvg	Rk		Mar-06	Rk	3 Mo. Avg	CTDAvg	Rk	Mar-06	3 Mo. Avg	CTDAvg
1. % Placed by End of Week 4	20%	11	17%	13%	12		17%	4	16%	13%	4	17%	14%	11%
2. % Placed by End of Week 13	34%	16	49%	41%	8		42%	5	56%	41%	2	43%	47%	33%
3. % Placed by End of Week 26	52%	18	64%	48%	14		60%	5	71%	50%	2	60%	62%	43%
4. % Placed by End of Week 26- With FTCs	31%	8	35%	26%	6		30%	2	31%	24%	1	25%	25%	20%
5. Average Wage	\$8.19	24	\$8.43	\$8.43	22		\$8.82	7	\$8.48	\$8.48	8	\$9.17	\$9.06	\$9.06
6. % Paid Retention at 3 Months	48%	19	57%	52%	25		54%	8	57%	52%	8	60%	65%	56%
7.% Paid Retention at 6 Months	31%	19	34%	34%	19		32%	8	32%	36%	5	39%	39%	35%
8.Recidivism Rate-3 Months	30%	24	26%	22%	21		30%	9	26%	24%	8	19%	19%	21%
9. Recidivism Rate- 6 Months	44%	17	34%	35%	19		36%	7	37%	37%	8	36%	37%	35%
10. Recidivism Rate- 9 Months	46%	14	48%	40%	16		50%	6	48%	42%	8	45%	44%	40%
11. FTR Rate	28%	14	30%	18%	20		22%	9	25%	20%	9	29%	31%	27%
CONTRACT MONITORING RATE														
12.%Placement Milestones Achieved	54%		59%	50%			157%	2	183%	151%	1	75%	76%	81%
13. % Retention Milestones Achieved- Week	91%		85%	35%			210%	1	201%	108%	1	76%	78%	57%
14.% Retention Milestones Achieved-Week 2	54%		59%	31%			192%	2	153%	105%	1	82%	68%	53%
ADMINISTRATION														
15.EP Completion Rate	79%	4	76%	59%	28		62%	7	69%	59%	8	84%	87%	78%
16.Timely FTR Notice	100%	1	99%	84%	14		100%	1	94%	70%	8	98%	97%	78%
OUTCOMES SINCE REFERRAL														
UPON COMPLETION OF:														
Week 4														

Referrals
Total Referred
FTR
Deassigned
Net Seen
Deassignment Requests
Assessments
Unassessed Seen
New Assessments done
Updated Assessments
Placements
Total PA Placements
TANF
SNCA
SNNC
Parks
Food Stamps
OCSE
178

ESP Vendor

*ESP Employment Vendor*Stat Report, Version 3.0*

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Indicators compare performance across **SITES, VENDORS** and **VENDORS.**

Measurements are based on the report month, 3 month average
Contract to Date Average.

1. % Placed by End of Week 4	20%	11	17%	13%	12	17%	4	16%	15%	4	17%	14%	11%	FIR
2. % Placed by End of Month 16	34%	16	49%	41%	8	41%	2	43%	47%	33%				
Site	Vendor					All Vendo								
Actuals	Actuals					Actuals								

ESP Vendor

*ESP Employment Vendor*Stat Re*

Month, Year

Director
Sr. Ma
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Indictors Measuring Placement and

		Site				
		Actuals				
		Mar-06	Rk	3 Mo. Avg	CTDAvg	Rk
1. % Placed by End of Week 4		20%	11	17%	13%	12
2. % Placed by End of Week 13		34%	16	49%	41%	8
3. % Placed by End of Week 26		52%	18	64%	48%	14

VendorStat Over time

- VendorStat indicators reflects the milestones required in the contract, based on the legislative requirement and client characteristics and of course agency goals
- Between 1999 and 2013 , employment contracts have gone through 3 significant iterations. With contract changes and modifications, VendorStat has gone through at least 5 versions to meet the changed need.

