South Carolina Department of Employment and Workforce

"To provide quality, customer-driven workforce services that promote financial stability and economic growth"

-SCDEW Mission Statement

Preface

In late March 2010, the South Carolina State Legislature passed a bill, H-3442, restructuring the Employment Security Commission and creating a new cabinet agency designated as the South Carolina Department of Employment and Workforce (SCDEW). Governor Mark Sanford signed the restructuring bill into law on March 30, 2010. Legislation aimed at addressing the deficit in the state's Unemployment Insurance Trust Fund, S-391, was also passed and was on June 3, 2010.

H-3442 returned the Workforce Investment Act workforce development program from the Department of Commerce and merged it with the Unemployment Insurance, Labor Exchange and Labor Market Information functions of the Department of Employment and Workforce. S-391 addresses the issues of restoring the trust fund to solvency, while meeting the state's obligations to repay the loans and interest due to the federal government.

Mr. John L. Finan was appointed by Governor Sanford on April 20, 2010, to assume the duties as the new executive director of the South Carolina Department of Employment and Workforce.

The majority of data provided in this year's Accountability Report will pertain to those operations conducted under this agency's previous administration. Since the conversion to SCDEW there have been many additional changes that have been implemented which will be reported in next year's accountability report.

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Section I – Executive Summary

1. Purpose, Mission, Vision, and Values

The mission of the South Carolina Department of Employment and Workforce is to provide quality, customer-driven workforce services that promote financial stability and economic growth.

The South Carolina Department of Employment and Workforce (SCDEW), hereafter referred to as the Agency, is responsible for securing gainful employment for South Carolina citizens, finding employees for companies, providing unemployment insurance (UI) benefits, collecting unemployment taxes, and compiling and disseminating state/federal employment statistics. While these functions have not changed significantly over the past decade, customer needs and service delivery methods certainly have. As the leading workforce development and labor exchange agency in the State, the Agency continually adapts to new technology and the demands of the global economy. Our main goal is to match job seekers with employers in the most efficient and effective manner possible. In pursuit of this goal, we offer a variety of services to assist both corporate and private citizens.

Customer satisfaction is the primary focus of the Agency. The Agency strives to be the leading workforce development and labor exchange system in South Carolina. This vision is based on the following values:

1. The customer comes first.
2. All employees are partners in change and are encouraged to provide meaningful input regarding improvement of the Agency's operations.
3. Key results and performance are directly linked to long-term planning.
4. Open communication is promoted both internally and externally.
5. The latest technology and resources are used to enhance customer service.
6. New opportunities to build public and private partnerships are always sought.
7. The Agency will maintain a diverse, professional, well-trained, motivated, and dedicated workforce.
8. As a steward of public funds, The Agency will ensure the fiscal integrity and accountability of the Agency and the programs for which it is responsible.

2. Major Achievements from the Past Year

1. Facilitated the move and transition of the Workforce Investment Act (WIA) program from the S.C. Department of Commerce to the Agency in response to legislative changes.
2. Co-sponsored Job Forums with State legislators in Spartanburg, Camden, Conway/Myrtle Beach, Florence, Beaufort, Rock Hill, and Aiken; providing job services to the unemployed.
3. Successfully implemented the South Carolina Enterprise Information System (SCEIS) program for the Agency Finance and Human Resources Departments.
4. Completed and implemented programming for all extensions of UI for claimants.
5. Implemented Phase I of the Website Upgrade and Redesign, releasing a more user-friendly site on which information can be accessed in three clicks or less. Migrated all Agency departments to the new internal website (iConnect).

6. Piloted and began implementation of Debit Cards for payment of UI benefits, decreasing check processing and mailing costs.
7. Launched a successful statewide marketing and educational campaign devoted to the debit card conversion.
8. Through collaboration with the South Carolina Business One Stop (SCBOS), implemented an online payment engine for employers to file and pay UI quarterly taxes via electronic funds transfer.
9. Established on-going “On-Air Job Banks” where Agency employees take phone calls and answer questions about jobs listed with the Agency while also promoting our services on television stations around the state.
10. Began work on the UI Benefits System Feasibility Study as a member of a four-state consortium, completing the current system’s “as-is” documentation and continuing to work on the next phase of the project.
11. Modified coding in SC JobLink so that when claimants filed their initial claim, they would use the same password as when registering or logging in the SC JobLink to search for work.
12. Completed the Imaging System Upgrades and Enhancements project, saving on expensive software licensing costs and improving service for UI staff.
13. Upgraded the Interactive Voice Response (IVR) hardware and software, increasing the ability to make changes to the system used by UI claimants to file weekly claims.
14. Relocated the Allendale and Moncks Corner Workforce centers to better facilitate our customer service and to provide additional space for One-Stop partner staff to co-locate.
15. Awarded $123,090 in energy stimulus funding to retrofit light fixtures in the Agency buildings to energy efficient fixtures.
16. Facilitated the annual Palmetto Workforce Partnership Awards honoring employers from around the state of South Carolina for outstanding achievement in workforce development.
17. Applied to USDOL-ETA for 26 Information Technology (IT) Supplemental Budget Requests (grants) totaling $19,891,775 and received funding for 13 grants totaling $6,959,472. The grants are for improving security or automated integrity of UI systems.
18. Implemented new SCOIS CIS system statewide, nearly doubling the number of educators trained and greatly increasing SCOIS usage. Added 61 SCOIS sites.
19. Placed 60,878 workers in jobs, a 42% increase from the previous year.

3. Key Strategic Goals for Present and Future Years

1. Increase the number of applicants, UI claimants, and veterans entering employment.
2. Implement a new branding strategy for our state’s One-Stop centers.
3. Increase the customer satisfaction of both businesses and job seekers using our services and increase the market penetration level of businesses using our services.
4. Complete a review of each local workforce board against the state-adopted standards.
5. Meet or exceed all federal and state performance measures for the WIA, the Trade Adjustment Assistance (TAA) program, and UI.
6. Implement the One-Stop Certification standards to ensure accountability, efficiency, and customer service.
7. Integrate workforce services through a single data system used by businesses, job seekers, and staff across multiple programs.
8. Exceed all mandated Bureau of Labor Statistics (BLS) and United States Department of Labor (USDOL) grant deliverables.

9. Reestablish the solvency of the UI Trust Fund and maintain an adequate balance to weather both minor and major economic recessions.
10. Increase efficiency in delivering UI benefits to eligible SC citizens through a new Benefit Payment System, increased use of direct deposit and debit cards, introduction of a call center, and procurement of a new system to reduce overpayment and increase collections of overpayments.
11. Strengthen and expand our partnership with the SCBOS system to allow for additional electronic services for state employers including electronic payment, submission of wage records, filing of claims, etc.
12. Continue improving IT hardware, software, and security/service delivery models and ensure IT is positioned to support all Agency strategic goals.
13. Engage the entire Agency in succession planning to ease the burden of long-term employee retirement.
14. Improve control and accountability of Agency resources through a strengthened, risk-based internal audit function.
15. Continue the Agency's efforts to reduce energy consumption by 20% by 2020.

4. Key Strategic Challenges

1. The ongoing recession and the resulting impact on the business community and the labor force.
2. The continuing high cost associated with unemployment benefits that have resulted in an outstanding loan to the federal government of over $886 million as of June 30, 2010. A primary challenge will be to begin repaying these loans while not stifling business investment and hiring due to increased tax burdens.
3. Adapting staffing patterns and funding to changing program priorities.
4. Meeting professional performance standards with increasing workloads related to continued high levels of unemployment.
5. Allocating appropriate resources to reemployment efforts when UI workload remains high.
6. Recruiting and retaining qualified data processing staff to implement new programs and maintain legacy systems.
7. The loss of valuable experienced staff due to retirement and the training of new employees to handle the workload.
8. Communicating to businesses and the public the services our Agency offers and increasing their utilization.
9. Upgrading aging IT systems with limited resources.

5. Use of the Accountability Report to Improve Organizational Performance

The Accountability Report, in conjunction with Government Management, Accountability and Performance (GMAP), serves as the foundation of the Agency's strategic planning process. The GMAP process involves the assessment of our customer's needs, the design of Agency programs, and the implementation of services. The primary function of the annual Accountability Report is to inform. GMAP supports the Agency's ability to do so. Both the annual Accountability Report and GMAP serve to promote continuous improvement within the Agency and its programs by clearly communicating our organizational mission, goals, and objectives to employees, other state agencies, partnering organizations, and customers.

Section II – Organizational Profile

The S.C. Employment Security Commission was reorganized, renamed Department of Employment and Workforce, and placed under the Governor's cabinet in March of 2010 following a number of highly publicized management problems. These were due to both the stewardship of the trust fund and the recession.

The Agency is responsible for the payment of UI benefits, the collection of unemployment taxes, job placement, job training, and federal employment statistics. Our main goal is to match job seekers with employers quickly and effectively, and we offer a variety of services to assist both groups.

The Agency works in concert with the federal government to preserve national economic stability. Funds come from payroll taxes paid by businesses. These funds underwrite the UI program and public employment service (ES). The Agency is also an active partner with business and industry, working with businesses to hold down tax rates, and working hard to reduce the time that any worker is out of a job. At the state and local levels, special employer advisory committees actively work with the Agency to ensure that all programs are designed to meet the needs of business, and to ensure that the private sector has a strong voice in issues affecting employment and training provided to South Carolinians.

1. Main Products and Services and Primary Methods of Delivery

- **Job Seeker Services -** Individuals seeking employment have full use of all services available to them in their job search. Job seekers who register with an Agency Workforce Center (WFC) are included in a database of available job seekers and matched with current job openings in the area. The system also refers qualified individuals to the employer for interviewing. Each WFC is equipped with a resource area designed to give applicants self-service access to the latest technology for Internet job searches, the best resources for producing professional resumes, tools to evaluate their work skills and needs, and access to employer information. -Information is also available to all applicants regarding training services, as well as referrals to other agencies and services designed to help individuals who are returning to/entering the workforce.

- **Employer Services -** Businesses have access to a full array of services to assist them with their workforce needs. Businesses are encouraged to list job openings with the Agency, which builds a database of job listings in the State. A job matching system is in place to match applicants with businesses based on the requirements of the job. Specialized services, such as recruiting, screening, and scheduling interviews of potential applicants, are provided to businesses. Businesses experiencing or anticipating layoffs may receive additional services to help prepare their workforce for the separation. These services may include group orientations, on-site registrations, or on-site filing for UI benefits.

- **Administering the Unemployment Insurance Program -** The UI system is funded through an UI tax paid by employers, to assist workers who may become unemployed. Workers who are unemployed or partially unemployed may apply for UI benefits. Application for benefits can be accomplished several ways – by visiting the nearest WFC, electronically via the

Internet, by telephone, or by the worker's employer (if he or she is still job-attached). After the initial application is taken, the employer is notified of the claim. After statements are taken from the applicant and the employer as to the reason for separation, a determination is issued. Either party who disagrees with the determination may initiate an appeal. Each claimant's eligibility is reviewed periodically as he or she continues to receive benefits.

- **One-Stop Workforce Center Operation -** WIA legislation provides that at least one comprehensive One-Stop WFC be designated in each of the twelve Workforce Investment Areas in the State. The WFC coordinates with various other agencies (partners) to provide the full array of services required under WIA. Additional sites (satellite locations) can be established, if the Workforce Investment Board (WIB) in that area determines that a need exists. The entity that operates a comprehensive WFC or satellite location is determined by a competitive bidding process. Each area WIB seeks bids from those entities that can operate a One-Stop WFC. There are 57 One-Stop centers in the State, 18 of which are comprehensive sites and 39 of which are satellite sites. Of the 18 comprehensive One-Stops, the Agency currently operates 15. In addition, of the 39 satellite sites, the Agency operates 23. In satellite offices, all basic services are provided. Additional services may be available on a limited basis.

- **Labor Market Information Services –** The Agency, in conjunction with the BLS, provides a broad array of statistical data. The data provided are for use by job seekers, employers, educators, planners, economists, students, and others. Data are presented in publications, articles, news releases, pamphlets, and the Internet. Special data requests are often received. Types of data available include unemployment statistics, recent industrial employment numbers, occupational data, and wage survey results.

- **South Carolina Occupational Information Coordinating Committee (SCOICC) -** SCOICC is also housed in the Agency and operates SCOIS. This system was designed to address the need for career and educational information in the State. It is available in each WFC, all school districts, and various other sites. Users may access this web-based career system that offers resources to assess their skills and interests. SCOIS assessments are matched with potential career clusters and occupations. Additionally, the user may review all available information pertaining to that occupation and locate facilities that offer the specific training required.

- **Other Specialized Services -** Certain segments of the workforce also receive specialized services in the WFC. Veterans are given preference with registration, referrals to job listings, and have designated program specialists to assist them. The Agency also monitors the employment and living arrangements of migrant and seasonal farm workers very closely. USDOL designated the Agency as the coordinator for the Foreign Labor, Federal Bonding Program, Work Opportunity Tax Credit and Navigator programs.

- **Economic Development Services -** The Agency is one of the main providers of data to economic development agencies around the State. The Agency distributes data on the general economic status of the State to various colleges and universities, as well as the general public, on a monthly basis. Companies considering relocation to South Carolina can find the data needed to make an informed decision.

2. Key Customers and Their Key Requirements/Expectations

Customer	Requirements/Expectations
Job seekers and UI claimants	Access to job referral and placement assistance, access to training and supportive services, and access to labor market information (LMI)
Businesses	Access to placement assistance and LMI
Universities, colleges, technical schools, and other educational entities	Access to LMI and SCOIS information
One-stop partners' organizations, both private and public	Regulatory requirements, economic stability, access to training and supportive services, and access to labor market information

3. Key Stakeholders (other than customers)

State and local economic developers
Federal, state, and local government agencies
Chambers of Commerce
WIBs
Elected officials
USDOL

4. Key Suppliers and Partners

Businesses
One-Stop Partners
Federal, state, and local government agencies
WIBs
USDOL

5. Operation Locations

- *36 Workforce Centers serving all forty-six counties*

Abbeville	Clinton	Hartsville	Orangeburg
Aiken	Coastal	Kingstree	Rock Hill
Anderson	Columbia	Lancaster	Seneca
Barnwell	Florence	Lexington	Spartanburg
Beaufort	Gaffney	Liberty	Summerville
Bennettsville	Georgetown	Marion	Sumter
Camden	Greenville	Moncks Corner	Union
Charleston	Greenwood	Myrtle Beach	Walterboro
Chester	Hampton	Newberry	Winnsboro

- *14 Itinerant Points*

Allendale	Denmark	Gray Court	Ridgeland
Bishopville	Dillon	Greer	Saluda
Chesterfield	Eastover	Manning	
Darlington	Edgefield	McCormick	

- *2 Administrative Offices and a Supply Facility*

C. Lem Harper, Sr. Building, Columbia
Robert E. David Building, Columbia
Supply Warehouse, Columbia

6. Number of Employees/Employee Categories

As of June 30, 2010, the Agency had a total of 1,285 employees

- 3 Elected and 4 Unclassified Employees
- 853 Full-Time Employees
- 303 Temporary Grant Employees
- 129 Temporary Employees

7. Regulatory Environment

- The Agency operates under S.C. Code Annotated Title 41, Chapters 27 through 41, which were significantly modified by Act 146 (Ratified April 20, 2010) and Act 234 (Ratified June 23, 2010) in the South Carolina General Assembly.
- The Agency is required to comply with instructions and regulations promulgated by the United States Department of Labor in carrying out provisions of the Federal Unemployment Tax Act (FUTA), the WIA, the Trade Act, and other legislative initiatives designed to serve and improve the American workforce.

8. Performance Improvement Systems

- Quarterly WFC productivity reports that rank each WFC
- Report to the USDOL regarding Common Measures
- Random sampling of WFCs is conducted annually to receive feedback from businesses and applicants
- Internal utilization of the GMAP process
- Federal Performance System for UI activities - Government Performance and Responsibility Act

Section III – Elements of Malcolm Baldrige Criteria

Category 1.0 Senior Leadership, Governance, and Social Responsibility

1. ***How do senior leaders set, deploy, and ensure two-way communication throughout the organization and with customers and stakeholders, as appropriate for: a) short and long term organizational direction and organizational priorities, b) performance expectations, c) organizational values, and d) ethical behavior?***

1.1a - Senior leadership provides and encourages effective communication throughout the organizational structure. They continue to work toward effectively communicating the vision and goals set forth for the Agency primarily through division, department, and unit meetings. Weekly division meetings provide opportunities for overall direction to be set and monitored. Subsequent meetings on the division, department, and unit level allow this information to be shared with front-line employees, thus ensuring consistent communication on the short and long-term direction of the Agency. Senior leadership holds quarterly area managers' meetings to provide direct contact and a consistent message to all front line managers at one time. Current senior leadership is implementing a customer service assistance center to improve communication with customers.

Senior leadership uses GMAP as a tool to analyze current goals and performance measures and make adjustments based on strategic planning. Divisions, departments, units, and employees are required to evaluate their individual roles and progress toward accomplishing Agency goals. Senior leaders provide written communication and promote feedback through the use of email.

1.1b - Performance expectations are clearly defined and communicated to individual employees and departments. The use of the Employee Performance Management System (EPMS) allows employees to know what is expected of them and how they will be evaluated on their job performance. Employee expectations are set forth in the planning stage and are evaluated annually by his/her direct superior and upper level management. Reviews of departments and divisions are also in place. In order to provide Agency employees with the skill sets needed to serve our customers, the senior leadership team continues to place emphasis on information sharing and training. Targeted training is provided to staff to address any performance deficiencies and to replicate best practices.

1.1c - The Agency's organizational values are based on the following: promoting total employee involvement, producing superior products, seeking additional public and private partnerships, promoting greater use of technology, anticipating and accepting change, encouraging teamwork, and striving for increased community involvement. Senior leadership communicates the importance of these values to employees throughout the fiscal year. Where possible, employees are encouraged and empowered to strategize, suggest, and improve work processes. Employee feedback has been vital in improving many work processes, programs, and initiatives sponsored by the Agency.

