

*South Carolina
Employment Security Commission
2006 - 2007 Accountability Report*



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

-SCESC Mission Statement

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Section I – Executive Summary

1. Mission and Values

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

The South Carolina Employment Security Commission (SCESC), also referred to as the Agency, is responsible for paying unemployment insurance benefits, collecting unemployment taxes, finding jobs for people, finding employees for companies, and collecting and disseminating state/federal employment statistics. While these functions have not changed significantly over the past decade, customer needs and service delivery methods have. As the leading workforce development and labor exchange agencies in the State, SCESC continually adapts to the demands of new technology and the global economy. Our main goal is to match job seekers with employers quickly, efficiently, and effectively, and we offer a variety of services to assist both groups.

The thrust of our focus can be summarized in two words: customer satisfaction. We believe in customer service and effective results.

The South Carolina Employment Security Commission's values are:

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

2. Major Achievements from the Past Year

1. Successfully implemented Government Management, Accountability, and Performance (GMAP) within the Agency, emphasizing the provision of prompt, courteous, and professional services with a focus on accountability and performance.
2. Developed a new Staff Certificate Program for workforce center staff as a part of continuous improvement efforts and a focus on productivity and customer service.
3. Fostered growth and development of local employer councils to facilitate the workforce development process.
4. Increased grant income from \$6,694,023 to \$11,534,397 during PY 07.
5. Sponsored, co-sponsored, and participated in over 20 job fairs during the program year, serving thousands of job seekers and hundreds of employers.
6. Established transition centers at major layoff sites in South Carolina, providing much-

- needed assistance to thousands of dislocated workers.
7. Provided 17 training sessions to over 100 workforce center and local WIA (Workforce Investment Area) staff on trade-related activities.
 8. Implemented statewide the Center for Accelerated Technology Training (CATT) application site for online recruitment and applicant tracking.
 9. Successfully staffed Echo Star (a SC employer) in partnership with CATT, taking over 10,000 applications and placing more than 500 applicants.
 10. Exceeded negotiated standards for the Homeless Veteran Reintegration Program.
 11. Developed a Job/Health Fair to serve veterans in South Carolina that is being used as a model for the Southeast Region of the United States.
 12. Maintained 550 South Carolina Occupational Information System (SCOIS) sites statewide to include provision of 69 training sessions for 913 individuals on system use and related career development activities.
 13. Established a new website for SCOIS (www.scois.com).
 14. Significantly enhanced the quality of Labor Market Information's (LMI) industry employment estimates.
 15. Experienced significant growth in eTRACK (an Accountability Performance Management System) and other LMI fee-for-service activities as a result of increased customer awareness and demand.
 16. The Unemployment Insurance (UI) Division conducted training sessions to instruct workforce center employees on fact-finding skills and other facets of claims taking. A total of 338 employees were trained through a grant from the United States Department of Labor (USDOL).
 17. Implemented new data crossmatches (prison inmates, deceased individuals, the National Directory of New Hires, State Directory of New Hires) and modified two existing data files (Model Crossmatch and Internet Crossmatch) to improve the integrity of the unemployment insurance payment process.
 18. Initiated the development of a direct deposit process for unemployment benefits.
 19. Held the Agency's first Government Management, Accountability and Performance retreat.
 20. The Communications Department continued to provide information on SCESC and other workforce system agencies and services to a statewide television audience through the *Carolina Works* monthly program aired on SC Educational Television (SCETV) and SCETV's South Carolina Channel, a statewide digital broadcast channel.
 21. The Communications Department and the Midlands Workforce Center staff continued to support the "Job Market Monday" segment on WIS-TV in Columbia. This segment, in its sixth year, helps bring employers and job seekers together successfully and focuses on SCESC and other workforce system partners and services.
 22. The Agency, many of its WIA partners, and other state agencies collaborated in April to present the Palmetto Workforce Partnership Awards. This event honors the State's top employers, based on specific outlined criteria.
 23. The Communications Department worked with the Employment & Training (E&T) Division and Information Technology (IT) Services, beginning last September, to implement a new job search service called "Jobcast". This is a web-based service on the Agency's website through which SCESC customers can hear verbal job listings in the county of their choice. "Jobcast" provides a faster and more convenient way for clients

- to access job openings and encourages further exploration of job opportunities.
24. The Agency began construction of a 9,600 square foot one-stop workforce center in Beaufort, SC, to be completed in October 2007.
 25. The Agency initiated a construction project for a 1,000 square foot addition to the Hampton Workforce Center, to be completed October 2007.
 26. Refreshed technology - Storage Area Network (imaging system) and backup solution. The required movement of 2TB's of data was accomplished with no down time.
 27. Completed the Benefit Payment Control system for Unemployment Insurance.
 28. The Unemployment Insurance Division successfully completed and implemented, in September 2006, the South Carolina Automated Tax System (SCATS). This state-of-the-art tax system is a web-based system designed for increased functionality and will provide employers more access to their account information.
 29. Secured a Supplemental Budget Request (SBR) to convert postage to direct cost versus Federal drawdown dollars.
 30. Over 121,000 customers were employed within 90 days of receiving a reportable service.
 31. Over 350,000 customers registered for services, aided by the use of Internet registration.
 32. Over 240,000 customers were referred to listed job openings; over 54,000 openings were listed with SCESC and were filled from our customer pool; over 700 customers were placed in training.
 33. Over 43,000 UI applicants became employed, exceeding our goal by 136%.
 34. Enhanced the Agency's intranet site, which has made desk aids more accessible to workforce center staff.

3. Key Strategic Goals for Present and Future Years

1. Increase the number of employers listing job openings.
2. Increase the number of applicants employed.
3. Increase the number of applicants placed as a result of staff assisted services.
4. Increase the percentage of UI claimants returning to/entering employment.
5. Increase the percentage of veterans returning to/entering employment.
6. Exceed all federally mandated performance goals related to the UI program.
7. Improve the accuracy and timeliness of benefit payments to UI claimants.
8. Reduce the cost and improve the security and timeliness of benefit payments to UI claimants.
9. Exceed all mandated grant deliverables.
10. Continue to develop and expand the customer base for grant and fee-generating services.

4. Opportunities and Barriers

Opportunities

1. Improve economic development in a rapidly growing and transitioning economy.
2. The implementation of America's Job Link Alliance (AJLA), a web-based labor exchange information management system, will provide improved accessibility and services to both job seekers and employers.

3. Use multi-media and web-based technology to provide training and development to front-line staff.
4. Continue fostering relationships with Local Workforce Investment Areas.
5. Continue development and enhancement of partnerships with other service providing agencies to improve service delivery and program performance.
6. Respond to the demand for accurate and timely labor market information in economic development, education, and workforce development.
7. Respond to the increased demand for Geographic Information System (GIS) and “On the Map” services.
8. Continue global emphasis on performance and accountability.
9. Continue deployment of the GMAP.
10. Continue outreach to several areas of the State through the Communication Department’s series of regular articles distributed to newspapers in communities where SCESC has workforce centers.
11. Continue business-focused outreach.
12. Implement a “region-wide” Disaster Unemployment Assistance (DUA) agreement prior to a major economic disaster.
13. Expand usage of SC Business One Stop (SCBOS) website functionality for UI purposes.
14. Develop a local workforce center evaluation tool.
15. Develop a customer service survey tool.
16. Continue our commitment to employers by increasing employer recruitment and job order solicitation and by screening potential “new hires”.

Barriers

1. Declining availability of federal funding
2. Increased external market competition for experienced IT staff
3. Growing internal demand for IT programming support
4. Deployment of training on a statewide basis to front line staff
5. Upgrading knowledge, skills, abilities, and other (KSAOs) of employees to meet the changing demands of the workplace
6. Funding and programmatic changes

5. Use of Accountability Report to Improve Organizational Performance

The Accountability Report serves as the foundation of the Agency’s strategic planning process. This process involves the assessment of our customers’ needs, the design of Agency programs and the implementation of services as set forth in the plan. An ongoing evaluation of performance measured against established benchmarks and standards will be performed. A primary function of the Accountability Report is to inform. Through clearly communicating organizational mission, goals and objectives to employees, other state agencies, partnering organizations and customers, the Accountability Report serves to promote continuous improvement within the Agency and its programs.

Section II – Organizational Profile

Our Agency is the leading workforce development and labor exchange agency in the State. SCESC is responsible for the payment of UI benefits, the collection of unemployment taxes, job placement, and federal employment statistics. Our main goal is to match job seekers with employers quickly and effectively, and we offer a variety of services to assist both groups.

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

1. Main Products and Services and Primary Methods of Delivery

- **Job Seeker Services**

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

- **Employer Services**

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

- **Administering the Unemployment Insurance Program**

The UI system is funded through an unemployment insurance tax levied against employers, to assist workers who may become unemployed. Workers who are unemployed or partially unemployed may apply for UI benefits. Application for benefits can be accomplished several ways – by visiting the nearest workforce center, electronically via the Internet, by telephone, or by the worker's employer (if he or she is

still job-attached). After the initial application is taken, the employer is notified of the claim being filed. Statements are taken from the applicant and the employer as to the reason for separation and then a determination is issued. Should either party disagree with the decision, they may initiate an appeal process. Once the benefit year begins, claimants file weekly by phone or by mail. Each claimant's status will be reviewed periodically as he or she continues to receive benefits.

- **One-Stop Workforce Center Operation**

WIA legislation provided that at least one comprehensive one-stop workforce center be designated in each of the twelve Workforce Investment Areas in the State. The workforce center coordinates with various other agencies (partners) to provide the full array of services required under the Workforce Investment Act. Additional sites (satellite locations) can be established, if the need is determined by the Workforce Investment Board (WIB) in that area. The entity that operates a comprehensive workforce center or satellite location is determined by a competitive bidding process. Each area WIB seeks bids from those entities that can operate a one-stop workforce center. There are a total of 53 one-stop workforce centers in the State, 17 of which are comprehensive sites and 36 of which are satellite sites. Of the 17 comprehensive one-stops the Agency currently operates 14. In addition, of the 36 satellite sites, the Agency operates twenty. In the satellite offices, all basic services are provided. Additional services may be available on a limited basis.

- **Labor Market Information Services**

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

- **South Carolina Occupational Information Coordinating Committee**

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

- **Other Specialized Services**

Certain segments of the workforce also receive specialized services in the workforce centers. Veterans are given preference with registration, referrals to job listings, and have designated program specialists to assist them. The Agency also monitors the employment and living arrangements of migrant and seasonal farm workers very closely. In addition, the USDOL has designated SCESC as the coordinator for the Foreign Labor,

Trade Adjustment Assistance Program, Work Opportunity/Welfare-to-Work Federal Tax Credit, and Navigator programs.

- **Economic Development Services**

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

2. Key Customers and Their Key Requirements/Expectations

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

3. Key Stakeholders (other than customers)

- Workforce Investment Boards (WIBs)
- State and local economic developers
- Federal, state, and local government agencies
- Chambers of Commerce
- USDOL
- Elected officials

4. Key Suppliers and Partners

- Businesses
- One-Stop Partners
- Workforce Investment Boards (WIBs)
- Federal, state, and local government agencies
- USDOL

5. Operation Locations

- 35 Workforce Centers serving all forty-six counties

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

- 13 Itinerant Points

Allendale	Dillon	Manning	York
Bishopville	Eastover	McCormick	
Chesterfield	Edgefield	Ridgeland	
Denmark	Greer	Saluda	

- 2 Administrative Offices and a Supply Facility

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

6. Number of Employees/Employee Categories

At the end of FY 07, SCESC had a total of 1,207 employees

- 7 Unclassified Employees
- 910 Full-Time Employees
- 192 Temporary Grant Employees
- 98 Temporary Employees

7. Regulatory Environment

- The Agency operates under the South Carolina Employment Security Law, S.C. Code Annotated Title 41, Chapters 27 through 41.
- The Agency is required to comply with instructions and regulations promulgated by the USDOL in carrying out provisions of the Federal Unemployment Tax Act (FUTA), the Workforce Investment Act, the Trade Act, and other legislative initiatives designed to serve and improve the American workforce.

