

DEPARTMENT OF LABOR AND EMPLOYMENT

PERFORMANCE PLAN FY 2014-2015

I. MISSION STATEMENT

The mission of the Colorado Department of Labor and Employment (CDLE) is ***to protect and promote the integrity and vitality of Colorado's employment environment***. This statement encompasses every function of the Department as we serve Colorado's employers and workers to help our state thrive

II. VISION

CDLE's vision is ***quality and excellence in all we do***. "All" includes external and internal customer service, products, relationships with partners and stakeholders, processes, information technology, and our values-based culture. This is an aspirational and motivational vision to which all our work relates and was created with staff input and agreement. To reach this vision, we have committed to:

Outstanding customer service
An inclusive culture
Knowledgeable employees who drive our success
Being a trusted and strategic partner
Continuous process improvement

III. VALUES

In order to have quality and excellence in all we do, CDLE is creating a values-based organization.

Our core values are:

- Integrity
- Accountability
- Collaboration
- Excellence
- Adaptability
- Teamwork
- Respect

IV. DEPARTMENT DESCRIPTION

The Colorado Department of Labor and Employment (CDLE) includes five main divisions – Workers’ Compensation, Employment and Training, Oil and Public Safety, Labor and Unemployment Insurance – which serve Colorado’s workers and businesses through administrative, support and regulatory services. The Department is serving Colorado by:

- ensuring fair labor practices,
- helping businesses recruit employees,
- presenting an up-to-date and accurate picture of the economy,
- protecting our communities with a variety of consumer protection and safety programs,
- ensuring benefits to injured workers, and
- contributing to a stable economy by providing temporary wage replacement

Our mission at CDLE is to protect and promote the integrity and vitality of Colorado's employment environment. We have more than 1,000 employees advancing this mission through services to businesses and workers across Colorado. In good economies and bad, we are serving our customers to help our state’s workforce thrive, compete and succeed while supporting our business community with resources and information to help them save valuable time and money. We have divisions that are internationally renowned for their policy setting and serve as models for other states. We have programs that are engaging stakeholders in innovative ways and others that are pursuing new partnerships to maximize service.

Unemployment Insurance Division:

- ♦ *The Unemployment Insurance (UI) Division* provides unemployment insurance in a fair, timely, accurate, and efficient manner to the employers and citizens of Colorado, to stabilize the workforce, and to minimize the impact of unemployment on the state's economy.

UI is funded 79 percent by Federal Funds provided by the United States Department of Labor and Employment, and 21 percent by State Case Funds (Unemployment Revenue Fund and Employment Support Fund and Employee Leasing Company Certification Fund).

The UI Division consists of four operating branches and a policy and communications unit located at 251 E. 12th Avenue in Denver, Colorado. The four operating branches - Claimant Services, Employer Services, Appeals, and Technology, Integrity and Program Support (TIPS)—provide the UI Division’s key services to the citizens and employers of Colorado.

- **Claimant Services** is the UI Division’s largest operating branch providing benefit-related services. This branch handles all inquiries from unemployed individuals providing phone, internet, and in person services. Additionally, this branch adjudicates unemployment claims applying current statute and regulations to determine claimants’ entitlement and eligibility to collect benefits.

- **Employer Services** determines employer liability, establishes accounts, obtains premiums and wage reports, collects premiums from employers, registers employee-leasing companies, audits employers, detects misclassified workers, and determines employment relationships. Employer Services is also responsible for the assignment of the appropriate paying method (contributory or reimbursing) and the experience ratings for Colorado contributory employers.
- **Appeals** have staff located throughout the state and provide a hearing venue for decisions issued by the Benefits, Employer Services, and TIPS branches that are appealed by a claimant or employer. Interested parties may attend the hearing either in person or by telephone.
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- **Technology, Integrity, Program Support (TIPS)** is composed of Telephony Operations and Business Analysts; Quality Assurance, which performs federal oversight reviews to measure accuracy and quality; Benefit Payment Control, which provides overpayment prevention and processing by detecting and recovering improperly paid benefit payments; and Program Support, which provides administrative support functions for the UI Division.