1.1d - Standards for ethical behavior are communicated to each employee upon hiring. Employees are given a written copy of the Guide for State Employees developed by the State Ethics Commission. Employees sign an acknowledgement form certifying that they understand the issues involved. The Agency's on-line Human Resource Manual further details ethical behavior.

2. ***How do senior leaders establish and promote a focus on customers and other stakeholders?***

1.2 - Senior leadership actively promotes a focus on customers by reinforcing improved customer service as one of the Agency's overall goals. Senior leadership continually evaluates Agency programs, services, organizational structure, and financial resources in order to ensure that services are meeting the needs of customers. Customer service improvements are ongoing.

Leadership also encourages participation between selected Agency spokespersons and various media outlets. This participation allows staff to alert customers of services available across the state.

3. ***How does the organization address the current and potential impact on the public of its programs, services, facilities and operations, including associated risks?***

1.3 - Senior leadership continues to examine and address the current and potential impact of Agency services on the economy and the population of South Carolina. The Agency continues extended WFC hours in some areas to better serve the public during the economic recovery. More local decision-making authority for public service improvement is also encouraged. Senior leadership traveled to the various satellite offices around the state to talk with employees and customers served by the Agency. This direct feedback allows senior leaders to have direct interaction with those needing Agency services. Senior leadership actively monitors, offers advice on and impacts state and federal level legislation, which would affect services to the public. Senior leadership continually reviews current trends and labor market data to stay abreast of issues impacting the Agency's service to the public.

Job Forums, held in differing parts of the state, provide an additional opportunity for Agency staff to meet individually with unemployed local residents and to provide information and job referrals to local businesses with job openings.

4. ***How do senior leaders maintain fiscal, legal, and regulatory accountability?***

1.4 - Senior leaders maintain fiscal, legal, and regulatory accountability by consistently reviewing the current state of the Agency. This review includes: frequent updates on the overall budget status of the divisions, departments and reviews within the Agency; consistent consultation with the Agency's legal department on compliance to state and federal legislation; and frequent communication with state and federal officials to report on the Agency's adherence to guidelines established to operate the programs entrusted to the Agency. The Agency's Internal Audit and Review Department and the external auditors report performance and other findings to the senior leadership. External auditors conduct annual audits on financial statements of Agency operations and the UI Trust fund. Additional audits are conducted when requested.

5. ***What performance measures do senior leaders regularly review to inform them on needed actions?***

1.5 - Organizational measures reviewed by senior leadership include the following: customer satisfaction; mission accomplishment; human resource effectiveness; procurement effectiveness; process management; asset management effectiveness; administrative support effectiveness; employee satisfaction and involvement; staff development; and local and federal grant effectiveness. Measures are reviewed through written reports and through weekly and quarterly department and division meetings.

6. ***How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness, the effectiveness of management throughout the organization including the head of the organization, and the governance board/policy making body? How do their personal actions reflect a commitment to organizational values?***

1.6 - Regular updates allow senior leaders to adjust and modify their leadership strategies to maximize overall effectiveness. Over the past year, senior leadership continued to take action on a wide range of issues identified through regular meetings and employee feedback. As a result, senior leadership made improvements in day-to-day operations and services where appropriate. Weekly division meetings have provided an avenue for assessing modifications for practicality and overall effectiveness. This strategy continues to facilitate a more integrated approach for delivering services by breaking down barriers between departments.

7. ***How do senior leaders promote and personally participate in succession planning and the development of future organizational leaders?***

1.7 - Senior leadership, through monthly meetings, discusses possible replacements for known retirements, resignations and vacancies as soon as they are identified. Additionally, senior leaders identify potential leaders early in their careers and monitor their progress for possible additional training and assignments. Through the encouragement of senior leadership, the Agency established leadership training for team leaders. Senior managers with executive potential are cultivated through greater involvement in the planning and development of further training objectives.

8. ***How do senior leaders create an environment for performance improvement and the accomplishment of strategic objectives?***

1.8 - Senior leaders maintain an "open door" policy that allows and fosters sharing ideas up and down the authority chain. This sharing encourages leaders to look critically at the status quo and when needed, make changes or explain why no changes are necessary. In this way, senior leadership keeps all employees energized and thoughtful in suggesting improvements in the accomplishment of the Agency objectives.

9. ***How do senior leaders create an environment for organizational and workforce learning?***

***1.9* -** All supervisors are required to attend training development to reinforce skills needed for the day to day management of their respective departments. Each office has both internal and external customers. Due to the varied needs of their customers, each cost center manager is encouraged to develop training to ensure both individual and staff development.

Training is provided to designated staff to provide the core competencies required to successfully transact business as a Job Developer or Employer Relations (services) Professional. Staff is trained on the purpose and use of new technologies at the Agency that impact how job development and employers relations services are developed and delivered. This training will serve as a catalyst/stepping stone for future training in Business and Employer Services Professionals.

10. ***How do senior leaders engage, empower, and motivate the entire workforce throughout the organization? How do senior leaders take an active role in reward and recognition processes to reinforce high job performance throughout the organization?***

1.10 - Senior leaders engage the workforce by recognizing best practices through International Association of Workforce Professionals (IAWP) and WIA awards. Personnel visits are also conducted with staff throughout the State. Recognition is given promptly and publicly to all employees through employee appreciation events and training conferences.

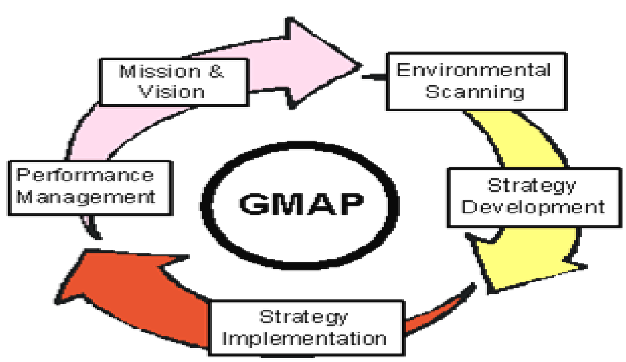
11. ***How do senior leaders actively support and strengthen the communities in which your organization operates? Include how senior leaders determine areas of emphasis for organizational involvement and support, and how senior leaders, the workforce, and the organization contribute to improving these communities.***

1.11 - The Agency and its senior leadership actively support and strengthen communities by strongly encouraging employee involvement in civic clubs, chambers of commerce, workforce investment boards, economic development groups, and various other community oriented groups or committees. The Agency has a state-wide employer council and each WFC is encouraged to establish one for its area. Senior leaders are active members of the state-wide council, and senior management level leaders participate in local area councils. Staff are encouraged to be involved in programs that will provide exposure for the Agency and the services provided to job seekers, businesses, and the community at large. In addition, the Agency participates in and sponsors local and regional job fairs to provide assistance within various communities around the state.

Category 2.0 Strategic Planning

1. ***What is your strategic planning process, including key participants, and how does it address: a) your organization's strengths, weaknesses, opportunities and threats; b) financial, regulatory, societal and other potential risks; c) shifts in technology, regulatory, societal and other potential risks, and customer preferences; d) workforce capabilities and needs; e) organizational continuity in emergencies; and f) your ability to execute the strategic plan?***

2.1 - The core of the Agency's strategic planning process is GMAP.



The Agency's Mission and Vision statements serve as the foundation upon which strategy is developed. Environmental scanning is the process by which both the external and internal environments are studied to identify Strengths, Weaknesses, Opportunities, and Threats, also known as SWOT. Various methodologies are used to provide input to this analytical process. These include the input from customers; local and State Employer Councils; local WIBs; local workforce partners; local, state, and federal elected officials; and the use of local, state, national and global economic and labor market information. Strategy development occurs at the division level with final approval resting with the Agency's Executive Director. Strategic implementation is a coordinated effort involving all divisions with primary emphasis on "front-line" operations in both the local workforce centers and in Central Office cost centers. Performance management and evaluation are ongoing efforts at all levels of the Agency. Evaluation ultimately leads to a refocus on mission and vision to ensure consistency and the continuous improvement/strategic planning process begins again.

2.1a - Organization's SWOT

On December 1, 2008, the National Bureau of Economic Research in Princeton, New Jersey announced that the United States had been in a recession since December of 2007. The effects of this recession are still evident as the Agency continued to report growing numbers of unemployed, rising unemployment rates, and the ongoing loss of jobs in South Carolina's manufacturing and construction industries throughout calendar year 2009. In early 2010, unemployment peaked at levels never before seen, while the Agency's UI program and labor exchange system continued to experience severe workload issues as demand for services remained elevated. In an effort to respond to the rapidly changing external environment, the Agency continued to focus on tactical and contingency planning to meet the needs of our customers.

In July of 2009, the state's unemployment rate stood at 12.0% with 261,644 South Carolinians considered officially unemployed. By June of 2010, the rate had decreased to 10.7% and the number of unemployed had declined to 230,785. While economic development efforts in South Carolina continued to grow jobs, the rate of growth could not keep pace with the dramatic loss of jobs within the state. To complicate matters, the mismatch between the skills required for the new jobs and the skills possessed by South Carolina's unemployed labor pool resulted in high levels of in-migration as job seekers from other states came to South Carolina looking for work opportunities.

The growing skills gap has had and will continue to have a significant impact on structural unemployment in our state. With federal and state extensions for unemployment benefits in effect, we have seen record levels of benefits paid to a growing population facing significant challenges as they attempt to return to employment. Many of the jobs lost during this recessionary period will not return. Businesses will restructure some jobs and create new hybrid jobs that combine key functions and promote efficiency, productivity, and profitability. These changes on the demand side of employment are having a significant impact on the supply side of the labor force. Two things have become apparent: (1) training and education are needed to upgrade skill levels for a large portion of the unemployed; and (2) there is no quick fix for these problems. UI, labor exchange activities occurring in the WFCs across South Carolina, and workforce development programs will all be stretched to the limit as a part of the economic recovery efforts in South Carolina.

2.1b - Financial, regulatory, societal, and other potential risks

The Agency continues to emphasize restraint on budgetary issues. A conservative approach to internal budgetary management of programs has resulted in the Agency being fiscally sound during times when many state employment agencies in the country have fallen upon hard times. Collaboration paired with cost effective, high performance service continues to be the backbone of financial resource management within the Agency.

On the regulatory front, legislated change at the state or national level is always a possibility. The Agency closely monitors pending legislation and proposed rules and works with elected officials at both the state and national levels to advise them of potential impacts on services to our state's businesses and citizens. Legislation passed in the spring of 2010 to raise employer UI taxes will aide in restoring solvency and stability of the UI Trust Fund.

From a societal perspective, the Agency and the State face a variety of challenges many of these exacerbated by the current economic conditions. The following are a few of the major societal issues which will have the highest impact on the Agency's strategy formulation: high unemployment; business failures; higher UI tax rates on businesses; rural versus metro location; the skill gap; immigration; in migration; disparity in income; educational resources; and access to services.

2.1c - Shifts in technology or the regulatory environment

The Agency continues to emphasize prompt, courteous, and professional service to our customers. At every viable opportunity, technology is used and developed to provide improved access to information and services for our customers. A key element in strategy development is method of delivery. The increased use of technology in operational and administrative cost centers is always explored with primary consideration given to the customer and to cost. Technology is a major consideration in almost all strategic decisions. Regulatory issues were discussed in 2.1b.

2.1d - Workforce capabilities and needs

The Agency's human resources are our most valuable asset. As such, training and development of our employees is a priority. New strategy implementation means changing the way we do business. The Agency accomplishes this through a well-trained workforce. Certification programs for front line staff, as well as the increased emphasis on supervisory and management training implemented in the past few years, will continue into the future. The key to prompt, professional, and courteous service continues to be well-trained staff.

During this fiscal year, the Agency hired large numbers of temporary grant employees to help manage the workload associated with the record level of unemployment in our state. The Agency accomplished the recruitment, hiring, and training of these staff through implementation of Agency contingency plans.

As the economy begins to improve and workload declines, the Agency has plans in place to properly pare down the temporary staff while maintaining a high level of service to all of our customers.

2.1e - Organizational continuity in emergencies

During a year of change, challenges and opportunities, the Agency achieves continuity in operations through contingency planning and the sharing of resources across departments and divisions. Keeping the commitment to customer at the forefront, the Agency has challenged employees to do whatever it takes to get the job done. In many cases, this meant working temporarily in other cost centers or changing work hours. The Agency focused resources on immediate need with a commitment to meeting deliverables and to customer satisfaction.

2.1f - Ability to execute the strategic plan

The key to implementation of the strategic plan is focus, accountability and communication.

The executive committee meets weekly to discuss strategic priorities and implementation issues. The Agency holds weekly meetings at the division and department level to emphasize strategic goals and identify internal strengths, weaknesses, and any changes in the external environment that might impact service to our customers.

The Agency communicates with staff through internal media, training and staff meetings to keep the Agency workforce informed of changing strategic priorities and progress toward organizational goals.

2. ***How do your strategic objectives address the strategic challenges you identified in your Executive Summary?***

2.2 - The Agency's challenges represent both external threats and internal weaknesses identified in the strategic planning process. Strategic objectives were developed from opportunities and strengths identified in the process to address these challenges. The Agency utilized tactical plans, directly related to the organization's strategic challenges, in an effort to achieve optimum performance. The Agency systematically identified new challenges and opportunities through the use of SWOT analysis and the input of our customers. Changes in the external environment necessitated the reprioritization of objectives to better address challenges and opportunities. These challenges and opportunities were the driving force behind strategy development. The Agency designed action plans to accomplish strategic objectives. These Agency's key action plans/initiatives are:

- Communicate to business groups, committees, and other employer organizations at the state and local levels the upcoming changes to the UI system to ensure their full understanding of the Agency's plans to restore the trust fund to solvency.
- Provide continuous improvement in our One-Stop operations to include a new branding strategy for our One-Stop Centers, One-Stop Certification standards, and surveys of both businesses and workers utilizing our services.
- Enhance core services by ensuring that knowledgeable staff provides prompt, professional, and courteous workforce services to our customers.
- Improve on all federal and state performance measures for the WIA, the TAA, and UI programs.
- Focus on staff development to include recruitment, retention, and training of staff.

- Continue to provide timely, accurate, and professional customer service while increasing the efficiency of their delivery.

3. ***How do you develop and track action plans that address your key strategic objectives, and how do you allocate resources to ensure the accomplishment of your action plans?***

2.3 - The Agency identifies strategic goals by division. Tactical plans developed at the division level address strategic goals and objectives. Operational action plans are developed using input from customers, front-line staff, program staff, partnering agencies, and management. These tactical plans are established using SMART (Specific, Measurable, Action-oriented, Relevant, Time-bound) goals. The Agency tracks performance related to these goals through data based management tools. We serve a wide range of customers, including federal, state, and local funding entities; businesses, and the average citizen who visits one of our WFC's seeking services.

The vast majority of Agency funding comes from federal dollars. The Agency uses program specific funds to support related strategic and operational goals and objectives. The Agency incorporates these goals and objectives into plans required by the funding source.

4. ***How do you communicate and deploy your strategic objectives, action plans, and related performance measures?***

2.4 - The Agency's overall strategic plan, including objectives, action plans, and performance measures, are disseminated to the various divisions and departments electronically. Divisional and departmental objectives and plans, including performance measures, are essential parts of this management system. The Agency's electronic newsletter, *On the Job,* provides employees with pertinent information on Agency initiatives and performance.

5. ***How do you measure progress on your action plans?***

2.5 - Meeting performance deliverables and customer satisfaction are the keystones to management practices at the Agency. GMAP provides the Agency with a methodology and means to track progress within the organization. Weekly divisional staff meetings focused on performance-related issues and output. Project management at the departmental and unit levels offers valuable performance-related information and benchmarks and are shared at the divisional level to ensure open communication and collaboration.

6. ***How do you evaluate and improve your strategic planning process?***

2.6 - The Agency's strategic planning process as illustrated and described in **2.1** is a continuous improvement process. The Agency considers input from all levels of the organization as a part of an ongoing environmental scanning process.

7. ***If the Agency's strategic plan is available to the public through the Agency's Internet homepage, please provide an address for that plan on the website.***

2.7 - The strategic plan is currently not available through the Agency's Internet homepage.