8. Key Strategic Challenges

- Reduced program funds
- Technology/equipment limitations

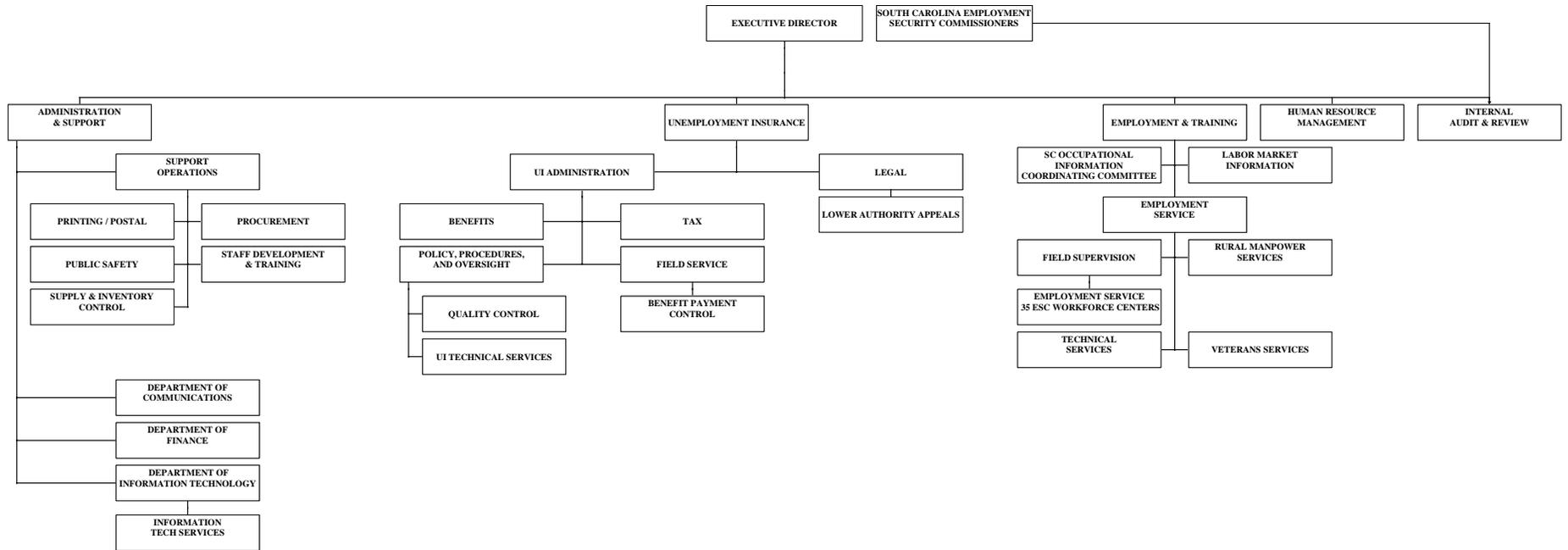
- Commitment from businesses to utilize our services
- Economy
- Plant closures and mass layoffs

9. Performance Improvement Systems

- Quarterly workforce center productivity reports that rank each workforce center
- Report to the USDOL regarding Common Measures
- Random sampling of workforce centers is conducted annually to receive feedback from employers and applicants
- Internal utilization of the GMAP process

10. Organizational Structure

**SOUTH CAROLINA EMPLOYMENT SECURITY COMMISSION
ORGANIZATION CHART
June 30, 2007**



11. Expenditures/Appropriations Chart

Base Budget Expenditures and Appropriations

Major Budget Categories	FY 05-06 Actual Expenditures		FY 06-07 Actual Expenditures		FY 07-08 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$38,062,037	0	\$38,442,532	0	\$49,993,418	0
Other Operating	\$11,041,345	\$127,033	\$13,351,790	\$441,247	\$15,247,090	\$823,157
Debt Services	\$360,218	0	\$357,108	0	\$360,218	0
Permanent Improvements	\$3,647,500	0	\$732,203	0	0	0
Case Services	\$5,155,200	0	\$6,561,227	0	\$5,363,573	0
Distributions to Subdivisions	\$140,182	0	\$108,700	0	0	0
Fringe Benefits	\$10,609,208	0	\$10,981,839	0	\$14,549,981	0
Non-recurring	0	0	0	0	0	0
Total	\$69,015,690	\$127,033	\$70,535,399	\$441,247	\$85,514,280	\$823,157

Other Expenditures

Sources of Funds	FY 05-06 Actual Expenditures	FY 06-07 Actual Expenditures
Supplemental Bills	0	0
Capital Reserve Funds	0	\$933,189
Bonds	0	0

12. Major Program Areas Chart

Program Number and Title	Major Program Area Purpose (Brief)	FY 05-06 Budget Expenditures	FY 06-07 Budget Expenditures	Key Cross References for Financial Results*
I Admin	To provide executive leadership and administrative services for the Agency.	State: 0.00 Federal: 6,911,736.00 Other: 1,633,427.00 Total: 8,545,163.00 % of Total Budget: 12%	State: 0.00 Federal: 6,790,426.00 Other: 1,752,509.00 Total: 8,542,935.00 % of Total Budget: 12%	Chart, pg. 11 Chart, 7.3, pg 46 #’s 30, 32, 33 – pg 3
II Employment Service	To provide for the matching of job seekers with employers who need workers.	State: 0.00 Federal: 13,027,481.00 Other: 10,792,964.00 Total: 23,820,445.00 % of Total Budget: 34%	State: 0.00 Federal: 13,167,980.00 Other: 11,284,628.00 Total: 24,452,608.00 % of Total Budget: 34%	7.1a-3 & 4, pg 38 7.1a-9 & 10, pg 41
III UI	To provide for assessing and collecting Unemployment Insurance taxes. Oversees the filing of unemployment claims and benefit payments.	State: 0.00 Federal: 34,276,332.00 Other: 1,764,819.00 Total: 36,041,151.00 % of Total Budget: 53%	State: 0.00 Federal: 34,886,127.00 Other: 1,730,994.00 Total: 36,617,121.00 % of Total Budget: 51.7%	7.1b-1, pg 42 #17’s & 18, pg 2
IV SCOICC	To provide information to improve the way young people and adults plan careers, make educational training decisions and find jobs.	State: 127,033.00 Federal: 153,370.00 Other: 313,006.00 Total: 593,409.00 % of Total Budget: 1%	State: 441,248.00 Federal: .00 Other: 290,677.00 Total: 731,925.00 % of Total Budget: 1%	#12, p 2
VI WIA	Close out of program.	State: 0.00 Federal: 15,522.00 Other: 0.00 Total: 15,522.00 % of Total Budget: 0%	State: 0.00 Federal: 0.00 Other: 0.00 Total: 0.00 % of Total Budget: 0%	N/A
Below: List any programs not included above and show the remainder of expenditures by source of funds.				
Remainder of Expenditures: 1. SCEIS Implementation (Column 1) 2. Capital Projects (Column 2)		1. State: 0.00 Federal: 0.00 Other: 933,189.00 Total: 933,189.00 % of Total Budget 1%	2. State: 0 Federal: 187,510 Other: 3,300 Total: 190,810 % of Total Budget .3%	

*Key Cross-References are a link to Cat. 7 - Organizational Performance Results. These references provide a chart number that is included in the 7th section of this document.

Section III – Elements of Malcolm Baldrige Criteria

1.0 Leadership

The senior leadership of the SCESC consists of three levels: the executive staff, the senior leadership team, and the senior management team. The executive staff is comprised of the executive director, the three deputy executive directors and the directors of Human Resource Management and Internal Audit and Review. The senior leadership team is comprised of the executive staff and the 10 department heads. The senior management team is comprised of the senior leadership team and the 16 management staff.

1. How do senior leaders set, deploy and ensure two-way communication for: a) short and long term direction and organizational priorities, b) performance expectations, c) organizational values, d) empowerment and innovation, e) organizational and employee learning, and f) ethical behavior?

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

Senior leadership also has adopted the GMAP system for the Agency. GMAP is used as a tool to analyze current goals and performance measures and make adjustments based on strategic planning.

Additionally, key organizational goals and priorities are set and communicated through weekly division and department meetings and through the development of annual action plans. Continued communication on key priorities occurs in weekly meetings and through consistent communication between senior leadership and staff. Divisions, departments, units, and employees are required to evaluate their individual roles and progress toward accomplishing Agency goals. Also, using the technology at hand, senior leaders provide written communication and promote feedback through the use of email.

Performance expectations are clearly defined and communicated to individual employees and departments. The use of the Employee Performance Management System (EPMS) allows employees to know what is expected of them and how they will be evaluated on their job performance. Reviews of departments and divisions are also in place. Division, departmental, and unit meetings continue to communicate short-term performance expectations and also serve as frequent progress reviews.

The Agency's organizational values are based on the following: promoting total employee involvement, producing superior products, seeking additional public and private partnerships,

promoting greater use of technology, anticipating and accepting change, encouraging teamwork, and striving for increased community involvement. Senior leadership communicates the importance of these values to employees throughout the fiscal year. Where possible, employees are encouraged and empowered to strategize, suggest, and improve work processes. Employee feedback has been vital in improving many work processes, programs, and initiatives sponsored by the Agency. As a result, employee feedback and assessment remain vital parts of determining future direction for the Agency.

In order to provide Agency employees with the skill sets needed to better serve our customers, the senior leadership team continues to place emphasis on information sharing and training. The implementation of GMAP has allowed employees at all levels of the organization to focus on duties and tasks that directly impact Agency performance while allowing management the opportunity to focus on best practices as well as areas that need improvement. Targeted training is provided to staff to address any performance deficiencies and to replicate best practices.

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

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

1.2 – Senior leadership continues to actively promote a focus on customers by reinforcing improved customer service as one of the Agency's overall goals. Senior leadership continues to evaluate Agency programs, services, organizational structure, and financial resources in order to ensure that services are meeting the needs of customers and are continually being improved. Enhancements to customer service continue to be implemented.

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

1.3 – Senior leadership examines and addresses the current and potential impact of Agency services on the economy and the population of South Carolina. During FY 07, we continued extended workforce center hours in some areas to better serve the public during the economic recovery. More local decision-making authority for public service improvement is also encouraged. Senior leadership traveled to the various satellite offices around the State to talk with employees and customers served by the Agency. This direct feedback allows senior leaders to have direct interaction with those needing Agency services. Senior leadership continues to actively monitor, offer advice on and impact legislation at the state and federal level, which would affect services to the public. The Executive Director is the President of the National Association of State Workforce Administrators, a major influence in labor policies. Senior leadership also continually reviews current trends and labor market data to stay abreast of issues impacting the Agency's service to the public.

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

1.4 – Senior leaders maintain fiscal, legal, and regulatory accountability by consistently reviewing the current state of the Agency. This review includes: frequent updates on the overall budget status of the divisions and departments; consistent consultation with the Agency’s legal department on adherence to state and federal legislation; and frequent communication with state and federal officials to report on the Agency’s adherence to established guidelines. In addition, the Agency’s Internal Audit and Review Department, as well as external auditors, assists with assessing performance and reporting findings to senior leadership.

5. *What key performance measures are regularly reviewed by your senior leaders?*

1.5 – Performance measures reviewed by senior leadership include the following: customer satisfaction, mission accomplishment, human resource management, procurement, process management, asset management, administrative support, employee satisfaction and involvement, staff development, and federal and local grants. These measures are reviewed through written reports and through weekly and quarterly department and division meetings. Actual results are reported in Category 7 (Results).

6. *How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness and the effectiveness of management throughout the organization? How do their personal actions reflect a commitment to the organizational values?*

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

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

1.7 – Senior leadership discusses resignations and vacancies as soon as they are identified. Through the encouragement of senior leadership, the Agency established a leadership course for team leaders. The participants, who apply and are selected through the application process, complete a rigorous course of study. Senior managers with executive potential are selected to attend the State’s Executive Institute, a senior leadership course.