HUMAN RESOURCES ADMINISTRATION

[Vendor Name] - [Site Name]

Back to Work VendorStat

MAY, 2012

Month	Center/Site								Vendor								All Vendors						
	Denom	Apr-11	Rk	3 Mo.	Rk	YTD	Rk	Prog TD	Rk	Denom	Apr-11	Rk	3 Mo.	Rk	YTD	Rk	Prog TD	Rk	Denom	Apr-11	3 Mo.	YTD	Prog TD
Assessment & Compliance																							
1	Paid EP Completion Rate-NonFTR																						
2	Unpaid EP Rate																						
4	Failure to Comply (Applicants)																						
5	Failure to Comply (Undercare)																						
Placements																							
6	Paid 30 Day Placement Rate																						
7	% of 160 F/P paid																						
8	% of 160 D paid																						
9	Mean Wage																						
10	Median Wage																						
11	JRCP Paid Rate																						
Retention																							
12	90 Day Paid Retention																						
13	90 Day Returned to CA(Unbilled)																						
14	90 Day Unbilled																						
15	180 Day Paid Retention																						
16	180 Day Returned to CA(Unbilled)																						
17	180 Day Unbilled																						
Other																							
18	% of Previously Seen Referrals																						
19	% of Good Cause Granted																						

Director: _____
 Sr.Manager: _____
 Contract Term: _____
 Centers Served: _____

Demographics	Apr-11
Avg Age	
% of Cases with Child < 13	
% Female	
% Male	
% TANF	
% SNET	
% CONV	

Language Spoken	Apr-11
English	
Spanish	
Chinese	
Russian	
Other	

No. of Months on CA	Apr-11	3 Mo.	YTD
No. of Months on CA			

Contract Expenditure Rate	CTD
% of Contract Amount Spent	
% of Contract Elapsed	

Employ Svcs Referrals	Apr-11	Mar-11	Feb-11
BEGAN			
FAG			
Business Link apps.			

TA Training	Apr-11	Mar-11	Feb-11
Part-time Training			
Full-time Training			

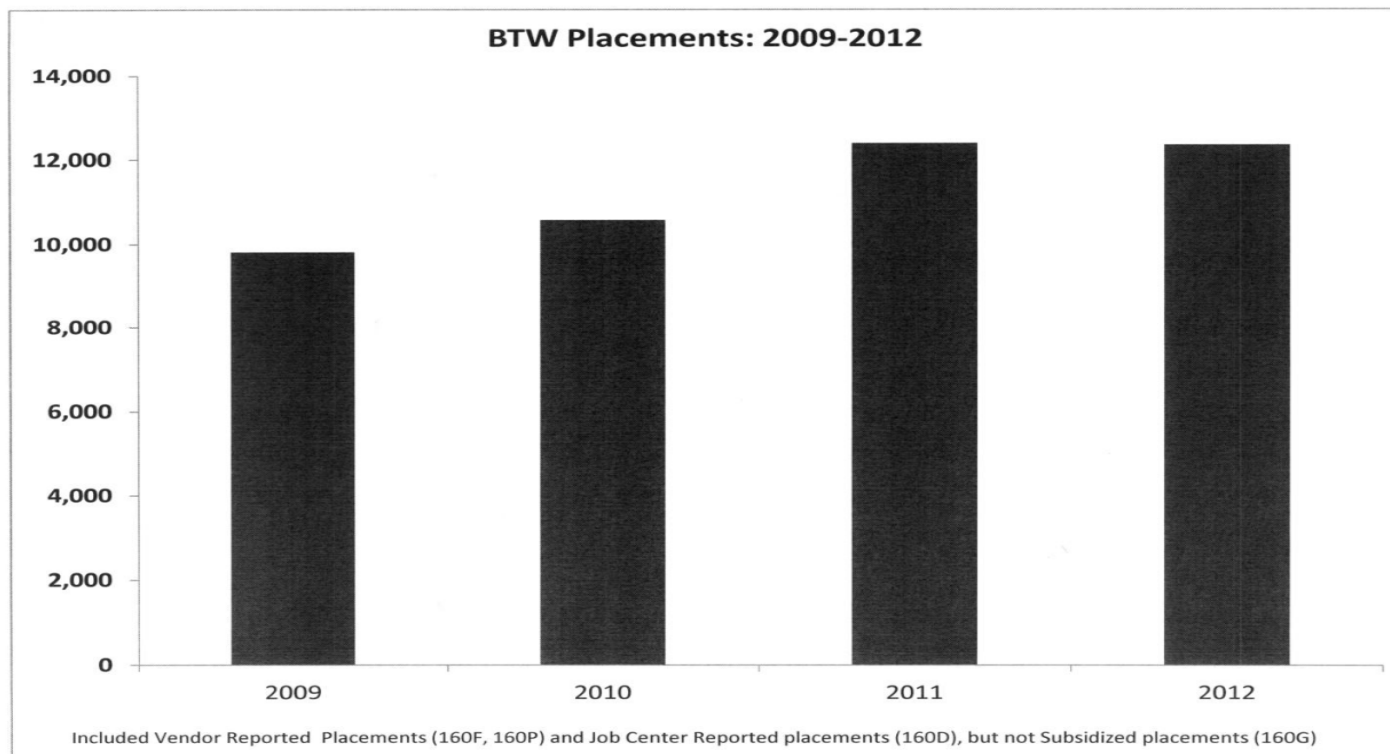
	2012												YTD Avg			
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2012	2011	2010	2009
Referrals																
Applicants																
Undercare (Rollover)																
Undercare (Return 90 days)																
Undercare (New 90 days)																
Open Cases																
Applicant																
Undercare																
160F/Ps Entered																
Applicant																
Undercare																
Full Time																
Part Time																
Paid Milestones																
Employment Plan																
80 Day Placement																
160F/P Paid																
160D Paid																
160G Paid																
JRCP																
90 Day Retention																
180 Day Retention																