STRATEGIC PLANNING

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related 09-10 Key Agency Action Plan/Initiatives	Key Cross References Performance Measures
ES	To increase the number of applicants, UI claimants, and veterans entering employment.	The movement of WIA back to DEW will enable the Agency to place a renewed emphasis on job matching and reemployment through an integrated system.	7.1 a-1 Pg.37 7.2 a-2 Pg.38 7.3 a-3 Pg.38 7.4 a-4 Pg.39 7.5 a-5 Pg.39 7.6 a-6 Pg.40
	To implement a new branding strategy for our state's One-Stop centers.	Consultants have been hired to design a new branding strategy across the state to increase recognition of services available to the unemployed and those in need of retraining and job development.	#2, Pg. 4
	To increase the customer satisfaction of both businesses and job seekers using our services and increase the market penetration level of businesses using our services.	Plans are underway for a comprehensive customer satisfaction survey of businesses and job seekers who have experience using our services. Feedback from these surveys will help to shape our future action plans.	#3, Pg.4
	To complete a review of each local workforce board against the state adopted standards.	The review of each local WIB is in progress. A four-member Review Team comprised of a representative from the State WIB, economic development, education, and business will review each local board. Results from a pilot review are being used to improve the review process.	#4, Pg. 4
	To meet or exceed all federal and state performance measures for the WIA, the TAA program and UI.	Required reporting at both the state and federal level keep all programs accountable for performance measures.	#5, Pg. 4
	To implement the One-Stop Certification standards to ensure accountability, efficiency, and customer services.	The One-Stop Certification standards have been approved by the state WIB and distributed to all local WIBs and One-Stop Career Centers. A self-assessment tool is currently being utilized to determine the	#6, Pg. 4

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related 09-10 Key Agency Action Plan/Initiatives	Key Cross References Performance Measures
		technical assistance and training that will be needed to assist each center to meet the standards, and to identify current best practices across the state.	
	To integrate workforce services through a single data system used by businesses, job seekers and staff across multiple programs.	The Virtual One-Stop (VOS) system launched in August 2010 integrated the information collected in VOS and the JobLink system to allow for a single portal for all job seekers and businesses to use.	#7, Pg. 4
UI	To reestablish the solvency of the UI Trust Fund and maintain an adequate balance to weather both minor and major economic recessions.	The South Carolina General Assembly passed legislation in the spring of 2010 significantly restructuring the UI Tax System. Careful monitoring of the new system, which better matches revenue to payout levels, should enable the trust fund to regain solvency by 2015.	#9, Pg. 5
	To increase efficiency in delivering UI benefits to eligible SC citizens through a new Benefit Payment System; increased use of direct deposit and debit cards; introduction of a call center; and procurement of a new system to reduce overpayment and increase collections of overpayments.	South Carolina has joined with four other states to begin designing a new benefit system which will improve on the old legacy systems and increase efficiencies across many departments within the Agency. Full implementation of a paperless benefit system continues to move forward with increasing use of direct deposit and debit cards.	7.1 b-1 Pg.44 7.1 b-2 Pg.45 7.1 b-3 Pg.45 7.1 b-4 Pg.46
	To strengthen and expand our partnership with the South Carolina Business One-Stop (SC BOS) system to allow for additional electronic services for state	The Agency is pursuing a MOU with the Department of Revenue to expand our participation and opportunities for employers to use the services offered through this portal.	#8, Pg. 4 #11, Pg. 5

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related 09-10 Key Agency Action Plan/Initiatives	Key Cross References Performance Measures
	employers including electronic payment, submission of wage records, filing of claims, etc.		
LMI	To exceed all mandated BLS and USDOL grant deliverables.	Successfully tested and made recommendations on the LAUSOne system, which is scheduled to become the new area estimating system for unemployment statistics in 2011.	#8, Pg. 4
Admin. Support	To continue improving IT hardware, software, and security/service delivery models and ensure IT is positioned to support all Agency strategic goals	The Agency has received a large number of supplemental budget requests from the US Department of Labor to address many of our IT concerns. Additionally, the Keane Group is in the process of developing an IT strategic plan.	#5, Pg. 3 #17, Pg. 4 #12, Pg. 5
	To engage the entire Agency in succession planning to ease the burden of long-term employee retirement.	Our Human Resources division is pursuing this goal via internal policies and procedures.	#13, Pg. 5
	To continue the Agency's efforts to reduce energy consumption by 20% by 2020.	The Agency has received stimulus funding to refit lighting fixtures to energy efficient units. Thermostat controls, windows, water heaters, etc. are being replaced with energy efficient models.	#15, Pg. 4 #15, Pg. 5

Category 3.0 Customer Focus

1. ***How do you determine who your customers are and what their key requirements are?***

3.1 - The Agency's external customers and their key requirements are determined by federal and state legislation that defines the services the Agency provides as well as customer eligibility guidelines. Key requirements include job referral; placement assistance; access to UI benefits; access to training and supportive services; and services involving labor market information.

Customers dictate their individual needs for employment-related information and services. Customers include: businesses; state, federal and local government agencies; universities, colleges, technical schools and other educational entities; economic development officials; chambers of commerce; WIBs; One-Stop partner organizations (private and public); the legislature; and the general public. Although concentration is on South Carolina citizens, information and services are available through web-based applications that provide access to employment and labor market information to any individual or company.

The USDOL provides program funding and determines many of our service areas. USDOL contracts and grants specify primary performance measures and deliverables.

2. ***How do you keep your listening and learning methods current with changing customer/business needs and expectations?***

3.2 - Our listening and learning methods and customer/business expectations are kept current with changing customer/business needs through continuous communication and feedback. State and local employer councils continue to provide valuable input from the end-users of our State's public ES. Collaboration and input from our partnering organizations in our One-Stop workforce centers allow us to tailor our programs to meet the specific requirements of each local area and its customers' needs. Agency employees participate in local chambers of commerce, civic organizations, and Society for Human Resource Management (SHRM). Attendance at national and state conferences also keeps us attuned to the best business practices in customer service.

The Agency solicits customer comments on a regular basis through a variety of efforts, such as in-person solicitation and telephone, written, and web-based surveys. The LMI Department, for example, tracks usage through Customer Service Request Cards. LMI tracks not only how customers contact the department, whom they contact, and what they receive, but it also routinely sends Customer Satisfaction Survey to users who request assistance with data or products. A scale of 1 to 5 is used with 5 being "ideal." During July 1, 2009-June 30, 2010, the Agency achieved the following scores:

- Clarity of information: 4.8
- Usefulness of information: 4.8
- How current the data is: 4.9
- Promptness of service: 4.9
- Cooperation of LMI staff: 4.9
- Overall score: 4.8

The Agency has employer representatives who maintain contact with local businesses to facilitate communication and feedback. These employer representatives provide information on Agency services that include, but are not limited to building working relationships; developing job listing; explaining reporting requirements; obtaining job orders; answering general questions about the Agency and the services available; and providing technical assistance by interpreting applicable policies/procedures/regulations.

The Agency facilitates business relations by participating in employer education seminars. State and local employer councils provide the Agency with feedback from businesses. In all areas, the Agency strongly encourages open lines of communication so that listening and learning methods stay current and the Agency can meet its customers' needs and expectations.

3. ***What are your key customer access mechanisms, and how do these access mechanisms enable customers to seek information, conduct business, and make complaints?***

3.3 - The Agency has multiple customer access mechanisms in place. During this period, the SC JobLink system provided our customers with immediate, web-based access to job listings; job search assistance; training providers; real-time labor market information; and links to community resources and other government agencies. Customers created secure accounts. This allowed job seekers to maintain their resumes, search current job listings, apply for jobs, and track positions for which they have applied. Businesses maintained current job openings, reviewed resumes of job seekers, and tracked the number of applicants that applied for their job openings. Both job seekers and businesses accessed these features on-line or by contacting/visiting a local WFC for assistance. SC JobLink allowed either telephone or email support for immediate feedback, should the user encounter any problems. SC JobLink provided detailed web-based customer satisfaction surveys. The Agency is transitioning to the South Carolina VOS system for process integration and improved customer service.

UI claimants may choose to establish internet claims or to file in person. The Agency provides an IVR system for claimants to file their weekly certifications by telephone or internet. The Agency has a toll-free UI phone number to assist interstate claimants with difficulties they might be experiencing. Customers may send emails to ask questions or report problems.

The Agency has a complaint management system that includes ES and UI complaint processes, as well as an Equal Employment Opportunity (EEO) officer and State Monitor Advocate to handle complaints. UI fraud complaints are reported through a toll-free fraud hotline or via the Internet at www.dew.sc.gov. The Agency is currently developing a call center to facilitate complaint intake and resolution.

4. ***How do you measure customer/stakeholder satisfaction and dissatisfaction, and use this information to improve?***

3.4 - The Agency continually evaluates customer feedback that guides the level and delivery of services. Quality Control (QC) performs sampling to determine customer satisfaction on both paid and denied UI claims. There are approximately seventy different national measures in place to evaluate UI systems, with twelve core measures that require submission of a corrective action plan to USDOL, a stakeholder, if not met. These multiple measures allow the Agency to monitor itself and track performance improvements. SC JobLink provided detailed surveys with customized survey roll-up features to establish mechanisms for continuous improvement based on statistics. The local WIBs establish general policy guidelines for the operation of One-Stop WFCs in their specific areas. Agency employees serve on these boards along with business leaders, educational representatives, and local elected officials to convey pertinent customer/stakeholder information and customize services in that area.

The Agency places priority on customer service. The Agency made universal access structural changes to improve service to customers. The Agency added toll free numbers and fax-on-demand features to provide easy access to information. Customers evaluate the products and brochures developed by LMI. Employees are cross-trained in various program areas to handle customer requests more efficiently. All customer complaints receive individual attention and follow-up.

5. *How do you use information and feedback from customers/stakeholders to keep services or programs relevant and provide for continuous improvement?*

3.5 - Customer/stakeholder feedback guides the level and delivery of services. Agency staff and local WIBs meet, evaluate, and determine the best possible services and operation design to meet the needs of the business community, program participants, and a skilled workforce. Management reviews program and performance data to aid in service or program modifications. To improve customer service, local office employees receive annual UI training that incorporates feedback from customers. Employment and Training (E&T) has provided training on the SC JobLink system and the reports the system generates. The Agency provides additional training as needed. The Agency regularly monitors each area to ensure understanding of and compliance with governing federal regulations and local area policies. The Agency strives to satisfy customer/stakeholder needs by providing information, forms, and services electronically. The Agency's web site, www.dew.sc.gov, provides access to information on jobs, training, UI, LMI and other workforce development services, partners, and resources in three clicks.

The Agency, along with other government entities and public and private organizations, participates in the SCBOS, www.scbos.com. The SCBOS is a centralized destination for businesses seeking to secure various licenses, registrations and permits. This website offers customer service for business owners, reducing the logistical scrambling it takes for businesses to remain in compliance with state law. This is a great improvement in the partnership between government entities and the private sector and has proven to be convenient and cost-effective.

6. *How do you build positive relationships with customers and stakeholders to meet and exceed their expectations? Indicate any key distinctions between different customer and stakeholder groups.*

3.6 - The Agency has numerous services available to build relationships with customers and stakeholders. The Agency has a number of projects in various stages of concept, planning, and implementation to improve these relationships. An example of a recent successful project is the Agency's establishing Debit Cards as an option for receiving UI benefits, thereby reducing overhead associated with printing, distribution, and other activities involved with traditional checks while providing immediate access to benefits.

Additional ways the Agency works to meet and exceed customer expectations are:

1. A toll-free number for weekly UI claims.

2. The Employer Accounts IVR System, providing recorded information on establishing a new employer account, to include general liability requirements and other employer account information.
3. The Automated Clearinghouse System allowing employers to submit quarterly contribution reports electronically.
4. The Agency and the Center for Accelerated Technology Training (CATT) continue to enhance the training application process by providing a web-based application. It allows 24 hour access to the application, via the Internet, to interstate and intra-state customers.
5. Extended hours and out-stationed personnel accommodates businesses and job seekers.
6. Programs specifically dealing with veterans/disabled veterans, youth, those needing adult education and literacy activities, senior adults, and others.
7. Outreach efforts providing Agency services to migrant and seasonal farm workers.
8. The Federal Bonding Program, sponsored by the USDOL, serving as an incentive to employers to hire high-risk, special applicant groups.
9. Statewide Job Fairs, sponsored by the Agency, partners, workforce development boards, and private entities, to bring employers and job seekers together in a “win-win” situation.
10. The Agency’s LMI Department, providing specialized data upon request.
11. Specialized services provided to Limited English Proficient individuals and those covered by the Americans with Disabilities Act (ADA). Each WFC has an ADA Coordinator to ensure that customers with special needs have information and resources readily available to them.
12. The Disability Program Navigator Initiative, sponsored jointly by the USDOL and the Social Security Administration. Navigator employees facilitate universal access to the One-Stop system for persons with disabilities. Navigator employees are instrumental in the development of relationships with partners, other service systems, and collaboration with employers, employer organizations, and community service providers.
13. Assistive technology equipment to assist those with barriers.
14. Participation in state and local employer councils. Council feedback is essential to the continuous improvement of the Agency services offered statewide.

Efforts to build positive relationships include recognition, through nominations and awards, to those providing outstanding service and those with outstanding achievements. The International Association of Workforce Professionals (IAWP) is a professional organization that provides educational opportunities for workforce professionals. For the seventh year in a row, the IAWP named the SC Chapter of IAWP the #1 chapter in the country. In addition, the chapter received six International awards:

- Individual Specialized Customer Service (first place)
- One-Stop of the Year (first place)
- Individual Award of Merit (first place)
- Group Award of Merit (first place)
- Individual UI (second place)
- Group UI (second place)

The SC Chapter also received high scores in the following areas:

- Education – quality and accessibility of workshops and other training sessions
- Professional Practices - chapter awards, community services, chapter promotion

- Communications - newsletter, website, printed items
- Legislative Activities - information sharing on issues affecting the workforce system

WIA awards recognize exemplary performance and achievement of Local Workforce Investment Areas, partners, and participants and encourage all levels to work together to achieve objectives. The State WIB recognizes a One-Stop Center that provides high quality workforce development services to businesses and individuals seeking employment, job training or related career advancement. The center must have demonstrated exemplary attention to the core principles, including universal access, customer choice, and partner agency integration. During PY2009, the Florence WFC received the WIA Outstanding One-Stop Center Award**.**

The Agency also participates in and coordinates the annual Palmetto Workforce Partnership Awards Ceremony that recognizes companies throughout South Carolina who foster economic development through collaboration with state workforce initiatives. These awards recognize the top three employers (large, medium and small) in the state. The nominations, from all twelve workforce areas, are voted on by the State Employer Council.

Carolina Works**,** an Agency-produced video series airs monthly on South Carolina Educational Television (SCETV), and is designed to highlight the accomplishments of South Carolina's Workforce Development System. This series builds positive relationships with customers and stakeholders by demonstrating success stories. It has been an ongoing collaboration with workforce system stakeholders, such as SC Department of Commerce, Vocational Rehabilitation, Commission for the Blind, Department of Social Services, SC Technical College System, and the State Department of Consumer Affairs as well as other state and local entities. The show, which is one of the few of its kind in the nation, has been highly praised by the USDOL for its continuing contributions toward educating the public to the mission and accomplishments of the various workforce system partners in South Carolina and the nation. SCETV airs the “Hot Jobs” segment of Carolina Works as a part of their career education instructional network.

Category 4.0 Measurement, Analysis, and Knowledge Management

1. ***How do you decide which operations, processes and systems to measure for tracking financial and operational performance, including progress relative to strategic objectives and action plans?***

4.1 - The USDOL establishes measurement systems for the various funded programs within the Agency. Senior leadership, after ensuring compliance with USDOL mandates, further defines which operations, processes, and systems to measure. In some program areas, the Agency participates with other states, consortiums, and private companies in the establishment of common solutions to meet the operations and process system measurements as defined. These measures are part of the Agency's overall strategic plan.

USDOL measures the WIA programs against nine common performance measures and annual negotiated goals for each measure. WIA programs across the state are evaluated quarterly against these goals. Program expenditures are also analyzed on a monthly basis against fund utilization goals established by the State WIB. The state WIB develops an annual Incentive Policy which awards funds to those workforce areas exceeding USDOL performance and expenditure targets. The TAA program is evaluated against three USDOL performance measures on a state-level basis.

The Agency monitors progress throughout the Agency through various reporting systems. Management reviews reports at various intervals to ascertain progress in meeting organizational objectives. Structured reports provide staff with desirable outcome goals in each measured area so progress can be determined.

2. ***How do you select, collect, align, and integrate data/information for analysis to provide effective support for decision and innovation throughout your organization?***

4.2 - Operational data are continually utilized in making programmatic decisions for E&T, UI and LMI programs. The Agency requires specialized departments such as UI Technical Services and E&T Technical Services, to provide supervision to these programs. Services provided include, but are not limited to interpretation and dissemination of federal regulations and directives; preparation and distribution of procedures, policy manuals, and forms; and evaluations, training, and/or special studies conducted as necessary.

Operational data gathered from individual program areas are currently available to senior leadership, managers, and end-users on request. The Agency uses this data, reviewed weekly, monthly, quarterly, and annually, based on various programmatic requirements, for decision-making purposes.

WIA and TAA program data are collected through a single data system known as the Virtual One-Stop System (VOS). VOS is an internet-based, real-time system used throughout the state for USDOL workforce programs. Staff has developed a series of WIA and TAA Ad Hoc Reports for program management purposes. These reports, along with quarterly performance reports, assist staff in evaluating data quality, federal compliance, and process improvements.

3. ***What are your key measures, how do you review them, and how do you keep them current with organizational service needs and directions?***

4.3 - The key measure is how effectively the Agency achieves its goals. Since the Agency is undertaking new and expanded roles, developing new outcome measures is critical to demonstrate effectiveness. The Agency will use internal measures of success for those strategies that affect internal operations such as strategies to improve communication and improve the Agency's workforce. The Agency will assess new management policies and make improvements based on the results. Examples of such indicators include the following:

- The degree to which the Agency meets its strategic goals
- The satisfaction level among employers and customers
- The provision of relevant operational financial data to program managers
- The effective utilization of automated systems
- The assessment of staffing allocations to achieve optimum results
- The achievement of executive staff's management agenda

4. ***How do you select and use key comparative data and information to support operational and strategic decision making and innovation?***

4.4 – The Agency is compared to the other 49 state employment entities (and to other employment entities in Washington, D.C., Puerto Rico, and the Virgin Islands) by USDOL, which "grades" the performance of each Agency in various programs. This measurement system defines the data that must be collected to provide performance reporting to USDOL. USDOL compares the Agency to the seven other states within our region. Internally, we compare similar offices at local levels to provide an informative overview of performance, and give awards to the best at each level.

The Strategic Plan of the State WIB defines the focus areas and corresponding strategies that guide the Agency in ensuring a workforce system that:

- is customer focused;
- implements integration of resources and services;
- communicates with internal and external stakeholders;
- drives accountability and innovation; and,
- increases collaboration and partnership to promote economic development, education, and business growth.

