“Be the bridge.” One year into his term as commissioner of the Employment Security Department, Dale Peinecke translated his strategic vision to the agency with these three words. They encapsulate the department’s mission, vision and values, built to support and connect employers and unemployed workers. In the first six months of 2014, he got down to work. He and his staff addressed the challenges of helping the long-term unemployed, the victims of one of the biggest landslide disasters in U.S. history, and employees of the agency, who are facing a large layoff.

Help for long-term unemployed
Many of Washington’s long-term unemployed have college degrees and were laid off from highly skilled jobs. To address this group’s unique circumstances, Employment Security and the state’s 12 Workforce Development Councils secured $10 million through the U.S. Department of Labor to put at least 2,400 Washingtonians back to work. Services offered include job counseling, retraining, internships, apprenticeships and support for attaining credentials and certificates in high-demand occupations.

Support for State Route 530 landslide victims
When a giant mudslide hit near the town of Oso, killing 42 people and displacing residents from homes and jobs, Employment Security immediately stepped in to help. The U.S. Dept. of Labor certified the agency to administer the federal disaster benefits program, and Employment Security launched a special Web page, dedicated a phone line and deployed staff to help victims. To date, 35 people have received more than $65,000 in regular and disaster unemployment benefits. Additionally, Employment Security and Workforce Snohomish landed a $2.9 million National Emergency Grant to employ 140 dislocated workers to clean up the disaster site and give humanitarian aid.

Budget challenges and layoffs
Due to decreasing federal funding, Employment Security faces a projected deficit of $10.5 million through the end of June 2015 and $38.7 million into the next biennium. Agency leaders reduced overhead quickly by closing and consolidating offices, offering employees the option to reduce hours and using Lean continuous-improvement projects to improve efficiency. They completed a strategic exercise to identify mandated services, prioritize agency functions, and calculate the number of FTEs needed to do the work and give the most value to customers. The result is a projected layoff of 200-250 FTEs. Affected employees will receive notices in early August, and layoffs will start in mid-October.

Tax-computer system successfully launched
Employment Security’s antiquated 30-year-old tax system, supporting more than 200,000 Washington businesses, was replaced in March. While the launch has not been without difficulties, the system features fast and efficient data processing, powerful reporting tools, state-of-the art security and reliability. It will adapt more easily to future changes in the law and is flexible enough to add new technology, such as enhanced employer reporting tools due to go live at the end of the year. The computer system also will integrate with a future replacement of the unemployment benefits system – another computer-system dinosaur. During the 2014 legislative session, Employment Security successfully secured funding to take on the next phase of this technology project, which will use “agile” software development to more quickly deliver value to users and customers.
Working Washington Partnership

Employment Security is working with partner organizations to foster economic competitiveness and job growth.

• Work Start ~ With the Department of Commerce, local Workforce Development Councils and local Economic Development Councils: Used workforce training as an incentive for companies to locate or expand in Washington. In the first six months of 2014, Work Start paid to train 50 forge workers, 48 machinists, and workers for 40 new jobs in marine manufacturing, 50 new jobs in injection molding and 48 new jobs in composite manufacturing. WorkSource recruited and filled most of these new jobs.

• Youths ~ With DSHS, local Workforce Development Councils (WDCs) and the Washington Service Corps: Placed Service Corps members at local WDCs during the 2013-14 school year to help 1,111 disadvantaged youths do better in school, graduate and move into careers. Preliminary data looks very promising: So far, the program placed 253 youths in jobs and delivered job training to about 900 more youths than expected.

• Employer-demand reports ~ With the State Board of Community & Technical Colleges (SBCTC): Using real-time labor-demand data, Employment Security created four monthly reports detailing which employers are hiring, and the top occupations, skills and certifications needed. Colleges use them to plan their class offerings. Feedback has been so positive that the agency has made the reports available to the public on its website.

Lean results

Recognizing the need for a cohesive Lean strategy, Commissioner Peinecke formed a central Office of Lean Transformation & Quality Improvement. The team has facilitated dozens of Lean improvement activities throughout the agency. A very small sample includes:

• Agriculture ~ Standardized the work of agricultural-employment specialists in two comprehensive handbooks—very important at a time when Employment Security is receiving historically high numbers of applications to the H-2A foreign guest-worker program.

• Veterans ~ Increased by nearly 25 percent the number of services to veterans who have significant barriers to finding work. Reduced by 80 percent the number of vets who hadn’t been served within 42 days of coming to WorkSource.

Serving customers

Despite looming layoffs and budget constraints, dedicated Employment Security employees delivered high-quality services to customers in the first six months of 2014, including:

• Recruited and screened job candidates for more than 27,000 job openings listed by about 3,500 employers.

• Provided job-search services to about 100,000 job seekers, including nearly 47,000 job referrals.

• About 6,000 employers and 66,000 job seekers used the self-service features on go2worksource.com to post, recruit, screen candidates and apply for jobs.

• Paid $630 million in unemployment benefits to 182,000 individuals.

• About 1,100 employers and 18,000 workers participated in the Shared Work layoff-avoidance program.

These efforts and more contributed to Washington’s continuing economic recovery. As of the end of June, the state’s unemployment rate had dropped to 5.8 percent – the lowest in six years – and Washington employers had added 53,400 jobs on top of regaining 189,200 jobs* lost in the Great Recession.

*Number revised downward due to federal re-benchmarking.