



The South Carolina Department of Employment and Workforce

Fiscal Year 2012-2013 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 (DEW) is to provide quality, customer-driven workforce services that promote financial stability and economic growth.

DEW is responsible for securing employment for South Carolina citizens, finding qualified employees for the state's businesses, providing unemployment insurance (UI) benefits to eligible claimants, collecting unemployment taxes from active businesses and compiling and disseminating state/federal employment statistics to the general public.

DEW is also the state administrative entity for the federal Workforce Investment Act (WIA) program. In this role, DEW works with the State Workforce Investment Board (SWIB), as well as 12 Local Workforce Investment Boards (LWIBs) and staff to provide services and training to meet the needs of both job seekers and businesses.

DEW's primary goal is to match job seekers with businesses efficiently and effectively. In pursuit of this goal, DEW offers a variety of services to assist both corporate and private citizens. This vision is based on the following values:

1. See it. Own it. Work it. DEW it.
2. Being good stewards of taxpayer dollars.
3. Putting the customer first.
4. Encouraging all employees to provide meaningful input to improve DEW's operations.
5. Linking key results and performance with long-term planning.
6. Maintaining open communication both internally and externally.
7. Striving to use the latest technology and resources to enhance customer service and deliver a quality product.
8. Seeking new opportunities to build public and private partnerships.
9. Maintaining a diverse, professional, well-trained, motivated and dedicated staff.
10. Ensuring the fiscal integrity and accountability of agency programs.

2. Major Achievements from the Past Year

1. Successfully applied for and received approval from the U.S. Department of Labor (DOL) to avoid increased Federal Unemployment Taxes (FUTA) for 2012 associated with South Carolina's continued outstanding federal unemployment loans. South Carolina was the only borrowing state to avoid the increased taxes. South Carolina made an early loan repayment of \$75 million in the spring, saving taxpayers more than \$1.4 million in interest.
2. Launched a modern business service model for UI by offering new and enhanced self-service options to claimants throughout the state via the MyBenefits web portal and a statewide, toll-free customer contact phone line. The new service model helped to eliminate a \$6 million budget deficit in the UI program.



3. Recouped over \$29 million in improper payments from overpaid claimants primarily due to the intercept of federal and state tax refunds.
4. Partnered with 15 county library systems to offer official UI Connections Points for individuals without access to the Internet. These locations include access to self-service resources which include UI user guides, tutorials, and MyBenefits.
5. Revamped and expanded the Reemployment and Eligibility Assessment Program (REA) from seven to 16 locations to assist individuals who are unemployed due to no fault of their own in increasing their wage earning opportunities.
6. Successfully implemented the required federal sequestration budget reductions to the Emergency Unemployment Compensation (EUC) program.
7. Completed building improvement project for the Robert E. David Building, which replaced the 37 year old chiller controlling the heating and cooling for the main central administrative building and now provides energy and cost savings of \$8,000-\$10,000 each month.
8. Decreased postage machine leases throughout the state were decreased by 66% resulting in a cost savings of approximately \$112,000 per year.
9. Deployed mobile device security and management software to protect sensitive agency data on mobile devices.
10. Deployed database encryption, laptop encryption, email encryption, two factor authentication, and other security infrastructure to protect DEW systems and sensitive information from security threats.
11. Collaborated with LWIBs to develop and implement a new statewide Wagner-Peyser (WP) service delivery model to improve quality, efficiency and effectiveness of services.
12. Partnered with the SC Department of Social Services (DSS) to place 12 DSS Employment and Training Coordinators in 12 SC Works Centers to serve Supplemental Nutrition Assistance Program Able-Bodied Adults Without Dependents in finding employment. During the 14-month period, results included: more than 6,000 served, more than 1,000 trained and more than 500 jobs obtained.
13. Issued \$131,214,150 in tax incentives to businesses through the Work Opportunity Tax Credit (WOTC) program, which represents an increase of 267 percent over tax incentives issued last year.
14. Recognized by DOL for Business Services best practice of being collaborative and integrated with educational and economic development partners.
15. Implemented SC Connects, a network within SC Occupational Information System (SCOIS) to connect businesses with local schools to offer video mentoring and shadowing to students.

3. Key Strategic Goals for Present and Future Years

1. Create a long-range strategic workforce plan for the state's workforce partners using quantitative measurements.
2. Increase the number of applicants and UI claimants entering employment.
3. Continue to reduce and eliminate improper UI payments using a variety of tools.
4. Rebuild the recoupment process for improper payments to lower overall UI tax rates.
5. Demonstrate shorter duration of UI benefits for claimants receiving REA services and wages.
6. Stay on track to repay all outstanding UI loans by 2015 and begin rebuilding the trust fund to an adequately high level to withstand a moderate recession.
7. Procure and implement a new, modern UI benefits system in conjunction with our partner

states, Georgia and North Carolina.

8. Decrease energy usage by 20% by year 2020.
9. Dispose of vacant or underutilized buildings, in coordination with the Budget and Control Board policies and guidelines.
10. Increase the customer satisfaction of both businesses and job seekers using workforce services and increase the market penetration level of businesses using our services. Continue to increase effectiveness, efficiency and output based on customer demand and feedback.
11. Meet or exceed all federal and state performance measures for Bureau of Labor Statistics and DOL grant deliverables and performance measures for WIA, Trade Adjustment Assistance (TAA), and WP programs.
12. Reengineer the appeals business processes to ensure claims are reviewed consistently and efficiently.

4. Key Strategic Challenges

1. Rebuilding external image to ensure the business community partners with DEW to build a strong workforce.
2. Updating and automating key business processes to gain needed efficiencies to better serve customers.
3. Aging benefits and tax systems are not written in modernized IT languages, making data extraction and analysis difficult. Hinders responsiveness to requests and strategic planning.
4. Balancing daily operations while preparing for the modernized UI benefits system launch.
5. Retaining qualified staff.
6. Restructuring departments following staff reduction to continue to meet agency needs, technology advancements and ensuring business practices are developed to provide accountability for all areas.
7. Managing and mitigating increasingly hostile and sophisticated IT security threats.
8. Communicating to businesses and the public the services DEW offers, such as labor market information (LMI) products and services, and increasing their utilization.
9. Capturing relevant data from partnering agencies to track business engagement. Goals and services need to be integrated to eliminate confusion with the business community.

5. Use of the Accountability Report to Improve Organizational Performance

The Accountability Report is a basis starting place for the agency's strategic planning process. The directors of each division assess the needs of our common stakeholders as well as the design of DEW's programs to meet those needs. The Accountability Report is a tool used to capture DEW's strengths and opportunities for improvement. It promotes continuous improvement within DEW and its programs by clearly communicating the organizational mission, goals, and objectives to employees, other state agencies, partnering organizations and customers.

Section II – Organizational Profile

DEW is responsible for the payment of UI benefits, the collection of UI taxes, job placement, job training, federal employment statistics, and state oversight of the WIA programs.



DEW works in concert with the federal government to promote state and national economic stability. The federal government provides all DEW administrative funding while UI benefits are funded through payroll taxes paid by businesses.

1. Main Products and Services and Primary Methods of Delivery

In each of the 12 workforce areas across the state, direct services are delivered through SC Works Centers. Multiple workforce partners and agencies including DEW staff provide services to both job seekers and businesses by coordinating activities and aligning resources. LWIBs have oversight responsibility for the SC Works Centers and determine who operates and manages the centers. DEW, along with the SWIB, oversees the SC Works workforce system.

- **Job Seeker Services** - Job seekers can receive services through a local SC Works Center and access services virtually with the SC Works Online Services system (SCWOS), which DEW maintains. Using SCWOS, job seekers can build a resume, search a statewide jobs database, research labor market information and find career information and guidance. SCWOS also matches job seekers with current job openings based on skills and qualifications and can refer qualified individuals to an employer for interviewing. Information is available regarding training services as well as referrals to other agencies and services designed to help veterans and other individuals who are returning to or entering the workforce.
- **Employer Services** - Businesses have access to a full array of services to assist them with their workforce needs:
 - **Labor Exchange Services:** provides businesses with customized recruiting services to find the most qualified candidates for their labor needs.
 - **SCWOS:** provides online access to a statewide database where businesses can post job opportunities, search for qualified candidates and research labor market information.
 - **Rapid Response:** provides businesses and workers with short-term, early intervention and immediate assistance with layoffs and/or closures affecting 10 or more workers.
 - **LMI:** collects, analyzes and publishes information about South Carolina's labor force, including employment and unemployment data, industry and occupational projections, wage information and demographic information.
 - **Work Opportunity Tax Credit (WOTC):** provides a federal tax credit incentive to businesses for hiring individuals who have predetermined barriers to employment.
 - **S.C. Occupational Information System (SCOIS):** provides up-to-date educational and career information to SC schools and other educational sites to assist educators in developing curriculum standards and long range academic achievement plans for students, building the workforce pipeline to meet businesses' long-term workforce needs.
 - **Federal Bonding:** provides Fidelity Bonds for "at-risk," hard-to-place job seekers for the first six months of employment at no cost to the job applicant or the employer.
 - **SC Business One Stop (SCBOS):** a web portal that allows businesses to connect to DEW services such as establishing an unemployment account, filing quarterly wage and contribution reports online, paying quarterly UI taxes, responding to separation requests, filing claims on behalf of employees for temporary layoffs, and responding to requests for information regarding employee wages.

- **Administering the UI Program** – The UI system is funded through state and federal taxes paid by businesses to assist workers who may become unemployed through no fault of their own. Individuals may apply for UI benefits electronically through the MyBenefits portal or by telephone using the newly launched statewide toll-free phone line. If an individual is on a temporary layoff and still considered “job-attached” their employer can file benefits on their behalf through the SCBOS system. After the initial application is taken, the employer is notified of the claim. Statements are taken from both the applicant and the employer as to the reason for separation and an eligibility determination is issued. Either party who disagrees with the determination may file an appeal.
- **Administering WIA** – WIA is the nation’s principal workforce development legislation, providing funds to address the employment and training needs of dislocated workers, adults and low income youth. As the state WIA administrative entity, DEW provides guidance, training, and technical assistance to the state’s 12 LWIAs and is responsible for the oversight, monitoring, and compliance of WIA grant funds.
- **Administering the TAA Program** - TAA is a federal workforce program created to provide support to workers who have been adversely impacted by increased imports or a shift in production or service to a foreign country. TAA provides impacted workers with benefits and support to obtain the skills and resources needed to compete for jobs in today's economy. DEW is responsible for providing direct services to TAA participants as well as managing TAA fiscal and administrative functions.

2. Key Customers and Their Key Requirements/Expectations

Customer	Requirements/Expectations
Job seekers and UI claimants	<ul style="list-style-type: none"> ➤ access to job referral and placement services ➤ access to training and supportive services ➤ access to labor market information ➤ referral to partner services, as appropriate ➤ timely delivery of UI benefits, if eligible
Businesses	<ul style="list-style-type: none"> ➤ assistance with understanding UI benefits ➤ assistance with filing and paying quarterly unemployment taxes ➤ specialized recruitment services ➤ instruction on available federal tax credits ➤ provision of dislocation services ➤ provision of labor market information
Local Workforce Investment Boards/Local Workforce Investment Areas	<ul style="list-style-type: none"> ➤ Guidance, training, and technical assistance in implementing the WIA program and workforce system operations
Universities, colleges, technical schools, and other educational entities	<ul style="list-style-type: none"> ➤ Utilizing federal workforce dollars and services with other state and local funding to develop and implement short-term and long-term solutions for employers and job seekers
SC Works partners, both private and public	<ul style="list-style-type: none"> ➤ Collaboration in assisting businesses and individuals in receiving workforce services through the SC Works system; access to LMI



3. Key Stakeholders (in addition to customers)

- The Governor
- State and local economic development associations and alliances
- Federal, state and local government agencies
- State and local Chambers of Commerce
- The South Carolina General Assembly
- Other elected officials

4. Key Suppliers and Partners

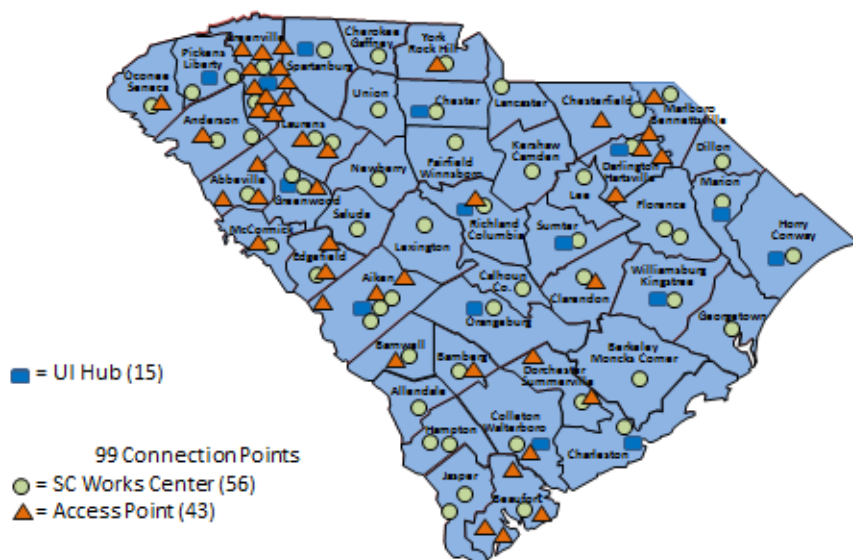
- Businesses
- Mandated SC Works Center partners
- Universities, Technical Colleges and other educational entities
- Federal, state and local government agencies
- State and Local Economic Development
- Local Workforce Investment Boards

5. Operation Locations

DEW's modernized service delivery system currently includes 56 SC Works Centers where DEW and its partners provide employment services for South Carolinians. The number of centers and their location are determined by each of the 12 LWIBs. There are also 43 access points available for customers to seek SC Works services.

DEW has worked closely with each of South Carolina's Local Workforce Areas (which directly provide employment services to our citizens) to create 99 Connection Points statewide where DEW provides UI claimants resources to assist them in applying for UI benefits. DEW also has 15 UI Claims Centers throughout the state where customers are assisted through a toll free number and can speak directly with a claims representative.

New Service Model



DEW also maintains two administrative offices and a supply facility in Columbia.

6. Number of Employees/Employee Categories

DEW had a total of 793 employees as of June 30, 2013.

- 5 Unclassified Employees
- 673 Full-Time Employees
- 97 Temporary Grant Employees
- 18 Temporary Employees

7. Regulatory Environment

- DEW operates under S.C. Code Annotated Title 41, Chapters 27 through 41, and promulgates regulations pursuant to this Title.
- DEW is required to comply with instructions, regulations, and performance criteria promulgated by DOL in carrying out provisions of FUTA, WIA, TAA, WP, Veterans, Migrant and Seasonal Farm Workers and other legislative initiatives designed to serve and improve the American workforce.
- DEW carries out its duties through the Executive Director, who is appointed by the Governor with approval by the Senate and who serves as a member of the Cabinet.