The Division of Employment and Training consists of three distinct program areas: Workforce Development Programs (WDP), Colorado Workforce Development Council (CWDC), and Labor Market Information (LMI).

- ♦ **Workforce Development Programs (WDP)** provides a wide range of employment and training services for businesses and job seekers, delivered by the following workforce regions:
 - Adams County
 - Arapahoe/Douglas Counties
 - Boulder County
 - City and County of Denver
 - El Paso/Teller Counties
 - Jefferson/Clear Creek/Gilpin Counties
 - Larimer County
 - Weld County
 - Rural Consortium – remainder of counties divided into eleven sub-regions

Programs administered by WDP are funded by federal grants, and State cash funds. WDP is responsible for policy guidance, program oversight and administration, and overall programmatic and fiscal integrity in accordance with federal guidelines for each employment and training program and special initiative. WDP administers several major programs, including the following:

- The Colorado Rural Workforce Consortium (CRWC) is one of the nine federally designated workforce regions in the state of Colorado. The region serves 52 rural

counties and is made up of the 11 regions whose vision is that every Colorado business has access to a skilled workforce and every Coloradan has access to meaningful employment, resulting in statewide economic vitality. The regions include Pueblo, Broomfield, Upper Arkansas, Rural Resort, Mesa, Northwest, Western, Eastern, Southeast, Southwest, and South Central. The CRWC's mission is to foster business-focused workforce partnerships, effectively preparing rural Coloradans for the jobs of today and tomorrow.

- Wagner Peyser Act (WP) – Employment Services is a federally-funded program that provides non-fee labor exchange services to businesses and job applicants, matching job applicants with appropriate job openings, and offering self-service or staff assisted service options.
- Workforce Investment Act (WIA) – WIA is a federally-funded program that serves eligible adults and youth who need additional employment services, education, and/or training to prepare them to enter the workforce or to reenter the workforce after a job loss.
- Veterans Employment and Training Program This federally-funded program provides services to veterans and ensures that public labor exchange standards and priorities of services are being met and that businesses/employers are aware of veteran program requirements and are encouraged to hire veterans.

Other employment services include: Migrant Seasonal Farm Worker (MSFW), Trade Adjustment Assistance Program (TAA), Trade Readjustment Allowance Program, and the Displaced Homemaker Act.

Additional programs for employers include: the Work Opportunity Tax Credit program (WOTC) and Foreign Labor Certification.

- Displaced Homemaker Act – This cash funded program provides employment and training services to eligible displaced homemakers who have lost their source of economic support as a result of divorce, separation, widowhood, or ineligibility for other public assistance. Services provided through the Community College of Denver include tuition scholarships, job training, career assessment, supportive services, personal and vocational counseling, and job development and placement.
- ♦ ***Colorado Workforce Development Council (CWDC or Council)*** advises the Governor and Legislature on workforce policy and oversees the expenditures of federal employment and training funds. The Council designates Federal Workforce Investment Areas, certifies local Workforce Investment Boards, and makes recommendations to the Governor as appropriate. The CWDC is also required to review local plans and plans for system partners and recommend approval or rejection to the Governor, when required. In addition, the Council solicits grants and funds to support the development of a business-led workforce system. Funding for the Council comes from the Federal Workforce Investment Act funding through the Departments of Labor and Employment, Human Services, Education, Local Affairs, and

the Community Colleges. The Office of State Planning and Budgeting (OSPB) is responsible for determining the share of the cost to operate the Council that will be contributed by each of the required partners under the Workforce Investment Act.

A central function of the CWDC is to provide a vehicle for the business community to provide input and give direction/guidance to the workforce system's development. Activities the Council engages in include:

- Aligning the efforts of economic development, education/training, workforce development, government, and business stakeholders at the local, regional and state levels to encourage collaboration and leveraging of resources in order to ensure a well-educated and well-trained workforce is available to meet the needs of a growing and changing economy. This includes development and maintenance of an information system and a communication network.
 - Working to help ensure the success of the Colorado Blueprint. The Colorado Blueprint is the Economic Development Plan for the State of Colorado. Core Objective V of the Blueprint, Educate and Train the Workforce of the Future, is led by the CWDC.
 - Training and technical assistance to local Workforce Investment Boards.
 - Promoting the workforce system to businesses and the community, and convening partners and stakeholders to address workforce issues through studies/projects.
 - Monitoring and directing the continuous improvement of the workforce system.
 - Preparing the Workforce Investment Act (WIA) Annual Report on workforce system performance.
 - Staffing and supporting the State Youth Council. The State Youth Council influences policy and practice at both the state and local level in the development and implementation of pathways to economic success for Colorado businesses and youth.
- ♦ **Labor Market Information (LMI)** - Labor Market Information (LMI) gathers, analyzes and produces comprehensive information on employment conditions in Colorado through cooperative programs with the Bureau of Labor Statistics, the Employment and Training Administration and the U.S. Census Bureau. All programs are federally funded. LMI serves policy makers, the workforce development system, educators, employers, job seekers and the general public through the dissemination of information, including the development of comprehensive training curriculum in the retrieval and use of this information. LMI completes the requirements of the Bureau of Labor Statistics funded programs as specified in the Bureau of Labor Statistics Cooperative Agreement and the requirements of the Employment and Training Administration funded programs per the federal Workforce Information Grant.

LMI activities are authorized under the Wagner-Peyser Act of 1933, Section 14, and Section 15 as amended by the Workforce Investment Act of 1998, Section 309. The Colorado Work Force Investment Act authorizes CDLE to administer labor market information under C.R.S. 8-71-223(1)(a).

The Division of Labor administers Colorado employment and labor laws pertaining to wages paid, hours worked, minimum wage, labor standards, child labor, employment-related immigration laws, and working conditions. The Division of Labor also conducts all-union agreement elections, certifications of all-union provisions, and investigates and mediates allegations of unfair labor practices.

The customers and constituents served by the Division include public and private employers, employees, unions, minors, and contractors. The Employment Support Fund is the primary source of funding for the Division. Detailed information, Fact Sheets, FAQs and other resources are available on the DOL website at <http://www.colorado.gov/cs/Satellite/CDLE-LaborLaws/CDLE/1240336908932>.

The Division of Oil and Public Safety is responsible for a variety of regulatory functions related to environmental and consumer protection and public safety, including establishing and enforcing rules, regulations and statutes which govern amusement rides and devices, explosives, boilers, conveyances, fuel products, underground and aboveground petroleum storage tanks, cleanup of petroleum spills and reimbursement of cleanup costs to qualifying storage tank owners/operators. The division is funded by cash funds with a small amount of federal funding. The Division of Oil and Public Safety is comprised of the following sections:

- *The Petroleum Compliance Section* enforces standards governing the registration, installation, repair, upgrade, operation, and closure of underground and aboveground storage tanks containing petroleum and other regulated substances through annual records requests and periodic compliance inspections conducted by State personnel. The Compliance Section also enforces weights and measures regulations pertaining to petroleum products, including verifying the calibration of fuel pump dispensing meters, and testing petroleum products to verify compliance with state quality standards.
- *The Petroleum Remediation Section* enforces cleanup standards governing the remediation of petroleum contamination and petroleum releases to the environment.
- *The Petroleum Storage Tank (State) Fund (Fund) Section* manages the Fund and receives and processes applications to the Petroleum Storage Tank Fund for reimbursement of costs related to assessment and cleanup of petroleum contaminated sites. Monies in the Fund are supplied by the ERS (Environmental Response Surcharge), a fee applied to deliveries of fuel to retail stations. The ERS ranges from \$0 if the balance is above \$12 million, up to \$100 if the balance is below \$3 million.