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

1.8 – Senior leaders maintain an “open door” policy that allows and fosters sharing ideas up and down the chain of command. This sharing encourages leaders to look critically at the status quo and when needed, make changes or explain why no changes are necessary. In this way, senior

leadership keeps all employees energized and thoughtful in suggesting improvements in the accomplishment of the Agency objectives. In addition, the Agency has a very active Employee Suggestion Program.

9. How does senior leadership actively support and strengthen the communities in which your organization operates? Include how senior leaders and employees contribute to improving these communities.

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

2.0 Strategic Planning

1. What is your strategic planning process, including key participants, and how does it address: a) your organization's strengths, weaknesses, opportunities and threats; b) financial, regulatory, societal and other potential risks; c) shifts in technology or the regulatory environment; d) human resource capabilities and needs; e) opportunities and barriers you described in the Executive Summary; f) business continuity in emergencies; and g) your ability to execute the strategic plan.

2.1 – During the FY 07, SCESC continued to focus on tactical planning to address the constant changing economic conditions throughout the State. This was due to the increasing need to reengineer operational processes to adapt to increased demand for services by dislocated workers and new and expanding businesses. This workplace evolution involved the reengineering of many of our work processes to better utilize our human resources and an increased dependency on technology to meet both internal and external customer needs. In FY 07 the State continued to experience record levels of job growth. Mass layoffs in textiles and the manufacturing sector in general continued as well. The supply and demand equation for workers was often complicated by the mismatch between the skills required for the new jobs and skills possessed by those being laid off. These circumstances added significantly to the operational challenges faced by the labor exchange system in South Carolina.

In an effort to maximize productivity during this critical time, the Agency implemented GMAP as a management tool to promote the sharing of current performance data on key deliverables, benchmarks, or indicators. The purpose of GMAP is twofold. First, it forces each department to look at what it measures to make sure that what is being measured is tied to the Agency's strategic goals. Secondly, it provides management with a measuring stick to compare

performance indicators to ensure the effective management of Agency resources and the attainment of operational goals.

In December of 2006, initial GMAP orientation meetings were held throughout the Agency. In January 2007, department heads presented their GMAP indicators to the Executive Director in an open forum. Indicators were based on performance through December 2006. In April 2007, over 50 departmental presentations were made to the Commission and Executive Director on department, division, and Agency performance through March 31, 2007. GMAP is an ongoing process at the Agency, where we continue to measure those issues which are mission critical.

2. *What are your key strategic objectives?*

2.2 – The Agency’s strategic objectives are listed below:

- Increase the number of employers listing job openings.
- Increase the number of applicants employed.
- Increase the number of applicants placed as a result of staff assisted services.
- Increase the percentage of UI claimants returning to/entering employment.
- Increase the percentage of veterans returning to/entering employment.
- Exceed all federally mandated performance goals.
- Improve the accuracy and timeliness of employer tax information.
- Reduce the cost and improve the security and timeliness of benefit payments to UI claimants.
- Exceed all mandated grant deliverables.
- Continue to develop and expand the customer base for grant and fee-generating services.

3. *What are your key action plans/initiatives?*

2.3 – The Agency’s key action plans/initiatives are outlined below:

- Build strong community relations by participating in business groups, committees, and other civic minded organizations at the state and local level.
- Have continuous improvement in our one-stop operations by leveraging services and resources and taking the initiative to include and engage local partners in the process.
- Enhance core services by ensuring that knowledgeable staff provide prompt, professional, and courteous workforce services to our customers.
- Improve contract performance by meeting or exceeding contract performance goals at all levels of the organization.
- Focus on staff development to include recruitment, retention, and training of staff.
- Continue to monitor, assess performance, and take corrective actions when necessary, in all areas which are included in the performance measurements established by the USDOL.
- Continue to provide timely, accurate, and professional customer service.

STRATEGIC PLANNING

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 06-07 Key Agency Action Plan/Initiatives	Key Cross References Performance Measures
II ES	To increase the number of employers listing job openings	Built strong community relations by organizing and developing both state and locally-driven employer councils across the State. These councils foster increased utilization of workforce center services by the business sector, and also provide valuable customer input into products and services. Best practice example: Newberry Workforce Center Employer Council.	#32, pg 3 7.1a-1, pg 37 7.1a-2, pg 37
	To increase the number of applicants employed	Leveraged services and resources to maximize efforts to increase applicants employed. Best Practice example: Leveraged local resources in excess of \$7.4 million during PY 06 to support program staff, technology and workforce services.	#30, pg 3 #33, pg 3 7.1a-3, pg 38 7.1a-4, pg 38 7.1a-9, pg 41 7.1a-10, pg 41
	Increase the number of applicants placed as a result of staff assisted services.	Enhanced core services by ensuring that knowledgeable staff provided prompt, professional, and courteous workforce services to our customers. Focused on staff development to include recruitment, retention, and training of staff. Best Practice example: Implemented new Staff Certificate Program requiring two weeks of intensive training for all front line staff in customer service and program related areas.	#30, pg 3 7.1a-5, pg 39 7.1a-6, pg 39
	To increase the percentage of claimants returning to/entering employment.	Focused on staff development to include recruitment, retention, and training of staff. Provided trade training and technical assistance sessions to staff involved in placing dislocated workers. Workforce transition centers were	7.1a-5, pg 39 7.1a-6, pg 39

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		opened at key locations where substantial levels of dislocation occurred. In addition, One-Stop On The Go and other programs designed to take services to customers were initiated. Best Practice examples: Avondale and Wellman Transition Centers.	
	To increase the percentage of veterans returning to/entering employment.	Improved veteran contract performance by meeting or exceeding contract performance goals. Exceeded both placement and wage-at-placement goals. Best Practice example: Developed a Job/Health Fair for Veterans, which is being used as a model for the Southeast Region.	7.1a-7, pg 40 7.1a-8, pg 40
III UI	To exceed all federally mandated performance goals related to the unemployment insurance program	Conducted training to instruct workforce center staff on fact finding and other facets of claims taking. A total of 338 staff received training.	#16, pg 2 7.1b-2, pg 42 7.1b-3, pg 43 7.1b-4, pg 44
	To improve the accuracy and timeliness of employer tax information.	Implemented a new web-based tax system in September of 2006.	#28, pg 3
	To reduce the cost and improve the security and timeliness of benefit payments to UI claimants.	Initiated the development of a direct deposit process for unemployment benefits. Improved new data cross matches and modified existing data files to improve the integrity of the UI payment process.	#18, pg 2 7.1b-2, pg 42 7.1b-3, pg 43
II LMI	To exceed all mandated grant deliverables	Exceeded grant deliverables in WIA, Veterans, and BLS programs through increased emphasis on accountability and performance under GMAP.	Sec. I, #2.4, pg 1
	To continue to develop and expand the customer base for grant and fee-generating services.	Expanded the customer base for eTRACK services from the two-year technical colleges to include the four-year universities.	#15, pg 2

4. *How do you develop and track action plans that address your key strategic objectives?*
Note: Include how you allocate resources to ensure accomplishment of your action plans.

2.4 – The Agency’s strategic goals can be identified by division. It is at the division level that tactical plans are developed to address strategic goals and objectives. Through the use of input from customers, front-line staff, program staff, partnering agencies, and management, operational action plans are developed. These tactical plans are established using SMART (Specific, Measurable, Action-oriented, Relevant, Time bound) goals. Performance related to these goals is tracked through the GMAP process. GMAP focuses on those indicators most closely related to customer need. We serve a wide range of customers, including federal, state, and local funding entities; businesses, and the average citizen who visits one of our workforce centers seeking services.

The vast majority of Agency resources comes from federal dollars. Program specific funds are used to support related strategic and operational goals and objectives. These goals and objectives are incorporated into plans required by the funding source.

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

2.5 – The Agency’s overall strategic plan, including objectives, action plans, and performance measures, are communicated and disseminated to the various divisions and departments through the GMAP process. Divisional and departmental objectives and plans to include performance measures are essential parts of this management system. GMAP ties individual performance beginning at the planning stage of the Employee Performance Management System (EPMS) to departmental, division, and Agency performance. In addition, an electronic newsletter, *On the Job*, has been used to provide employees with pertinent information on Agency initiatives and performance.

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

2.6 – Meeting performance deliverables and customer satisfaction are the keystones to management practices at the Agency. In this regard, GMAP has provided the Agency with a methodology and means to track progress at all levels of the organization. Weekly divisional staff meetings focused on performance-related issues and output. Project management at the departmental and unit levels provided valuable performance-related information and benchmarks that were shared at the divisional level to ensure open communication and collaboration.

7. *How do your strategic objectives address the strategic challenges you identified in your Organizational Profile?*

2.7 – The Agency’s strategic objectives and the long-range and tactical plans were implemented in an effort to achieve optimum performance and were directly related to the strategic challenges we faced as an organization. Through the use of SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, an environmental scanning tool, and the input of our customers, we have

systematically identified new challenges and opportunities. These challenges and opportunities have been the driving force behind the allocation of our resources.

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

2.8 – The strategic plan is currently not available through the Agency's Internet homepage.

3.0 Customer Focus

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

3.1 – The Agency has external and internal customers. Our customers and their key requirements are determined by federal and state legislation that defines the services the Agency provides as well as customer eligibility guidelines. Key requirements of these customers include job referral and placement assistance, access to unemployment insurance benefits, access to training and supportive services, as well as services involving labor market information.

Other customers and their requirements are based on their individual needs for employment-related information and services. These customers include: businesses, state government agencies, federal government agencies, local government agencies, universities, colleges, technical schools, other educational entities, economic development officials, chambers of commerce, workforce investment boards, one-stop partner organizations, both private and public, the legislature, and the general public. Although concentration is on South Carolina citizens, information and services are available through web-based applications that provide access to employment and labor market information to any individual or company.

The USDOL provides program funding and determines many of our service areas. Primary performance measures and deliverables are specified through contracts and grants with USDOL.

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

3.2 – The Agency’s listening and learning methods and customer/business expectations are kept current with changing customer/business needs through continuous communication and feedback. The state and local employer councils continue to provide valuable input from the end-users of our State’s public employment service. Collaboration and input from our partnering organizations in our one-stop workforce centers allow us to tailor our programs to meet the specific requirements of each local area and its customers’ needs. Another method used to keep listening and learning methods and expectations current with customers’ needs is participation of staff in local chambers of commerce, civic organizations, and Society for Human Resource Management (SHRM). Attendance at national and state conferences also keeps us attuned to the best business practices in customer service.

Customer comments are solicited on a regular basis through a variety of efforts, such as in-person solicitation, telephone and written surveys, and through other technology. The Agency also has a complaint management system that includes a state monitor advocate, a migrant affairs liaison, an Equal Employment Opportunity (EEO) officer to handle complaints, as well as Employment Service (ES) and Unemployment Insurance (UI) complaint processes. Unemployment fraud complaints may be reported through a toll-free fraud hotline or via the Internet at www.sces.org. Offices are staffed with specialists to assist with complaint intake and resolution.

The Agency has employer representatives who maintain contact with local businesses to facilitate communication and feedback. These employer representatives also provide information on Agency services which include, but are not limited to:

- Building working relationships
- Providing technical assistance by interpreting applicable policies, procedures and regulations
- Explaining reporting requirements
- Answering general questions about the Agency and the services available
- Developing job listings
- Obtaining job orders

The Agency also facilitates employer relations by having staff available to participate in employer education seminars. Additionally, state and local employer councils are used to solicit feedback from employers.

In all areas, the Agency strongly encourages open lines of communication so that its listening and learning methods stay current in order to serve its customers' needs and expectations.

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

3.3 – The Agency evaluates feedback obtained from customer/stakeholder surveys to keep services or programs relevant and provide for continuous improvement. The level and delivery of services are guided by customer/stakeholder feedback. Agency staff and Local Workforce Investment Boards (LWIBs) meet, evaluate, and determine the best possible services and operation design to meet the needs of the business community, program participants, and a skilled workforce. Program and performance data are reviewed by management to aid in service or program modifications. The Agency strives to satisfy customer/stakeholder needs by providing information, forms, and services electronically. The Agency's web site, www.sces.org, provides access to information on Employment Service, Unemployment Insurance, Labor Market Information and links to other workforce development services and partners.