Back-to-Work Vendorstat

VendorStat as a Management Tool

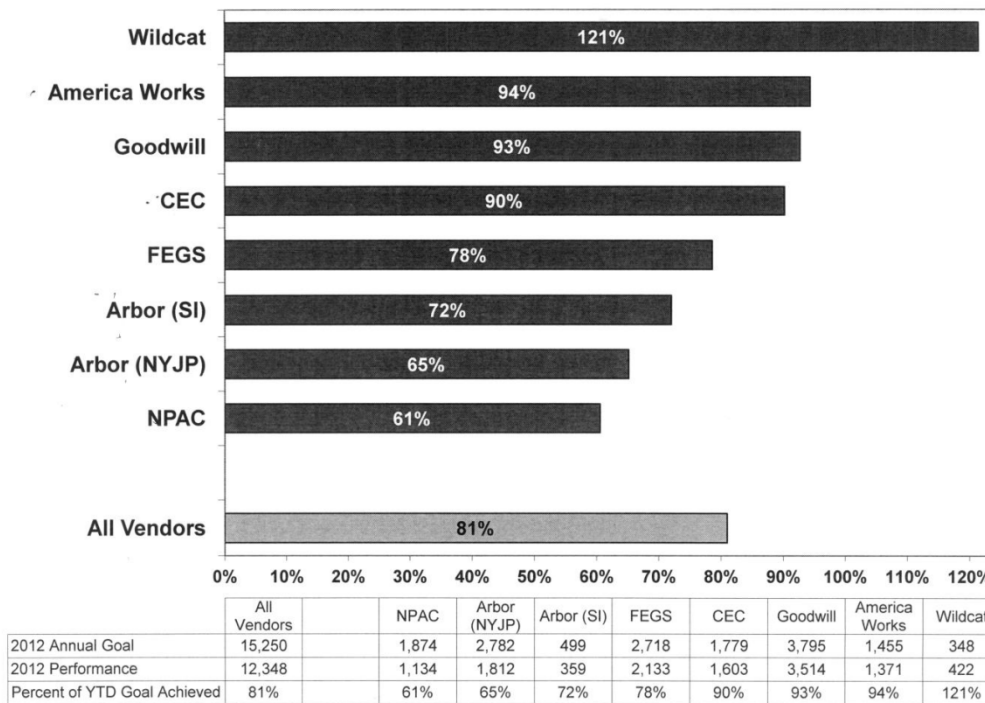
- The indicators are decided once a year among top managers of the program.
- The report is generated once a month with the most current data and is sent to vendors.
- Every week there is a meeting between a selected vendor and their staff and managers in-charge of the program to discuss the performance, the program model and the client flow in the vendor's program
- In addition to the report, managers use supplemental reports to facilitate the discussion.