- Legislation in FY 2013 created the PCRFB (Petroleum Clean-up and Redevelopment Fund) to assist with the redevelopment of blighted properties previously operated as gas stations or some other business that contained petroleum storage tanks and from which petroleum contamination has been discovered. Property owners, including former tank owners, who are not eligible to the Petroleum Storage Tank Reimbursement Fund, may apply for assistance if they meet the required criteria.
- *The Boiler Inspection Section* regulates boilers and pressure vessels. A boiler is generally defined as a closed pressure vessel in which water is heated, or steam is generated, and circulated for domestic hot water, heating or power. Boilers and pressure vessels are located in most public buildings, such as schools, churches, hotels, restaurants, health clubs, nursing homes, apartments, dry cleaners and office buildings, so the Boiler Inspection Section coordinates with the owners of these facilities to ensure their compliance with the regulations. Boiler inspections are performed by state inspectors and by special (insurance company) inspectors commissioned by the state program.
- *The Explosives Section* regulates individuals and businesses that use, manufacture, possess, sell, store, transport or dispose of explosives or blasting agents. This section does not regulate military explosives, law enforcement agencies, mining, or fireworks.
- *The Amusement Rides and Devices Section* protects the public through a registration process and enforcement of regulations related to carnivals, amusement parks, and other amusement rides and devices. The section ensures that amusement rides and devices that operate in the state have annual third-party safety inspections and that all required maintenance and inspections are recorded and performed daily prior to rides being open to the public.
- *The Conveyance Section* regulates the installation, alteration, and periodic inspection and testing of conveyances as defined in the Elevator and Escalator Certification Act. These conveyances consist of elevators, platform lifts, personnel hoists, dumbwaiters, escalators, moving walks, and automated people movers like the trains at Denver International Airport. The section is responsible for ensuring that conveyance owners comply with minimum safety standards regarding the performance of the above activities within the conveyance industry.

The Division of Workers' Compensation The Division of Workers' Compensation (DoWC) administers and enforces the provisions of the Workers' Compensation Act. The objective of the Workers' Compensation Act, and thus the Division, is to assure the quick and efficient delivery of disability and medical benefits to injured workers at a reasonable cost to employers, with a minimum of litigation. The division is funded by cash funds.

The operations of the DoWC generally fall into the categories of dealing with claims, insurance, or medical issues. The division works closely with stakeholders and other customers that include insurance companies, attorneys, physicians, and other health care providers. The Special Funds Unit, consisting of the Major Medical Fund, the Subsequent Injury Fund, and the Medical Disaster Fund, operates like an insurance company and actually pays out benefits. These programs are funded by a separate surcharge on workers' compensation premiums, and are closed to new injuries. The funds pay out to certain individuals who met the statutory criteria

when they were open. Otherwise, the DoWC's role is one of oversight and it does not pay benefits.

The Division mediates disputes and assists parties with settling their claims. The DoWC has a voluntary safety program, funded by a specific surcharge on workers' compensation insurance premiums, for employers to reduce the number of accidents for those employers participating in the program. The DoWC also administers the self-insurance program whereby qualified employers may self-insure their workers' compensation liability.

Department of Labor and Employment Organization Chart

CDLE FY 13-14 Funding Summary:	
Total Funds:	\$163,342,035
General Fund:	\$98,519
Cash Funds:	\$635,399,832
Reappropriated Funds:	\$650,740
Federal Funds:	\$97,192,944
FTE:	1,012.5

Executive Director's Office

Ellen Golombek
Executive Director

Kristin Corash
Deputy Executive Director

\$38,212,636 – TF
\$34,762 – GF
\$18,523,950 – CF
\$157,006 – RF
\$19,496,918 – FF
99.9 FTE

Unemployment Insurance Division
Jeff Fitzgerald
Division Director
\$38,634,594 - TF
\$11,300,114 – CF
\$27,334,480 – FF
467.1 FTE

Colorado Workforce Development Council
Stephanie Steffens
Director
\$466,016 – RF
4.0 FTE

Division of Employment and Training
William Dowling
Division Director
\$57,719,617 – TF
\$10,070,435 – CF
\$8,400 – RF
\$47,640,782 – FF
204.9 FTE

Labor Market Information
Alexandra Hall
Director
\$2,022,666 – TF
\$11,323 – CF
\$2,011,343 – FF
30.3 FTE

Division of Labor
Michael McArdle
Division Director
\$1,250,461– TF
\$63,757 - GF
\$1,171,056 – CF
16.3 FTE

Division of Oil and Public Safety
Mahesh Albuquerque
Division Director
\$5,358,218 – TF
\$4,629,479 – CF
\$19,318 – RF
\$709,421 – FF
68.0 FTE