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

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

3.4 – The Agency continually evaluates customer feedback that guides the level and delivery of services. The Local Workforce Investment Boards set general policy guidelines for the operation

of one-stop workforce centers in their specific areas. Agency staff serve on these boards along with business leaders, educational representatives, and local elected officials. Under the Workforce Investment Act (WIA), questionnaires are used to solicit feedback from businesses and program participants. Program and performance data, based on the actual services provided to customers during a fiscal year, are provided to these oversight groups. The Agency regularly monitors each area to ensure understanding of and compliance with governing federal regulations and local area policies.

The Agency places priority on customer service. Structural changes (universal access) have been made to better serve customers. Toll free numbers and fax-on-demand features have been added to provide easy access to information. Agency products and brochures, developed by the Labor Market Information Department, are evaluated by the customers who receive these services. Employees are cross-trained in various program areas to handle customer requests more efficiently. All customer complaints receive individual attention and follow-up.

5. How do you build positive relationships with customers and stakeholders? Indicate any key distinctions between customer groups.

3.5 – The Agency has numerous services and accommodations available to build and bridge relationships with customers and stakeholders by providing a variety of products and services. The Agency continues to improve the delivery of services for customers and stakeholders. Some examples are:

- 1. A toll-free number for weekly unemployment insurance claims** – eliminates long distance telephone calls.
- 2. Employers can respond to unemployment insurance fact-finding requests via telephone or fax** – convenient and time efficient.
- 3. Employers can respond to requests for separation information by email** – time and cost efficient.
- 4. The Employer Accounts Interactive Voice Response (IVR) System** – provides recorded information on establishing a new employer account, including general liability requirements and other employer account information.
- 5. The Automated Clearinghouse (ACH) System** – allows employers to submit quarterly contribution reports electronically.
- 6. The Agency and the Center for Accelerated Technology Training (CATT), continue to enhance the training application process by providing a web-based application** – allows 24 hour access to the application, via the Internet, to in-state and out-of-state customers.
- 7. Extended work hours and out-stationed personnel** – accommodates business needs.
- 8. The Agency continues to operate programs specifically dealing with specialized groups** – this aids customers such as veterans, disabled veterans, youth, Native Americans, those needing adult education and literacy activities, senior adults, and the Spanish-speaking communities.
- 9. Outreach efforts** – provides Agency services to migrant and seasonal farm workers.
- 10. Federal Bonding Program** – sponsored by the USDOL, it serves as an incentive to employers to hire high-risk, special applicant groups.

11. **Statewide Job Fairs** – sponsored by the Agency, Agency partners, workforce development boards, and private entities. These fairs bring employers and job seekers together in a “win-win” situation.
12. **The Agency’s Labor Market Information Department** – provides specialized data upon request.
13. **Specialized services** – provided to Limited English Proficient individuals and those covered by the Americans with Disabilities Act.
14. **The Disability Program Navigator Initiative, sponsored jointly by the USDOL and the Social Security Administration, has been implemented in several One-stop Workforce Centers around the State** – Navigator staff facilitate universal access to the One-Stop system for persons with disabilities by addressing the needs of people with disabilities who are seeking training and employment. Navigator staff are instrumental in the development of relationships with partners, other service systems, and linkages and collaboration with employers, employer organizations, and community service providers.
15. **Assistive technology equipment has been purchased to assist those with barriers** – Accommodations have been provided for the technologically savvy customers, and for those customers still preferring paper documents.
16. **The Agency is a major participant in state and local employer councils** – These councils continue to grow and work toward common priorities. Their feedback is essential to the continuous improvement of the Agency services offered statewide.

The Agency tracks new applicants and renewals, as well as applicants placed and applicants employed. Increased emphasis on supportive services has resulted in increased referrals of applicants to partner services prior to job referral and placement. These services improve the likelihood of a positive outcome for the customer.

Efforts to build positive relationships include recognition, through nominations and awards, to those providing outstanding service and for those with outstanding achievements. These nominations and awards are provided by the International Association of Workforce Professionals (IAWP) and Workforce Investment Areas. IAWP is a professional organization that compares best practices of workforce entities.

For the fourth year in a row, the SC Chapter of IAWP was named the #1 chapter in the country. In addition to being #1, the chapter received the following awards:

- One-Stop of the Year (2nd Place) – Coastal Workforce Center
- Individual Award of Merit
- Group Award of Merit – Coastal Workforce Center
- Individual Unemployment Insurance Award

The Chapter also received perfect scores in:

- Educational and Membership Activities - training, scholarships, conferences
- Professional Practices - chapter awards, community services, chapter promotion
- Communications - newsletter, website, printed items

Workforce Investment Area awards also recognize exemplary performance and achievement of Local Workforce Investment Areas, partners, and participants. These awards encourage all levels to work together to achieve objectives. During PY 05, the Agency received the following WIA awards:

- **The Outstanding One-Stop Center Award** - Aiken Workforce Center
The Outstanding One-Stop Center Award was established by the State Workforce Investment Board to recognize a One-Stop Center that provides high quality workforce development services to employers and individuals seeking employment, job training or related career advancement. The center must have demonstrated exemplary attention to the core principles, including universal access, customer choice, and partner agency integration.
- **Outstanding One-Stop Employee Award** - An employee in the Chesterfield Itinerant Office. The Outstanding One-Stop Employee Award was established by the State Workforce Investment Board to recognize and honor outstanding contributions by a staff person in a One-Stop Center. The employee must have embraced diversity as demonstrated by his/her interactions and relationships with customers and co-workers, and have provided services to others that are beyond assigned responsibilities for customer service satisfaction.

4.0 Measurement, Analysis, and Knowledge Management

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

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

Progress is monitored through various reporting systems throughout the Agency. Management reviews at reports various intervals to ascertain progress in meeting organizational objectives. Reports are structured to provide staff with desirable outcome goals in each measured area so progress can be readily followed.

2. How do you use data/information analysis to provide effective support for decision making throughout your organization?

4.2 – Operational data are continually utilized in making programmatic decisions for E&T, UI and LMI programs. Specialized departments such as UI Technical Services and E&T Technical

Services are utilized to provide supervision to these programs. Services provided include, but are not limited to:

- Interpretation and dissemination of federal regulations and directives
- Preparation and distribution of procedures, policy manuals, and forms
- 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. This data is reviewed weekly, monthly, quarterly, and annually, based on various programmatic requirements, and is used for decision-making purposes.

3. What are your key measures, how do you review them, and how do you keep them current with business needs and direction?

4.3 – The key measure is how effectively the Agency’s activities achieve its goals. Since the Agency is undertaking new and expanded roles, our work to develop new outcome measures is critical in demonstrating our effectiveness. As we develop these new measures, the Agency will use internal measures of success for those strategies that affect internal operations such as the strategies to improve communication and improve its workforce. We will survey employees to determine the impact of management policies that support them and make improvements based on the results. Examples of such indicators are:

- The degree to which the Agency meets its strategic goals
- Increasing the satisfaction level among employees and customers
- Providing program managers with better financial operational data
- Ensuring that automated systems are utilized effectively
- Ensuring the Agency has “the right people in the right place” in order to achieve optimum results
- Meeting the executive staff’s management agenda
- Ensuring that the needs of Agency employees are met through the various Agency departments

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

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

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

4.5 – Within SCESC, internal operations data are reviewed by management to ensure that accurate indicators of services are provided. Controls are also in place which provide for security of confidential data and ensure that only designated staff have access to this information. Through established monitoring systems, the quality, reliability, timeliness, and availability of data are reviewed to ensure accuracy in accountability necessary for decision making.

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

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

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

4.7 – The Agency utilizes organizational knowledge to accomplish the collection, transfer and maintenance of accumulated employee knowledge, identification and sharing of best practices through a systematic approach of discovering, understanding and using knowledge to achieve organizational objectives. Specifically:

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

The basic concept of Knowledge Transfer Methods is to utilize the most effective strategies (*i.e., utilize personal interaction/sharing of learned knowledge*) as opposed to strategies that are least effective (*i.e., heavy documentation – little personal interaction*). To begin, the Agency's Senior Leadership Team, with the assistance of the Human Resource Management Department, identified key job categories to profile. Next, the Staff Development and Training Director assessed current performance prior to initiating the following: job duties/task analysis, task criticality/essential functions, training prioritization and resources, skills analysis (SCANS Competencies and Work Keys Skills), and other resources. Finally, assessment and accountability efforts were implemented.

Best practices are shared through organizational meetings, technical assistance guidance, media avenues and Agency publications. The Agency is continuously striving to disseminate and transfer pertinent knowledge throughout all program areas and departments.

5.0 Workforce Focus

1. How do you organize and manage work: to enable employees to develop and utilize their full potential, aligned with the organization’s objectives, strategies, and action plans; and to promote cooperation, initiative, empowerment, innovation and your desired organizational culture?

5.1 – The Agency is organized and managed with an emphasis on customer service, reflected in our mission statement: *“To provide quality, customer-driven workforce services that promote financial stability and economic growth.”*

As previously stated, the Agency traditionally has been responsible for paying unemployment insurance benefits, collecting unemployment taxes, finding jobs for people, and collecting federal employment statistics. While these functions have not changed, customer needs and service delivery methods have. As the leading workforce development and labor exchange agency in the State, SCESC continually adapts to the demands of technology and the global economy. Our main goal is to match job seekers with employers quickly and effectively, and we offer a variety of services to assist both groups. The thrust of our focus can be summarized in two words: **Customer Satisfaction**. We believe in customer service and effective results.

To ensure these responsibilities are met, SCESC is comprised of three functional divisions: Employment & Training, Unemployment Insurance, and Administration and Support. In reality, the Agency’s organizational design enables employees to seamlessly cross division lines to ensure its services meet or exceed customers’ expectations. Much of the work in SCESC workforce centers is accomplished through the use of cross-functional work teams from the E&T and UI divisions.

A Human Resource analysis of SCESC’s workforce by EEO Category reveals the Agency puts its money where its mission is. Specifically, over 80% of the Agency’s workforce is dedicated to customer service job duties (See Figure 5.1-1).

Figure 5.1-1			
EEO Category	FY 07 Workforce	EEO Category	FY 07 Workforce
(E1) Executive	0.66%	(E4) Safety	0.22%
(E2) Professional	82.14%	(E6) Office/Clerical	9.04%
(E3) Technician	7.61%	(E7) Skilled	0.33%

2. How do you evaluate and improve your organization’s human resource related processes?

5.2 – The Teacher and Employee Retention Incentive (TERI) Plan continued to present both opportunities and challenges for SCESC this past fiscal year. To manage and maintain a quality workforce, the Agency anticipated these workplace challenges by providing work environments that attracted and retained the best workers, and made the best use of its valuable human resources. Achieving these goals required the undertaking of workforce planning, a process by which the Agency assessed future human resources needs in order to construct a strategic plan

for workforce development. Because the majority of day-to-day human resources activities are conducted by the individual offices that comprise the Agency, developing an effective state plan depended on each office’s commitment to track and report workforce information in major areas.

One phase of succession planning at SCESC involved the documentation of job functions so that the successor is able to take over the job without having to reinvent the major components of the job. While everything could not be documented, the major duties were. The Agency’s workforce succession plan involved the identification of key individuals in the Agency that were eligible to retire and then documenting the major job functions and responsibilities of their jobs so that their “legacy” was not lost. With the loss of experienced, knowledgeable personnel over the last several years and with more to follow, it was of utmost importance that the Agency address this matter with a sense of urgency in order to meet the challenges of the future and provide quality services to the citizens of South Carolina.

The Basic Approach

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

3. How do you identify and address key developmental and training needs, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation and safety training? How do you evaluate the effectiveness of this education and training? How do you encourage on the job use of the new knowledge and skills?