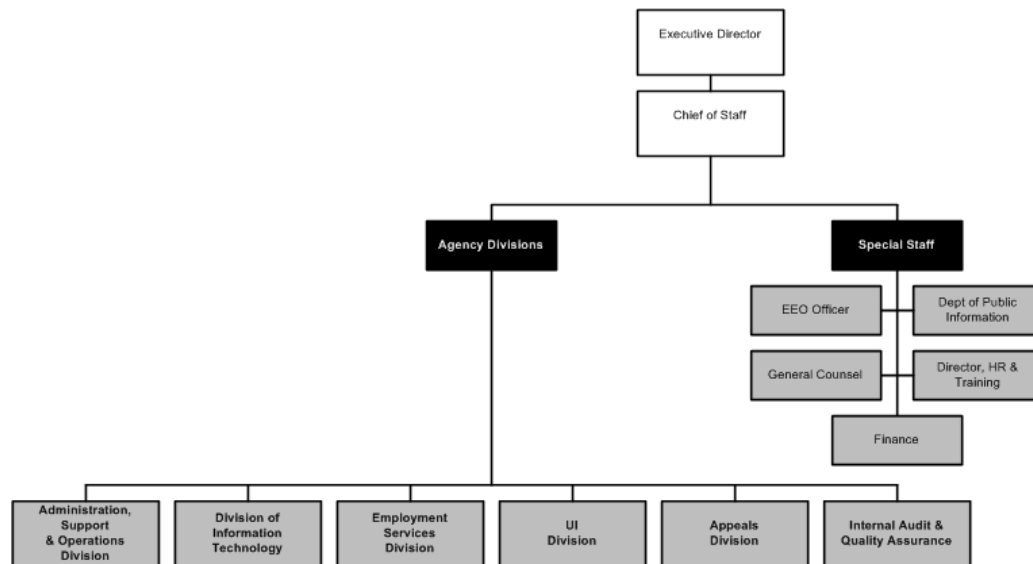
8. Performance Improvement Systems

The Executive Director evaluates each division's performance during regularly scheduled meetings. Senior leaders in each division set and monitor specific goals for their respective areas. Division chiefs work with their program managers to improve performance at every level.

- Local Workforce Investment Board Standards – a certification process for the 12 LWIBs across the state to increase community collaboration and input and build the capacity of local boards to better understand and meet the needs of businesses and job seekers in their regions.
- SC Works Certification Standards – a certification process that outlines expectations for the management of SC Works Centers and implementation of a consistent standard delivery of service to job seekers and employers.
- Veteran Assessment Tool – spreadsheet populated with data from the online SCWOS system that provides the information needed for analysis of the Jobs for Veterans state grants.
- Standard Operating Procedure for Follow-up of Positive Referrals – As a result of the Veteran Services Department's efforts to effectively follow up on veteran job referrals and job orders, a standard operating procedure has been developed. The policy ensures that all partners in the South Carolina workforce system provide priority service to veterans. This effort will ensure timely follow up and accurate documentation of positive referral results.
- Claimant Reemployment Assessment – a service delivery strategy that categorizes UI claimants based upon various marketability factors (education level, job history, most recent occupation), and then prescribe a service plan that is more tailored to their individual needs.

DEW has placed an intense focus on redesigning and re-engineering business processes to achieve dramatic improvements. Business process analyses (BPA) are in process for the prevention, detection, and collection of UI overpayments and the UI claims adjudication. A BPA has been completed for UI appeals and implementation of the new process is on-going.

9. DEW Organizational Structure as of June 30, 2013



10. Expenditures/Appropriations Chart

Accountability Report Appropriations/Expenditures Chart

Base Budget Expenditures and Appropriations

Major Budget Categories	FY 11-12 Actual Expenditures		FY 12-13 Actual Expenditures		FY 13-14 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$ 40,518,592	\$ 251,925	\$ 40,344,306	\$ 236,010	\$ 53,240,137	\$ 289,777
Other Operating	\$ 20,789,140	\$ 40,769	\$ 19,047,037	\$ 65,039	\$ 31,915,501	\$ 32,973
Special Items	\$ 26,481,178	\$ -	\$ 99,232,590	\$ 30,790,650	\$ -	\$ -
Permanent Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Case Services	\$ 7,586,419	\$ -	\$ 6,590,901	\$ -	\$ -	\$ -
Distributions to Subdivisions	\$ 51,849,040		\$ 195,487	\$ -	\$ 65,055,996	\$ -
Fringe Benefits	\$ 13,606,943	\$ 55,500	\$ 13,981,396	\$ 61,638	\$ 16,398,972	\$ 40,036
Non-recurring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 160,831,312	\$ 348,194	\$ 179,391,717	\$ 31,153,338	\$ 166,610,606	\$ 362,786

Other Expenditures

Sources of Funds	FY 11-12 Actual Expenditures	FY 12-13 Actual Expenditures
Supplemental Bills	\$ 146,000,000	\$ 3,009,350
Capital Reserve Funds		\$ 43,200,000
Bonds		



11. Major Program Areas Chart

Major Program Areas

Program Number and Title	Major Program Area Purpose (Brief)	FY 11-12 Budget Expenditures	FY 12-13 Budget Expenditures	Key Cross References for Financial Results*
I Admin	To provide executive leadership and administrative services for the Agency.	State: 0 Federal: 8,113,453 Other: 1,421,603 Total: 9,535,056 % of Total Budget: 3.7%	State: 0 Federal: 12,883,476 Other: 1,024,378 Total: 13,907,854 % of Total Budget: 6.3%	7.3
II ES	To provide for the matching of job seekers with employers who need workers.	State: 0 Federal: 14,065,772 Other: 4,364,452 Total: 18,430,224 % of Total Budget: 7.6%	State: 0 Federal: 14,614,686 Other: 1,684,109 Total: 16,298,795 % of Total Budget: 8.6%	Figures 7.1a-1 through 7.1a-3
III UI	To provide for assessing and collecting Unemployment Insurance Taxes. Oversees the filling of unemployment claims and benefit payments.	State: 0 Federal: 42,039,678 Other: 198,512 Total: 42,238,190 % of Total Budget: 15.8%	State: 0 Federal: 37,813,148 Other: 371,092 Total: 38,184,239 % of Total Budget: 18.9%	Figures 7.1b-1, through 7.1b-5, and 7.6-1 through 7.6-10
IV WIA	To assist businesses in meeting their needs for skilled workers and provide individuals with access to training that helps them prepare for work.	State: 0 Federal: 54,257,620 Other: 162,395 Total: 54,420,015 % of Total Budget: 19.1%	State: 0 Federal: 45,584,747 Other: 206,141 Total: 45,790,888 % of Total Budget: 23.3%	Figures 7.1a-4 and 7.1a-5
V Trade	Provides reemployment services to workers adversely impacted by increased imports or by a shift in production of services to another country.	State: 0 Federal: 9,337,901 Other: 0 Total: 9,337,901 % of Total Budget: 7.4%	State: 0 Federal: 8,774,281 Other: 0 Total: 8,774,281 % of Total Budget: 9.0%	Figure 7.1a-8

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

2011-2012 SCOIS: To provide information to improve the way young people and adults plan careers, make educational training decisions and find jobs.(343K) Non-Recurring Revenue Appropriations of \$146M transferred to trust fund & \$26.4M interest payment from restricted fund for FUA loan. 2012-2013 SCOIS: To provide information to improve the way young people and adults plan careers, make educational training decisions and find jobs. Non-Recurring Revenue Appropriations of \$77M transferred to trust fund & \$25.2M interest payment from restricted fund for FUA loan.

Remainder of Expenditures:	State: 146,348,194 Federal: 0 Other: 26,521,732 Total: 172,869,926 % of Total Budget: 46.4%	State: 77,362,688 Federal: 0 Other: 25,282,322 Total: 102,645,010 % of Total Budget: 33.9%
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* 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.

Section III – Elements of Malcolm Baldrige Criteria

-- Category 1: 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?*

a. Senior leadership provides open dialogue and an open-door policy. They encourage effective communication throughout the organizational structure and continue to work in conjunction with the Governor's Office, General Assembly and business community to effectively implement the vision and goals set forth for DEW. Weekly executive staff 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. Employees and managers are encouraged to share ideas, innovations and best practices. This ensures constant communication pertaining to short and long-term priorities.

b. 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 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 supervisor and upper level management. Reviews of departments and divisions are also in place. In order to provide employees with the skill sets needed to serve our customers, the senior leadership team continues to place emphasis on information sharing and training. Managers are strongly encouraged to present feedback on all ideas and directives. Targeted training is provided to staff to address any performance deficiencies and to replicate best practices. In addition, a new hire orientation has been implemented and is required for all new employees. This ensures all employees entering DEW are aware of the agency's performance standards and priorities.

c. DEW's organizational values are based on the following: *See it. Own it. Work it. DEW it.* Each employee plays a role in the success of DEW and accomplishing its mission. The motto implies that if you know of an issue, you should take ownership of it and work to develop a solution. DEW promotes total employee involvement, implementing superior customer service, seeking additional public and private partnerships, promoting greater use of technology, anticipating and accepting change, encouraging teamwork and striving for increased community involvement. The importance of these values is communicated to employees throughout the year.

d. All employees are expected to adhere to a high standard of ethical behavior. All new employees are required to attend a one-day training course in which standards for ethical behavior are communicated. Employees are also 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. DEW's Human Resources Manual further details ethical behavior in its policies. Employees are encouraged to report unethical behavior to the Human Resources Department.

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

Senior leadership prioritizes improved customer service as one of the DEW's top goals. In addition, senior leadership strongly encourages collaboration among the state's workforce system partners including promoting conversations among the following but not limited to: the business community, current users of the workforce system, technical colleges, local and state economic development organizations, chambers of commerce, adult education centers, vocational rehabilitation centers, other cabinet agencies, the General Assembly, employees and

LWIBs. The Public Information Office is also responsible for collaboration between DEW spokespersons and media outlets to alert customers to 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?*

Senior leadership continues to examine and address the current and potential impact of DEW services on the economy and the population of South Carolina, focusing on the positive success DEW has seen placing job seekers in the right jobs. Senior leadership travels to offices around the state to talk with employees and customers served by the DEW. This direct feedback allows senior leaders to have direct interaction with those needing services. Senior leadership actively monitors and advises on the impact of state and federal level legislative changes, which may affect services to the public. In addition, senior leadership regularly reviews current trends and labor market data to stay abreast of issues impacting DEW's service to the public.

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

Senior leaders maintain fiscal, legal, and regulatory accountability by consistently reviewing the current state of DEW. This review includes: monthly updates on the overall budget status of the divisions, departments and cost centers within DEW while keeping the taxpayer in mind at all times; consistent consultation with DEW's legal department on compliance with state and federal legislation; and frequent communication with state and federal officials to report on DEW's adherence to guidelines established to operate DEW's programs. The Internal Audit Department and the external auditors report performance and other findings to the senior leadership. External auditors conduct annual audits on financial statements of DEW operations and the UI Trust Fund. Additional departmental audits are conducted when requested.

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

Organizational measures reviewed by senior leadership include the following: customer satisfaction; mission accomplishment; procurement effectiveness; process management; asset management effectiveness; human resource 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?*

Senior leadership maintains an open dialogue and open-door policy. Regular meetings with staff, coupled with frequent cross-functional teams and collaboration ensures agency goals are communicated and met. Employees are encouraged to share ideas, innovations and best

practices. Additionally, open dialogue is maintained with the Governor's Office, General Assembly and business community to keep them informed about DEW's goals and objectives, and how best to achieve them.

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

Senior leadership, through regular meetings, discusses possible replacements and recruitment strategies for known retirements, resignations and vacancies when they are identified. Through the encouragement of senior leadership, DEW established both supervisory development and leadership training programs for eligible and selected personnel.

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

Senior leaders maintain an open-door policy that allows and fosters sharing ideas throughout the agency using the motto: See it. Own it. Work it. DEW it. 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 DEW objectives.

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

DEW prioritizes the maximum development of its employees. Employment development is an important function of employment, management and supervision at all levels. The training department manages all aspects of employee and leadership development. Employee development includes attending internal and external training classes and conferences. Leadership development includes access to the Supervisory Development Program, quarterly Leadership Institute Forums, Monthly Leadership Institute Newsletters, and specialized departmental training at management request.

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?

Senior leaders engage the workforce with personal visits with staff across the state. Recognition is given promptly and publicly to all employees through employee appreciation events, monthly awards ceremonies, newsletters 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.

DEW 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. DEW has frequent opportunities to participate in forums, presentations, and other functions hosted by various community organizations including state and local chambers of commerce, industry trade associations, and individual employers. Senior leadership takes advantage of these opportunities to hear direct feedback from some of our most important stakeholders on opportunities DEW has to improve and what areas of the organization are providing the assistance these groups need. Staff are encouraged to be involved in programs that will provide exposure for DEW and the services provided to job seekers, businesses, and the community at large. In addition, DEW participates in local and regional job fairs to provide assistance within various communities around the state.

-- Category 2: 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?***

In coordination with the Governor's Office, Executive Committee and under guidance of the DOL, DEW will create a long-range strategic workforce plan for the state's workforce partners using quantitative measurements. Input will be provided by both internal and external audiences including the business community, technical colleges, local and state economic development organizations, chambers of commerce, adult education centers, vocational rehabilitation centers, other cabinet agencies, local and state government officials, employees and LWIBs. This collaboration will solicit feedback and input on what is needed to create productive relationships among the state's workforce and economic development partners.

Training and development of our employees is essential to ensuring our strategic planning efforts result in measurable and sustainable achievements. Certification programs for front line staff, as well as the increased emphasis on supervisory and management training, will continue to play a vital role in the delivery of prompt, professional, and courteous services.

The key to implementation of the strategic plan is focus, accountability and communication. Performance management and evaluation are ongoing efforts at all levels of DEW. Evaluations will ultimately lead to a refocus on mission and vision to ensure consistency and continuous improvement.

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

DEW's challenges represent both external threats and internal weaknesses. Keeping in mind its core mission and vision, the following key action plans/initiatives have been developed:

- Communicate to stakeholders the upcoming changes to the UI system to ensure their full understanding of the agency's plans to restore the trust fund to solvency.
- Facilitate continuous improvement and provide technical assistance to LWIBs in developing a branding strategy and increase business awareness of services offered by DEW.
- 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, 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 service 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?*

DEW 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. DEW tracks performance related to these goals through data-based management tools. DEW serves a wide range of customers, including federal, state, and local entities, businesses and the state's citizens.

The vast majority of DEW funding comes from federal dollars. DEW uses program specific funds to support related strategic and operational goals and objectives. DEW 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?*

DEW's overall strategic plan, including objectives, action plans and performance measures, are disseminated to the various divisions and departments electronically and through management. Divisional and departmental objectives and plans, including performance measures, are essential parts of this management system. DEW's electronic newsletter, *The DEWsletter*, and weekly email review provide employees with pertinent information on DEW initiatives and performance.

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

Meeting performance deliverables and customer satisfaction are the cornerstones to management practices at DEW. Weekly divisional staff meetings are focused on performance-related issues and output. Project management at the departmental and unit levels offers valuable performance-related information and benchmarks which are shared at the divisional level to ensure open communication and collaboration.

A series of standard reports are submitted weekly, monthly, quarterly, and annually to DOL, which ensures that DEW is aware of its performance on key federal goals. Ongoing communication with DOL on these measures helps maintain awareness on any at-risk projects, initiatives and plans.

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

DEW encourages continuous feedback from internal and external audiences as 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.

The strategic plan is currently not available on DEW's website.

