

As Commissioner Dale Peinecke completes his third year as leader of Washington's Employment Security Department (ESD), his laser focus on customer outcomes sustained performance improvement for employers and job seekers, even in the face of declining funding. With more than 30 years of Lean management in the private sector, including 6 years voluntarily chairing a non-profit local workforce board, he has worked with the ESD leadership team and employees to instill an accountable, Lean culture at the agency. Using business models and measured outcomes, he continues to improve customer value, reduce ESD's footprint and overhead, replace aging technology infrastructure, and save millions —while simultaneously raising employee engagement scores by double digits in nearly every category over the last year. Peinecke's peers have recognized his leadership and accomplishments in the field by electing him President of the National Association of State Workforce Agencies.

New locations, new technology improving access for claimants and WorkSource customers

More and more, our clients request self-service, wireless access, mobile access and more modern facilities. ESD began delivering all this, and more, in 2015 using Lean strategies focused on customers.

- **Self-Service for Unemployment Insurance Claimants:** In October 2015, ESD launched a new secure customer service site that allows claimants to see how much they'll receive each week, how much they'll receive total, when their benefits were paid and more. This new site allows claimants to view information on mobile devices as well as traditional computers. Washington workers needing their earnings record can also use this site to obtain that information instantaneously.
- **Wireless Internet Access at WorkSource Offices:** New wireless internet access at WorkSource offices allows job seekers to bring their own laptops to our offices to participate in classes and search for work. It also allows WorkSource trainers to be more flexible because wireless laptops transform every room into a computer lab. To date, 13 offices have wireless and more are scheduled in 2016 until every office is wireless—all reducing infrastructure costs.
- **Moving and remodeling reduces costs for WorkSource:** ESD has been working on reducing its real-estate footprint to save money, while providing more customer-friendly spaces for employers and job seekers. The resulting savings -- about \$1 million this year alone -- have helped the agency retain more staff to serve our customers. Throughout 2015, seven WorkSource offices remodeled, reduced, moved or combined with other offices.
- **New website, expanded social media presence and customer service one-stop web page:** In 2015, ESD unveiled a new website design, added social media sites in nearly every county, including a Spanish-language Facebook page, and built a new unemployment insurance customer service one-stop web page—all designed to help people find the information they need when they need it.

Employee engagement increases as much as 20 points!

Thanks to innovative approaches, like partnering with the Washington Federation of State Employees, providing "Why Culture Matters" training to all employees, launching the Commissioner's Cast, updating the intranet and soliciting ideas from our employee engagement advisory team, the agency improved its engagement scores in the four areas of emphasis by as much as 20 points each!

- **Opportunities to learn and grow:** 60 percent of employees reported they have opportunities to learn and grow at work, up from 40 percent in October 2014;
- **Cooperation and Teamwork:** 73 percent of employees said a spirit of cooperation and teamwork exists in their workgroup, up from 59 in October 2014.
- **Communication:** 53 percent of employees reported they receive clear information about changes being made within the agency, up from a low of 35 percent in October 2014.
- **Customer Feedback:** 48 percent of employees said we use customer feedback to improve our work processes, up from 37 percent in October 2014.

Washington Service Corps: Making a difference every day

Members of the Washington Service Corps serve in schools, non-profits and public agencies, meeting pressing community needs such as reducing poverty, protecting the environment and improving literacy, public safety and access to healthcare. In return, they receive a modest living allowance and an educational scholarship.

During the 2014-15 program year, roughly 740 Service Corps members leveraged 126,676 volunteers who performed more than 614,000 hours of service. Members trained 46,071 Washingtonians in disaster preparedness, tutored 14,566 students, provided job training to 9,102 people, delivered meals or provided transportation to 2,894 homebound senior citizens and people with disabilities and engaged 871 veterans in community service projects. These efforts earned our state the Outstanding Service Award from the American Association of State Service Commissions.