5. ***How do you ensure data integrity, timeliness, accuracy, security, and availability for decision-making?***

4.5 - The Agency management reviews internal operations data to ensure that accurate indicators of services are provided. Controls are in place that provide for security of confidential data to ensure that only designated staff have access to confidential information. Through established monitoring systems, the quality, reliability, timeliness, and availability of data are reviewed to ensure accuracy for the accountability necessary to make effective decisions. WIA and TAA data are maintained in a secure environment in the VOS database. Data integrity is ensured through the following:

- A series of Ad Hoc Reports and specific data queries that identify action required on the part of local workforce staff;
- Trained members of a performance and reporting team that assist staff across the state;
- On-going reviews and evaluation of data against USDOL reporting requirements;
- Follow-up on error reports and resolution of data discrepancies; and,
- Statewide annual data validation reviews.

6. ***How do you translate organizational performance review findings into priorities for continuous improvement?***

4.6 - Performance review findings are translated into measurable outcomes relative to each program area. Staff monitor each program area to ascertain whether goals and objectives are being met. Within the Agency, continuous improvement is always a priority. Senior leadership, managers, and end-users regularly review performance data. Accurate operational data allow staff to evaluate performance and analyze areas needing priority attention. Consistent reporting allows this process to provide an accurate overview throughout the program year on meeting organizational goals and objectives.

7. ***How do you collect, transfer, and maintain organizational and employee knowledge (knowledge assets)? How do you identify and share best practices?***

4.7 - The Agency utilizes organizational knowledge to accomplish the collection, transfer and maintenance of accumulated employee knowledge; as well as the identification and sharing of best practices through a systematic approach to discover, understand and use knowledge to achieve organizational objectives. Specifically:

- Identifying & Collecting: Knowledge Audit/Inventory, Knowledge Mapping, Best Practices, Documenting Processes, and Expert Interviews
- Storing: Document Repositories, Document Management Systems, and Databases
- Transferring: On-the-Job Training, Job Aids, Debriefings, Cross-Training, Mentoring, Modeling, Communities of Practice (diverse groups), and Knowledge Fairs

The basic concept of Knowledge Transfer Methods is to utilize the most effective strategies (*i.e., utilize personal interaction/sharing of learned knowledge*) as opposed to strategies that are least effective (*i.e., heavy documentation – little personal interaction*). Best practices are shared through organizational meetings, technical assistance guidance, media avenues and Agency publications. The Agency is continuously striving to disseminate and transfer pertinent knowledge throughout all program areas and departments.

Within the WIA and TAA programs, staff utilizes on-going analysis of fiscal and participant data, as well as programmatic and financial monitoring, to identify best practices and technical assistance needs. Workforce development initiatives in other states are researched for possible replication within South Carolina. Best practices are also identified and shared through venues such as:

- Our annual Workforce Symposium; this is called The Workforce Development Partnership Symposium
- Regional and national USDOL-sponsored training forums;
- Monthly meetings with local Workforce Administrators; and,
- Monthly conference calls and webinars with local VOS data coordinators and TAA coordinators.

Category 5.0 Workforce Focus

1. ***How does management organize and measure work to enable your workforce to: a) develop to their full potential, aligned with the organization's objectives, strategies, and action plans: and b) promote cooperation, initiative, empowerment, teamwork, innovation, and your organizational culture?***

5.1a - Management organizes work according to program areas (i.e., E&T, WIA, UI, LMI, Administration & Support, etc.). Finding and onboarding quality candidates are crucial first steps in talent management. The goal of management is to cultivate and develop employees by using such activities as:

- Aligning employees' skills and performance with Agency goals and objectives
- Reducing competency gaps

- Assessing employee performance against measurable objectives
- Identifying and developing high-potential employees for key positions
- Retaining top performers

5.1b - To promote cooperation, initiative, empowerment, teamwork, innovation, and Agency organizational culture, the Agency places a strong emphasis on a balanced workforce. Specifically, a HRM analysis for the period July 1, 2009 through June 30, 2010, of the Agency's workforce by EEO Category reveals that over 80% of the Agency's workforce is dedicated to customer service job duties (*See Figure 5.1-1*).

Figure 5.1-1			
EEO Category	**09-10 Workforce**	**EEO Category**	**09-10 Workforce**
(E1) Executive	0.57%	(E4) Safety	0.35%
(E2) Professional	81.88%	(E6) Office/Clerical	7.91%
(E3) Technician	8.83%	(E7) Skilled	0.46%

2. ***How do you achieve effective communication and knowledge/skill/best practice sharing across departments, jobs and locations? Give examples.***

5.2 - Senior leadership communicates the Agency's vision and goals through regular division, department, and unit meetings. Weekly division meetings provide direction. Senior leadership holds quarterly area managers' meetings to ensure a consistent message to all front line managers in a group setting who share this information with front-line employees. Senior leaders provide instant written communication and promote feedback through email.

Each Agency department establishes clearly defined performance expectations and communicates them to individual employees within the department. The EPMS provides employees with written expectations and goals on which their job performance will be evaluated. Reviews of departments and divisions are also in place. Employee feedback has been vital in improving many work processes, programs, and initiatives sponsored by the Agency.

3. ***How does management recruit, hire, place and retain new employees? Describe any barriers that you may encounter.***

5.3 - Recruiting begins with a clear definition of the qualifications desired in a prospective employee. The Agency provides interviewing officials with training on the hiring process, to include legal interviewing techniques, reference checks, etc. The overall goal is to find and retain the person who will thrive and grow a career in the Agency's environment of commitment to customer service. Once placed, it is the manager's job to maintain an employee's motivation through achievement, personal development, job satisfaction, and recognition on an individual/group basis.

The typical recruitment barriers include shortage of qualified applicants, competition for the same applicants, and difficulty finding and identifying applicants. Three significant challenges the Agency faces are engaging and retaining new hires beyond the orientation phase of employment, maximizing their productivity as quickly as possible, and maximizing the return on investment in the hiring process. The Agency's onboarding programs seem to be key in successfully meeting these challenges, such as engaging new hires, reaffirming their employment decision, acclimating them into the Agency's culture, and preparing them to contribute at a desired level in the shortest possible time. The Agency has recently migrated to the state's online recruiting system, *NEOGOV*. This new system will enable the Agency hiring officials to have access to a broad pool of candidates as all vacancies are posted on the Internet.

4. *How do you assess your workforce capability and capacity needs, including skills, competencies, and staffing levels?*

5.4 - Agency workforce capacity needs are driven by such factors as the State's economy, unemployment rates, and legislation (i.e., Federal Emergency Extended Unemployment Compensation, the states Extended Benefits (EB) program, and the American Recovery and Reinvestment Act (ARRA). Estimating the future volume of work is somewhat more challenging than estimating skills and competencies needed, because the Agency's core functions (*i.e. finding jobs for people, finding employees for companies, assessing customers for training, paying UI benefits, collecting unemployment taxes, and collecting and disseminating state/federal employment statistics*) have not changed significantly over the past decade. However, customer needs and service delivery methods (i.e., internet claims, direct deposit, debit card etc.) have resulted in more technological skills and competencies required of our job duties.

Assessing staffing levels consists of an educated guess based upon data collected in an environmental scan. At its most basic level, workforce supply is the current workforce plus available funding for new hires less projected separations at some specific date in the future.

5. *How does your workforce performance management system, including feedback to and from individual members of the workforce, support high performance work and contribute to the achievement of your action plans?*

5.5 - High performance is supported by the EPMS. Through use of the EPMS, the Agency strives to improve supervisor-employee communication. The EPMS serves as the primary tool for management to document employee performance and increase productivity.

6. *How does your development and learning system for leaders address the following: a) development of personal leadership attributes; b) development of organizational knowledge; c) ethical practices; d) your core competencies, strategic challenges, and accomplishment of action plans?*

5.6a - Development of personal leadership attributes can be linked to three variables:

- Individual learner characteristics (i.e., future, new, or advanced)
- The quality and nature of the leadership development program
- Genuine support for behavioral changes by Agency management

The Agency recognizes employees have differing levels of leadership potential/abilities and that certain personal characteristics tend to be more successful according to Agency programs (*i.e., E&T, UI, WIA, LMI, TAA, Administration & Support, etc.*).

The Agency develops leadership by strengthening the connection between, and alignment of, the efforts of individual leaders and the programs/systems through which they influence organizational operations. A combination of classroom style training and networking/cross-training has been effective in helping leaders learn to lead well.

5.6b - Succession planning is an important factor in the development of "high potentials" to effectively take over the current leadership when the time comes to exit their positions. This type of leadership development usually requires the extensive transfer of an employee between departments. Because of the many programs that the Agency administers, it usually requires multi-program knowledge and on-the-job experience to build a future leader.

5.6c - The Agency communicates Standards for ethical practices to each employee upon hiring. Each employee receives a printed copy of the Guide for State Employees developed by the State Ethics Commission and sign an acknowledgement form certifying their understanding of the issues involved. They also are given further written details of expected ethical behavior (i.e., Agency's Human Resource Manual, online tools etc.). Other features of the Agency's development and learning system for leaders include ethics training (i.e., Anti-Harassment, HR Supervisory Practices) and the use of auditors (both internal and external) to assist with assessing performance compliance and reporting findings. Supervisors are encouraged to develop open and professional relationships with their subordinate staff to observe ethical practices and/or behaviors and provide timely feedback.

5.6d - The EPMS is a critical component used in addressing the Agency's core competencies, strategic challenges, and the accomplishment of the Agency's action plans. The EPMS process allows employee performance to be evaluated and measured based on divisional goals outlined in the GMAP process. This provides an environment that fosters discussion, allows opportunities for corrective action, and improves overall performance.

7. ***How do you identify and address key developmental training needs for your workforce, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation, and safety training?***

5.7 - The Agency frequently identifies and addresses employee-training needs by assessing current work needs and projecting future courses of action to meet those needs. This process influences development of the core curriculum. Training needs are developed through communication between employees and their supervisors. Individual employee goals are matched with the Agency's overall mission and goals. Employee self-motivation is a key factor in developing successful training programs. The ultimate goal is to develop a workforce that is diverse, knowledgeable, skilled, and motivated. Specifically, the Agency prioritizes training needs that revolve around programmatic skills and knowledge; management/leadership development; human resource management practices; anti-harassment training; diversity training; and office safety procedures.

8. ***How do you encourage on the job use of new knowledge and skills?***

5.8 - The Agency encourages employees to use new knowledge and skills by identifying proper uses of these new abilities and by providing opportunities for employees to use them on a continuous and consistent basis. Specifically, employees may be allowed to familiarize themselves with the materials based on their individual learning style. Supervisors and appropriate management team members are available to answer questions and provide regular feedback on their progress. If needed, supervisor intervention may be necessary to allow employees time to work through problems to develop viable solutions on their own.

9. ***How does employee training contribute to the achievement of your action plans?***

5.9 - Training and employee development are a critical part of the Agency's strategic planning process. Through the Agency's GMAP process, performance and accountability are linked directly to employee performance and customer satisfaction. Clearly defined goals and deliverables at the departmental level provide clear direction to staff and ensure accountability at the personal level. Performance issues are addressed through corrective action and contingency plans, which typically focus on employee training and development. The provision of prompt, professional, and courteous service continues to be the standard for Agency personnel and is accomplished through having a well-trained, confident workforce. During 2009-2010, the Agency sponsored SCEIS training to improve and streamline overall business practices and procedures.

10. ***How do you evaluate the effectiveness of your workforce and leader training and development systems?***

5.10 - The Agency's management training program has created a consistent method of training supervisors at various levels. Managers and supervisors all receive the same information and training, which promotes cohesiveness in the entire Agency's management structure as well as provides opportunities for the use of the "train-the-trainer" concept. The HRM Department has created a sound strategic plan to continue this type of training for management and supervision at all levels. Evaluation of the effectiveness of training is monitored by the HRM Department as well as upper management conferences to discuss management concerns and progress. Goals, accomplishments, and opportunities for improvement are communicated to frontline staff on an ongoing basis. This communication provides feedback and promotes and facilitates corrective action.

11. ***How do you motivate your workforce to develop and utilize their full potential?***

5.11 - The Agency encourages and motivates all employees to develop and utilize their full potential in alignment with the Agency's goals and objectives. In support of human resource policies, the Agency consistently promotes a balanced workforce and encourages the attainment of affirmative action goals. The Agency makes collaborative efforts to build and maintain an environment conducive to performance excellence and full participation, along with personal and organizational growth.

Work systems and job design are developed with employees' contributions (*including managers and supervisors*) to ensure that work processes support the Agency's action plans and related human resource plans. Effective communication, cooperation, and knowledge/skill sharing across work functions, units, and locations promote and encourage individual initiative and self-directed responsibility.

Staff training and development is utilized to encourage employees to reach their full potential. Education and training opportunities provided by the Agency support the accomplishment of key organizational action plans and address organizational needs. This includes building knowledge, skills, and abilities while contributing to improved employee performance and development, including leadership development of employees. Training begins with the orientation of new employees. Knowledge and skills are reinforced on the job and superior performance that brings credit to the Agency is recognized. Education and training are constantly evaluated and improved taking into consideration organization and employee performance, employee development and learning, leadership development objectives, and other relevant factors. Employees are encouraged to utilize resources on the Agency's intranet. Agency related information and various on-line training courses can be accessed by all employees.

12. ***What formal and/or informal assessment methods and measures do you use to obtain information on workforce well-being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances?***

5.12 - Measures and/or indicators of well-being, satisfaction, and motivation include safety, absenteeism, turnover, grievances, other job actions, insurance costs, workers' compensation claims, and results of surveys.

Specific factors that have positively affected employee well-being, satisfaction, and motivation include: effective employee grievance resolution; safety factors; opportunities for employees to express their views of management; employee training, development, and career opportunities; employee preparation for changes in technology or the work organization; work environment and other work conditions; workload; cooperation and teamwork; recognition; benefits; communications; job security; compensation; and equal opportunity.

All assessment methods and measures used to gather information on the well-being of the workforce are evaluated and modified as needed in order to maintain a system of continuous improvement. Employee feedback and assessment are vital processes in determining future direction for the Agency.

The Agency builds and enhances its work climate for the well-being, satisfaction, and motivation of all employees through the following: counseling; career development and employability services; recreational or cultural activities; non work-related education; leave for family responsibilities; work safety training; flexible work hours; and retiree benefits (*including extended health care*).

13. ***How do you manage effective career progression and effective succession planning for your entire workforce throughout the organization?***

5.13 - One phase of succession planning at the Agency involved the documentation of job functions so a successor is able to take over the job without having to reinvent the major components of the job. The Agency's workforce succession plan includes the identification of key individuals in the Agency that are eligible to retire and then documenting the major job functions and responsibilities of their jobs so that their "legacy" will not be lost.

The Basic Approach	
1. Identify Agency Targets	Mission & Objectives
2. Identify Who You Have	Current Workforce Profiles; Future Outlook
3. Identify Who You Need	Future Outlook; Future Workforce Profiles
4. Close the Gaps	Workforce Strategies
5. See If It All Works	Evaluate Workforce Strategy

14. ***How do you maintain a safe, secure, and healthy work environment? (Include your workforce preparedness for emergencies and disasters.)***

5.14 - The Agency maintains a safe and healthy work environment through written safety policies and procedures for the workplace. In PY09, the Agency contracted with security companies to provide security officers in offices with a need. In addition, a safety manual is provided and ongoing training is held for employees. All buildings have "Right to Know Centers". Safety inspections of the facilities and operations are scheduled regularly. Agency personnel with special expertise are involved with inspections when appropriate. Information contained in safety policies and procedures includes general office safety and security, and specific staff actions that are necessary in an emergency (i.e., evacuation routes and communication plans).

Each floor of the Robert E. David Building has a safety officer and an assistant safety officer. These Agency personnel are highly trained in safety policies and procedures. New employees are introduced to the safety policies and procedures during their initial orientation session. The Agency conducts annual drills that are monitored by the SC Budget and Control Board and Homeland Security to ensure compliance. The Agency facilities must comply with Occupational Safety and Health Administration (OSHA) standards and facilities are periodically inspected for compliance. All Agency buildings comply with the ADA. In addition, the buildings have been tested for air quality, water quality, and asbestos.

Agency workforce preparedness also includes responding to a major disaster declaration by the President and FEMA to provide Disaster Unemployment Assistance where needed.

Category 6.0 Process Management

1. ***How do you determine, and what are your organization's core competencies, and how do they relate to your mission, competitive environment, and action plans?***

6.1 - The USDOL is the regulatory agency that determines the core competencies of the Agency. This Agency's areas of greatest expertise consist of UI, E&T, WIA and LMI programs. The UI division provides unemployment benefits to eligible workers who become unemployed through no fault of their own and meet certain other eligibility requirements. The E&T and LMI programs provide high quality job training, employment, labor market information, and income maintenance services through workforce development systems.

Through the effective management and operation of 36 WFCs and 15 itinerant locations that serve the 46 counties of the State, the Agency strategically provides quality, customer-driven workforce services that promote financial stability and economic growth to our state and local workforce customers. Our customer base consists of claimants, job seekers, businesses, and the community in general.

2. ***How do you determine and what are your key work processes that produce, create or add value for your customers and your organization and how do they relate to your core competencies? How do you ensure these processes are used?***

6.2 - The Agency strives to constantly improve upon business processes and performance levels as measured by USDOL. The expediency, accuracy, and quality with which these services are provided are the determining factors between being a successful or a very successful organization.

The Agency has several tools in place to ensure that correct processes are used. For example, various statistical reports, surveys conducted in the WFCs, and regular meetings with the WFC leadership all work to ensure that the business processes are used and are working effectively. Each of these tools incorporates customer feedback and real field-data from the lowest level, which reinforces those core competencies of providing our customers with effective management and operation of UI and E&T services.

3. ***How do you incorporate organizational knowledge, new technology, cost controls, and other efficiency and effectiveness factors, such as cycle time, into process design and delivery?***

6.3 - The Agency continues to experience shortfalls in funding necessary to provide mission critical services to our customers. By staying current with the industry best practices and by leveraging emerging technologies, the Agency has been able to provide the high quality of service to which our customers are accustomed, while reducing staffing levels and re-training/re-allocating where required and acceptable.