2012-2013 Strategic Plan

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related 12-13 Key Agency Action Plan/Initiatives	Key Cross References Performance Measures
Employment Services	To increase the number of applicants and UI claimants entering employment.	WP will provide intensive service case management to assist customers in need. The SCWRC initiative will identify individual's work skills to better match with job vacancies.	Figures 7.1a-1, 7.1a-2, 7.1a-3
	To increase the customer satisfaction of both businesses and job seekers using DEW services.	Surveys measuring customer satisfaction are being redesigned. Feedback will identify process improvement needs and shape future plans and goals.	7.2
	To continue to focus on businesses and business services.	DEW will strengthen ties to the business community through outreach initiatives, including promotion of Rapid Response, WOTC and SCBOS. The SCWRC initiative will provide no-cost job profiling analysis to businesses to aid them in determining the skills required for a job.	Figures 7.1a-6, 7.1a-7, SCWRC pg. 38
	To meet or exceed all federal and state performance measures for the WIA, TAA, WP and Veterans programs.	Required reporting at both the state and federal level keep all programs accountable for performance measures.	Figures 7.1a-1 through 7.1a-8
	Stay on track to repay all outstanding UI loans by 2015 and begin	The SC General Assembly has modified the UI tax system to	Figures 7.3-4* and 7.3.-5



SOUTH CAROLINA DEPARTMENT OF EMPLOYMENT AND WORKFORCE

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related 12-13 Key Agency Action Plan/Initiatives	Key Cross References Performance Measures
UI	rebuilding the trust fund to an adequately high level to withstand a moderate recession.	better match revenue to payout levels which should enable trust fund solvency by 2015.	
	Procure and implement a new, modern UI benefits system in conjunction with partner states, Georgia and North Carolina.	SC has taken the lead to work with two neighboring states on designing a new benefit system to improve on legacy systems and increase efficiencies. The SC General Assembly has passed new legislation to make eligibility more restrictive, and DEW has initiated statewide training on the new laws for staff at all levels of the claims process. A UI certification program is being implemented to verify and quantify a base knowledge of UI policies and procedures at all staff levels for all DEW programs.	Figures 7.1b-1 through 7.1b-5
	To renew focus on integrity to reduce overpayment and increase collections of overpayments.	DEW formed an integrity task force and strategic plan to help prevent, detect, and collect overpayments, and many these initiatives have begun. DEW has partnered with the SC Attorney General's office to increase fraud prosecutions and convictions.	Figures 7.1b-4 and 7.1b-5
Admin. Support and Operations	To continue DEW's efforts to reduce energy consumption by 20% by 2020.	DEW retrofitted lighting fixtures with energy efficient units. Thermostat controls, windows, water heaters, etc. are continuing to be replaced with more energy efficient models. DEW received approval from the Budget and Control Board for two energy efficient projects to replace the chiller and convert pneumatic controls to Direct Digital Control.	Figure 7.3-4, State Energy Grant
Division of IT	Research alternative IT support models that enhance the delivery of IT services, control costs, and avoid technology obsolesces.	Developing off-site Disaster Recovery Solution with Clemson University as the provider; continuing Desktop Virtualization project; and researching other hosted IT solutions.	Major Achievements 2.9 and 2.10 (pg. 3)

--Category 3: Customer Focus

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

DEW determines its customers by its mission and goals. Job seekers are among our key customers. Access to job referrals, training, labor market information and employability workshops are available as needed.

Individuals applying for UI benefits are self-identified customers. The UI Division's mission is rooted in state law and requires the maintenance of purchasing power and limiting the social consequences of joblessness due to no fault of one's own. This is achieved through the distribution of benefits to eligible individuals on a weekly basis and referral of individuals to employment services and training, as appropriate, to speed their return to the workforce.

State law also determines which businesses are liable for the payment of UI taxes thus representing another customer group for the UI division. Feedback from the business community and General Assembly helps determine what employers require in terms of assistance from DEW. This could include specialized recruitment services, federal tax credits, customized training, dislocation services and labor market information.

As the state's administrative entity for WIA, DEW serves the 12 local workforce investment boards and their areas. LWIBs require guidance, training and technical assistance in implementing the WIA program and workforce system operations.

Workforce system partners are key customers for DEW as well. Partners depend on DEW to collaborate on efforts to assist businesses and individuals receiving workforce services through the SC Works system. They also need DEW to offer workforce intelligence through the available labor market information. Universities, technical colleges, and other educational entities also look to DEW for the same type of information while leveraging federal and state funding and services to develop and implement short and long-term solutions for employers and job seekers.

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

DEW meets regularly with partner agencies and LWIBs as well as meetings and correspondence from elected officials and citizens keeps DEW aware of the changing needs of its customers. The public information office interacts with the community through social media and can direct suggestions and comments to the appropriate division for potential action.

DEW solicits customer comments on a regular basis through a variety of efforts, such as in-person solicitation and telephone, written, and web-based surveys. DEW has a Business Services Department that, through collaboration with state and local partners, facilitates communication to and feedback from the business community.

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

Since June 2013, UI beneficiaries have a new way of interacting with DEW through a new, statewide call center that is available weekdays for individuals to call with questions, concerns, suggestions and complaints. UI Claims Specialists can provide feedback to division management on trends in the types of calls and complaints that they receive directly from customers, which may need to be addressed through process improvement or policy changes. Customers can also provide feedback via DEW's website on any topic and through the SCBOS help desk on employer-specific issues.

SCWOS provides 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. This allows job seekers to maintain their resumes, search current job listings, apply for jobs, and track positions for which they have applied. Employers maintain current job openings, review resumes of job seekers and track the number of applicants that apply for their job openings. SCWOS allows either telephone or email support for immediate feedback, should the user encounter any problems. Customers who want access to workforce related information can go to www.scworks.org.

UI fraud complaints are reported through a toll-free fraud hotline or via the Internet at dew.sc.gov. DEW has a complaint management system that includes an Equal Opportunity Officer and a State Monitor Advocate to handle other complaints, with notices containing contact information prominently displayed in SC Works Centers.

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

While DEW's UI Division is measured on standardized federal performance measures that are intended to keep satisfaction high among customers, direct feedback from stakeholders is the best way to determine the successfulness of existing processes and procedures. The statewide customer contact center has provided an excellent way to receive input from customers on a daily basis on potential problems. Feedback via DEW's website, direct emails and official letters also provides a qualitative check on overall division performance and customer satisfaction.

DEW's Employment Services Division provides multiple venues to solicit feedback, including the online labor exchange system, SCWOS, which has a customer satisfaction survey that is used to help with continuous improvement. The survey asks questions relating to whether the site is easy to use, whether it has met a user's needs, and the specific reasons as to why the user came to the website. DEW uses this information, along with other feedback, to enhance functionality and customer friendliness of SCWOS. For those who visit SC Works Centers, a Job Seeker Customer Satisfaction Survey is used to evaluate and provide feedback on direct services and resources available. DEW employees attend monthly meetings with LWIA Administrators, and serve on LWIBs, along with business leaders, educational representatives, and local elected officials, to learn of pertinent customer/stakeholder information that requires attention.

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

Since launching the new UI service model, coordination and collaboration between division management and front-line staff has been a major focus. Receiving feedback from SWIB members as well as representatives from the 12 LWIBs has allowed DEW to react rapidly to identified problems or areas of customer concern. Many of the areas of concern can be improved through technology, which requires a close partnership between the UI and IT divisions. Successful cross-divisional projects completed in response to the feedback from community leaders ensure high quality customer service for all UI recipients.

DEW regularly monitors each division to ensure understanding of and compliance with applicable federal regulations and local area policies. DEW strives to satisfy customer/stakeholder needs by providing information, forms, and services electronically. DEW's website, dew.sc.gov, provides access to information on jobs, training, UI, LMI and other workforce development services, partners, and resources.

DEW, along with other government and public and private organizations, utilizes SCBOS, www.scbos.sc.gov. SCBOS is a centralized destination for businesses seeking to secure various licenses, registrations and permits as well as to file required reports and pay specific taxes.

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.*

The DEW Executive Director represents the Governor on the SWIB, a Governor appointed board consisting of business owners and community leaders. This role allows DEW to build positive relationships with employers from around the state, as well as key workforce partners.

DEW monitors the statewide toll-free contact center to ensure a high percentage of calls are answered with a minimal wait time. This provides a positive experience for customers calling with questions related to their unemployment claims. The division responds promptly to letters and emails from businesses and external stakeholders about UI benefits, tax or integrity issues.

DEW also holds business and industry roundtables to establish and enhance its relationship with the business community and gather real-time feedback about current services and needs.

DEW builds positive relationships with its workforce customers and stakeholders by recognizing exemplary WIA performance and achievement of LWIAs, partners, and participants. During the annual Workforce Symposium, the SWIB honors outstanding businesses, volunteers, LWIBs, SC Works Centers, and WIA participants. The annual Palmetto Workforce Partnership Awards Ceremony also takes place during the conference to recognize S.C. companies who foster economic development through collaboration with state workforce initiatives. These awards are given to the top three employers (large, medium, and small) in the state.

--Category 4: 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?*

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

“UI Performs” is the UI program’s performance management system administered by DOL. UI operations are comprised of benefit determinations and payments, appeals, wage reporting and tax collection, and trust fund management. The UI Performs oversight system includes two performance tracking categories. The first category is Core Measures, which monitor key activities that have uniform national Acceptable Levels of Performance (ALPs). In the second category, DOL maintains Management Information data to facilitate performance analysis and to assist in planning corrective activities when necessary. UI program performance is also measured by certain Secretary Standards in regulation and statutory requirements outlined in the Government Performance Results Act.

DOL measures the WIA programs against nine common performance measures and annually 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 SWIB. The SWIB develops an annual Incentive Policy which awards funds to those workforce areas exceeding DOL performance and expenditure targets. Due to federal funding reductions, incentives cannot be awarded in the coming year. The TAA program is evaluated against three DOL performance measures on a state-level basis.

DEW monitors progress through various reporting systems. Management reviews reports at various intervals to ascertain progress in meeting organizational objectives. Structured reports provide staff with actual data 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?*

Operational data are continually utilized in making programmatic decisions for ES and UI programs. DEW requires specialized departments to provide supervision of these programs. The services provided include:

- 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. DEW uses this data, reviewed weekly, monthly,

quarterly, and annually, based on various programmatic requirements, for decision-making purposes.

SCWOS, an Internet-based, real-time system used throughout the state for DOL workforce programs, has data collection and report capabilities. Staff has access to a series of ad hoc reports for program management purposes, and specialized reports are available upon request. These reports, along with quarterly performance reports, assist staff in evaluating data quality, federal compliance, and process improvements.

DEW has invested in an enterprise data warehouse that consolidates data from mission critical systems into a modern solution that provides business intelligence, data analytics, and reporting services. An initiative to empower end users with the tools and capability to create detailed ad hoc reports on demand is in process.

Through DOL's Workforce Data Quality Initiative grant, DEW has partnered with the SC Office of Research and Statistics, the SC Department of Education, DSS, and the SC Vocational Rehabilitation Department to contribute agency program data to the Statewide Longitudinal Data System for analysis and program evaluation purposes.

In addition, DEW has partnered with and established data exchanges with the Department of Corrections (DOC) and the Public Employee Benefit Agency (PEBA). These partnerships provide DEW with additional data to aid in preventing detecting overpayments.

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

The key measure is how effectively DEW achieves its goals. Organizational metrics have been developed agency wide to evaluate the effectiveness of strategic objectives and initiatives. DEW continuously monitors these metrics and makes adjustments necessary to improve results. Examples of such metrics include the following:

- The degree to which DEW meets its strategic goals
- The satisfaction level among customers and stakeholders
- The effectiveness of an integrated workforce system
- 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

Other key measures include all required DOL performance goals. Reports are submitted to DOL weekly, quarterly, and annually to assess various aspects of DEW-administered programs. Measures that fail to meet the DOL acceptable level of performance are subject to review, and plans are initiated to improve outcomes.

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

DOL compares DEW to 49 state employment entities (and to other employment entities in Washington, D.C., Puerto Rico and the Virgin Islands). It "grades" the performance of each agency in various programs. This measurement system defines the data that must be collected to provide performance reporting. DOL compares DEW to the seven other states in our region.

Internally, we compare similar offices at local levels to provide an informative performance overview. UI Hub performance metrics are reviewed to identify best practices and are disseminated across the state.

The SWIB has developed a five-year Integrated Workforce Plan as required by DOL. The plan is designed to support operational and strategic decision making and ensure that the workforce system encompasses the following elements:

- cross-program strategies;
- partnerships;
- integration and leveraging of resources and services;
- policy alignment;
- services to targeted populations;
- services to employers; and,
- Wagner-Peyser Agricultural Outreach.

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

DEW management reviews internal operations data to ensure accurate indicators of services are provided. Through established monitoring systems, data quality, reliability, timeliness, and availability are reviewed to ensure accuracy for the accountability necessary to make effective decisions.

The DEW security model is a layered approach that involves overlapping lines of defense working together to protect agency assets. The first lines of defense are monitoring, filtering, firewall, and intrusion protection systems that watch the entire DEW network for malicious activity. Antivirus software installed throughout the network provides additional protection for malicious actions that penetrate the first lines of defense. Policy and authentication mechanisms identify our users and educate them on the safe operating procedures, handling of agency data, and recognizing threats. The final line of defense is the compartmentalized design of the DEW network and data systems and the encryption used to protect the data stored therein.

Wagner-Peyser, WIA and TAA data are maintained in a secure environment in the SCWOS 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;
- Ongoing reviews and evaluation of data against DOL reporting requirements;
- Follow-up on error reports and resolution of data discrepancies; and,

- Statewide annual data validation reviews.

UI program data used to create reports for DOL undergoes data validation on a schedule established by the national office. Passing data validation ensures that accurate information is being collected and supplied to DOL and internal senior management.

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

Performance review findings are translated into measurable outcomes relative to each program area. Staff monitors each program area to ascertain whether goals and objectives are being met. 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 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?*

DEW employs multiple strategies to maintain institutional memory:

- Identifying and 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., personal interaction/sharing of knowledge*) as opposed to strategies that are least effective (*i.e., heavy documentation/little personal interaction*). However, emphasis is placed on documenting institutional memory to achieve knowledge assurance. Best practices are shared through organizational meetings, technical assistance, media avenues and DEW publications. DEW continuously strives to disseminate and transfer pertinent knowledge throughout all departments.

In 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 in South Carolina. Best practices are also identified and shared through venues such as:

- Annual Workforce Development Partnership Symposium
- Regional and national DOL-sponsored training forums;
- Monthly meetings with local workforce administrators;
- Regular conference calls/webinars/meetings with local SCWOS data coordinators; and
- Quarterly staff development and training of TAA workforce specialists.

In the UI program, staff members participate in regional and national training programs sponsored by the DOL and the National Association of State Workforce Agencies (NASWA) which promotes knowledge transfer and identifying state best practices for a variety of different areas. An annual training summit is held with representatives from SC Works Centers statewide to train and update staff on legislative, policy, and procedural changes as well as to elicit feedback on areas that may need additional attention. The UI program can be complicated and hard to master without extensive hands-on training with other more experienced colleagues. DEW encourages this peer-to-peer style of learning. Additionally, DEW developed a certification program to certify the competency of its UI and ES staff.