Supplemental Reports



Supplemental Report

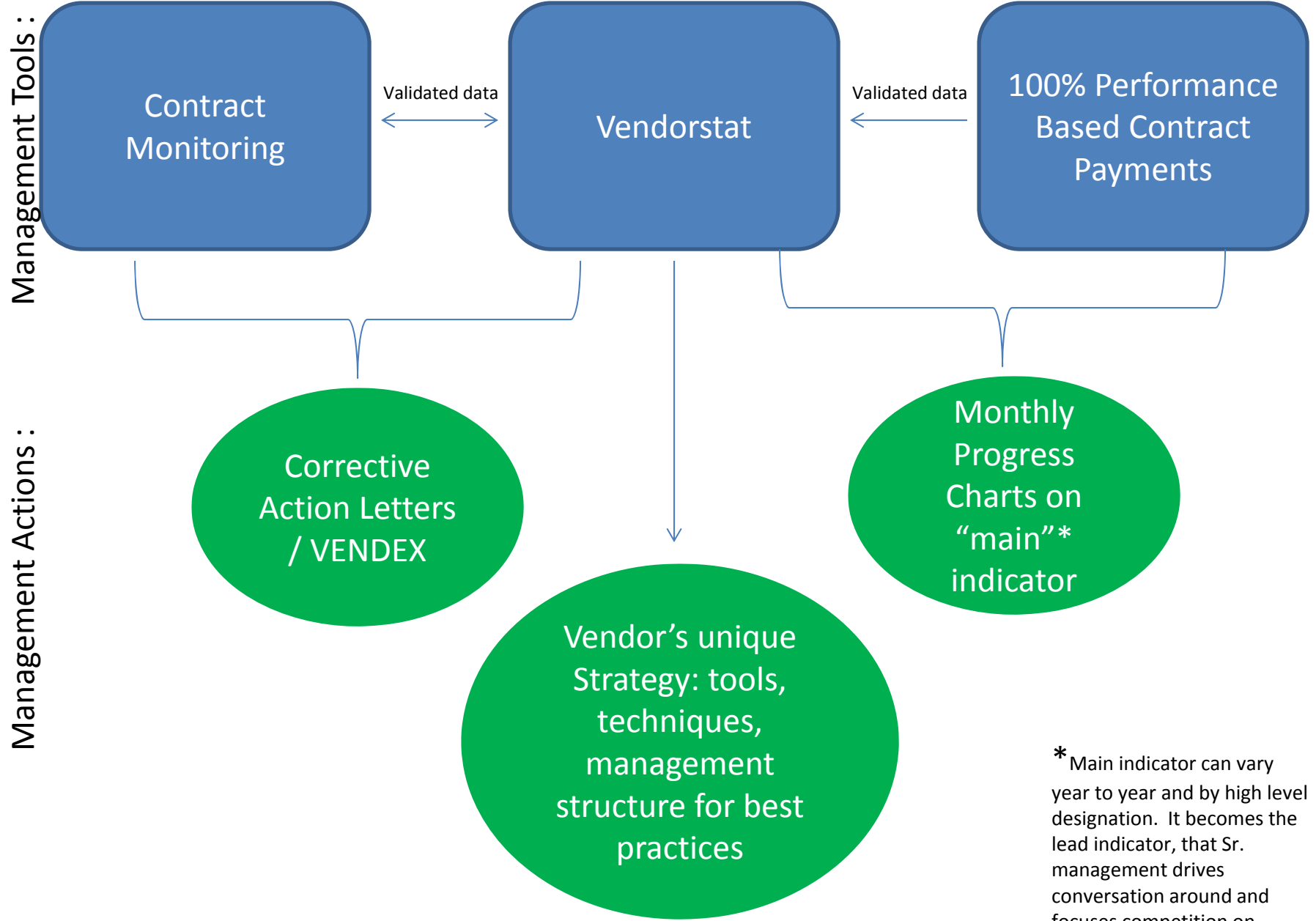
**HRA Back-to-Work
2012 Progress towards Placement Goals**



HRA Contracted Vendor on VendorStat

*“We find it to be a good management tool for
important to know how the funder (HRA) sees our
the other contractors in the*

*Having frequent vendor stats – albeit somewhat from
standpoint – insures that issues are immediately addressed
issues. The meetings are viewed by us as a collaborative
gotcha-game, Behn Oct. 2008)– often the manager’s
problem and vice versa that would not necessarily*



Conclusion

- VendorStat has been a successful management tool for HRA's performance-based contracts.
- It helps HRA's managers to manage contracts
- It gives clear understanding to contractors of what is expected of them and HRA is closely watching their performance.
- It is a tool that helps both the administering agency and contractors using the most current administrative data.
- It helps the Agency refine the contracts.
- It could apply to any public-private partnership.