The Agency is committed to growing its systems and services so that we respond and work well with the changing needs of our customers. In response to this, the Agency continues to research and secure on-line, self-service applications that integrate into current systems to provide greater ease of use, more accurate completion of customer required forms, and identity theft and fraud detection/protection.

Additional areas in which the Agency continues to incorporate new technology and cost controls and other efficiency factors by:

- Pilot testing implementation of Debit Cards for payment of UI benefits to claimants, decreasing check processing and mailing costs
- Implementation of Phase I of the Website Upgrade and Redesign, releasing a more user-friendly site where information can be accessed in three clicks or less
- Conducting the UI Benefits System Feasibility Study as a member of a four-state consortium, completing the current system's "as-is" documentation and continuing to work on the next phase of the project to determine "to-be" documentation
- Completing and implementing programming changes for all extensions of UI Benefits

- Modifying coding in SC JobLink so that when claimants filed their initial claim online, they would use the same password when registering or logging in to SC JobLink to search for work
- Completing the Imaging System Upgrades and Enhancements project, saving on expensive software licensing costs and improving service for UI staff
- Through collaboration with SC Business OneStop, implemented an online payment engine for employers to file and pay UI quarterly taxes via electronic funds transfer
- Implementing SCEIS for Finance and Human Resources in the Agency
- Upgrading IVR hardware and software, increasing the ability to make changes to the system used by UI claimants to file weekly claims
- Procuring hardware and software and completed installation for Secure File Transfer Protocol (FTP) to transmit and receive secure encrypted data with Agency partners
- Extending operational hours to accommodate customer access and services
- Partnering with major employers for statewide job fairs and business expositions
- Continuing to expand utilization of media (radio, television, and newsprint) as service delivery tools and for keeping claimants and job seekers informed
- Continuing use of transition centers at or near mass layoff sites to facilitate filing of UI benefits and assist in securing new employment

The Agency continues to streamline system backup and recovery procedures in order to facilitate extending hours in the WFCs when necessary. By minimizing the need for long system downtime for batch, back-end processing and backup procedures, the Agency has been able to increase availability of critical systems in areas throughout the State where a workforce event occurs.

4. ***How does your day-to-day operation of these processes ensure meeting key performance requirements?***

6.4 - Daily reviews of detailed reports are conducted to ensure accuracy of processing. Corrective action plans are implemented and tracked in place to address errors. The Agency is a leader in the region and nation in the areas such as prompt and accurate processing of claims and registrations. The Agency utilizes various data cross matches with databases including, but not limited to, the Social Security Administration and the National Directory of New Hires.

5. ***How do you systematically evaluate and improve your key product and service related work processes?***

6.5 - We have several methods of evaluating our products and services, and getting customer feedback as to what improvements should be made. These include:

- **Agency Line Staff Personnel Suggestions -** Agency line staff personnel meet with job seekers and businesses on a regular basis. They have a good understanding of our customers' requirements and communicate those requirements to WFC managers and Agency executives. These ideas and comments are used in meetings and surveys described below.
- **Employer Surveys and Meetings -** Businesses are sent surveys asking them to rate our services and asking for recommendations for improvement. Local Agency staff are assigned to businesses in their areas, and regularly meet with them to seek their counsel.

- **Job Seekers -** Job seekers evaluate the service they receive when they are in our offices, and some are sent customer satisfaction surveys. This information is collected and evaluated.
- **Agency Executives -** Agency executives use the above information when discussing customer suggestions and recommendations for improvements.

6. ***What are your key support processes, and how do you evaluate, improve and update these processes to achieve better performance?***

6.6 - The Division of Administration and Support provides the core support services that allow the Agency to operate efficiently and effectively. This Division is primarily responsible for the management of the Agency's technological resources, ensuring that both management and front line employees have the tools needed to meet or exceed all grant and contract performance standards.

The LMI Department has continued to emphasize and improve customer service. Modifications have been made to facilitate better customer performance such as continued emphasis on providing information, support, and marketing efforts to WFCs and workforce investment boards, prompt response to data and information requests, and significant progress in the modernization of the mass layoff statistical program.

The UI program is continually monitored by the Quality Control (QC) Department. QC performs various regular audits on the practices of the Agency's administrative and WFCs and conducts weekly and annual reviews to ensure USDOL compliance. Reports, statistics, and graphs are generated to notify management of problem areas. Recommendations for training, modifications, and improvements are forwarded, with follow-ups by UI Technical Services made as needed. This quality control function is a valuable tool in the Agency's efforts to improve overall performance in the UI program.

E&T is monitored by the USDOL, which requires specific reports and information on a regular basis. These reports are evaluated by USDOL, and used to generate process improvements and achieve better performance. The Agency also uses this data to evaluate its performance.

The USDOL provides regular input into the Agency's continuous improvement process. The input comes in the form of corrective action or mandated improvements and unfunded mandates or suggested improvements. The Agency takes appropriate action on both funded and unfunded mandates in an effort to improve performance. In addition, input received through customer feedback is factored into process improvement.

7. ***How does your organization determine the resources needed to meet current and projected budget and financial obligations?***

6.7 - Guidance from the USDOL is used in determining technology requirements and strategic initiatives that should be targeted. Other factors considered when making budget and financial decisions include appropriated funds, normal capital expenditures, overhead expenses, and required emergency funds.

Category 7.0 Results

7.1a Mission Accomplishment - Employment and Training

The primary objective of the Agency's labor exchange program is to assist individuals in obtaining employment. During PY 2009 there were 638,461 participants enrolled for this purpose. The sluggish economy contributed to a lower level of participants entering employment, as 47% that exited the labor exchange program were employed during the first quarter following their exit.

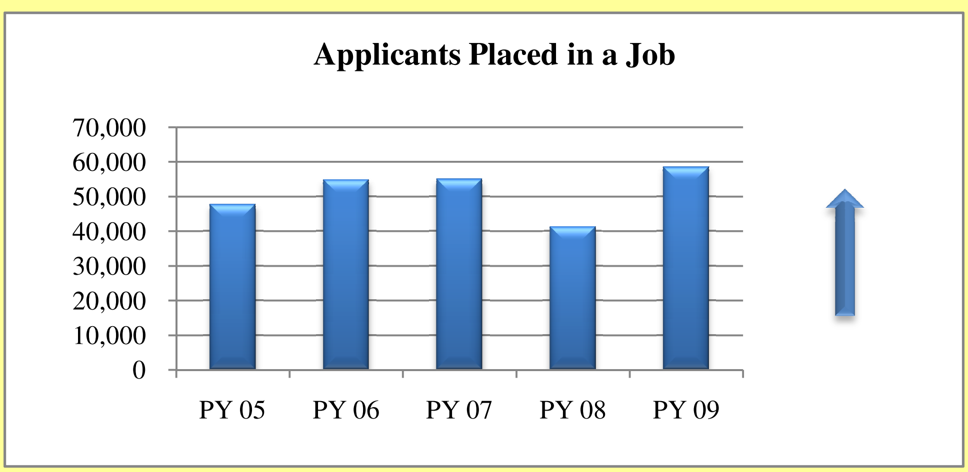
Two closely monitored groups of customers are those receiving UI benefits (claimants) and veterans. In PY 2009, 159,314 claimants entered employment in the quarter following exit from the labor exchange program. A total of 12,619 veterans also went to work in the quarter immediately following their exit from the labor exchange program. As was the case with total participants, these numbers represent 47% of the total exiting claimants and veterans.

The placement of individuals into jobs is by far the most important service this Agency provides. Placement totals in PY 2009 were higher than in any of the four previous years. Total placements were 42% greater than the previous program year. Veteran placements and claimant placements were 86% and 139% higher respectively in PY 2009 than in PY 2008.

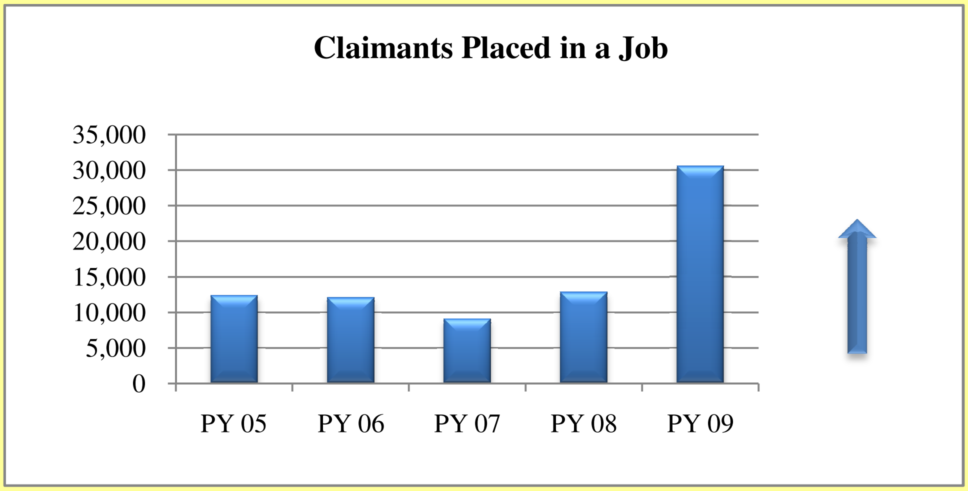
WOTC encourages the hiring of job seekers with barriers to employment. WOTC provides employers with a tax credit of up to $2400 for most qualifying new hires. Activity increased tremendously over the last program year as employers sought incentives in their hiring practices.

The Subsidized Transitional Assistance Program (STEP) is a program administered by the Department of Social Services and the Agency. STEP provides a wage subsidy incentive for employers to hire job seekers that would otherwise become TANF recipients.

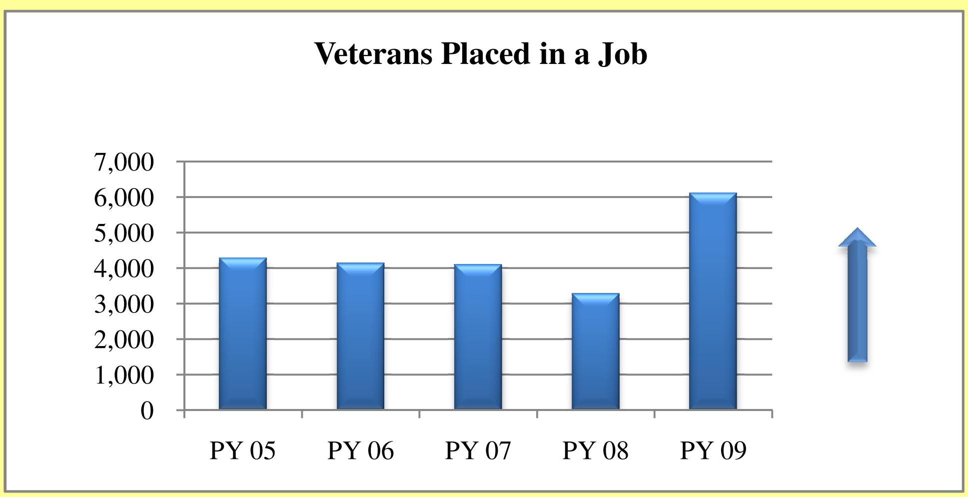
7.1a-1 Applicants Placed in a Job: This graph depicts the number of registered applicants placed in a job by the Agency, by program year. The goal is to increase the overall placement numbers yearly. Additional ARRA funded staff provided a much-needed boost in South Carolina during PY 09, resulting in an increase in the number of applicants placed from the previous program year.



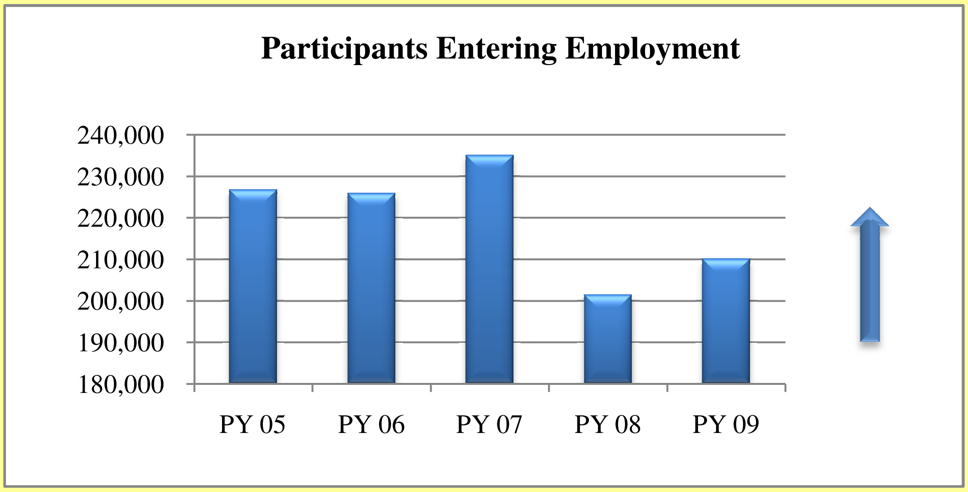
7.1a-2 Claimants Placed in a Job: This graph depicts the number of registered UI Claimants placed in a job by the Agency, by program year. As was the case with total applicants, the number of claimants placed increased significantly. The large claimant pool and additional job development staff contributed to the increase.



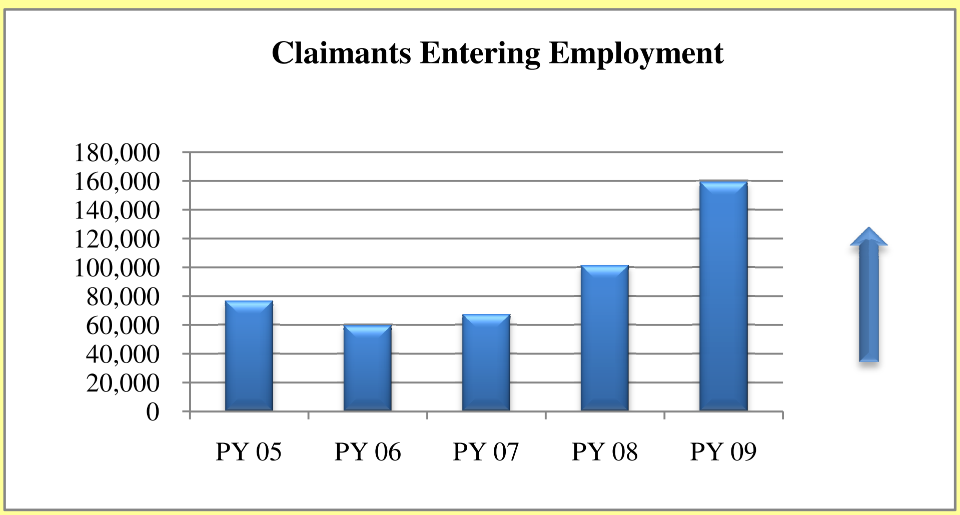
7.1a-3 Veterans Placed in a Job: This graph depicts the number of registered veterans placed in a job by the Agency, by program year. Increased job development activities helped boost the number of veterans placed in PY 09.



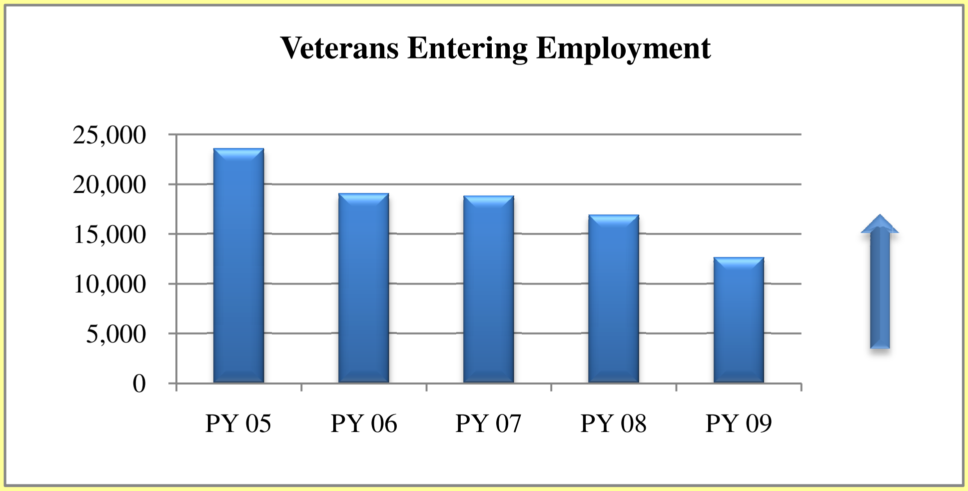
7.1a-4 Participants Entering Employment: This graph depicts the number of participants that entered employment in the first quarter after exiting the labor exchange program. The increase in PY 09 figures resulted in part from the extraordinarily large number of exiters.



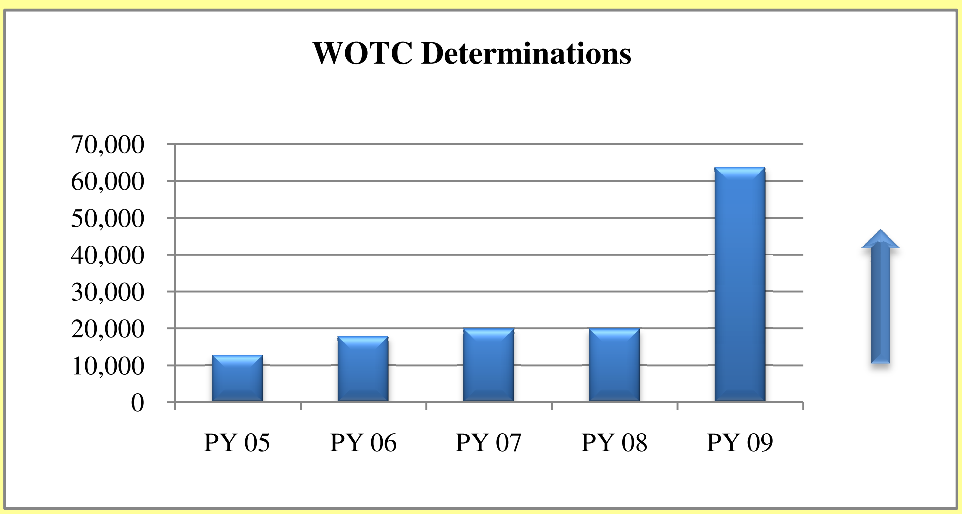
7.1a-5 Claimants Entering Employment: This graph depicts the number of claimants that entered employment in the first quarter after exiting the labor exchange program. A significant increase of almost 59,000 claimants entering employment was noted in PY 09. This increase is attributed to both the large claimant pool and the emphasis placed by the Agency on returning claimants to work.