--Category 5: 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?*

a. Management organizes work according to the six divisions. Recruiting and onboarding quality candidates are crucial first steps in talent management. Management's goal is to cultivate and develop employees by using activities such as:

- Aligning employee skills and performance with DEW goals and objectives
- Reducing competency gaps
- Assessing employee performance against measurable objectives
- Identifying and developing high-potential employees for key positions
- Retaining top performers and promoting a high performance culture

DEW provides pre-recorded and live e-learning sessions to meet work schedule needs. Our e-learning modules include basic Microsoft Office desktop products, professional development classes and Just-in-Time Leadership Training.

b. To promote cooperation, initiative, empowerment, teamwork, innovation and organizational culture, DEW places a strong emphasis on a balanced workforce. The majority of DEW's workforce was dedicated to front line customer service job duties during FY12.

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

Senior leadership communicates DEW's vision and goals through regular division, department, and unit meetings. Weekly division meetings provide direction. Senior leadership holds regular manager meetings to ensure a consistent message to all front line managers, who share this information with front line employees. Senior leaders provide instant written communication and promote feedback through email.

Each DEW department establishes clearly defined performance expectations and communicates them to individual employees in the departments. The Employee Performance Management

System (EPMS) provides employees with written expectations and goals on which their job performance will be evaluated. Department and division review through DEW's Internal Audit and Quality Assurance Unit are also in place. Employee feedback has been vital in improving many DEW work processes, programs and initiatives.

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

Recruiting begins with a clear definition of the qualifications desired in a prospective employee. DEW 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 DEW's environment of commitment to customer service. Once placed, it is the manager's job to maintain employee motivation through achievement, personal development, job satisfaction and recognition on an individual/group basis.

The typical recruitment barriers include identifying applicants who are a good fit for the organization, competition for the same applicants, and high turnover in entry level DEW local operations positions. Three significant challenges DEW 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. DEW's onboarding programs are key in successfully meeting these challenges, such as engaging new hires, reaffirming the employment decision, acclimating new employee in the DEW culture, and preparing them to contribute at a desired level in the shortest possible time.

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

DEW workforce capacity needs are driven by the state's economy, unemployment rates, and legislation. DEW's core functions have not changed significantly over the past decade. However, customer needs and service delivery methods (e.g. Internet claims, direct deposits, debit cards) have required more technological skills and competencies in our job duties.

Assessing staffing levels based upon data collected in an environmental scan. DEW's staffing needs fluctuate based on current and future economic trends that we track through labor market information.

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?

High performance is supported by the EPMS, which allows DEW to ensure strong supervisor-employee communication. The EPMS is the primary tool for management to document employee performance throughout the year and increase productivity. Managers are expected to provide constructive feedback to employees throughout the year on an informal basis as needed.

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?*

a. 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 DEW management

All DEW managers during FY12 attended an extensive course in supervisory practices. Additionally, all managers request customized training by department or needs to address individual or group opportunities for improvement. DEW emphasizes real-time learning and networking with leaders that face similar challenges. DEW also utilizes the Leaders as Teachers model where our executive leadership plays an integral role in role modeling, developing and delivering content. In addition, DEW sponsors leaders for Certified Public Manager training.

b. 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 transfer of an employee between departments. DEW works hard to give proper training and management development opportunities to division deputies, as well as divisional and unit managers, for professional growth and succession planning purposes. Because of the many programs that DEW administers, it usually requires multi-program knowledge and on-the-job experience to build a future leader.

c. DEW communicates standards for ethical practices to each employee upon hiring. All employees receive of the Guide for State Employees developed by the State Ethics Commission and signs an acknowledgement form certifying their understanding of the issues involved. They also are given further written details of expected ethical behavior. Leaders also receive ethics training (e.g., Anti-Harassment, HR Supervisory Practices) and auditors (both internal and external) assist with assessing performance compliance and reporting findings. Supervisors are encouraged to develop open and professional relationships with their subordinate staff to provide timely feedback on ethical practices and behaviors.

d. The EPMS addresses DEW's core competencies, strategic challenges and the accomplishment of DEW's action plans. The EPMS process evaluates employee performance based on divisional goals. 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?*

DEW prioritizes training needs that revolve around programmatic skills and knowledge, management/leadership development, human resources practices, anti-harassment training, diversity training, and office safety procedures. DEW assesses current work needs and projects

future courses of action to meet those needs. This process drives core curriculum development. Individual training needs are established through formal needs assessments and communication between employees and supervisors. Individual employee goals are matched with DEW'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.

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

DEW identifies provides opportunities for employees to use new knowledge and skills on a continuous and consistent basis. Specifically, employees may be allowed to familiarize themselves with materials based on their individual learning style. Supervisors and management to answer questions and provide regular feedback on employee progress. If needed, supervisors may intervene to allow employees time to work through problems to develop viable solutions on their own. Training is offered via webinars to fast track new learning and ensure employees are able to use skills in real-time.

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

Training and employee development are a critical part of DEW's strategic planning process. Training is aligned with the organization's goals and mission. DEW conducts assessments to determine the staff's strengths and weaknesses in meeting goals and completing action plans. This analysis involves identifying the workforce competencies and skills that are necessary to support goal attainment. Performance issues are addressed through corrective action and contingency plans, which typically focus on employee training and development. Providing prompt, professional, and courteous service continues to be the standard for DEW personnel and is accomplished through having a well-trained, confident workforce. Employees attend job-specific training that supports technical job functions and organizational goals.

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

DEW's management training program consistently trains supervisors at various levels. Managers and supervisors all receive the same information and training, which promotes cohesiveness in the entire DEW management structure and provides opportunities for implementing the "train-the-trainer" concept. Evaluation of the effectiveness of training is measured both quantitatively and qualitatively. Goals, accomplishments, and opportunities for improvement are communicated to frontline staff on an ongoing basis. This communication provides feedback and facilitates corrective action. Online training provides competency assessments to identify knowledge gaps and address transfer of training.

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

DEW motivates all employees to develop and utilize their full potential in alignment with the agency's goals and objectives. DEW builds and maintains an environment conducive to performance excellence and full participation along with personal and organizational growth.

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

Education and training opportunities also 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.

Training begins with the new employee orientation. Knowledge and skills are reinforced on the job, and superior performance that brings credit to DEW is recognized. Continuous improvement in education and training is achieved through consideration of organizational and individual performance, objectives-focused development, and other relevant factors. Employees are encouraged to utilize resources on the DEW Intranet and learning management system. DEW information and 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?

DEW measures safety, unscheduled absenteeism, turnover, grievances, other job actions, insurance costs, workers' compensation claims, and survey results.

All assessment methods and measures used to gather information on the workforce's well-being are evaluated and modified as needed in order to maintain continuous improvement.

DEW has identified the following 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; individual and group recognition; benefits; communications; job security; compensation; and equal opportunity.

Accordingly DEW enhances its work climate through counseling; career development and employability services; recreational or cultural activities; non work-related education; leave for family responsibilities; work safety training; flexible work hours; retiree benefits; and special recognition at the individual or group level for performance above and beyond specified job duties.

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

DEW first documents job functions so a successor is able to take over the job without having to reinvent the major components of the job. DEW then identifies key individuals in its

workforce who are eligible to retire and documents the major job functions and responsibilities of their jobs so their “legacy” will not be lost. DEW utilizes a universal review date of a combined position description and EPMS to ensure information remains relevant.

Figure 5.13

THE BASIC APPROACH	
Identify DEW Targets	Mission and Objectives
Identify Who You Have	Current Workforce Profiles; Future Outlook
Identify Who You Need	Future Outlook; Future Workforce Profiles
Close the Gaps	Workforce Strategies
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.)*

DEW issues extensive written safety policies (includes a safety manual) and workplace procedures coupled with training. During FY12, DEW contracted with security companies to provide security officers in offices with a need. Safety inspections of the facilities and operations are scheduled regularly. DEW personnel with special expertise are involved with inspections when appropriate.

Each floor of the Central Office Complex has a first responders safety officer and an assistant safety officer. These DEW personnel are highly trained in safety policies and procedures. New employees are introduced to the safety policies and procedures during their initial orientation. DEW conducts annual drills that are monitored by the SC Budget and Control Board and Homeland Security to ensure compliance. DEW facilities must comply with Occupational Safety and Health Administration standards, and facilities are periodically inspected for compliance. In addition, buildings have been tested for air quality, water quality, and asbestos.

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

--Category 6: 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?*

The core competencies vital to fulfilling DEW’s mission are derived from the mission itself, as well as DOL requirements. As the employment agency for South Carolina, DEW provides high quality job skills training for unemployed residents and connects job seekers with employers in need of their services. The LMI program provides relevant and timely labor market information. The UI Division ensures claims for UI benefits are processed in an expedient and accurate manner to eligible workers who become unemployed through no fault of their own. UI taxes are billed and collected by the Tax Department.

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?*

The expediency, accuracy, and quality with which DEW's key work processes are provided are the determining factors of success. DEW's key processes, as they relate to its core competencies, consist of the following:

- Facilitate access to training services and assistance and re-employment/employment of the unemployed and underemployed.
 - Provide training services and assistance to adults and youth through a variety of federally-funded programs, such as Veterans Services and through the LWIBs.
 - Maintain and promote SCWOS, an online employment database that matches hiring employers with qualified job seekers.
- Support businesses in their recruitment, retention, and expansion efforts.
 - Provide businesses with candidate matching services through SCWOS.
 - Leverage workforce resources such as OJT, IWT and apprenticeships to businesses that struggle with skills gaps for their existing workforce as well as address skills gaps if qualified candidates are not readily available when expanding.
- Provide relevant and timely labor market information.
 - Compile and publish employment statistics, job forecasts, wages, demographics, and other labor market information to help public and private organizations, researchers, and others better understand today's complex workforce.
- Ensure that UI claims are processed expediently and accurately.
 - Provide a comprehensive training and certification program to all UI staff to ensure they are knowledgeable of DEW and DOL claims-processing policies and procedures
 - Detect and correct claim fraud and overpayments, including a sophisticated cross-matching application (BARTS).
 - Review claims for accurate documentation, correct determination of benefits due and to detect claimant fraud.
- Accurate and timely billing and collection of employer unemployment liabilities.
 - Review employer tax computations, invoicing and collections to ensure accuracy and proper internal controls.
 - Send statements of account balances to employers.
 - Conduct several collection activities such as: investigations, telephone calls, and mailing various collection correspondences.

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?*

By staying current with the industry best practices and leveraging emerging technologies, DEW 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.

DEW is committed to growing its systems and services to respond to the changing needs of its customers. DEW continues to research and procure online, 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.

DEW continues to incorporate new technology, cost controls, and other efficiency factors by:

- Launching a statewide, toll-free contact center for UI recipients to interact with claims specialists regarding unemployment issues.
- Requesting \$2.85 million in DOL Supplemental Budget Requests for implementing process improvements covering simplified messaging to stakeholders, appeals case management, benefit payment control, and disaster recovery.
- Implementing of the Treasury Offset Program (TOP) for intercepting federal tax refunds, as well as state tax refunds, when improper overpayments have occurred.
- Continuing development of an online fact-finding system for use by UI local staff to collect specific separation information from claimants for use by central office adjudication staff, thus standardizing and expediting the claims process.
- Releasing RFP for the replacement of the current benefits system, as a member of a three-state consortium.

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

DEW conducts daily reviews of detailed reports to ensure accuracy of processing. Corrective action plans are implemented and tracked in place to address errors. DEW utilizes various cross matches with databases including, but not limited to, the Social Security Administration, the State and National Directories of New Hire, the SC DOC, and PEBA.

S.C. integrity activities are in place to prevent, detect, reduce, and recover improper payments in the UI Program. The updated integrity action plan focuses on preventing and recovering detected overpayments of benefits and tax debits through staffing and technology tools. Utilizing automated software (BARTS), DEW has dramatically increased the number of overpayment audits conducted thus resulting in the proper detection of a larger volume of overpayments. Working with the Attorney General's Office, DEW has prosecuted and publicized convictions to deter fraudulent overpayments.

DEW uses BAM data to identify and reduce recurrent types of claims processing errors and improve processes. DEW investigates improper claims identified through BAM and BPC reviews to ensure that UI benefits are paid only to eligible applicants. Errors in the billing and collection of employer taxes identified by the TPS Auditor are communicated to Tax Department management, for corrections to be made, as well as to improve processes where warranted.

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

DEW management collects information from a variety of sources to constantly evaluate and enhance the effectiveness and efficiency of our processes, including:

- **DEW Line Staff Suggestions** - DEW line staff meet with job seekers and businesses on a regular basis. They have a good understanding of our customers' requirements and communicate those requirements to managers and DEW executives. These ideas and comments are used in meetings and surveys described below. DEW's Executive Director has an open door policy and encourages staff to meet with her when they have ideas or concerns.
 - **Business and Industry Roundtables** - DEW hosts quarterly business and industry roundtables to establish and enhance its relationship with the business community and gather real-time feedback about services and needs. Attendees have included organizations such as the SC Chamber of Commerce, SC Bankers Association, and the SC Economic Development Association. Additional roundtables are being planned monthly around the state.
 - **Employer Surveys and Meetings** - Businesses are sent surveys asking them to rate services and provide recommendations for improvement. Local DEW staff members are assigned to businesses in their areas and regularly meet with them to seek their counsel.
 - **Business Services Teams** – Local business services teams, which include business services representatives from across various agencies, have been established around the state to share information, best practices, and how workforce services and processes can be improved.
 - **Job Seekers** - Job seekers evaluate the service they receive when they visit SC Works Centers through electronic customer satisfaction surveys. Information is shared with LWIBs and SC Works Centers to assist in continuous improvement efforts.
 - **Customer Satisfaction Survey** - Customer and staff feedback from this survey is used to enhance and make modifications to the SCWOS system.
 - **DEW Executives** - DEW executives use the above information when discussing customer suggestions and recommendations for improvements in weekly executive staff meetings.
 - **Internal Audit** – The Internal Audit Department performs process reviews on a regular basis and provides recommendations to executive management for improvements.
 - **External Auditors** – DEW utilizes recommendations received in reports from a variety of external audit entities to strengthen and improve its operations. These include: the LAC, DOL, SSA, and Internal Revenue Service.
 - **DOL** – On a regular basis, DEW receives feedback and statistics from the DOL that it uses to evaluate and improve the services.
 - **Other States' Employment Agencies** – DEW management maintains close ties to its counterparts in other states and uses this established network frequently to learn and implement best practices.
6. *What are your key support processes, and how do you evaluate, improve and update these processes to achieve better performance?*

BAM and the TPS auditors continuously monitor the UI program. BAM auditors draw samples of UI claim files, perform investigations, and analyze data to assess the accuracy of UI payments

and denial determinations. The TPS auditor evaluates the accuracy of employer unemployment tax assessments and collection of amounts due and the adequacy of internal controls over the same. BAM and TPS audit results are shared with UI management to promote improvements in processes and controls.

The Divisions of Human Resources, Finance, Office of General Counsel, and Administration and Support provide the core support services that allow DEW to operate efficiently and effectively. These Divisions provide supply and inventory, staffing recommendations, legal analysis, and other support services to DEW staff. The Division of Information Technology (IT) provides comprehensive support of all of DEW's information technology systems and equipment. IT management serves as a trusted advisor and consultant to DEW departments. Emphasis is placed on continuous technology improvement, and the agency has made great strides toward replacing paper-intensive processes with re-engineered business processes supported by modern solutions.