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

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

5.4 – Training and employee development are a critical part of the Agency’s strategic planning process. Through the Agency’s recently implemented GMAP process, performance and accountability are linked directly to employee performance and customer satisfaction. Clearly defined goals and deliverables at the departmental level provide clear direction to staff and ensure accountability at the personal level. Performance issues, when they arise, are addressed through corrective action and contingency plans, which typically focus on employee training and

development. The provision of prompt, professional, and courteous service continues to be the standard for Agency personnel. This can only be accomplished through having a well-trained, confident workforce.

5. How does your employee performance management system, including feedback to and from employees, support high performance and contribute to the achievement of your action plans?

5.5 – High performance is supported by the Employee Performance Management System. Through use of the EPMS, the Agency strives to improve supervisor-employee communication. The EPMS also serves as the primary tool for management to document employee performance and increase productivity. The main goal is to increase the overall effectiveness and productivity of the Agency by improving the work performance of its individual employees. Generally, an evaluation session is a time for accountability, for assigning consequences with actions, for detecting flaws and making improvements, and for planning future goals.

To achieve high levels of performance, employees must first understand the mission of the Agency. In the planning stage, the employee and his/her supervisor review the employee's position description for accuracy and understanding. At this time, the position description can be updated or modified. During the planning stage, an employee may ask for the supervisor's expectations and express his/her own expectations. Also, during the planning stage, the supervisor or the employee may recommend a performance objective that can be accomplished over the course of the rating period. The employee and the supervisor should meet to discuss the employee's progress at some point during the rating period.

6. How do you motivate your employees to develop and utilize their full potential?

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

Work Systems

Work and Job Design: Work and jobs are designed with employees' contributions (*including managers and supervisors*) to ensure:

1. Design, management, and improvement of Agency work processes that support the Agency's action plans and related human resource plans - work processes are often designed and managed to encourage individual initiative and self-directed responsibility.
2. Flexibility, rapid response, and learning in addressing current and changing customer, mission, and operational requirements
3. Effective communication, cooperation, and knowledge/skill sharing across work functions, units, and locations

Compensation and Recognition: The Agency's compensation and recognition approaches for individuals and groups (including managers and supervisors) reinforce overall objectives for customer satisfaction and performance improvement by recognizing employees who work together through sustained superior performance of an exceptional or unique nature that strengthens and/or brings credit to the Agency.

Employee Education, Training and Development

Education and training opportunities provided by the Agency support the accomplishment of key organizational action plans and address organizational needs. This includes building knowledge, skills, and abilities, while contributing to improved employee performance and development.

1. Education and training support the Agency's key action plans and needs, including longer-term employee development and learning, and leadership development of employees.
2. Education and training are designed to support the Agency's work systems by seeking input from employees and their supervisors/managers in education and training design.
3. Education and training, including orientation of new employees, are delivered.
4. Knowledge and skills are reinforced on the job.
5. Education and training are evaluated and improved, taking into consideration organization and employee performance, employee development and learning, leadership development objectives, and other relevant factors.

7. What formal and/or informal assessment methods and measures do you use to determine employee well being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances? How do you determine priorities for improvement?

5.7 – The Agency maintains a work environment that supports the satisfaction, well-being, and motivation of its employees by addressing the following areas:

Work Environment: The Agency maintains a safe and healthful work environment. Employee well-being factors such as health, safety, diversity and ergonomics are addressed in improvement activities. Key measures and targets for each of these environmental factors are developed and employees take part in establishing these measures and targets.

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

Employee Support Services: The Agency builds and enhances its work climate for the well-being, satisfaction, and motivation of all employees through the following: counseling; career development and employability services; recreational or cultural activities; non work-related

education; leave for family responsibilities; work safety training; flexible work hours; and retiree benefits (*including extended health care*).

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

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

5.8 – The Agency maintains a safe and healthy work environment through written safety policies and procedures for the workplace. In addition, a safety manual is provided and ongoing training is held for employees. All buildings have “Right to Know Centers”. Safety inspections of the facilities and operations are scheduled regularly. Agency personnel with special expertise are involved with inspections when appropriate. Information contained in safety policies and procedures includes such items as general office safety and security, and specific staff actions that are necessary in the event of an emergency (for example, evacuation routes and communication plans).

Each floor of the Robert E. David Building has a safety officer and an assistant safety officer. These Agency personnel are highly trained in safety policies and procedures. New employees are introduced to the safety policies and procedures during their initial orientation session. The Agency facilities must comply with OSHA (Occupational Safety and Health Administration) standards and facilities are periodically inspected for compliance. All Agency buildings are in compliance with the Americans with Disabilities Act. In addition, the buildings have been tested for air quality, water quality, and asbestos.

6.0 Process Management

1. What are your key processes that produce, create or add value for your customers and your organization? How do you ensure that these processes are used?

6.1 – The Agency is responsible for the effective management and operation of the Unemployment Insurance, Employment and Training, and Labor Market Information programs for the State of South Carolina. The Agency has 35 workforce centers and 13 itinerant points that serve the 46 counties of the State. These offices are charged with the delivery of quality service to our customers. Our customer base consists of claimants, job seekers, employers, and the community in general. The local workforce presence enables the Agency to provide personalized service to the customer. The central administrative office provides the necessary support functions for all workforce centers, as well as management of all key processes and programs.

The Agency strives to constantly improve upon business processes and performance levels, as measured by USDOL, in the areas of Unemployment Insurance and Employment and Training. The expediency, accuracy, and quality with which these services are provided are the determining factors between being a successful or a very successful Agency.

The Agency has several tools in place to ensure that correct processes are used. The use of various statistical reports, surveys conducted in the workforce centers, and regular meetings with workforce center leadership all work to ensure that the business processes are used and working effectively.

2. How do you incorporate organizational knowledge, new technology, changing customer and mission-related requirements, cost controls, and other efficiency and effectiveness factors such as cycle time into process design and delivery?

6.2 – The Agency continues to experience cutbacks in the funding available to provide mission critical services to our customers. By leveraging emerging technologies, the Agency has been able to provide a high quality of service, to which our customers are accustomed, while reducing staffing levels and re-training/re-allocating where required and acceptable.

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

Additional areas in which the Agency continues to incorporate new technology and customer expectations/requirements are:

- Increased use of File Transfer Protocol (FTP) for transfer of mission-critical data
- Increased participation of electronic funds transfer application for employers' quarterly taxes
- Increased participation of employer electronic wage reporting and claims filing systems
- Continued evaluation of the Agency's software, hardware, and workstations for ADA customers
- Extended operational hours to accommodate customer access and services
- Partnerships with major employers for statewide job fairs and business expositions
- Expanded statewide utilization of media projects via radio, television, and newsprint as service delivery tools
- Establishment of transition centers at or near mass layoff sites to facilitate filing of unemployment insurance benefits and assist in securing new employment

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

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

6.3 – The Agency has several checks in place to ensure that the requirements of key related processes are met. Daily review of detailed reports is conducted to ensure accuracy of processing. Corrective action plans are in place to address errors.

The Agency is a leader in the region and nation in many areas such as prompt and accurate processing of claims and registrations. The Agency utilizes various data cross matches with databases including, but not limited to, the Social Security Administration and the National Directory of New Hires.

The Agency also has worked with the Office of the Inspector General for prosecution of fraudulent claims and has reviewed and secured software applications to prevent SUTA (State Unemployment Tax Avoidance) Dumping. This practice involves the use of creative and illegal accounting practices by employers in their efforts to reduce quarterly taxes.

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

6.4 – We have several methods of evaluating our products and services and getting suggestions from our clients as to what improvements should be made. These include:

1. Agency Line Staff Personnel Suggestions

Agency line staff personnel meet with job seekers and employers on a regular basis. As a result, they have a good understanding of our customers' requirements. They communicate the requirements to workforce center managers and agency executives. These ideas and comments are used in meetings and surveys described below.

2. Employer Surveys and Meetings

Employers are sent surveys asking them to rate our services and asking for recommendations for improvement. In addition, local agency staff are assigned to employers in their areas, and regularly meet with them to seek their counsel. There are also employer councils that meet with agency personnel to discuss common goals.

3. Job Seekers

Job seekers are asked to evaluate the service they receive when they are in our offices, and some are sent customer satisfaction surveys. This information is collected and evaluated.

4. Job Fairs

The Agency regularly holds job fairs where job seekers and employers come together for employment opportunities. Some of these fairs are sponsored by other organizations.

5. LMI Surveys

LMI regularly surveys employers and job seekers and summarizes the information received. It should be noted that LMI regularly surveys secondary education institutions for information on what it views as employment trends and requirements. This information is summarized for Agency use.

6. Agency Executives

Agency executives use the above information when discussing customer suggestions and recommendations.

5. What are your key support processes and how do you improve and update these processes to achieve better performance?

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

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

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

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

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

7.0 Results

7.1a Mission Accomplishment - Employment and Training

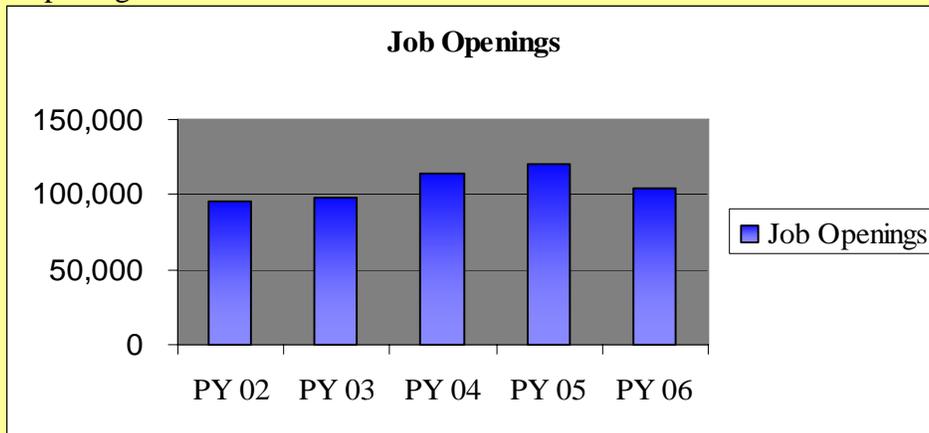
Job Openings and Services Provided to Customers

The primary objective of the Agency’s labor exchange is to assist individuals in obtaining employment. During the last program year, 350,427 individuals were registered for this purpose,

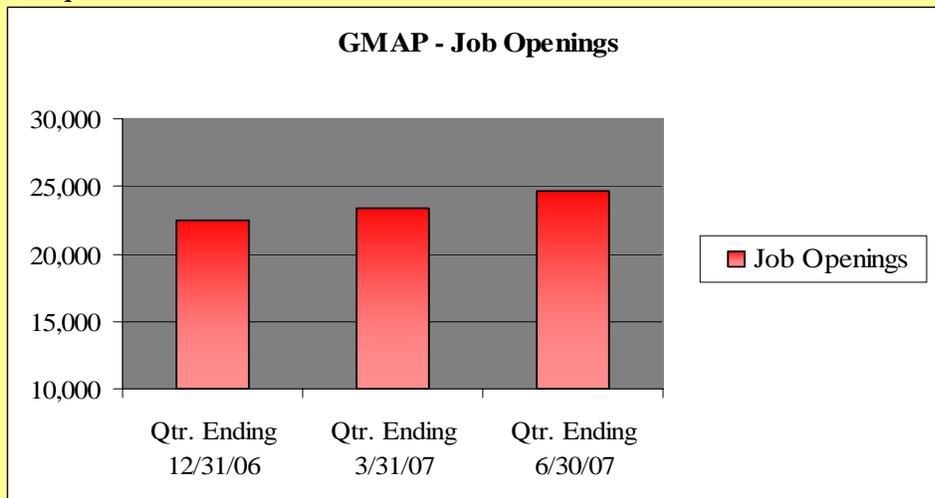
an increase of approximately 28,000 individuals registered from the previous year. Of those registered this year, almost 34%, or 121,562 individuals, were employed after receiving services.