ESD by the numbers ~ Serving employers and jobseekers

Unemployment in Washington dropped from 5.6 percent to 5.0 percent in 2015 and the labor market is as robust as ever. Even with lower unemployment, staff in our WorkSource, Shared Work and unemployment insurance benefits claims centers continued to work hard for those needing help with benefits or transitions to new jobs. Job transitions for career and earnings improvement increased, offsetting transitions resulting from unemployment.

WorkSource: [A recent ESD study](#) found WorkSource participants were more likely to find work than other workers, earning \$1,980 more than the comparison group over a seven-quarter study period.

- For the latest reporting period (CY2014), WorkSource helped 96,210 jobseekers find jobs, exceeding our federal Department of Labor entered employment target.
- In 2015, staff at 68 WorkSource centers, affiliates and connection sites statewide recruited and screened candidates for more than 3,870 employers seeking to fill 36,300 jobs. WorkSource staff also provided one-on-one job search services to 139,500 jobseekers —including help with more than 44,000 referrals to jobs posted at WorkSource and elsewhere.
- More than 13,000 employers used the self-service features through the Go2WorkSource.com website to recruit and screen candidates. More than 96,600 jobseekers used our self-service tools to post their resumes, apply for jobs and conduct other job-related business.

Shared Work: ESD's Shared Work program helps avoid layoffs by allowing struggling businesses to reduce workers to part-time and giving those workers the ability to collect partial unemployment benefits to replace a portion of their lost wages. A [2015 customer survey](#) showed nearly 99 percent of participating employers would recommend Shared Work to others.

- In 2015, ESD approved more than 1,137 employers and 19,984 workers to participate in Shared Work, preventing nearly \$14.4 million in additional unemployment insurance benefit payouts charged to business, allowing employers to keep their skilled workers until business improved.

UI benefits: ESD paid more than \$1 billion in UI benefits to 221,300 individuals to assist them during transition to a new job. This has dropped from nearly 250,000 in 2014 and 311,000 in 2013.

Rapid Response helps workers through mass layoffs at Simpson, Alcoa and more

When businesses in Washington announce mass layoffs, ESD and its WorkSource partners spring into action, forming Rapid Response teams to bring state, local, company and community resources together to help employees. In 2015, ESD and partners helped provide resources to people from 27 different companies with mass layoffs affecting 5,855 employees. Highlights included:

- Helping 275 workers in the Shelton area when the Simpson Lumber Company announced its mill closure. The RR team helped 119 people with federal Trade Act Assistance, served 191 people per month at the WorkSource Center in Mason County and helped 72 people find new employment.
- Assisting 350 workers in the Wenatchee area affected by Alcoa's decision to idle its aluminum smelting operations in December. The Rapid Response team helped workers enroll in vocational education programs and provided guidance in filing for unemployment.

These closures hit Peinecke hard. His father's first job out of college in 1950 was with Simpson in Shelton as an industrial engineer, and they recently visited his parent's first apartment, which still stands close to "headquarters." Dale's first job out of college was as an engineer at Alcoa's Wenatchee Works, where he returned 10 years later as Chief Engineer – he understands how this affects these families.

At ESD, staff are working closely with these companies to ensure workers received the unemployment and training benefits they need for successful transitions to new work.

Washington steps up to lead national workforce group

ESD Commissioner Dale Peinecke has been elected by his peers to lead the National Association of State Workforce Agencies (NASWA) through September 2017. Founded in 1937, NASWA is a national organization of state administrators and staff of the publicly-funded state workforce system. Peinecke, who has assumed his new role while continuing to lead ESD, looks forward to building on the promise of the recent Workforce Innovation and Opportunity Act, passed in near unanimity by Congress, to positively impact outcomes for employers, job seekers and our economy for the next decade. Jobs and career opportunity are not partisan issues – they are for all Washingtonians and all Americans.

As president of NASWA, he will help develop the organization's strategic direction for the future, allowing him to build on ESD's dream to connect employers and jobseekers with the right person for each job, every time.