The majority of ES Division programs are supported by the SCWOS data management system. Performance goals are negotiated with DOL, and actual performance is tracked and reported. Program management ad hoc reports allow staff to evaluate participation and program effectiveness and data quality.

The Internal Audit Department provides audit and consulting services to DEW management to ensure that internal controls are adequate and effective and that assets are protected. The department also frequently performs reviews of key work processes and makes recommendations for improvements. The annual audit plan is based on an annual agency-wide risk assessment.

The S.C. General Assembly also has input into DEW's performance. Per legislation passed in 2010, DEW is required to undergo an LAC audit on an ongoing basis through 2018. DEW management continues to use the LAC recommendations to improve services offered.

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

DOL guidance is used to determine targeted technology requirements and strategic initiatives. Other factors considered when making budget and financial decisions include appropriated funds, normal capital expenditures, overhead expenses, and required emergency funds.

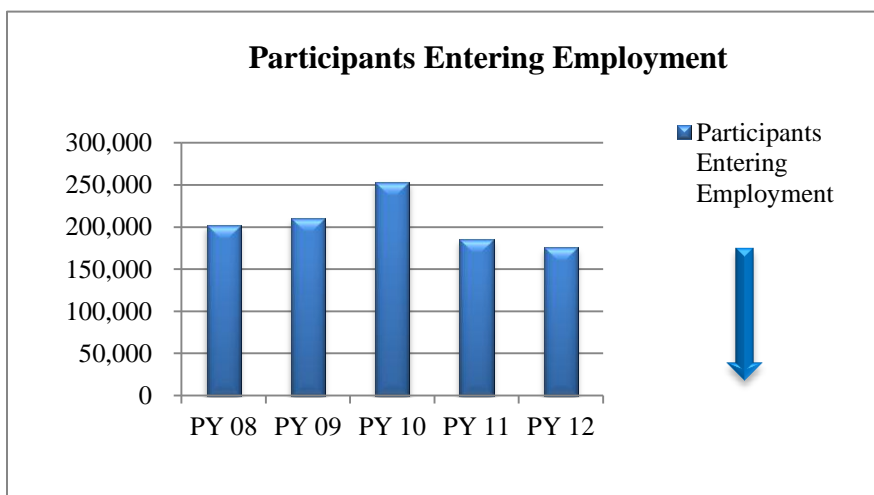
--Category 7: Results

a. Employment Services - DEW's ES Division is responsible for administering and managing several federal workforce programs and services including Wagner-Peyser (WP), WIA, and veterans services. Key customer groups include job seekers and businesses. The WP program offers job seekers assistance with finding employment while the WIA program provides training assistance and supportive services. Businesses utilizing workforce services can receive Incumbent Worker Training assistance, layoff aversion assistance through Rapid Response services, and the Work Opportunity Tax Credit (WOTC).

Job Seekers - The primary objective of DEW's Wagner-Peyser, or labor exchange program, is to assist individuals in obtaining employment. 418,009 participants enrolled in this program last year. This number represents a 2 percent decline from the previous program year.

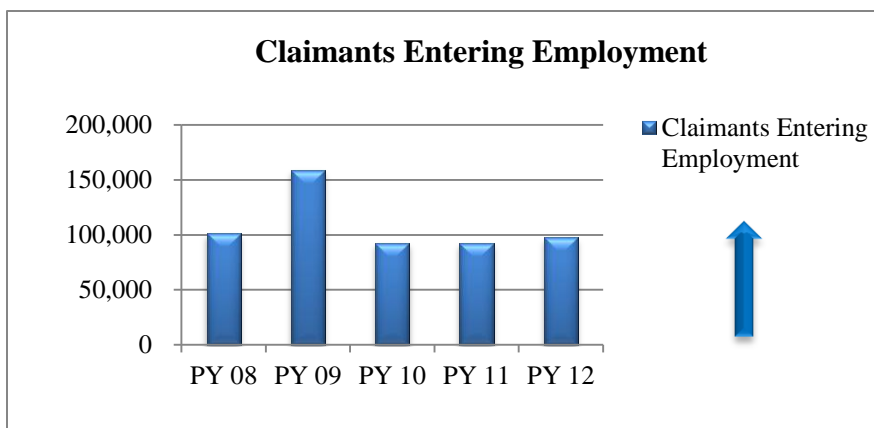
Two closely monitored job seeker groups are claimants receiving UI benefits and veterans. During the reporting period, 97,606 claimants entered employment in the quarter after exiting the labor exchange program. 13,784 veterans went to work in the quarter following their program exit. The numbers represent 58 percent of exiting claimants and 55 percent of exiting veterans.

Figure 7.1a-1



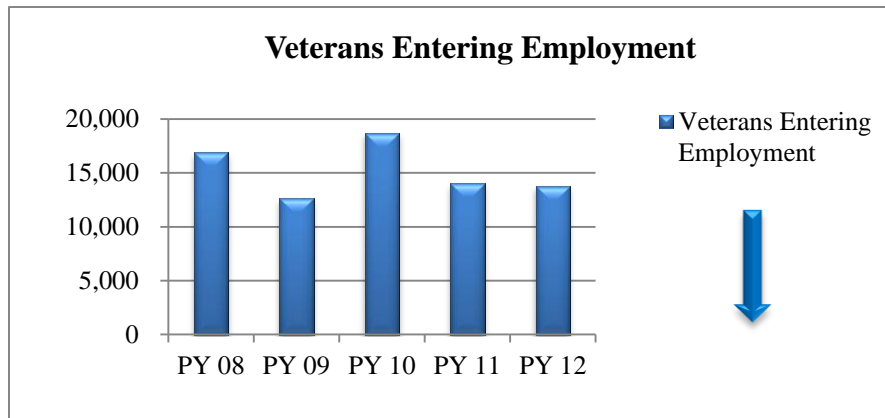
This graph shows the number of participants that entered employment in the first quarter after exiting the labor exchange program. This decrease marked the second consecutive downturn after two consecutive years of gains in the number of participants entering employment.

Figure 7.1a-2



This graph shows the number of claimants who entered employment in the first quarter after exiting the labor exchange program. A slight increase in the number of claimants entering employment was noted despite a decrease in the number of claimants exiting the program.

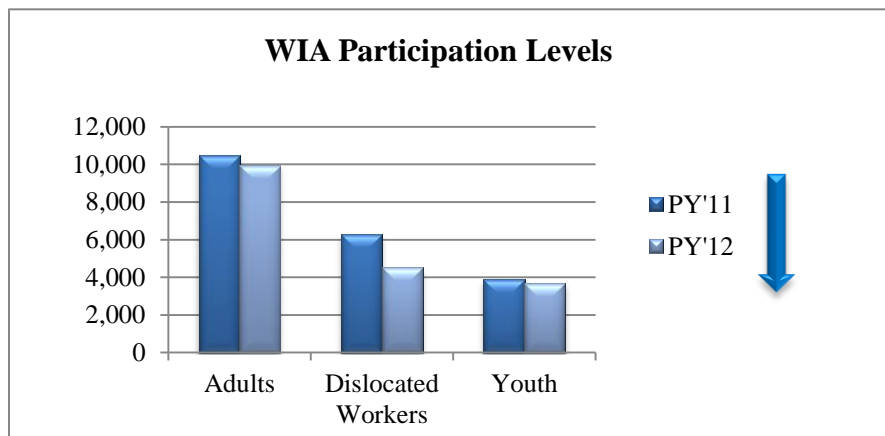
Figure 7.1a-3



This graph shows the number of veterans who entered employment in the first quarter after exiting the labor exchange program. The number of veterans entering employment dropped in PY'12, due in large part to the significant decline in the number of individuals exiting the program.

Workforce Investment Act (WIA) – The recovering economy and decline of the unemployment rate have affected WIA performance measures and participation levels in PY'12.

Figure 7.1a-4



Continued decreases in WIA funding, 27 percent over the last two years, have decreased the number of participants served in WIA for all three customer groups.

Figure 7.1a-5: Although WIA participation has declined, South Carolina exceeded six of the nine DOL performance goals in PY'12 and met the remaining three.

WIA Performance Measures			
	Customer Group	State Goal	State Actual
Placement in Employment or Education	Youth (14-21)	66.0	69.3
Attainment of Degree or Certificate	Youth (14-21)	67.0	71.3
Literacy or Numeracy Gains	Youth (14-21)	52.0	57.4
Entered Employment Rate	Adults	66.4	70.4
	DW	73.5	75.4
Employment Retention Rate	Adult	86.4	85.0
	DW	91.5	91.9
Six Month Average Earnings	Adult	\$10,700	\$10,440
	DW	\$15,100	\$14,673
<p>Light Blue Shaded = met* the goal. Dark Blue Shaded = exceeded** the goal</p> <p>*DOL defines met as performance outcomes between 80 percent -100 percent of the negotiated goal.</p> <p>**DOL defines exceeded as performance outcomes above 100 percent of the negotiated goal.</p>			

Jobs for America's Graduates-South Carolina (JAG-SC) - JAG-SC delivered dropout prevention services and employability skills training to 1,340 students at 23 high schools across the state and one middle school in Hampton County.

- The programs sustained a 96 percent return to school (retention) rate among all 2011-2012 non-seniors entering the fall 2012 term.
- The class of 2013 served 403 seniors who achieved a 94 percent graduation rate.
- An additional 286 youth from the class of 2012 received post-secondary follow-up services. Final outcomes included a 63 percent civilian job placement rate, a 57 percent further education rate, a 94 percent full-time placement rate, and a 91 percent total positive placement rate, reflecting participants positively engaged in school, work, or military service.
- Two JAG-SC students were awarded the national JAG Smith Scholarship in 2013.
- JAG-SC was recognized as:

- a “5-of-5” Top Performing State for exceeding and documenting all five of the National JAG Performance Goals;
- a top five performer for graduation rate, positive outcome rate, and full-time job rate, further education, military service rate, and participant selection; and
- maintaining one of the highest participant contact rates of 100 percent.

SC Work Ready Communities (SCWRC) Initiative (www.scworkready.org) – SCWRC is a community-based workforce and economic development effort based on the ACT Certified Work Ready Communities model that uses common criteria to certify “work ready” counties across the nation. The ACT WorkKeys® – a valid jobs skills assessment system – and the National Career Readiness Certificate (NCRC™), a portable, industry-recognized credential, are the basic foundation by which work ready counties are designated. The NCRC is earned by taking three WorkKeys assessments (Reading for Information, Applied Mathematics and Locating Information) to identify workplace competencies. In addition to ACT’s national criteria, S.C. counties will have to meet additional goals to include high school graduation rates and obtainment of the NCRC Plus, which measures soft skills.

South Carolina is one of four initial states participating in the national ACT Certified Work Ready Communities pilot. The vision of South Carolina’s own Work Ready Communities Initiative is to ensure a ready workforce that serves as an economic development tool to attract and maintain businesses in the state.

- In PY ‘12 all 46 S.C. counties were approved as *Work Ready Communities in Progress*.
- In PY ‘12 more than 20,000 individual NCRCs were awarded, for a total of over 192,000 NCRCs statewide since 2006.
- South Carolina ranks second in the nation for the number of NCRCs.

Job Profiling for Businesses – DEW has provided funds so that as a part the SCWRC initiative, businesses will be able to receive no-cost job analyses (job profiles). Employers use job analysis to determine which skills are required for a job and the skill level needed to perform the job successfully. This helps employers and employees know what an applicant must score on a particular WorkKeys skills assessment in order to be qualified for the job.

Business Services - In PY ‘12, the Business Services Department increased efforts to engage the small business community. Targeted outreach efforts were implemented to engage businesses in areas with high unemployment rates, priority of service was established for small business, and strategic planning occurred with state and local economic development partners. As a result, small businesses accounted for more than 33 percent of all businesses engaged last year.

Working with nationally recognized consultants, Business Services metrics were developed, and partnering programs roles and responsibilities were clarified. Performance metrics will be implemented and performance will be tracked quarterly.

Several Business Services programs were recognized and promoted as best practices by DOL, including collaboration with S.C. educational and economic development partners.

Figure 7.1a-6: Rapid Response provides businesses and impacted workers with short-term, early intervention and immediate assistance with layoffs. Workers averted from unemployment represent potential savings to the UI Trust Fund.

RAPID RESPONSE			
Businesses Served	Businesses Served With RR-IWT	Rapid Response Funds Obligated for RR-IWT	Workers averted from unemployment
156	26	\$1,100,000	1,154

Figure 7.1a-7: WOTC provides federal tax credits to businesses as an incentive for hiring targeted populations.

WORK OPPORTUNITY TAX CREDIT (WOTC)			
Businesses Served	Certifications	Federal Tax Credits	E-filed Applications
1264	47,453	\$131,214,150	50,614
65 % increase from PY '11	39.5 % increase from PY '11	39 % increase from PY '11	66.5 % increase from PY '11

- As a result of integration with the U.S. Department of Veterans Affairs, the number of veteran applications increased 36 percent over PY '11, which increased opportunities for businesses to hire WOTC eligible individuals and increased potential tax credit amounts.
- The DOL-recognized specific marketing strategies are:
 - Training field service staff on engaging businesses and WOTC-eligible job seekers
 - Implementation of a voucher system for WOTC-eligible veterans
 - Program staff's attendance at job fairs, employer and business service meetings.

Trade Adjustment Assistance (TAA) – TAA provides assistance to businesses and workers adversely impacted by increased imports, shift in production or a service that moved to another country. In the past year, TAA collaborated with several workforce system partners to develop customized training programs, hold and co-sponsor career fairs. Most notably, collaboration and engagement with the ASSIST To Work consortium colleges will lead to greater exposure of TAA program benefits to potentially eligible customers and further facilitate a well-rounded service approach to reemployment. This has expanded our ability to engage workers early, be responsive to employer and employee needs, and reduce unemployment time frames.

Figure 7.1a-8: DEW increased the number of businesses served by 28 percent from PY '11.

TRADE ADJUSTMENT ASSISTANCE		
Businesses Served	Workers Served	Take Up Rate
25	4131	61 percent

- The TAA program implemented new TAA-specific On-the-Job (OJT) Training policies and procedures, including all new forms and marketing materials.
- In order to serve a severely underprivileged population of a layoff event that affected a large part of the Upstate, the TAA unit formed a partnership and developed a contract with Pickens Adult Education to provide an intensive, full-time adult education program, including soft skills and computer literacy components.
- The TAA program worked closely with the SC Technical College System to develop and implement the Trade Adjustment Assistance Community College and Career Training Grant programs. DOL recognized the partnership as a best practice.

Figure 7.1a-9: S.C. Occupational Information System (SCOIS) provides educational and career information to S.C. schools and other educational partners to assist educators in developing curriculum standards and long range academic achievement plans for students, building the workforce pipeline to meet businesses' long-term workforce needs.

S.C. OCCUPATIONAL INFORMATION SYSTEM (SCOIS)		
Businesses Served	Educational Partners Served	Students with access to SCOIS
96	1,222	1,115,498

- The SCOIS group developed and implemented SC Connects, a network within SCOIS that connects businesses with local schools to offer students video mentoring and shadowing.
- SCOIS field staff trained 592 educators, to include counselors, career specialists and teachers on SCOIS capabilities with academic advisement.