Two groups of customers receive special emphasis for agency services – customers receiving UI benefits (claimants) and veterans. For claimants, the Agency’s goal is to ensure that at least 31.5 % of individuals receiving unemployment insurance checks return to work. During PY 06, 43,577 claimants returned to work. This number was 43% of the total registered claimants. For veterans, the Agency goal is to accomplish a 15% higher employment rate than for non-veterans. During the last year the non-veteran applicants were employed at a rate of 34%, establishing the goal for veterans at 39%. The actual employment rate for veterans was 45%, well above the established goal.

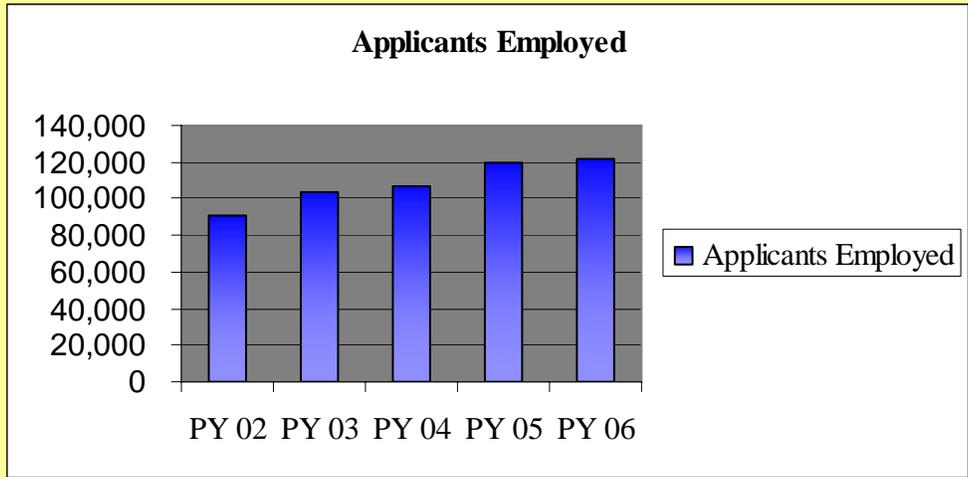
7.1a-1 Job Openings (Requests for Workers): This graph depicts South Carolina job openings posted with our Agency by program year. After several years of increases, the number of openings received declined in PY 06.



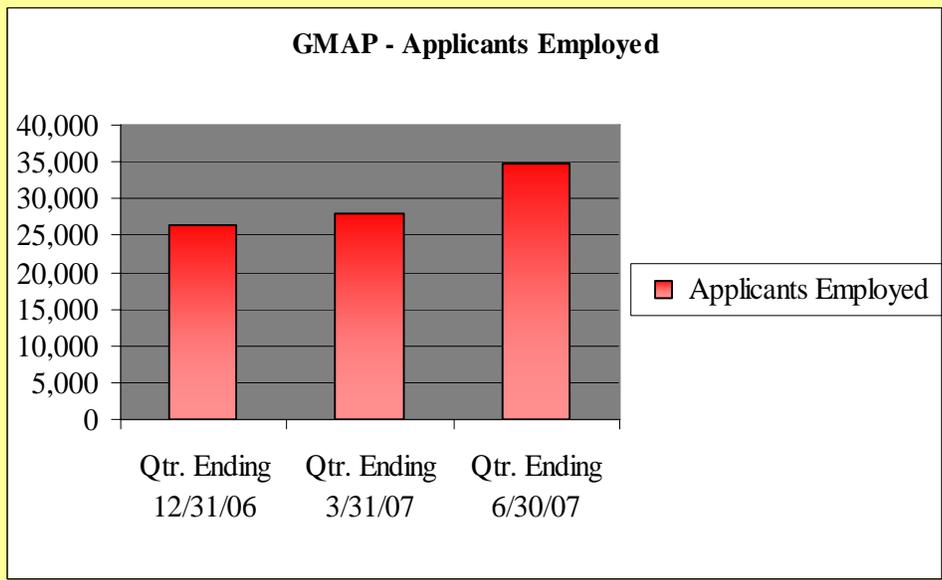
7.1a-2 Job Openings (Request for workers): This graph depicts South Carolina job openings posted with our Agency, by quarter, after implementing GMAP. Although the annual count of job openings received declined for PY 06, the Agency increased openings received each quarter in PY 06.



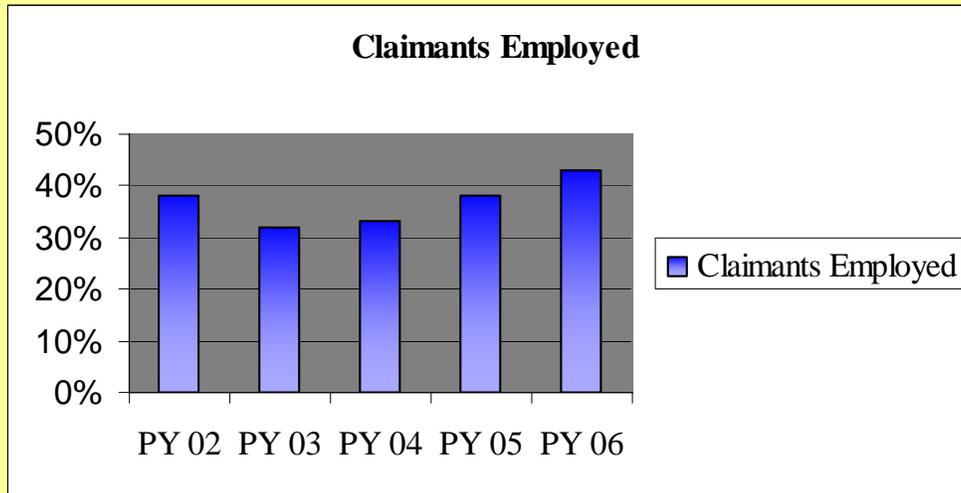
7.1a-3 Applicants Employed: This graph depicts the number of individuals who have become employed within 90 days after receiving services from the Agency by program year. Our goal is to increase the overall "employment after receiving service" numbers yearly. For PY 06 the number of applicants employed was 121,562, an increase of approximately 16,000 from the previous year. Applicants Employed for PY 06 was the highest in the last five years.



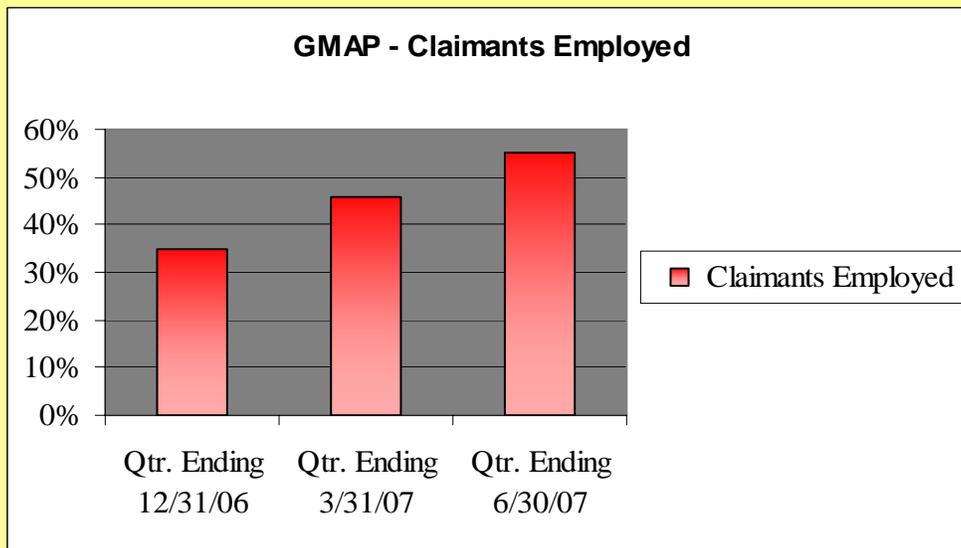
7.1a-4 Applicants Employed: This graph depicts the number of individuals who have become employed within 90 days after receiving services from the Agency, by quarter, after implementing GMAP. For quarter ending 6/30/07, the number of applicants employed was 34,646, an increase of approximately 6,613 from the previous quarter.



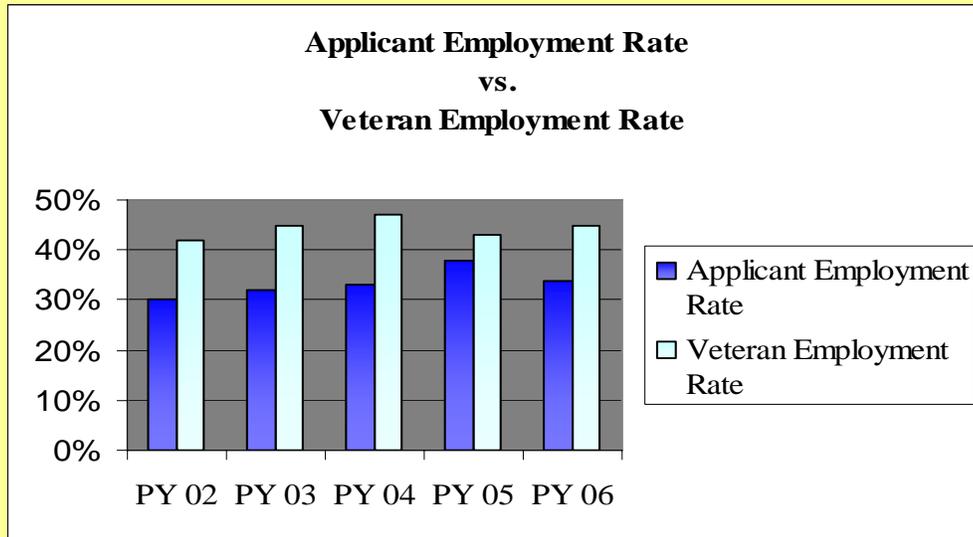
7.1a-5 Percent of Claimants Employed: This graph depicts the percentage of eligible claimants who become employed within 90 days after receiving services from the Agency by program year. As a percentage, even as the actual number of claimants rises and falls in different years, the comparison of yearly percentages provides a measure of service level. Our goal is to have a minimum of 31.5% of claimants registered become employed. For PY 06, 43% of registered claimants returned to work, exceeding our goal by 136%.



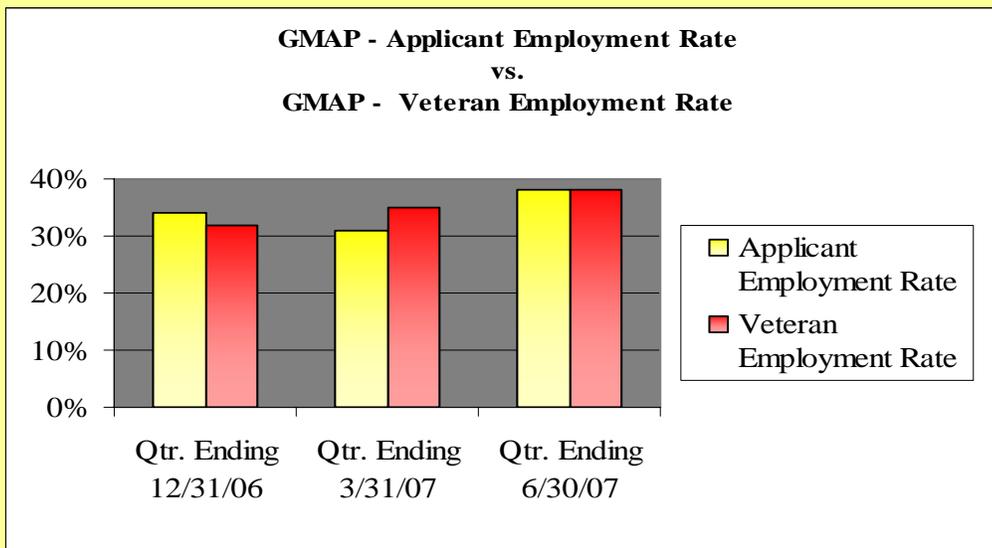
7.1a-6 Percent of Claimants Employed: This graph depicts the percentage of eligible claimants who become employed within 90 days after receiving services from our Agency, by quarter, after implementing GMAP. For quarter ending 6/30/07, the number of claimants who became employed increased by 2,387 from the previous quarter.