7.1a-6 Veterans Entering Employment: This graph depicts the number of participants that entered employment in the first quarter after exiting the labor exchange program. PY 09 figures reflected the ongoing recession as this measurement dropped 25% from the previous year.



7.1a-7 WOTC Determinations: This graph depicts the number of WOTC certifications and denials generated over the last five program years. The addition of two target groups resulted in a significant increase in activity during the last program year.



Through Executive Order No. 2010-09, Governor Sanford moved the administration of the Workforce Investment Act program and the Trade Adjustment Assistance program to the newly created Department of Employment and Workforce. This action was effective May 3, 2010.

7.1a Mission Accomplishment - Workforce Investment Act

Incumbent Worker Training – Through Incumbent Worker Training grants, resources are used to train current employees in an effort to keep businesses and workers competitive. Incumbent Worker Training provides funding for training due to expansion, new technology, retooling, new services/product lines and new organizational structuring, or as part of a layoff aversion strategy. The results of this initiative are as follows.

	PY05	PY06	PY07	PY08	PY09
# Workers Served *	10,000	7,068	4,697	5,096	10,551
Jobs Saved *	3,111	5,651	1,385	1,657	2,341
Jobs Created *	453	524	608	429	783
Funds Expended	$1,952,828	$2,209,504	$2,290,481	$1,859,062	$2,746,704
Return on Investment **	$19.55/$1	$29.94/$1	$10.59/$1	$15.29/$1	$17.15/$1

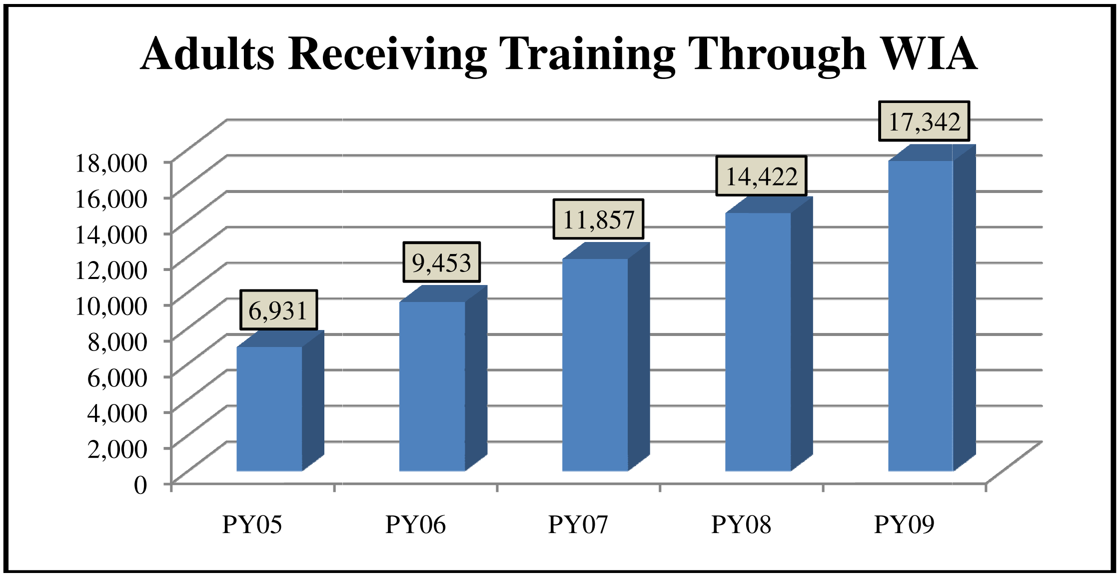
* Data reported by the businesses themselves.

** Although the jobs encompassed a wide range of salaries, the ROI was calculated based on minimum wage.

Rapid Response – When businesses are forced to downsize, Rapid Response services are provided to both company management and the employees affected. Layoff aversion potential is first explored with management to minimize or even prevent the need for layoffs. However, when layoffs are inevitable, the goal of Rapid Response services is to reduce the period between unemployment and suitable reemployment for South Carolina workers. An experienced team of state and local workforce staff first meets with company management to discuss the anticipated layoff schedule, employee demographic data, and the services available to aid reemployment including testing to match skills with job requirements, resume writing and preparation for interviews, career counseling, available job information, etc. Team members then meet with employees to outline available services and answer questions well before the first layoff.

- During PY09, Rapid Response services assisted 114 businesses and the workforce affected by the loss of 6,891 positions.

Work with Job Seekers – Funds allocated through the ARRA increased the capacity to serve adult job seekers through the Workforce Investment Act program, resulting in a participation increase of 22% over the prior year. In addition, the number of adults receiving training while in the program has seen significant increases, as job seekers take advantage of training opportunities during the economic downturn.



Although actual outcomes have declined due to the economic downturn, the WIA program met or exceeded all adult performance measures negotiated with the US Department of Labor (i.e. entered employment rate, employment retention rate, and six-month average earnings).

Services for Youth

- Jobs for America's Graduates-South Carolina delivered dropout prevention services and employability skills training to 800 students at twenty high schools across the state.
  - The program consistently sustains a 96% return to school (retention) rate among all students.
  - The class of 2009-2010 served 241 seniors who achieved a 91% Graduation Rate.
  - An additional 400 youth from the class of 2008-2009 received related post-secondary follow-up services resulting in a 59% Further Education Rate and an 83% Total Positive Outcome Rate, which reflects participants positively engaged in either school, work, or military service.
  - Of those participants placed in employment, 62% were employed full-time.
  - JAG-SC was recognized as:
    - a High Performing State Organization in program year 2009-2010 for exceeding the national standards for its Graduation, Positive Outcomes, Full-time Placement, and Return to School Rates; and,
    - being in the Top 5 state organizations at the JAG affiliates' 2010 National Training Seminar.

- Through ARRA funds, over 6,700 low-income youth were able to participate in valuable work experience activities and gain job readiness skills during the summer of 2009. While worksites were developed across the state with various businesses and organizations, partnerships in the private for-profit sector provided the majority of worksites for youth:
  - Private for-profit – 46%
  - Public – 37%
  - Private non-profit – 17%

In addition to work experience activities, over 875 at-risk youth participated in credit recovery classes during the summer to provide instructional opportunities that ensured they stay on track academically.

<u>WorkReadySC</u>

- The statewide Career Readiness Certificate program, WorkReadySC, awarded over 36,134 career readiness certificates, bringing the total number of certificate holders in the state to over 120,000. That also made South Carolina #1 in the number of certificate holders nationwide. 340 employers in the state now utilize the certificate in their hiring processes.

7.1b - Mission Accomplishment - Trade Adjustment Assistance

The Trade Adjustment Assistance (TAA) program underwent significant changes during the year to implement the Trade and Globalization Adjustment Assistance Act of 2009. With the expanded eligibility to service sector businesses and public agencies, the increased funding for training, and revised service delivery processes, the total number of TAA participants who received training increased by 7% over the previous year. Expanded benefits, as well as allowable training options, have also resulted in an increase in participants receiving longer term training.

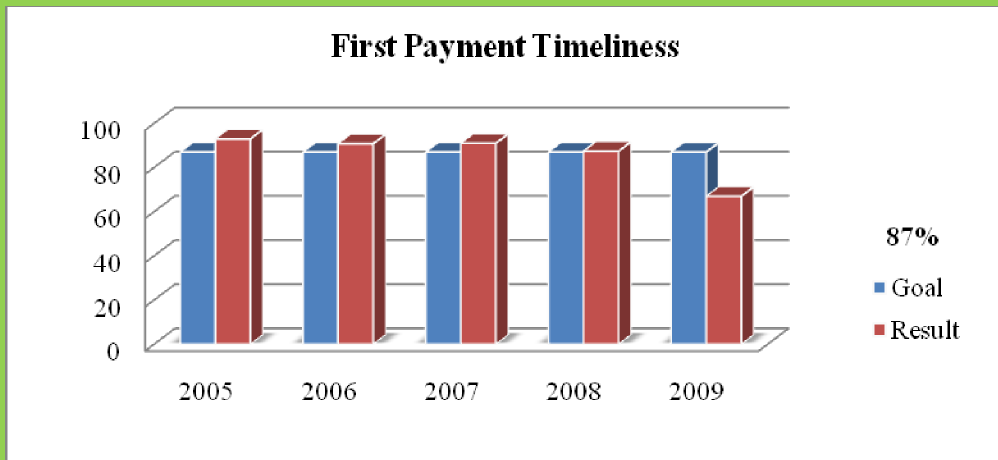
7.1b – Mission Accomplishment –Unemployment Insurance (UI)

The program has consistently met or exceeded all but three of the seventeen performance criteria for the Core Measures and Secretary's Standards as set by USDOL for UI related activities (Tax, Benefits, and Appeals).

7.1b-1 Payment of Claims – The program mission is to promote economic and employment stability and relieve the hardships of unemployment through the payment of employer financed insurance benefits to eligible unemployed individuals. The program objective is the accurate determination of employer liability, customer friendly unemployment insurance claims services, quality determinations of initial and continuing claimant eligibility, timely benefit payments on a continuing basis, and quality control programs to insure efficient and effective program performance.

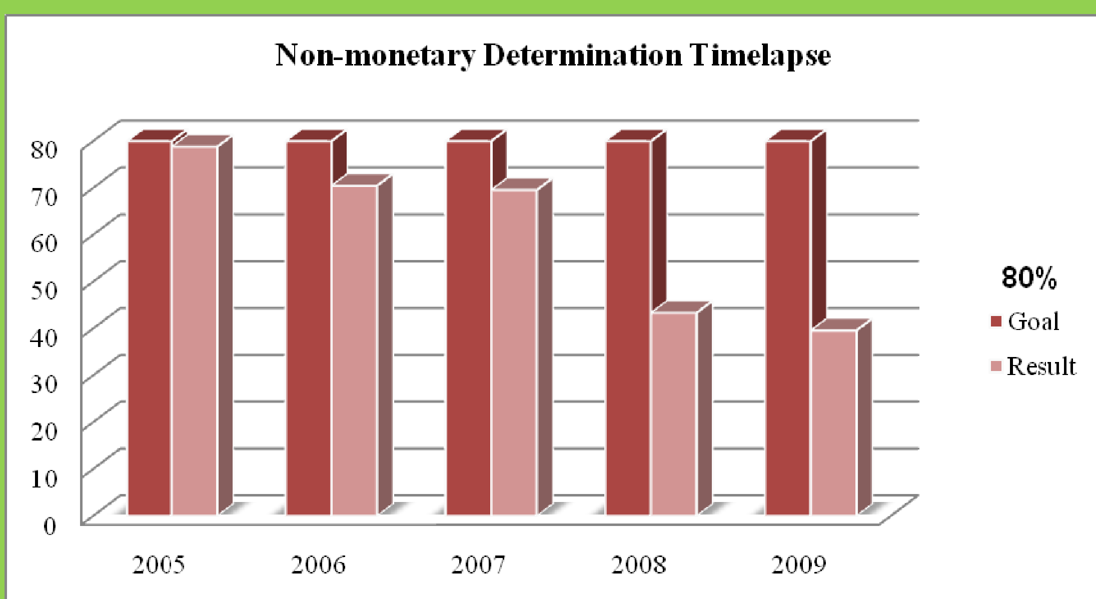
Total Initial Claims		
	July 2005 - June 2006	299,975
	July 2006 - June 2007	304,464
	July 2007 - June 2008	292,661
	July 2008 - June 2009	**545,137**
	July 2009 - June 2010	386, 818
Total Weeks Claimed		
	July 2005 - June 2006	1,930,718
	July 2006 - June 2007	1,998,836
	July 2007 - June 2008	1,964,982
	July 2008 - June 2009	**4,206,476**
	July 2009 - June 2010	4,331,564

7.1b-2 First Payment Timeliness: Payment should be made within 14 days of the first claim week-ending date after the waiting week has ended. The criterion for this measure is 87% of first payments being made timely.



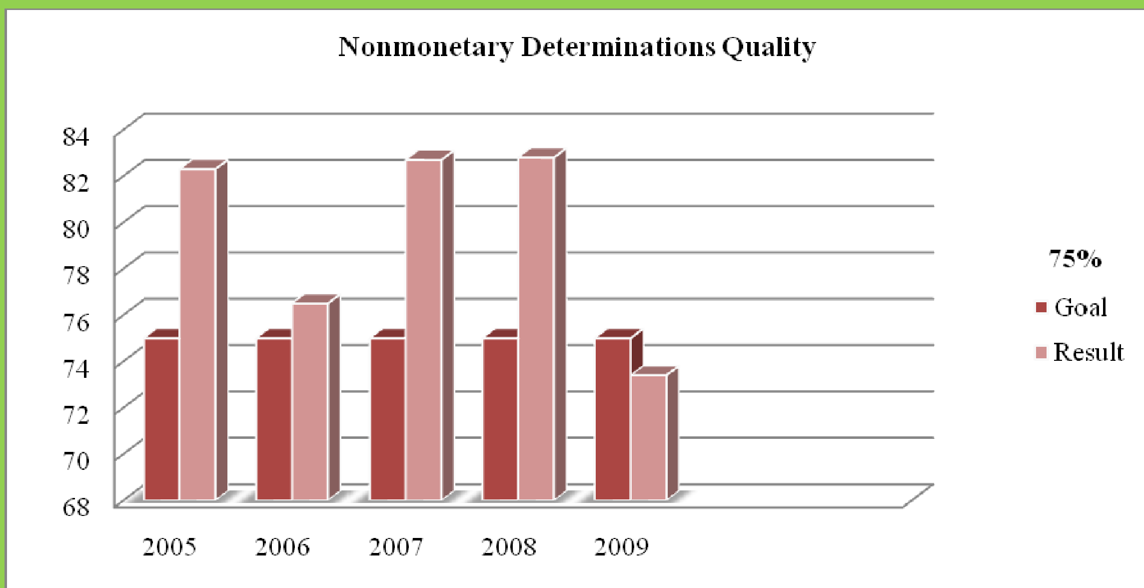
For First Payment Timelapse:
The 2005 S.C. score was the 17th highest in the country.
The 2006 S.C. score was the 19th highest in the country.
The 2007 S.C. score was the 21st highest in the country.
The 2008 S.C. score was the 28th highest in the country.
The 2009 S.C. score was the 50th highest in the country.

7.1b-3 Non-monetary Determination Timeliness: The eligibility determination should be made within 14 days of detecting an "issue" during a claim series (non-separation) and within 21 days for issues detected when the initial claim is filed (separation). "Issues" are anything that has potential to affect a claimant's past, present, or future benefits rights. The criterion is 80% of the issues will be handled within the 14 or 21 day time period.



For Non-monetary Determination Timeliness:
The 2005 S.C. score was the 32nd highest in the country.
The 2006 S.C. score was the 20th highest in the country.
The 2007 S.C. score was the 24th highest in the country.
The 2008 S.C. score was the 18th highest in the country.
The 2009 S.C. score was the 41st highest in the country.

7.1b-4 Non-Monetary Determinations Quality: Samples of eligibility determinations are evaluated using federal guidelines to ensure proper decisions are made. The criterion for this is 75% of the evaluated determinations must score at least 80 points.



For Non-monetary Determinations Quality:
The 2005 S.C. score represented the 44th highest in the country.
The 2006 S.C. score represented the 25th highest in the country
The 2007 S.C. score represented the 13th highest in the country.
The 2008 S.C. score represented the 17th highest in the country.
The 2009 S.C. score represented the 25th highest in the country.

7.2 – Mission Accomplishment –Unemployment Insurance (UI)

The program has benefited from the feedback from its successful Customer Satisfaction Survey. (See 7.2-1) We plan in the ensuing year to build on this success by expanding from covering only claimant information to also include feedback data from our Employer Customers. We will develop and implement procedures and software applications to add Employer Survey responses.

7.2-1 Customer Satisfaction: Percent Positive responses to questions asked during Quality Control investigations of sampled cases.
(Bases on 3,367 total responses as of July 2009. Survey started July 5, 2004).

1. **WERE YOU TREATED COURTEOUSLY AND PROFESSIONALLY**
2. **WERE FORMS EASY TO UNDERSTAND AND COMPLETE**
3. **WERE YOU GIVEN ADEQUATE INSTRUCTIONS**
4. **WERE YOU GIVEN AN OPPORTUNITY TO ASK QUESTIONS**
5. **WERE YOUR QUESTIONS ANSWERED**

The average overall positive response has been 97.4%, the goal is 95% or higher.