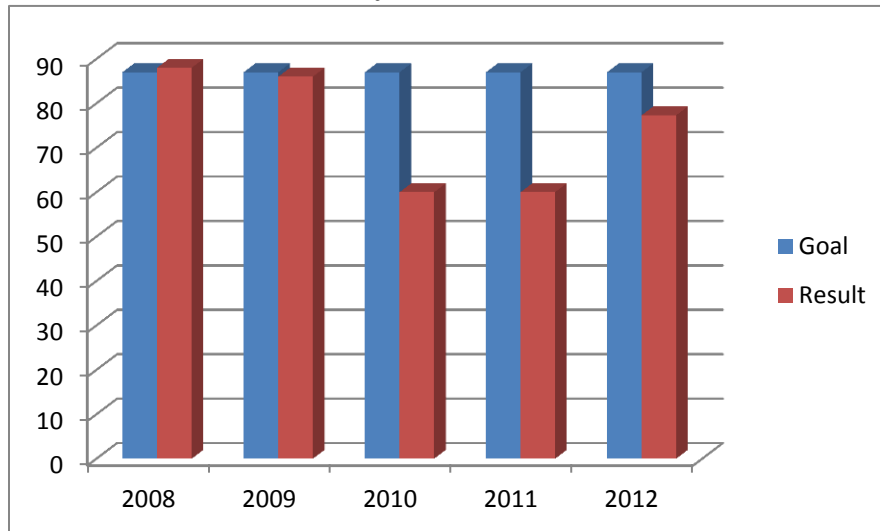
b. UI - The UI mission is to promote economic and employment stability and relieve the hardships of unemployment through payment of employer-financed benefits to eligible individuals. The program objective is the accurate determination of employer liability, customer friendly UI claims services, quality determinations of initial and continuing eligibility, timely payment of benefits, and quality control programs to ensure efficient and effective program performance. Budget reductions resulted in a dramatic loss of UI personnel during the performance period. In response, the division completely restructured local operations to ensure only the most qualified staff was hired for the new, more complex positions. This will ensure there is not a decline in performance in spite of a smaller workforce.

Figure 7.1b-1:

Payment of Claims		
Time Period	Initial Claims	Weeks Claimed
July 2008-June 2009	545,137	4,206,476
July 2009-June 2010	386,818	4,331,564
July 2010-June 2011	310,528	2,992,594
July 2011-June 2012	278,714	2,402,387
July 2012-June 2013	259,865	1,787,530

Figure 7.1b-2:

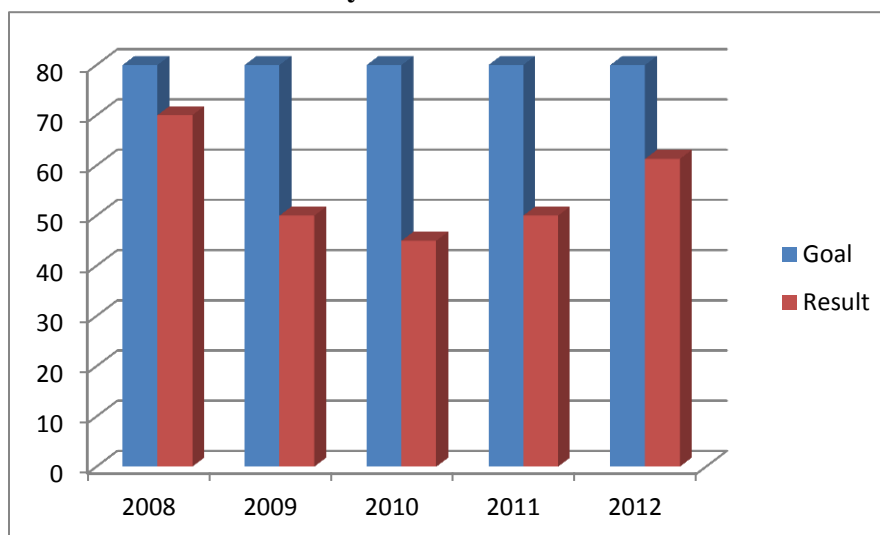
First Payment Timeliness



Payment should be made within 21 days of the first claim week-ending date after the waiting week has ended. The DOL acceptable level of performance for this measure is 87 percent of first payments being made timely.

Figure 7.1b-3:

Non-Monetary Determination Timeliness

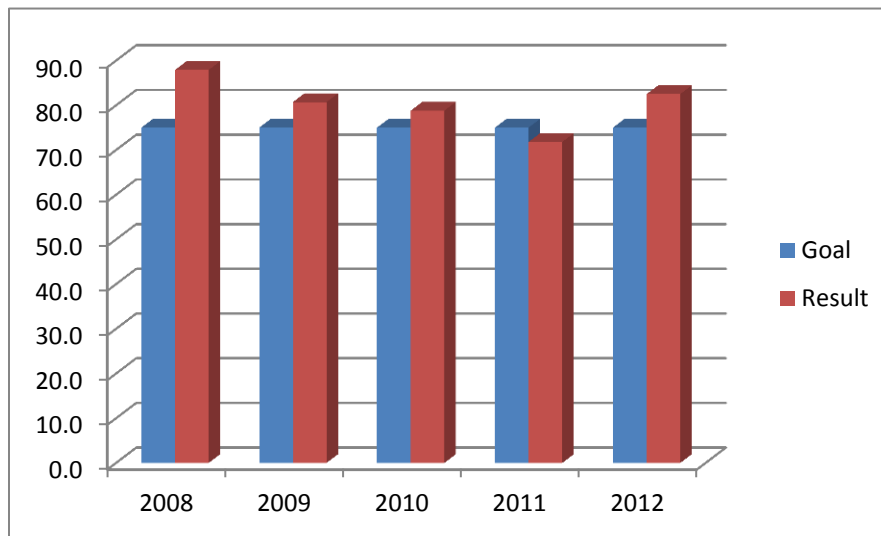


The eligibility determinations should be made within 14 days of detecting an “issue” during a claim series (non-separations) and within 21 days for issues detected when the initial claim is filed (separations). “Issues” are anything that has the potential to affect a claimant’s past, present or future benefit rights. The DOL acceptable

level of performance is 80 percent of issues will be handled within the 14 or 21 day time period.

Figure 7.1b-4:

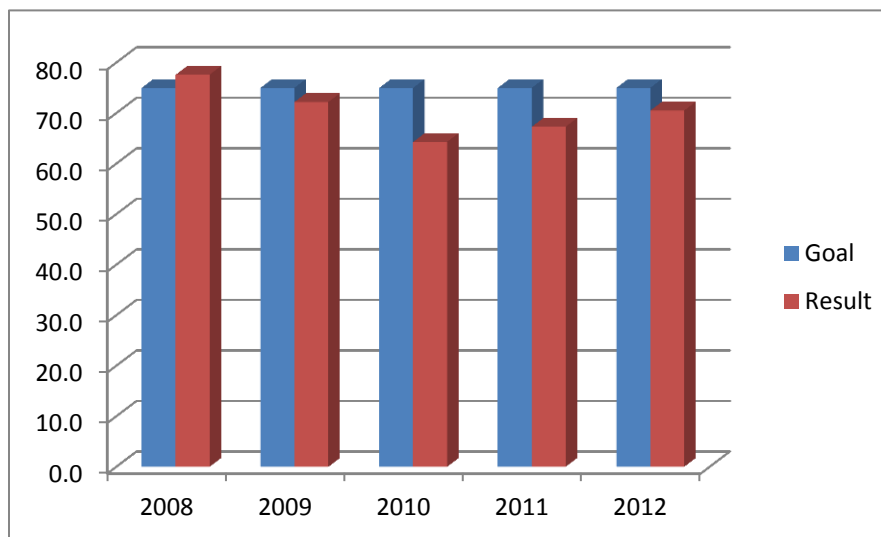
Non-Monetary Determinations Quality (Non-Separations)



Samples of eligibility determinations are evaluated using federal guidelines to ensure proper decisions are made. The DOL acceptable level of performance for this measure is 75 percent of the evaluated determinations must score at least 80 points.

Figure 7.1b-5:

Non-Monetary Determinations Quality (Separations)



Samples of eligibility determinations are evaluated using federal guidelines to ensure proper decisions are made. The DOL acceptable level of performance for this measure is 75 percent of the evaluated determinations must score at least 80 points.

7.2 What are your performance levels and trends for your key measures on customer satisfaction and dissatisfaction? How do your results compare to those of comparable organizations?

DEW is redesigning multiple customer satisfaction instruments. The results will be made available to LWIBs and center operators to assist in continuous improvement efforts. Feedback is sought on the availability, accessibility and effectiveness of resources, the responsiveness and expertise of staff, and overall customer satisfaction.

7.3 What are your performance levels for your key measures on financial performance, including measures of cost containment, as appropriate?

DEW has experienced a significant decline in funding for several major programs over the last four years, particularly with the federal budget crisis and 2013 sequester, coupled with declining unemployment workload. To maximize the remaining program dollars, DEW designed a new workforce delivery system that reduces administrative costs and improves the system's ability to remain flexible during uncertain fiscal times, while continuing to facilitate a high level of service quality to the state's businesses and job seekers.

Figure 7.3-1:

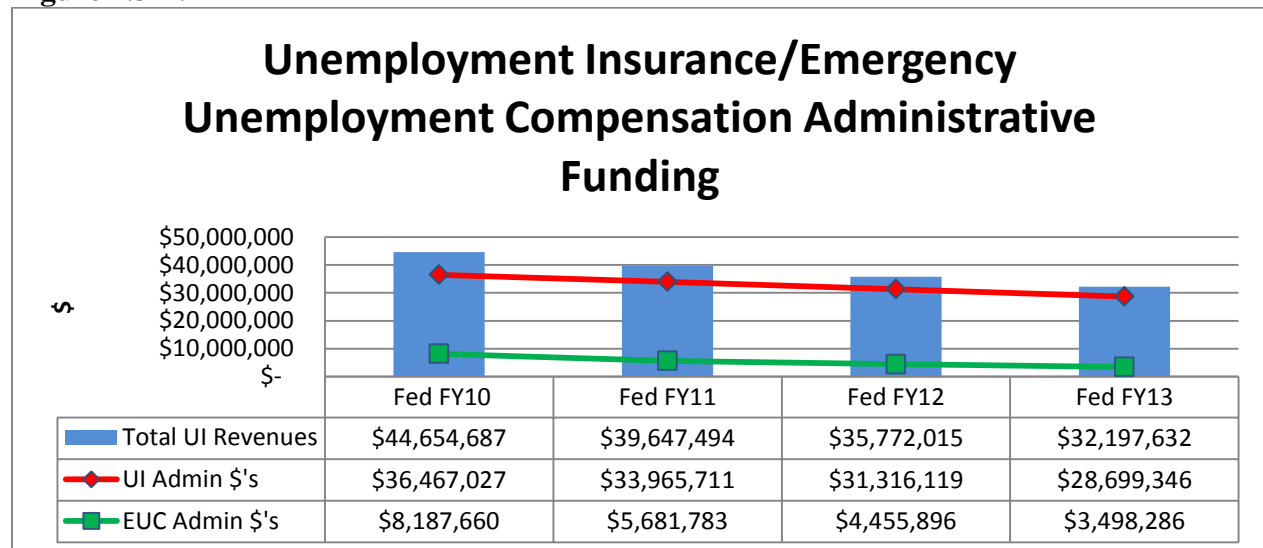


Figure 7.3-2:

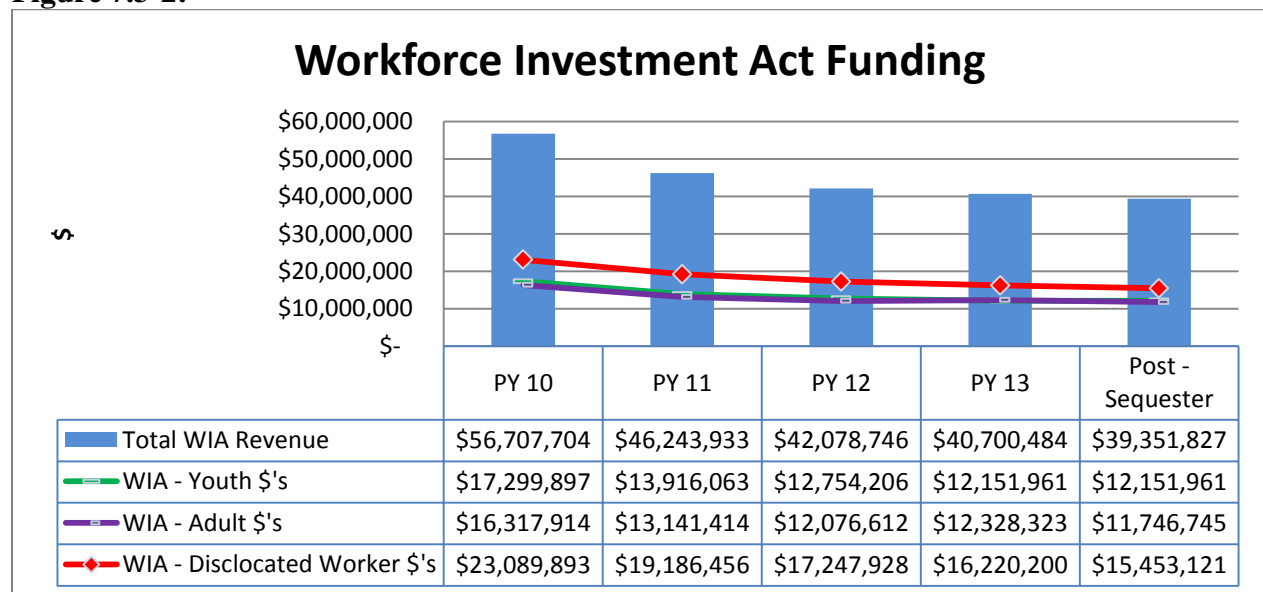


Figure 7.3-3:

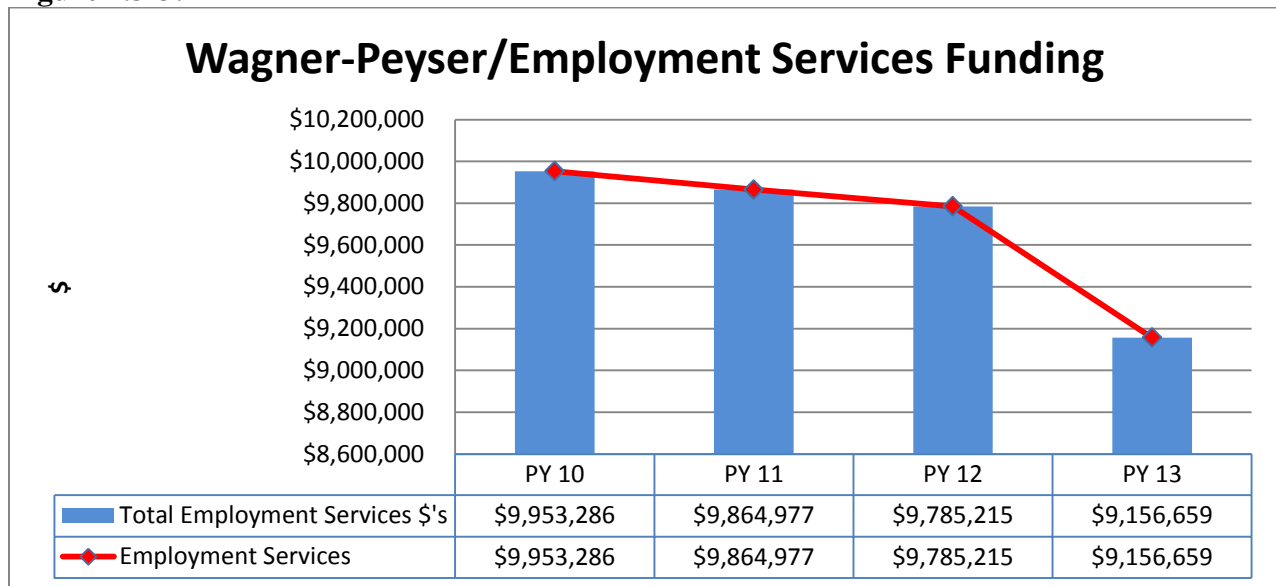


Figure 7.3-4:

Agency Revenue 2012 - 2013

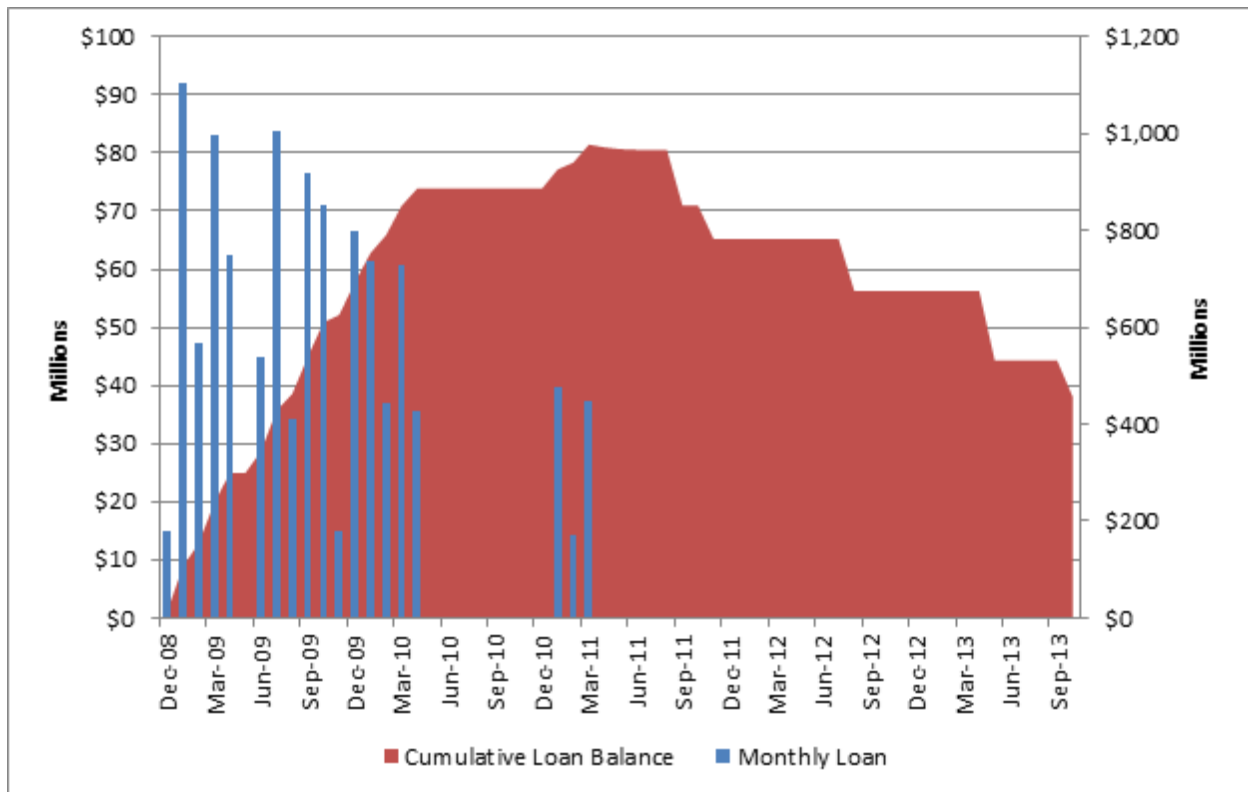
*State Appropriation	77,367,151
State Energy Grant - ARRA	115,595
Contracts	6,136
Consortium Contracts	183,441
Contingency Assessment Fund	6,882,654
Child Support Intercept	20,895
Parking Fees	54,360
SC Work Ready Community	218,350
**Employment Services	9,815,202
***Unemployment Insurance	41,394,104
Special Administration Fund	1,944,886
Disabled Veterans Outreach Program (DVOP)	1,179,534
Bureau of Labor Statistics (BLS)	813,647
ES Reimbursement Grant	204,805
Local Veterans Employment Representative (LVER)	1,487,202
Disability Program Navigator	79,203
TAA	14,224,379
**WIA Cluster	51,423,581
WIA Cluster Pass Thru	896,949
Interest Surcharge	22,648,627
SC Commerce/LMI	691,017
TOTAL	<u>\$231,651,718</u>

*Includes \$77 million of revenue appropriated by the General Assembly for the purposes of SUTA Tax Relief.

**Includes prior year's funds drawn down in current program year.

***Includes Supplementary Budget Requests (SBRs)

Figure 7.3-5 UI Federal Loan Balance



7.4 What are your performance levels and trends for your key measures of workforce engagement, workforce satisfaction, the development of your workforce, including leaders, workforce retention, workforce climate including workplace health, safety, and security?

DEW is establishing methods of measuring the development of our workforce following the recent restructuring.

7.5 What are your performance levels and trends for your key measures of organizational effectiveness/operational efficiency, and work system performance?

DEW recently restructured to improve organizational effectiveness and operational efficiency.

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

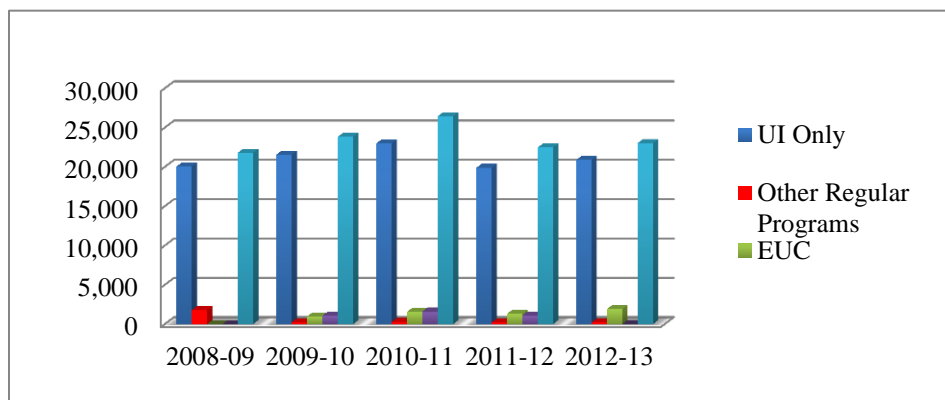
DOL sets desired levels of achievement for handling UI appeals so that decisions on claimants' entitlement to UI benefits are made in a timely manner after fair hearings that protect the parties' due process rights. These rights are protected by the Appellate Division.

The Appellate Panel, with Higher Authority Appeals support and Lower Authority Appeals, is responsible for handling appeals regarding UI benefits, trade cases, and cases involving tax liability and employment status. The Office of General Counsel is responsible for defending DEW's final decisions in appeals to courts of competent jurisdiction. The Office of General Counsel employs attorneys who represent DEW and provides legal support and advice to DEW's divisions. It also oversees the Records Release Unit.

Lower Authority Appeals (LA) Workload – Since 2001, the LA caseload began to steadily increase. In 2008, the LA caseload first reached 20,000 and continues to remain elevated. DOL requires that 80 percent of appeals must pass with scores of at least 85 percent. Despite problems meeting timeliness measures, LA has continued to score very well on quality measures. Regional data from July 2012 through December 2012 indicates all scored cases for LA passed and scored an average of 94 percent. Cases for 2013 will not be scored until next year.

Figure 7.6-1:

Lower Authority Appeals Received



This illustrates the annual number of appeals received over the last five years. LA continues to experience an increased workload.

Figure 7.6-2:
Lower Authority Appeals Received by Month

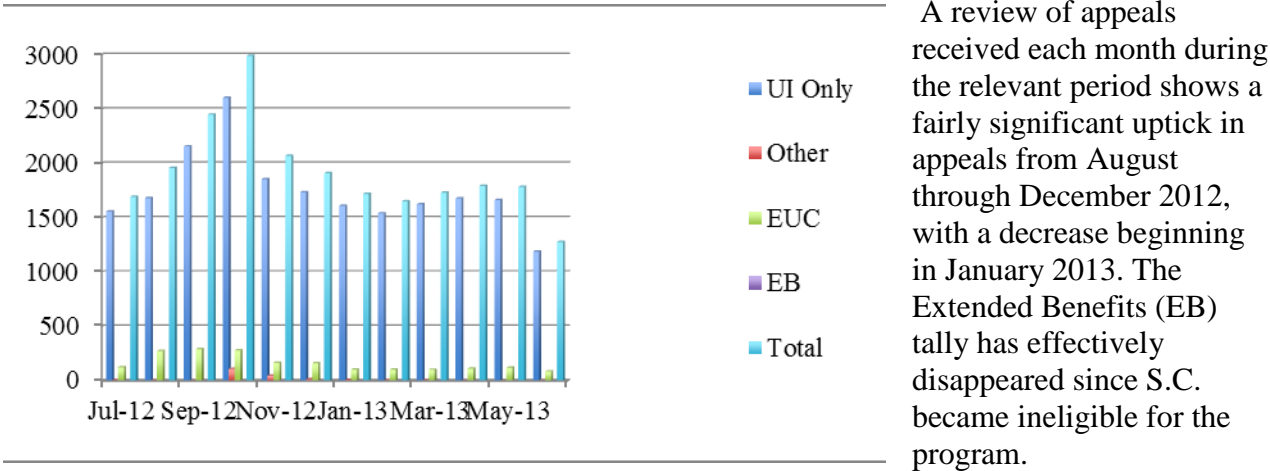


Figure 7.6-3: This figure shows the number of decisions issued each year by category over the last five years.

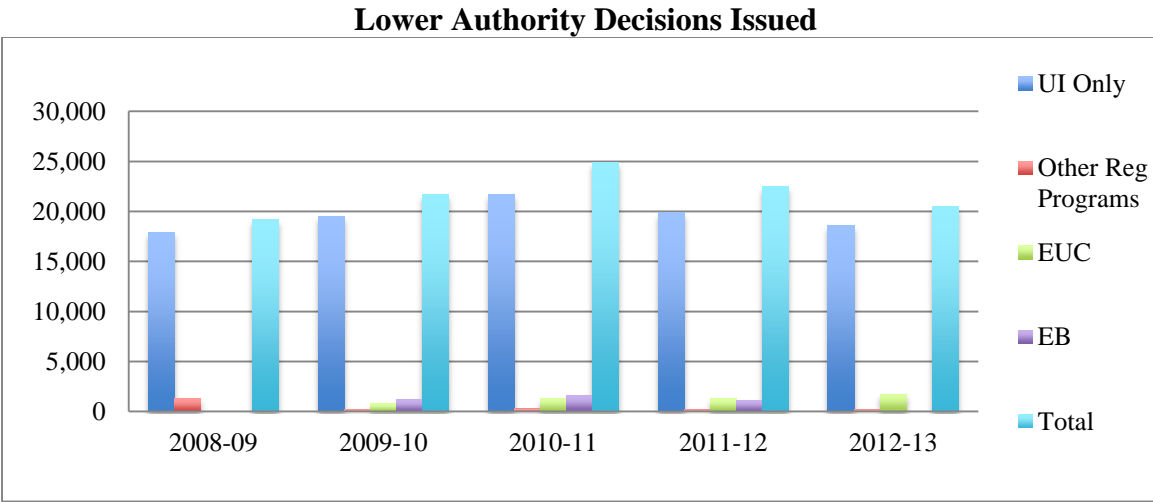


Figure 7.6-4: Time lapse is the traditional measure of the time it takes from the date an appeal is filed to the date a decision is issued. DOL performance criteria are for 60 percent of decisions to be issued within 30 days of the appeal file date and for 80 percent to be issued within 45 days of the appeal file date. Due to a backlog of cases and staff attrition, the time lapse criteria failed to meet DOL standards during most of the reporting period.

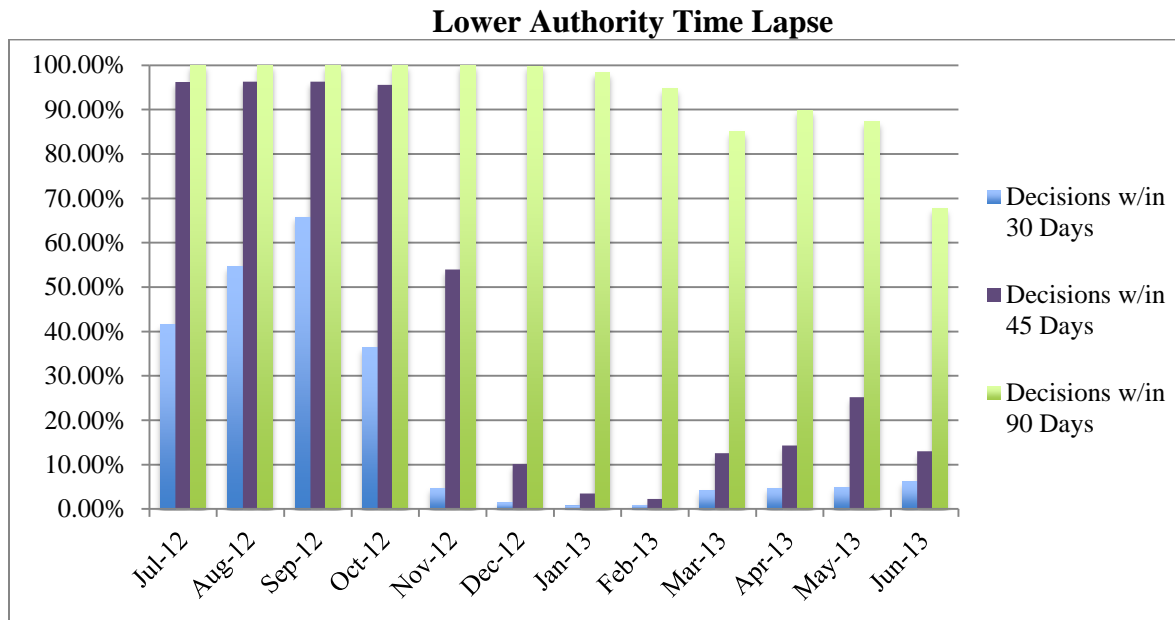
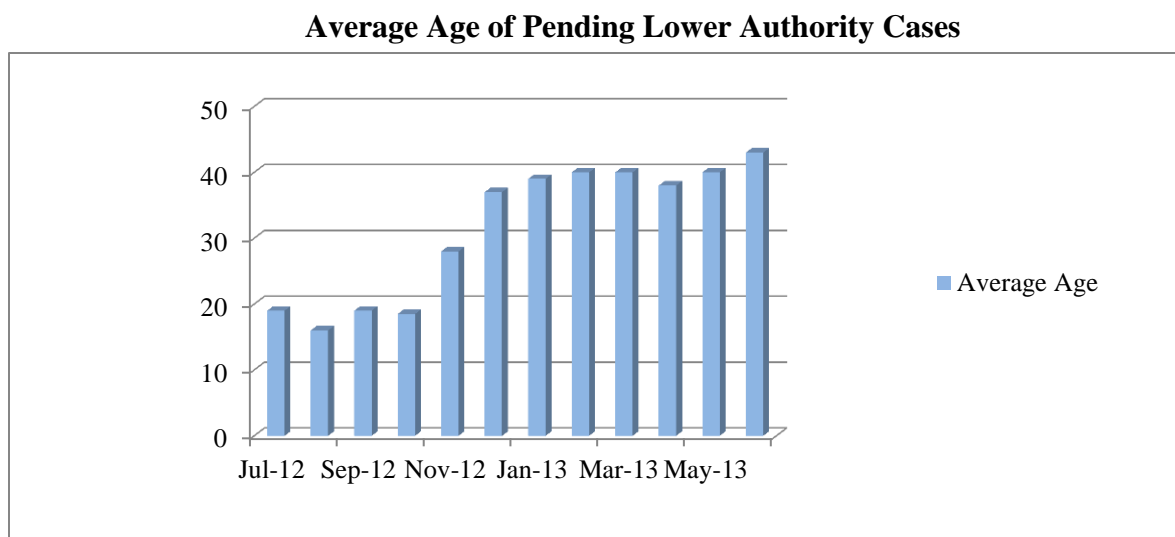


Figure 7.6-5: DOL also has acceptable levels of performance (ALP) to measure the average age of pending cases. The ALP for Lower Authority cases is 30 days. This measure was not achieved during much of this reporting period due to the aforementioned backlog and attrition. These metrics are being addressed by recent additions to staff in order to clear the backlog.