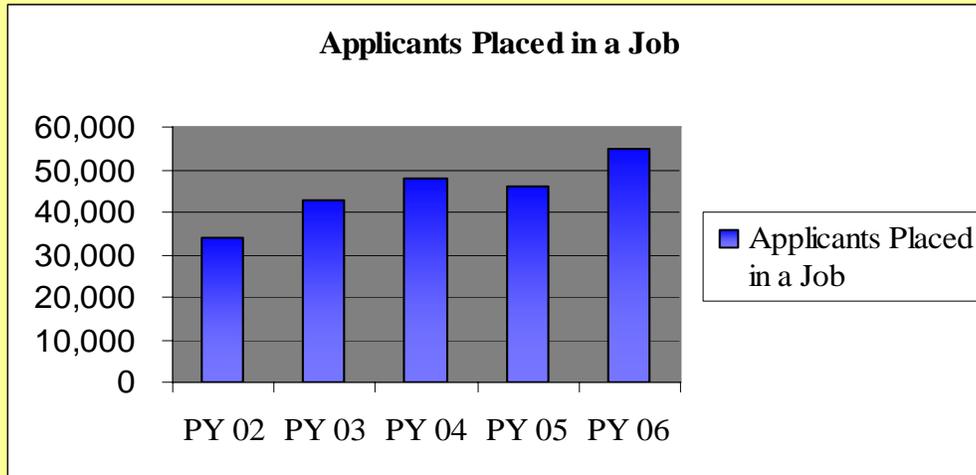
7.1a-7 Applicant Employment Rate vs. Veteran Employment Rate: This graph depicts the percentage of veterans who become employed within 90 days after receiving services from the Agency, by program year, compared with percentages of total applicants becoming employed. The comparison of yearly percentages provides evidence of a demonstrated priority of service. Our goal is to have a 15% higher employment rate for veterans than for total applicants.



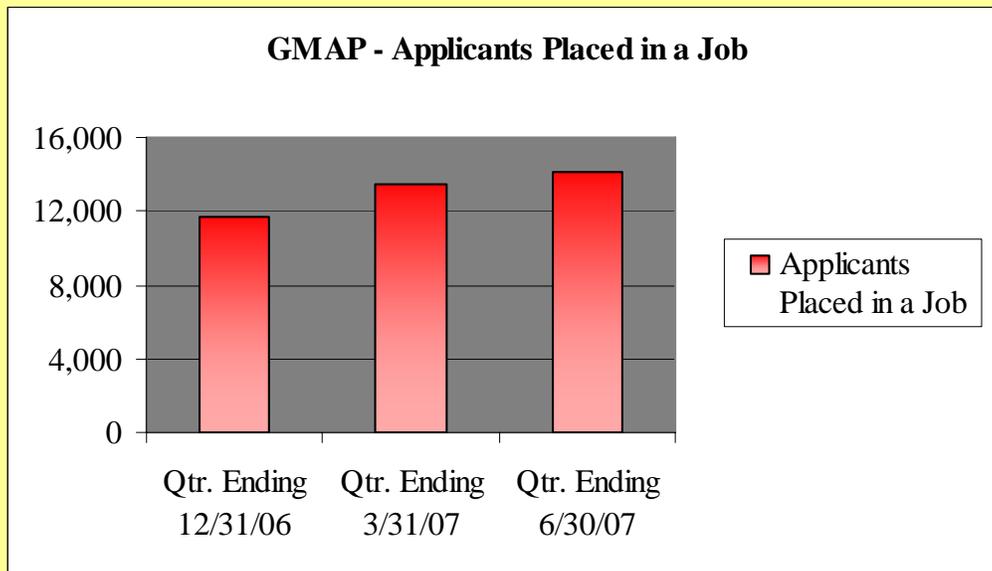
7.1a-8 Applicant Employment Rate vs. Veteran Employment Rate: This graph depicts the percentage of veterans who become employed within 90 days after receiving services from the Agency, by quarter, after implementing GMAP compared with percentages of total applicants becoming employed.



7.1a-9 Applicants Placed in a Job: This graph depicts the number of registered applicants who were placed in a job by the Agency, by program year. Our goal is to increase the overall placement numbers yearly. For PY 06, the number of applicants placed was 54,745, an increase of approximately 8,700 registered applicants.



7.1a-10 Applicants Placed in a Job: This graph depicts the number of registered applicants who were placed in a job by the Agency, by quarter, after implementing GMAP. For quarter ending 6/30/07, the number of applicants placed was 14,121, an increase of approximately 630 registered applicants.



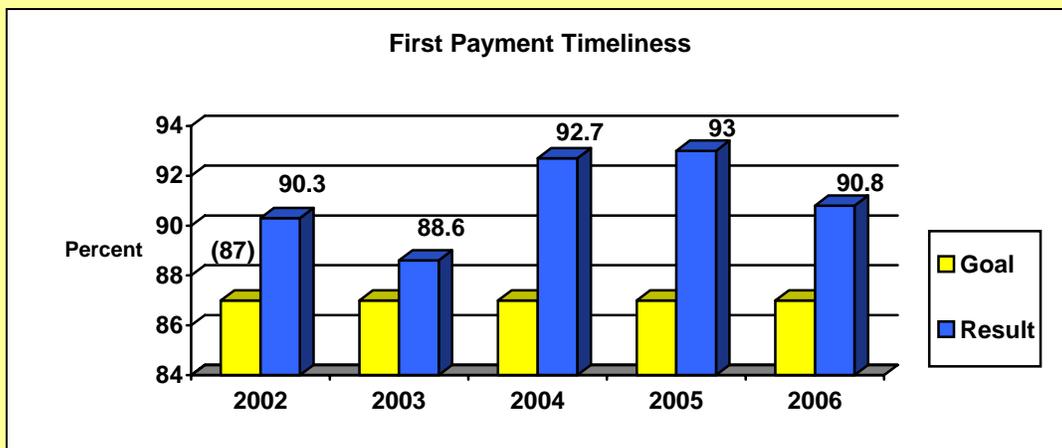
7.1b Mission Accomplishment - Unemployment Insurance (UI)

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

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

Total Initial Claims	July 2002 - June 2003	466,365
	July 2003 - June 2004	347,884
	July 2004 - June 2005	313,629
	July 2005 - June 2006	299,975
	July 2006 - June 2007	304,464
Total Weeks Claimed	July 2002 - June 2003	3,069,388
	July 2003 - June 2004	2,437,820
	July 2004 - June 2005	2,129,960
	July 2005 - June 2006	1,515,302
	July 2006 - June 2007	1,998,836

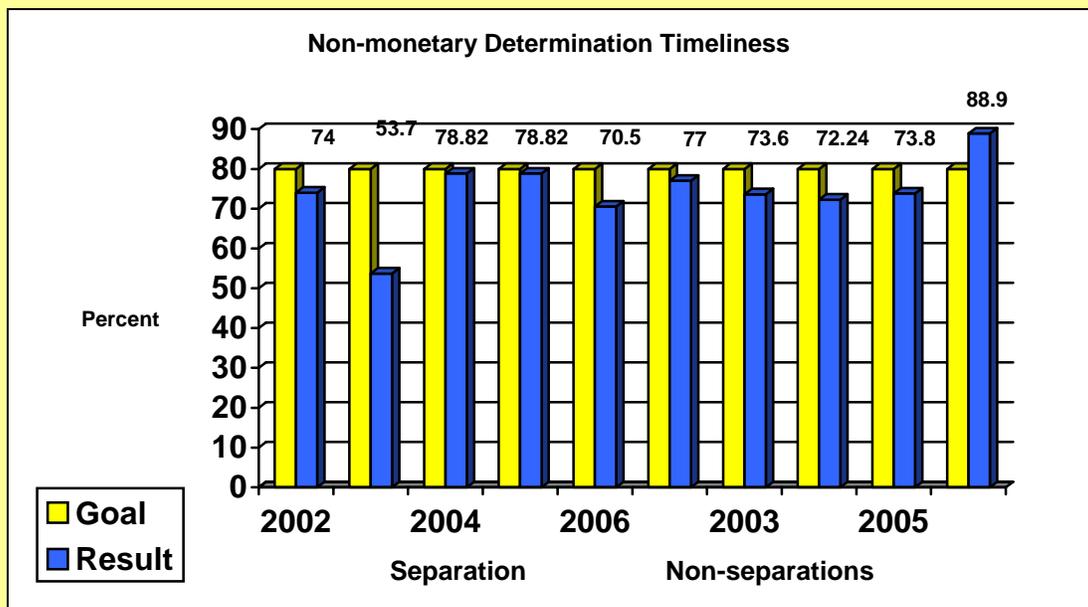
7.1b-2 First Payment Timeliness: Payment should be made within 14 days of the first claim week-ending date after the waiting week has ended. The criterion for this measure is 87% of first payments being made timely.



For First Payment Timeliness:

The 2002 S.C. score was the 29th highest in the country.
 The 2003 S.C. score was the 23rd highest in the country.
 The 2004 S.C. score was the 34th highest in the country.
 The 2005 S.C. score was the 17th highest in the country.
 The 2006 S.C. score was the 19th highest in the country

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



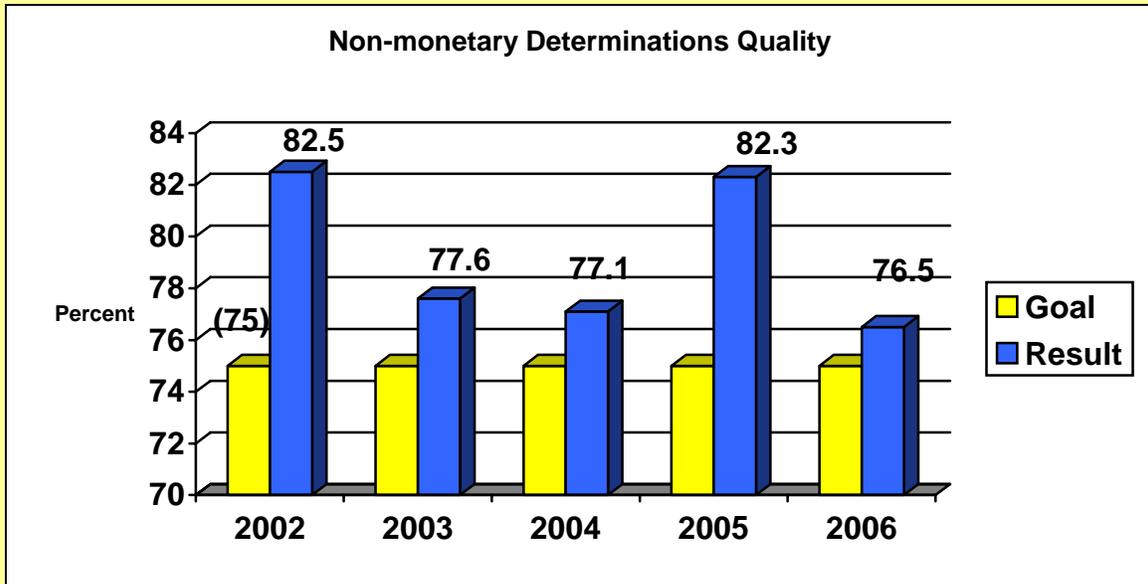
For Separation Determination Timeliness:

The 2002 S.C. score was the 22nd highest in the country.
 The 2003 S.C. score was the 42nd highest in the country.
 The 2004 S.C. score was the 28th highest in the country.
 The 2005 S.C. score was the 13th highest in the country.
 The 2006 S.C. score was the 32nd highest in the country.