Appeals Division

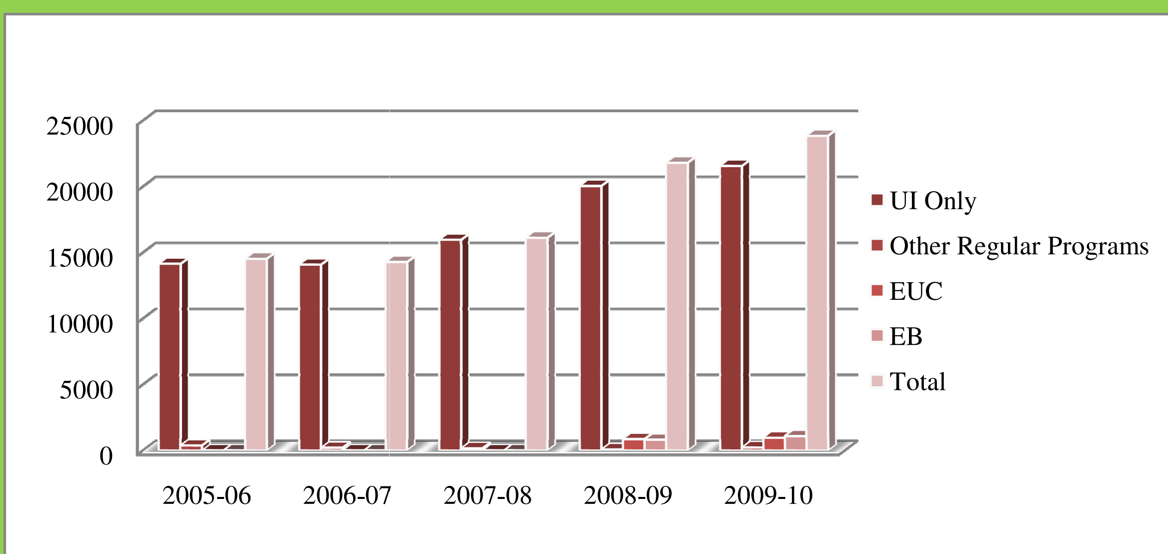
The Appeals Division includes an Administration Unit, the Legal Department, Higher Authority Appeals, and Lower Authority Appeals. The Administration Unit oversees the Appellate Panel and manages the Records Release Unit and the Legal Department. The Legal Department employs attorneys who represent the Agency and provides legal support and advice to the Agency's divisions. It also manages and oversees the Higher Authority Appeals Support Unit and Lower Authority Appeals. The Appellate Panel, with Higher Authority Appeals Support, and Lower Authority Appeals are responsible for handling appeals in unemployment compensation cases as well as cases involving tax liability and employment status.

7.6 What are your performance levels and trends for the key measures of regulatory/legal compliance and community support?

The United States Department of Labor sets desired levels of achievement for handling appeals so that decisions on claimants' entitlement to unemployment compensation will be made in a timely manner after fair hearings that protect the parties' due process rights.

Workload - Since 2001, the Lower Authority (LA) Appeals caseload increased from eight to ten thousand annual cases (in 2000-01) to over twenty thousand annual cases in the current reporting year. Figure 7.6-1 shows the annual number of appeals received over the last five years during which an elevated workload has continued.

7.6-1 Lower Authority Appeals Received: From 2008-09 to 2009-10, we have had an additional 9.4% increase, a workload increase of 64.1% since 2005-06. We also have two new programs, Federal Emergency Unemployment Compensation (EUC) and State Extended Benefits (EB), which add numbers as well as regulatory and reporting requirements.



7.6-2 Lower Authority Appeals Received by Month

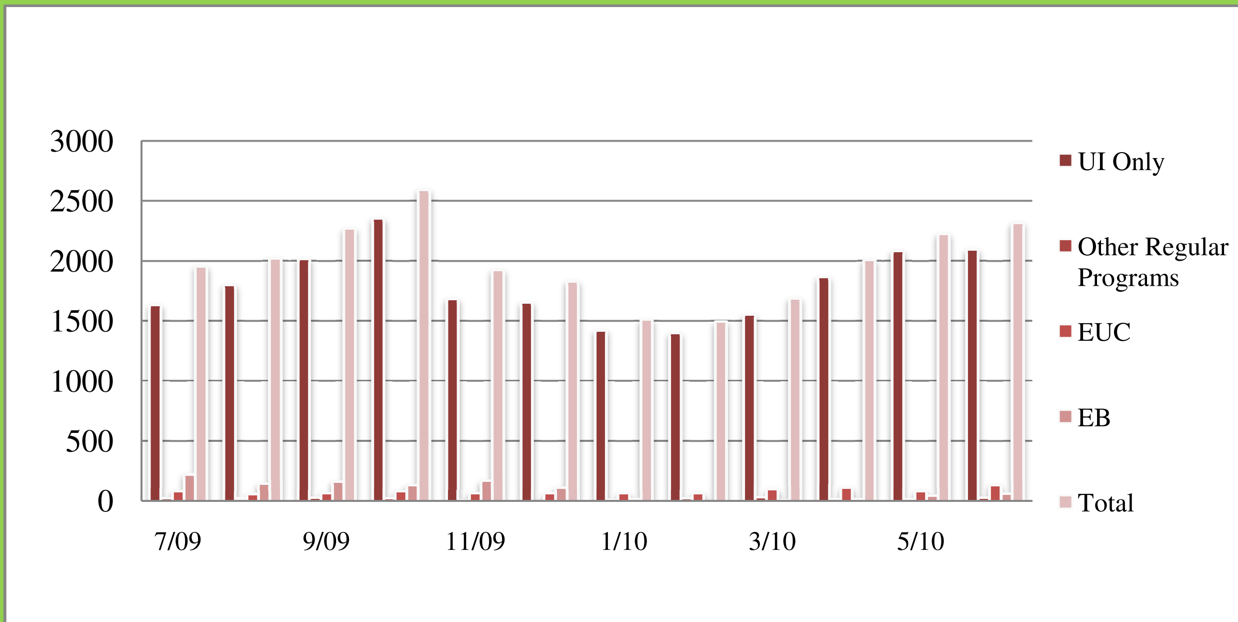
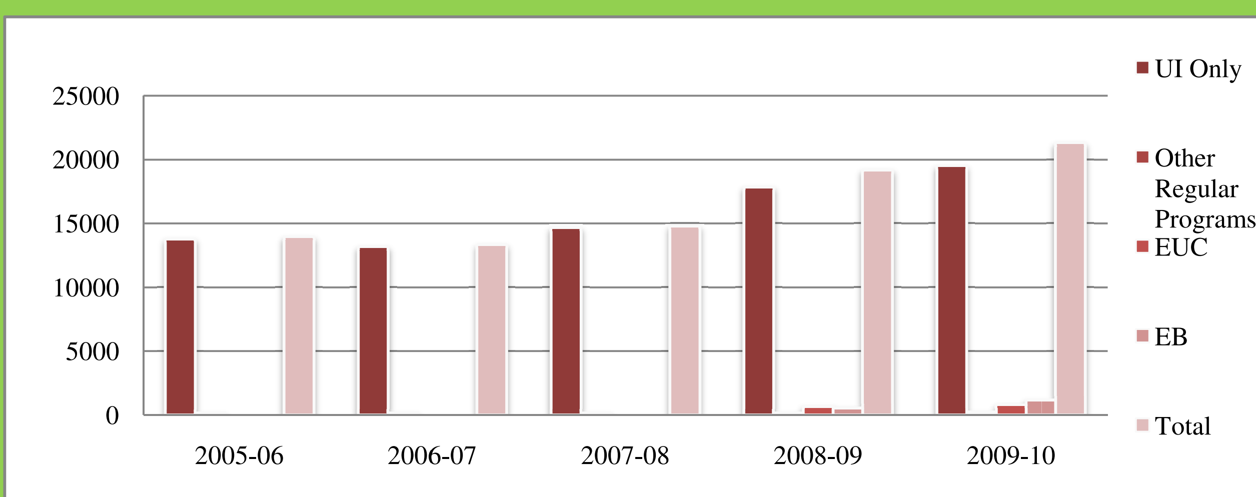
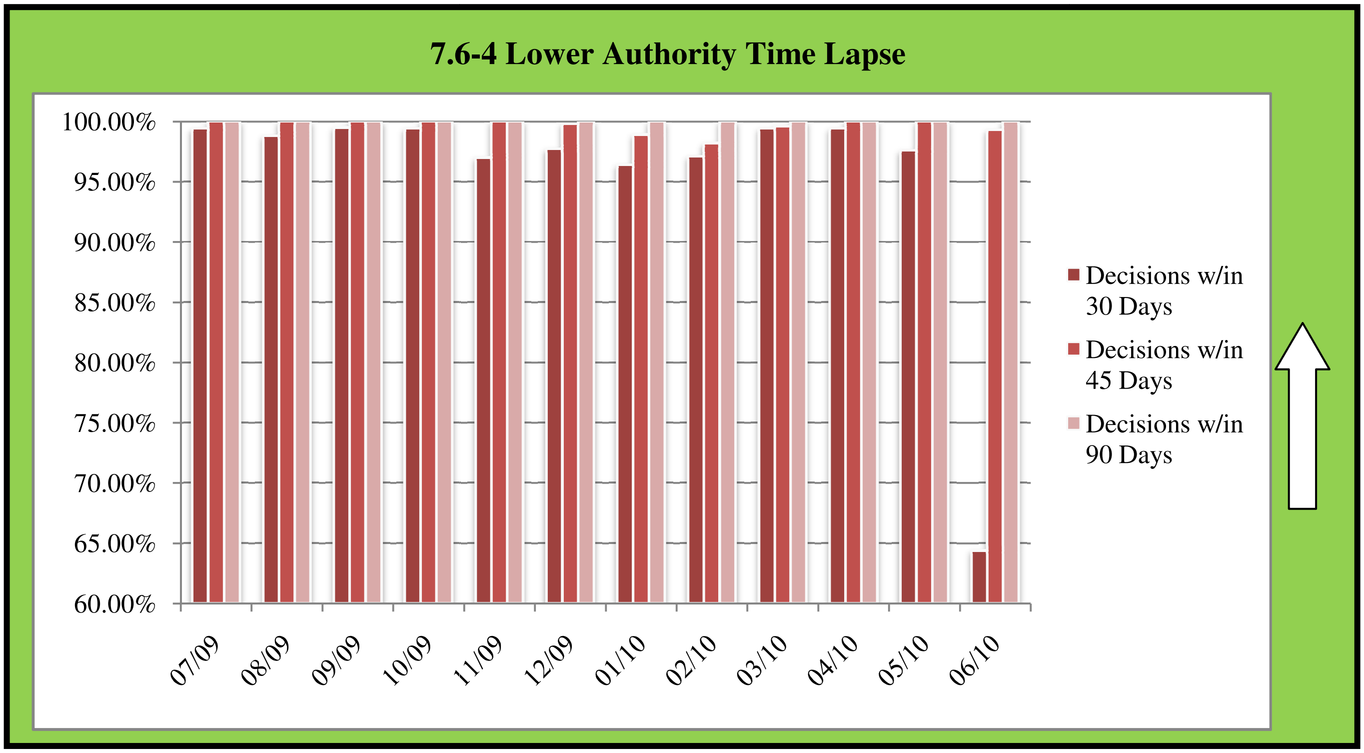


Figure 7.6-2 shows the number of appeals received each month from July 2009 through June 2010. It shows a spike in October, a winter decrease, followed by increasing numbers for the last five months of the reporting period. The rise and fall of EUC and EB appeals is attributable to changes in federal law.

Timeliness. In spite of continuing an elevated caseload, Lower Authority continues to lead Region III in issuing almost all of its decisions within thirty days.

7.6-3 Lower Authority Decisions Issued

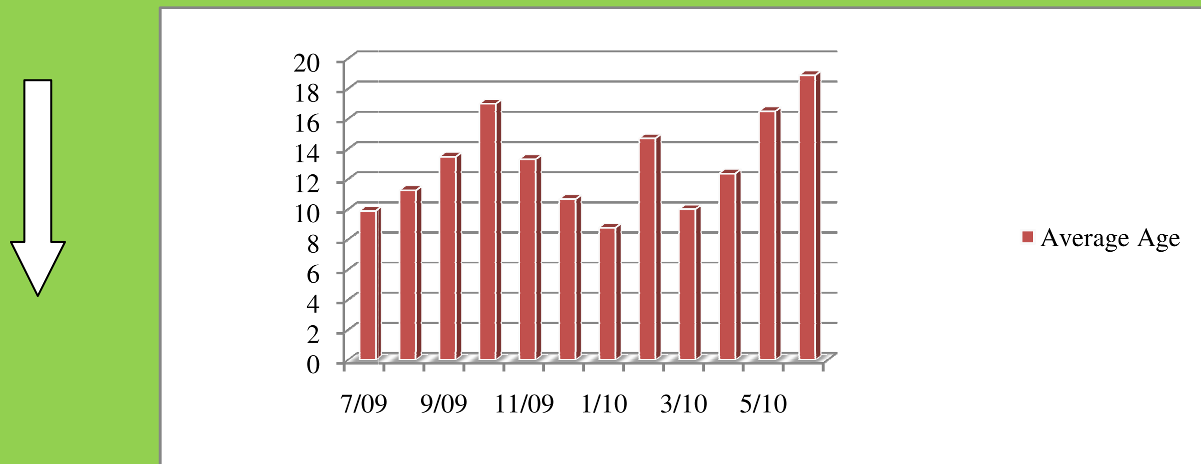




The regional numbers for the period from July 31, 2009, through June 30, 2010, show Lower Authority Appeals leading Region III in time lapse measures for decisions issued.

In addition to the traditional measure of the time it takes from the date an appeal is filed to issuing a decision, the Department of Labor also measures the average the age of pending cases. For Lower Authority Appeals, the standard is 30 days.

7.6-5 Average Age of Lower Authority Pending Cases



For the reporting period, we have an average age of 13.07 days.

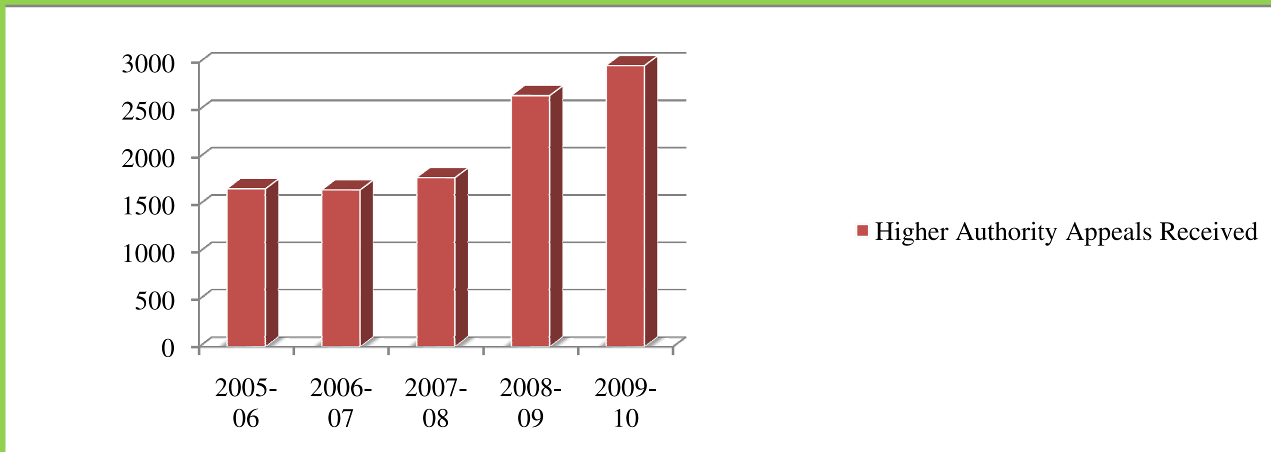
Quality Measures. The Department of Labor requires that 80% of appeals must pass with scores of at least 85%. Lower Authority has continued to score well on the quality measures. The Regional data from July 2009 through June 2010 shows Lower Authority scoring 98.8%, tenth in the nation and leading Region III.

Higher Authority Appeals

Employers and claimants who are dissatisfied with the results of Lower Authority decisions have the legal right to appeal. The new Appellate Panel reviews each case on the basis of the record created before the hearing officers. However, the Appellate Panel, by law, is the Agency's final finder of fact. Therefore, not only can it reach different legal conclusions, it can also make its own assessment on the credibility and weight of the testimony and other evidence presented.

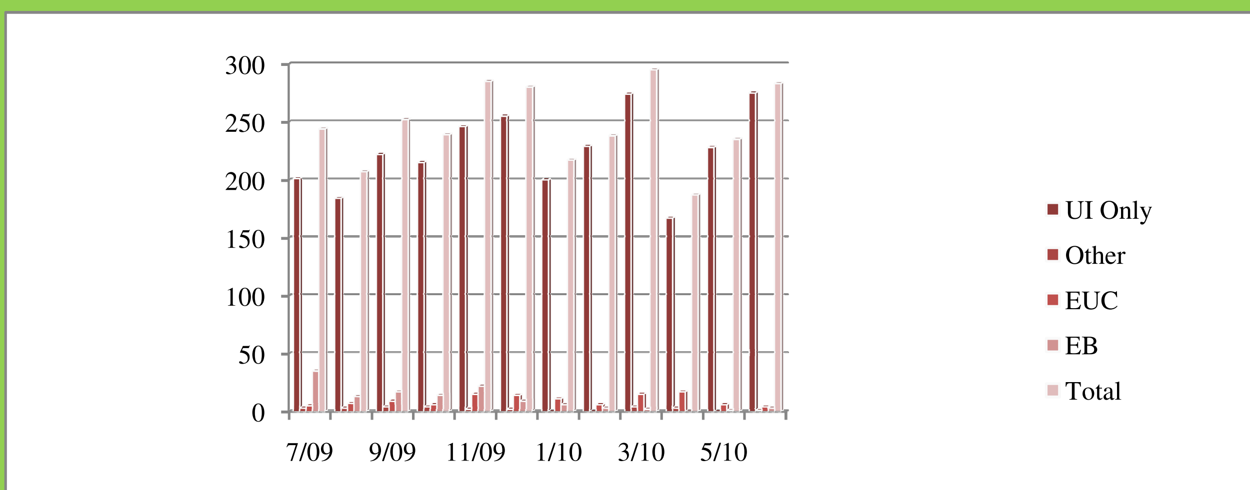
Workload. Since the number of cases heard and decided by Lower Authority Appeals remains high, the Higher Authority workload also remains elevated from less than 1200 appeals received in 2000-01 to 2966 cases in 2009-10. This increase is comparable to the increase experienced by Lower Authority Appeals and shows an increase of 66.25% from 2007-08. (See Figure 7.6-6.)