Higher Authority (HA) Appeals Workload - Employers and claimants who are dissatisfied with the results of LA Appeals decisions have the legal right to appeal. The Appellate Panel reviews each case on the basis of the record created before the LA Appeals hearing officers. However, the Appellate Panel, by law, is DEW'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.

Figure 7.6-6: Since the number of cases heard and decided by LA remains high, the Higher Authority workload also remains elevated from less than 1,200 appeals received in 2000-01 to 2,405 cases in 2012-13. This increase is comparable to that experienced by LA Appeals and shows an increase of 87.61 percent from 2007-08.

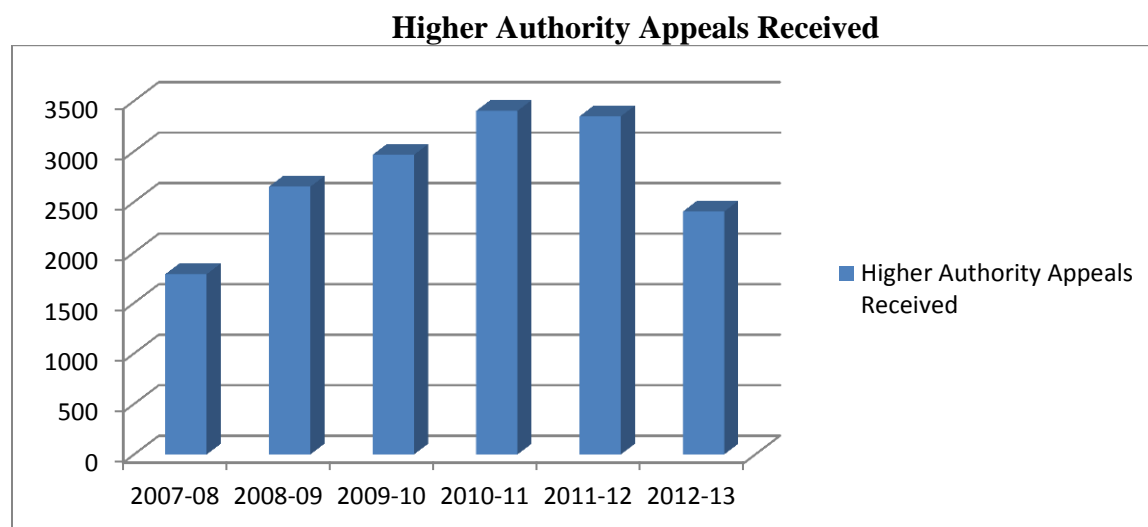


Figure 7.6-7: The number of monthly appeals for 2012-13 shows a drop in new appeals in the winter months followed by a slight increase and relatively consistent new appeals totals.

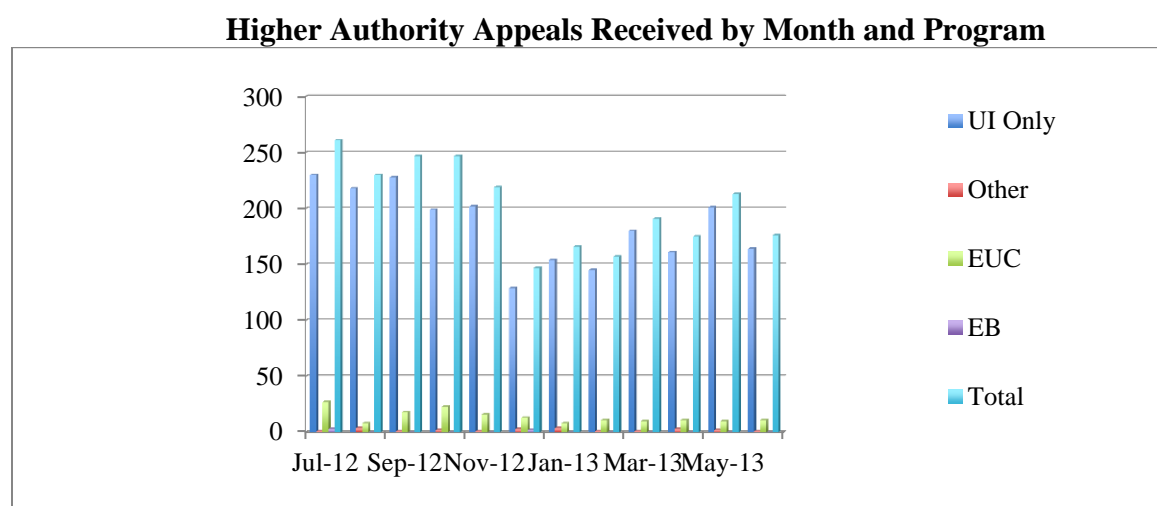


Figure 7.6-8: The high number of appeals received has directly affected the number of decisions issued and these, too, have increased dramatically (52 percent) over the last six year.

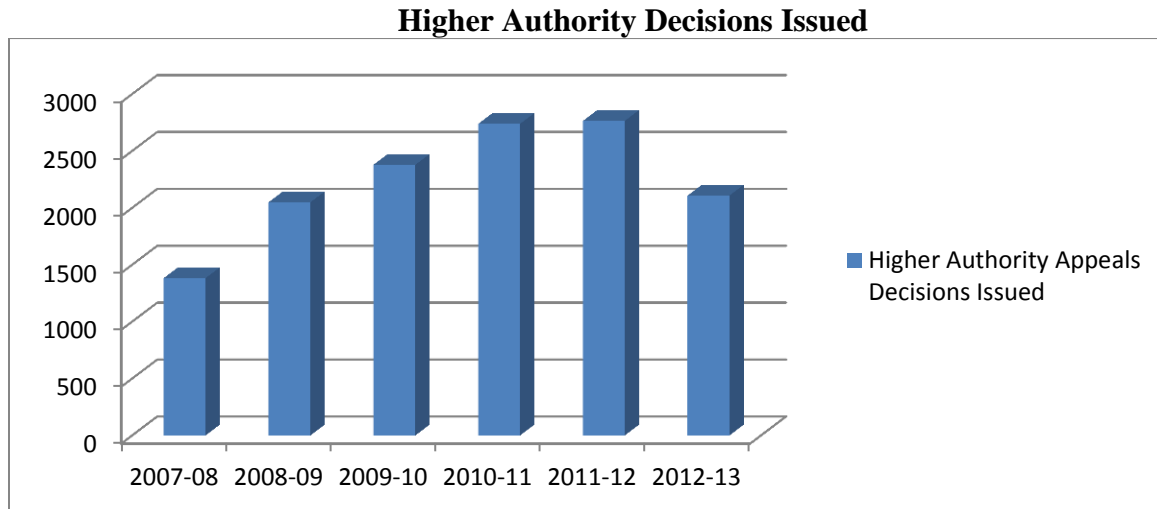


Figure 7.6-9: To encourage prompt resolution of appeals, DOL sets the desired level of achievement for HA at deciding 50 percent of cases within 45 days, 80 percent within 75 days, and 95 percent within 150 days. DEW's performance in all metrics remains excellent. HA exceeded DOL goals in all categories but one month (May 2013 when 45 day time lapse fell below 50 percent) since the July 2012 reporting period.

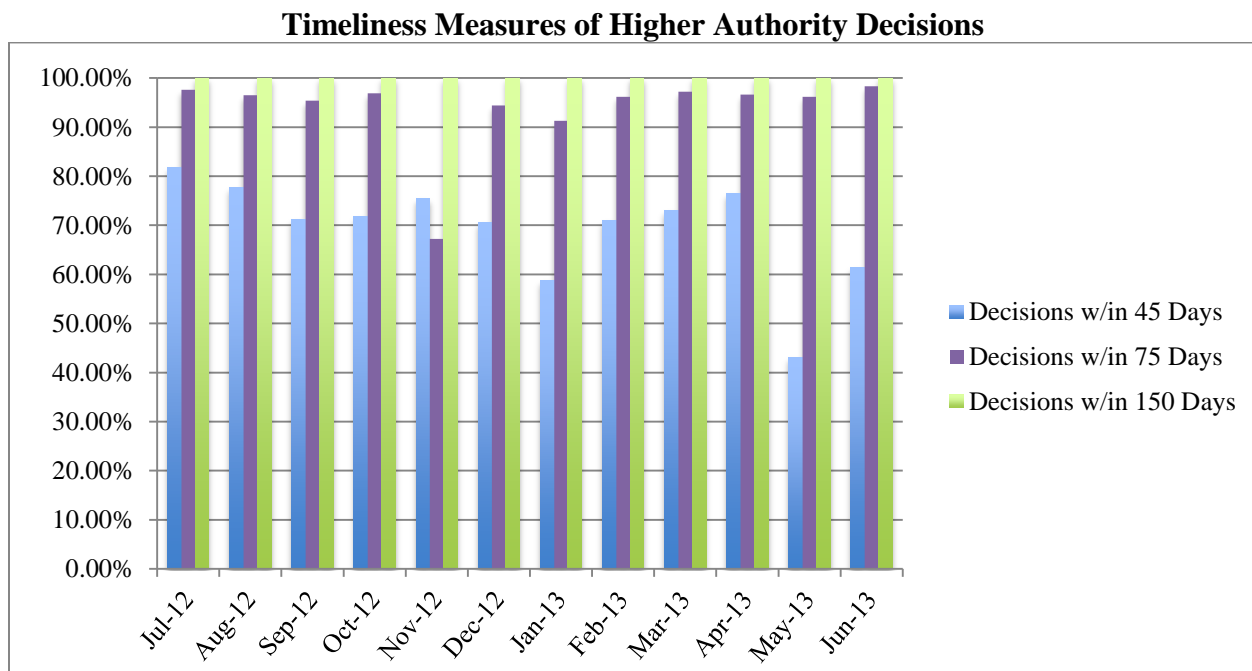
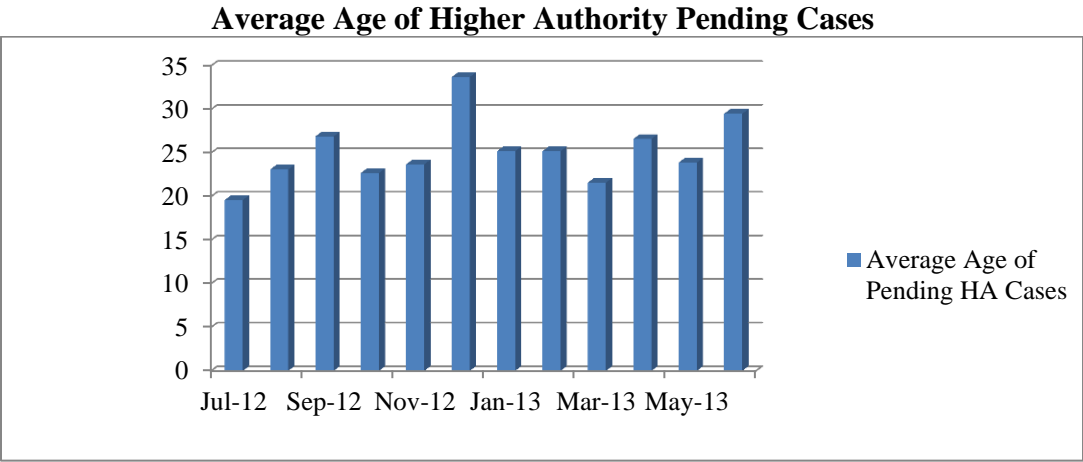


Figure 7.6-10: DOL tracks the average age of pending cases. The desired level of achievement is at or below 40 days. HA exceeded the DOL goal of keeping the average age of a pending appeal below 40 days in every month during the reporting period. HA maintained an average case age below 30 days in 21 of 24 months since July 2011.



Overview - Higher Authority and Lower Authority Appeals continue to effectively handle elevated workloads, address staffing issues and meet the expectations of DEW and our clients.



Appendix I - Accountability Report Acronyms

BAM	Benefit Accuracy Measurement
BPC	Benefit Payment Control
DEW	South Carolina Department of Employment and Workforce
DOC	South Carolina Department of Corrections
DOL	U.S. Department of Labor
DSS	Department of Social Services
EB	Extended Benefits
ES	Employment Services
EPMS	Employee Performance Management System
EUC	Emergency Unemployment Compensation
FUTA	Federal Unemployment Taxes
FY	Fiscal Year
HA	Higher Authority Appeals
HR	Human Resources
IT	Information Technology
IWT	Incumbent Worker Training
IVR	Interactive Voice Response
JAG-SC	Jobs for America's Graduate-South Carolina
LA	Lower Authority Appeals
LAC	Legislative Audit Council
LMI	Labor Market Information
LWIA	Local Workforce Investment Areas
LWIB	Local Workforce Investment Board
NASWA	National Association of State Workforce Agencies
OJT	On-the-Job Training
PEBA	Public Employee Benefit Agency
PII	Personally Identifiable Information
PY	Program Year
RFP	Request for Proposal
SCBOS	South Carolina Business One Stop
SCOIS	South Carolina Occupational Information System
SCWOS	South Carolina Works Online Services
SCWRC	South Carolina Work Ready Communities
SWIB	State Workforce Investment Board
TAA	Trade Adjustment Assistance
TPS	Tax Performance System
UI	Unemployment Insurance
WIA	Workforce Investment Act
WIB	Workforce Investment Board
WP	Wagner-Peyser
WOTC	Work Opportunity Tax Credit