

**Abstract**  
**Workforce Innovation Fund Application**

**Applicant Name:** Utah Department of Workforce Services and Montana Department of Labor and Industry

**Applicant Category:** Consortium of States

**Lead Applicant City/State:** Utah Department of Workforce Services  
Salt Lake City, Utah

**Areas Served:** Utah and Montana statewide

**Project Name:** Utah's Next Generation Labor Exchange (GenLEX)

**Funding Level Requested:**       \$3,864,365   **technical costs**  
  \$  772,873   **evaluation costs**

**Project Type:** B

**Description of Proposed Project:**

The Utah Department of Workforce Services (DWS) and Montana Department of Labor and Industry are poised to make significant improvements in their states' labor exchange services (LES) and related outcomes for their job seeker and employer customers. This Type B Promising Idea project will offer effective and efficient innovations that will increase employment outcomes and develop comprehensive metrics which more accurately capture the value of LES and self-services to job seeker, student, and employer customers.

The consortium's Next Generation Labor Exchange (GenLEX) initiative confirms that evolving employer demands for labor exchange services, increased job seeker needs for job preparation and connection opportunities, and advances in labor exchange technologies are converging to require service delivery that is more nimble, more accessible, more connected and less costly than a decade ago. GenLEX partners propose a project that retools and improves service delivery by enhancing technology and using it in new and innovative ways. The target is

to improve labor market outcomes for all skill levels of employers and job seekers, with special emphasis on low-wage and lesser-skilled populations who require a more intuitive and interconnected system. The system reforms will include business intelligence, allowing flexibility for employers to tailor their job postings to their workforce needs and replacing the current job matching system based upon O\*Net codes. In addition to improving basic Labor Exchange Services, this project will provide targeted LES through improved linkages to postsecondary education and job training services, employer-identified career pathways, and other community support services. Such linkages are vital to provide job seekers, and students who will become job seekers, with the information required to be prepared and competitive to meet employer workforce demands. ***Therefore, the overall hypothesis of this Workforce Innovation is that LES outcomes can be improved for both employers and job seekers through enhancements to online functionality and comprehensive bridges to career pathways and education and training opportunities.***

The Utah GenLEX project is designed to: 1) mitigate mediated (staff-assisted) services use and make self-service LES more successful; 2) provide LES at a lower cost-per-participant; 3) address the strain on and access issues with physical One-Stop Centers; 4) assist job seekers and students with better connections to career pathways and related education opportunities; and 5) improve Common Measures and introduce new, innovative outcomes that more accurately measure LES success.

The dynamic Montana-Utah partnership has been successful and ongoing since 2005, allowing consistent sharing of LES code and data and customization of LES tools. Because the existing partnership has already shown the ability to innovate and share, the GenLEX proposal

will not only benefit both states, but also provide a path to replicate “lessons learned” beyond the borders of Utah and Montana, throughout and after the project’s implementation.

**Description of Proposed Evaluation Strategy:**

The third party independent evaluation will consist of three major parts: First, a randomized controlled trial of job seekers that compares outcomes of those that used the new system with those that used the existing system; second, a quasi-experimental design to examine changes in the usage and satisfaction of the new system for employers; and third, a process evaluation of perceptive surveys to measure customer satisfaction.

In addition, a foundation of the new, innovative metrics will move beyond the Common Measures and other activity-based indicators by looking at all “new hires” in the labor market during each quarter. A “new hire” is defined as an *employer-worker* relationship observed in quarterly wage records where the same *employer-worker* relationship did not exist in any of the previous four quarters. Metrics will include: 1) the market share of employers that actually hired a job seeker who was also served by the public labor exchange, and 2) the market share of job seekers with new employment served by the public labor exchange. Each of these measures can be tracked by the type of services received: online versus mediated versus both online and mediated services. This online versus mediated comparison will indicate the reduced costs per hire as more and more customers are served exclusively through online services.

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