7.6-6 Higher Authority Appeals Received



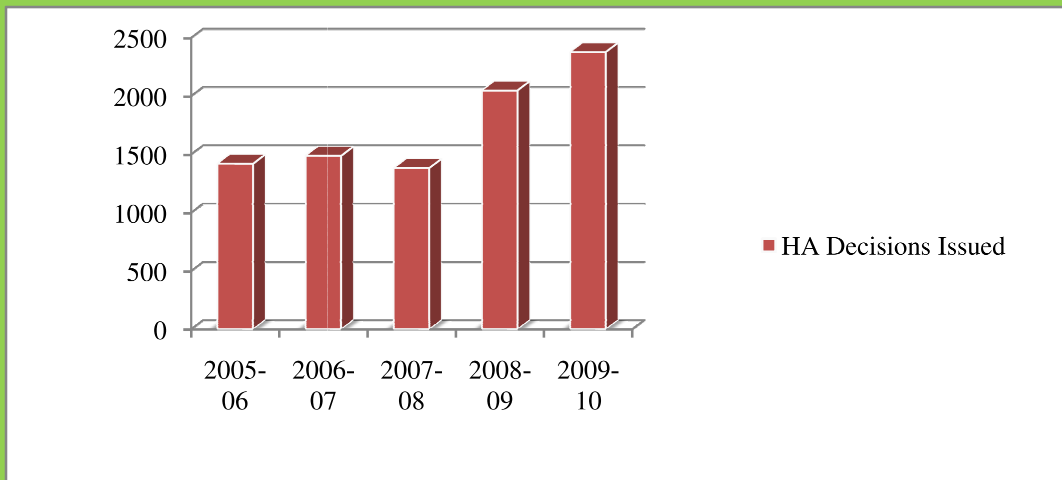
Examining the number of monthly appeals for 2009-10 shows elevated levels in the winter months, and high levels at the end of each quarter. (See Figure 7.6-7.) The first quarter average of 250 appeals a month slipped to an average of 235 appeals a month for the last quarter.

7.6-7 Higher Authority (HA) Appeals Received by Month and Program



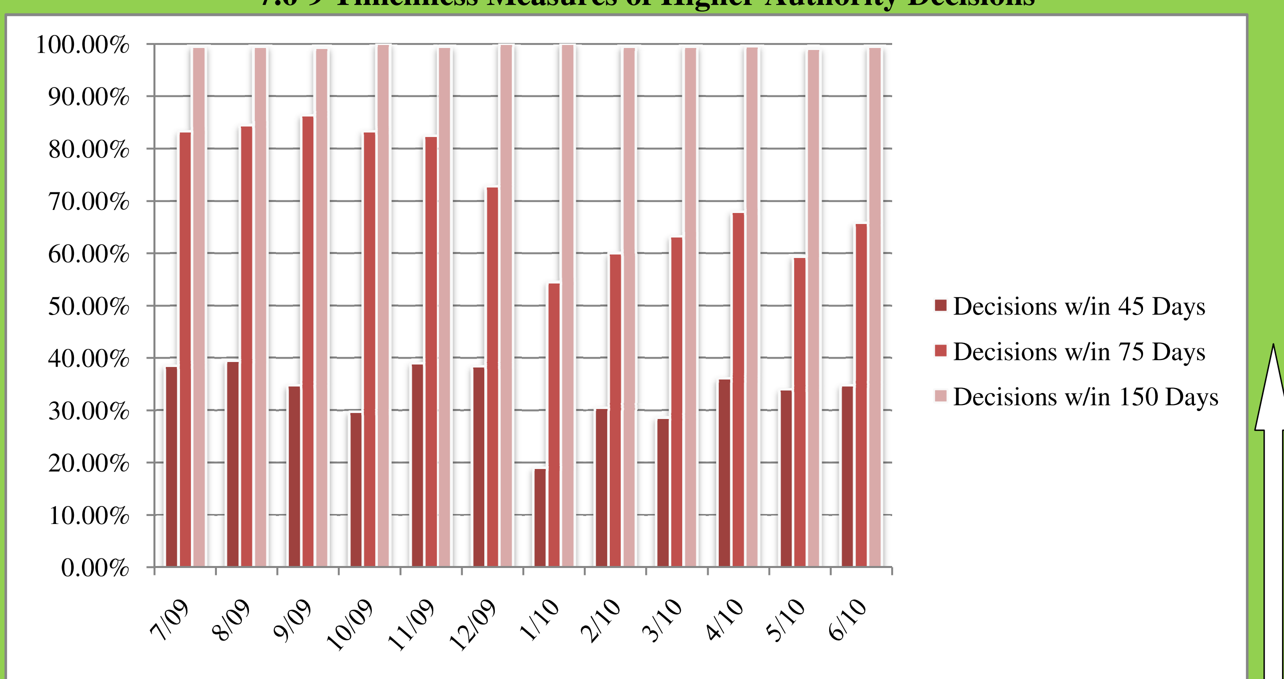
The increase in appeals received has directly affected the number of decisions issued and, these, too, (as shown in Figure 7.6-8) have increased dramatically (67.5%) over the last five years.

7.6-8 Higher Authority Decisions Issued



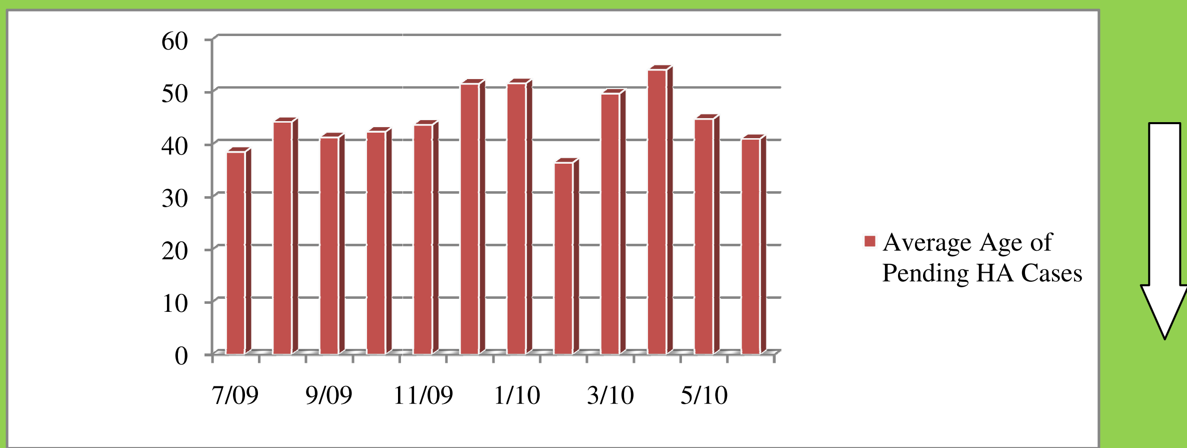
Higher Authority Timeliness. To encourage prompt resolution of appeals, the Department of Labor sets the desired level of achievement for Higher Authority Appeals at deciding 50% within 45 days, 80% within 75 days, and 95% within 150 days. We are not meeting the 45-day goal or the 75-day goal although we met it for the first five months of the period. We are meeting the 150-day goal.

7.6-9 Timeliness Measures of Higher Authority Decisions



As a further measure of timeliness, the Department of Labor also tracks the average age of pending cases. The desired level of achievement is at or below 40 days.

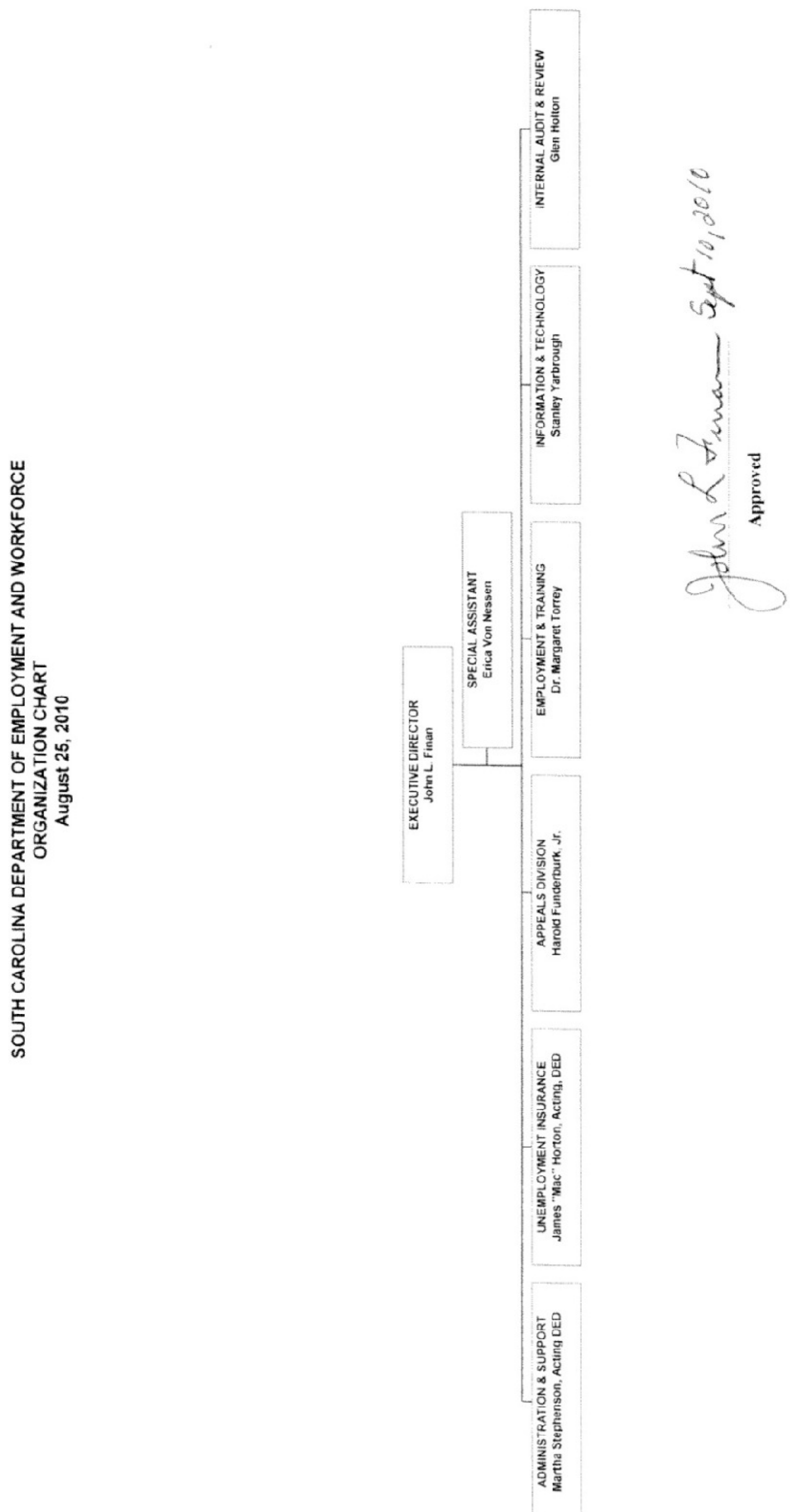
7.6-10 Average Age of Higher Authority Pending Cases



The Department of Labor reports our average age for the reporting period as 41.1 days. The increase in workload has prevented us from making the progress anticipated in reducing the average age and becoming "current" in deciding Higher Authority appeals. However, we are adding staff and will improve over the course of the next months.

Overview. Higher Authority Appeals and Lower Authority Appeals continue to do a good job handling elevated workloads, dealing with staffing problems, and meeting the expectations of the Department and our clients.

Appendix I – Organizational Structure



Appendix II – Expenditures/Appropriations Chart

Accountability Report Appropriations/Expenditures Chart

Base Budget Expenditures and Appropriations

Major Budget Categories	FY 08-09 Actual Expenditures		FY 09-10 Actual Expenditures		FY 10-11 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	$ 41,919,525	$ 258,885	$ 48,130,798	$ 225,706	$ 62,730,482	$ 362,773
Other Operating	$ 17,406,006	$ 314,830	$ 24,781,716	$ 206,159	$ 24,647,385	$ 33,670
Special Items						
Permanent Improvements						
Case Services	$ 9,156,586		$ 10,783,558		$ 15,001,976	
Distributions to Subdivisions	$ 409,361		$ 397,882		$ 100,600,000	
Fringe Benefits	$ 12,510,230	$ 78,955	$ 14,129,866	$ 69,383	$ 19,057,855	$ 33,273
Non-recurring						
Total	$ 81,401,708	$ 652,670	$ 98,223,820	$ 501,248	$ 222,037,698	$ 429,716

Other Expenditures

Sources of Funds	FY 08-09 Actual Expenditures	FY 09-10 Actual Expenditures
Supplemental Bills		
Capital Reserve Funds	$ 933,189	
Bonds		

Appendix II – Major Program Areas

Major Program Areas

Program Number and Title	Major Program Area Purpose (Brief)	FY 08-09 Budget Expenditures	FY 09-10 Budget Expenditures	Key Cross References for Financial Results*
I Admin	To provide executive leadership and administrative services for the Agency.	State: 0.00 Federal: 7,440,517.00 Other: 2,017,362.00 Total: 9,457,879.00 % of Total Budget: 12%	State: 0.00 Federal: 12,141,246.00 Other: 2,106,807.00 Total: 14,248,053.00 % of Total Budget: 14.5%	Appendix II Pg.57 Appendix IV Pg.59
II ES	To provide for the matching of job seekers with employers who need workers.	State: 0.00 Federal: 14,765,045.00 Other: 22,943,905.00 Total: 37,708,950.00 % of Total Budget: 46%	State: 0.00 Federal: 19,217,008.00 Other: 24,254,192.00 Total: 43,471,200.00 % of Total Budget: 44%	7.1 a-1 Pg. 38 7.1 a-2 Pg.39 7.1 a-3 Pg.39
III UI	To provide for assessing and collecting Unemployment Insurance Taxes. Oversees the filling of unemployment claims and benefit payments.	State: 0.00 Federal: 31,435,082.00 Other: 2,066,333.00 Total: 33,501,415.00 % of Total Budget: 41%	State: 0.00 Federal: 37,968,279.00 Other: 2,017,573.00 Total: 39,985,852.00 % of Total Budget: 41%	7.1b-1 Pg.44

Below: List any programs not included above and show the remainder of expenditures by source of funds.

Remainder of Expenditures:			
IV SCOIS	To provide information to improve the way young people and adults plan careers, make educational training decisions and find jobs.	State: 652,670.00 Federal: 0.00 Other: 80,795.00 Total: 733,465.00 % of Total Budget: 1%	State: 501,248.00 Federal: 0.00 Other: 17,466.00 Total: 518,714.00 % of Total Budget: 0.5%

* Key Cross-References are a link to the Category 7 - Business Results. These References provide a Chart number that is included in the 7th section of this document.

Appendix IV – Financial Performance

7.3 - Financial Performance

Agency Revenue 2009 - 2010

State Appropriation	$512,778.00
Other Operating	$46,456.00
Contracts	$12,347,822.00
Consortium Contracts	$71,718.00
Trade Adjustment Assistance (TAA)	$578,923.00
TAA Allowances	$4,293,450.00
Contingency Assessment Fund	$8,455,342.00
Media Services	$1,240.00
Subsidized Tramsition Employment Program (STEP) AARA	$1,000,000.00
Child Support Intercept	$6,287.00
Parking Fees	$55,327.00
Stimulus Contracts - ARRA	$5,835,227.00
Reed Act Funds	
Employment Services	$10,685,988.00
Unemployment Insurance	$39,470,236.00
Special Administration Fund	$1,195,925.00
Disabled Veterans Outreach Program (DVOP)	$1,301,734.00
Bureau of Labor Statistics (BLS)	$1,251,370.00
ES Reimbursement Grant	$273,915.00
Local Veterans Employment Representative (LVER)	$1,707,168.00
Reintegration of Homeless Veterans into Labor Force	$30,842.00
Disability Program Navigator	$217,122.00
Technical Assistance /Training	$692,146.00
Employment Services - Stimulus ARRA	$6,205,671.00
SC Commerce/LMI	$429,497.00
TOTAL	**$96,666,184.00**

Appendix V - Accountability Report Acronyms

ARRA	American Recovery and Reinvestment Act
BLS	Bureau of Labor Statistics
CATT	Center for Accelerated Technology Training
EB	Extended Benefits
EEO	Equal Employment Opportunity
E & T	Employment and Training
EPMS	Employee Performance Management System
ES	Employment Service
EUC	Emergency Unemployment Compensation
FTP	File Transfer Protocol
FUTA	Federal Unemployment Tax Act
FY	Fiscal Year
GMAP	Government Management, Accountability and Performance
IAWP	International Association of Workforce Professionals
IT	Information Technology
IVR	Interactive Voice Response
LA	Lower Authority
LMI	Labor Market Information
NASWA	National Association of State Workforce Agency
OSHA	Occupational Safety and Health Administration
PY	Program Year
QC	Quality Control
RTAA	Reemployment Trade Adjustment Assistance
SCBOS	South Carolina Business One Stop
SCDEW	South Carolina Department of Employment and Workforce
SCEIS	South Carolina Enterprise Information System
SCETV	South Carolina Educational Television
SCOICC	South Carolina Occupational Information Coordinating Committee
SCOIS	South Carolina Occupational Information System
SHRM	Society for Human Resource Management
SMART	Specific, Measurable, Action-oriented, Relevant, Time bound
SWOT	Strengths, Weaknesses, Opportunities, Threats
TAA	Trade Adjustment Assistance
TRA	Trade Readjustment Act
UI	Unemployment Insurance
USDOL	United States Department of Labor
VOS	Virtual One-Stop
WFC	Workforce Center
WIA	Workforce Investment Act
WIB	Workforce Investment Board