For Non-separations Determination Timeliness:

The 2002 S.C. score was the 15th highest in the country.
 The 2003 S.C. score was the 22nd highest in the country.
 The 2004 S.C. score was the 29th highest in the country.
 The 2005 S.C. score was the 32nd highest in the country.
 The 2006 S.C. score was the 20th highest in the country.

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



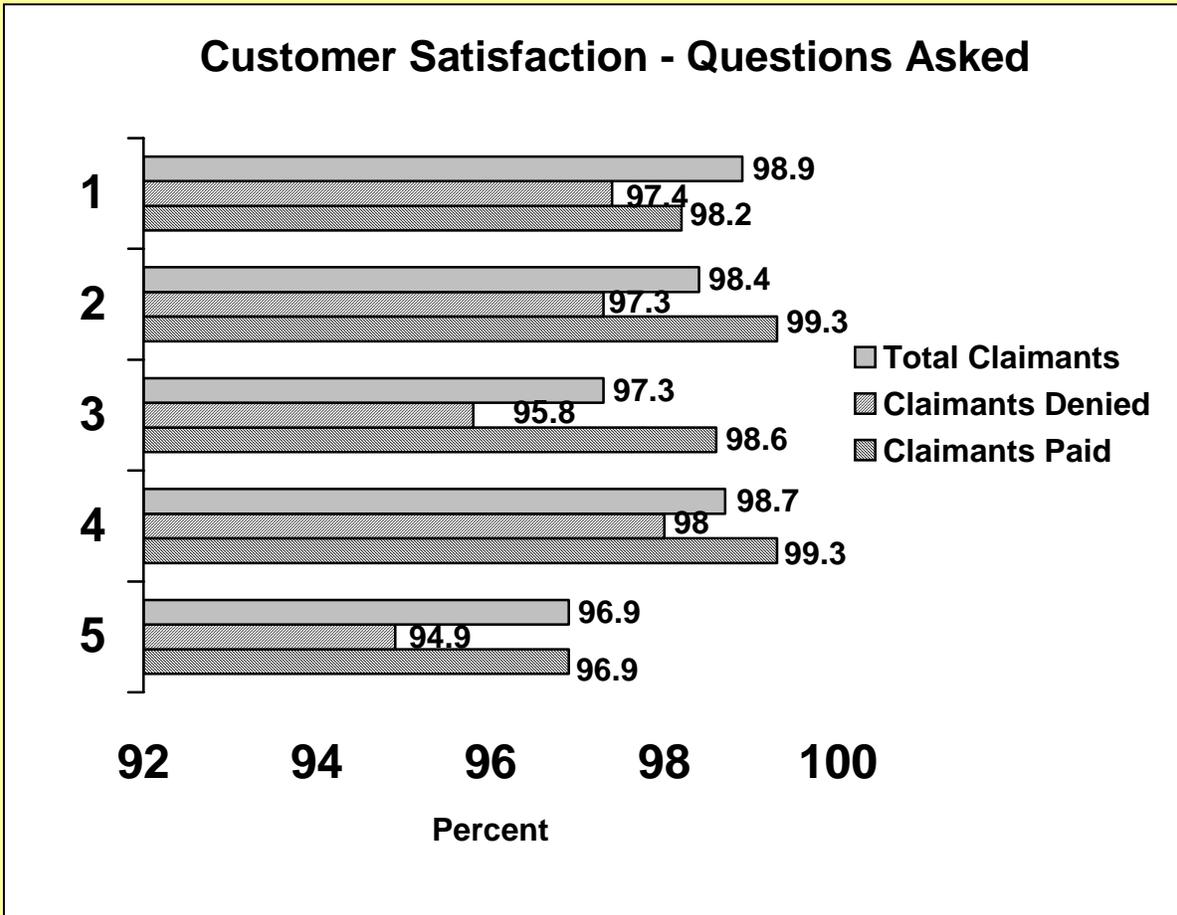
For Non-monetary Determinations Quality:

The 2002 S.C. score represented the 12th highest in the country.
The 2003 S.C. score represented the 26th highest in the country.
The 2004 S.C. score represented the 23rd highest in the country.
The 2005 S.C. score represented the 44th highest in the country.
The 2006 S.C. score represented the 25th highest in the country.

7.2 Customer Satisfaction - Unemployment Insurance (UI)

7.2-1 Customer Satisfaction: Percent positive responses to questions asked during Quality Control investigations of sampled cases. (Based on 2,814 total responses as of July 2007. Survey began July 5, 2004.)

1. Were you treated courteously and professionally?
2. Were forms easy to understand and complete?
3. Were you given adequate instructions?
4. Were you given an opportunity to ask questions?
5. Were your questions answered?



7.3 – Financial Performance

Agency Revenue 2006 - 2007

Other Operating	\$836,955.00
Contracts	\$5,739,220.00
Consortium Contracts	\$26,745.00
Training Session Fees	-\$21,459.00
Contingency Assessment Fund	\$8,966,749.00
Child Support Intercept	\$380.00
Parking Fees	\$54,095.00
Media Services	\$9,849.00
SC Enterprise Info System – Capital Reserve	\$933,189.00
Capital Projects	\$3,300.00
Reed Act Funds	\$1,631,552.00
Employment Services	\$10,192,826.00
Unemployment Insurance	\$30,354,406.00
Special Administration Fund	\$1,247,582.00
Disabled Veterans Outreach Program (DVOP)	\$1,203,222.00
Bureau of Labor Statistics (BLS)	\$1,082,200.00
ES Reimbursement Grant	\$182,956.00
Local Veterans Employment Representative (LVER)	\$1,602,897.00
North American Free Trade Agreement/Trade Adjustment Assistance - (NAFTA/TAA)	\$9,208,651.00
State Appropriation	\$437,557.00
Reintegration of Homeless Veterans Into Labor Force	\$236,583.00
Disability Program Navigator	<u>\$538,962.00</u>
TOTAL	<u><u>\$74,468,417.00</u></u>

7.5 - Regulatory/Legal Compliance

The SCESC Legal Department employs three attorneys who represent the Commission and provide legal support and advice to the Agency’s divisions. It also manages and oversees the Commission Appeals Unit and Lower Authority Appeals. These units are responsible for handling appeals in unemployment compensation cases.

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

Workload. During the past five years the Lower Authority Appeals case load increased from eight to ten thousand annual cases (in FY 01) to over fourteen thousand annual cases (from FY 02 forward). Table 7.5-1 shows the annual number of appeals received over the last five years during which the elevated numbers have continued.

7.5-1 Lower Authority Appeals Received					
	FY 03	FY 04	FY 05	FY 06	FY 07
UI Appeals	14,934	14,756	14,527	14,144	14,076
All Programs	15,517	14,989	14,753	14,524	14,280

Timeliness. In spite of this dramatic increase (the five-year average is up 145% over FY 01), Lower Authority continues to lead USDOL Region III in issuing almost all of its decisions within thirty days. Table 7.5-2 shows the number of decisions issued. Although the number is down from the peak of FY 03 (14,292), we continue to issue more than 13,000 decisions annually, up from less than 10,000 decisions issued in FY 01.

7.5-2 Lower Authority Decisions Issued					
	FY 03	FY 04	FY 05	FY 06	FY 07
UI Decisions	14,292	13,172	13,934	13,776	13,165
All Programs	14,786	13,370	14,161	13,951	13,335

The USDOL’s desired level of achievement is for 60% of decisions to be issued within 30 days of the appeal-filed date and for 80% to be issued within 45 days of the appeal-filed date. Table 7.5-3 shows that Lower Authority Appeals has exceeded this goal by issuing nearly 100% of its decisions within 30 days of the date the appeal was filed.

7.5-3 Percentage of Decisions Issued Within 30 Days				
FY 03	FY 04	FY 05	FY 06	FY 07
99.6	99.7	99.7	99.7	99.5

The most recent regional numbers are for the period ending March 31, 2007. They show Lower Authority Appeals leading Region III in all the timeliness measures for decisions issued. See Figure 7.5-4.

7.5-4 Regional Time Lapse Percentages								
30 DAYS	90.7	56.9	87.5	0.5	65.1	29.1	99.6	90.7
45 DAYS	98.0	84.8	97.7	5.3	91.8	46.8	99.9	97.2
90 DAYS	99.3	99.2	99.9	89.0	98.6	94.7	100	99.6
	Alabama	Florida	Georgia	Kentucky	Mississippi	North Carolina	South Carolina	Tennessee

South Carolina reaches 99.6% within 30 days, 99.9% within 45 days, and 100% within 90 days, leading the Region.

In addition to the traditional measure of the time it takes to hear a case and issue a decision, the USDOL has begun measuring the age of pending cases. For Lower Authority Appeals, the proposed standard is 30 days. We began tracking the age in January 2006. Table 7.5-5 shows that we have done an exceptional job by this measure as well.

7.5-5 Average Age of Pending Cases (Goal = 30 Days)												
	July 06	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. 07	Feb.	Mar.	April	May	June
Average Age	14.11	12.55	13.89	13.54	13.69	16.33	12.71	13.19	11.36	12.35	15.47	13.86

Quality Measures. The USDOL requires that 80% of appeals must pass with scores of at least 85%. Lower Authority has continued to score well on the quality measures. The Regional data for period ending March 31, 2007, shows Lower Authority first in the Region in passing the due process measure, at 92.8%.

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

Workload. Since the number of cases heard and decided by Lower Authority Appeals remains high, the Commission workload also remains elevated from less than 1,200 appeals received in FY 01 and is averaging over 1,750 cases annually. This average for the five years after FY 01 shows an increase of over 145%, which is comparable to the increase experienced by Lower Authority Appeals. See Table 7.5-6.

7.5-6 Commission Appeals Received					
	FY 03	FY 04	FY 05	FY 06	FY 07
Appeals Received	1,867	1,836	1,816	1,667	1,654

The increase in appeals received has directly affected the number of decisions issued and, these, too, (as shown in Table 7.5-7.) have decreased slightly though we do not appear to be returning to pre-FY 01 levels. In fact, there has been a slight increase in decisions issued in FY 07 over FY 05 and FY 06.

7.5-7 Commission Decisions Issued					
	FY 03	FY 04	FY 05	FY 06	FY 07
Decisions Issued	1,630	1,551	1,461	1,420	1,488

Commission Timeliness. To encourage prompt resolution of appeals, the USDOL sets the desired level of achievement for Higher Authority Appeals at 50% within 45 days, 80% within 75 days, and 95% within 150 days. We are not meeting the 45-day goal but have improved to 44.93% in FY 07. However, we have met the 75-day goal of 80% with 80.15% for FY 07. In addition, we have exceeded the 150-day goal, issuing 98.28% of decisions within 150 days. As

of the period ending March 31, 2007, we remain last in the region in these three categories but are improving. We should move into the middle of the region in the 75-day and 150-day goals within the next two quarters.

To address this problem we contracted with an outside transcription service to produce transcripts for Commission hearings. We had an unforeseen problem when the new contract was awarded to a firm that was unable to perform as required. We lost more than two months before we were able to obtain a replacement.

In addition, we made the decision to attack the backlog of pending cases by working from the oldest cases first. That produced a set of decisions issued weighted toward the oldest cases. While that acted to worsen the appearance of the timeliness problem, it is the fairest for the employers and claimants involved. It will also put Commission Appeals on the soundest footing to reduce the overall age of pending cases. Under the new federal standard for measuring the average age of pending cases, we have been able to reduce the average age of our pending cases to meet the federal guideline of 40 days. See Table 7.5-8.

7.5-8 Average Age of Pending Commission Cases (Goal = 40 Days)												
	July 06	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. 07	Feb.	Mar.	Apr.	May	Jun.
Average Age	64.21	43.26	31.56	29.80	40.37	40.72	34.23	33.67	35.69	38.14	37.24	28.51

Overview. Commission Appeals and Lower Authority Appeals continue to do a good job handling an elevated workload, dealing with staffing problems, and meeting the expectations of the Commissioners and our customers.