Division of Workers' Compensation
Paul Tauriello
Division Director
\$19,677,827 – TF
\$19,677,827 – CF
111.0 FTE

V.OBJECTIVES, PERFORMANCE MEASURES, STRATEGIES AND EVALUATION OF SUCCESS

Department-wide objectives:

I. Customer Service

Objective: Increase customer satisfaction

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey and after a baseline is set will increase by 5% annually up to a threshold of 95%.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Customer Satisfaction across CDLE will increase by 5% annually up to 90%	Benchmark	NA	52%	57.1%	+5%
	Actual	49.5%	54.4%		

Strategies:

- Develop multimedia survey response capabilities utilizing e-mail, Internet, and mail
- Implement ongoing customer service surveys
- Establish an agency wide culture of service based on values.
- Utilize customer feedback and strategic initiatives to improve service delivery r
- Set annual customer satisfaction improvement goal
- Maintain an effective Continuity of Operations Plan (COOP)

The online CDLE customer survey was rolled out in April 2012. We evaluated the survey after the first quarter to determine our benchmark (49.5%) and our areas for improvement. We continue to notice three common themes across CDLE in the comments from our customers that we are working to improve including:

- Timeliness on service delivery;
- Consistency among staff; and
- Website navigation.

Utilizing CDLE Strategic Initiatives all Divisions are implementing actions to address these three themes within their programs, which will result in improved customer satisfaction across the department. Results from the ongoing customer survey for FY 2012-13 indicate a 4.9% increase in external customer satisfaction. We have also implemented internal customer service surveys for support function within CDLE. Besides the online survey for external customers, CDLE will be rolling out a postcard type survey in 2013. We are helping establish a culture of service throughout the agency by sharing

kudos and thank you's from customers and other examples of great service at staff meetings, quarterly newsletters, blogs, postings on bulletin boards, etc. As part CDLE's commitment to outstanding customer service, our COOP has been updated to fully prepare for an immediate and effective response to, and recovery from a disaster.

II. Employee Engagement & Accountability

Objective: Establish a culture of employee engagement and accountability resulting in high performance

Measurement: Employee engagement will be demonstrated through increased percent stating agree or strongly agree on the annual CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Improve employee survey results by 5% annually	Benchmark	N/A	78.1%	68.5%	+5%
	Actual	74.4%*	65.2%**		

*Data source: June 2011 Employee Engagement Survey

**Data source: June 2012 Employee Engagement Survey

Research shows that employee satisfaction is an important factor in customer satisfaction, productivity and performance. That is why CDLE has made it a high priority. Based on the results of the employee survey, CDLE has developed the following strategies to increase employee satisfaction:

Strategies:

- Mentoring, coaching and development planning with staff
- Improved Recognition and Rewards program
- Sustaining a values-based culture
- Identifying and encouraging behaviors based on our values that improve accountability, performance, and support the vision of quality and excellence in all we do
- Growing accomplished supervisors and managers
- Succession planning
- Your Voice Matters engagement program to staff

Results:

- Refined our performance and development plan (Employee Quality and Excellence Plan) to strengthen accountability at all levels in the organization
- Improved and expanded lines of communication from employees to management and executive staff
- Empowered staff through employee driven committees to elicit feedback for change

- Refined the CDLE Leadership Development program

The original employee survey was conducted in June 2011. Based on the results and comments from that survey as well as stakeholder comments and economic realities, we developed our strategic plan and initiatives and made other changes at CDLE. With change there is naturally some level of anxiety and change can be difficult. The employee survey bears that out. From FY 2011-12 to FY 2012-13 the percent of employees stating they were satisfied decreased by 9.16 percentage points. At the same time, the percent who stated they were dissatisfied increased slightly (1.22 percentage points). The difference is made up by the increased number of responses that were undecided or gave no response to some questions (+7.93 percent). We believe this is the result of new employees wanting to participate in the survey but not yet having formed an opinion. Given our objective to increase by 5 percent each year the FFY 2013-14 goal is to have at least 68.5 percent of employees stating agree or strongly agree on the annual CDLE employee survey. This year, leveraging our Values Team for promotion, we have a more robust “Your Voice Matters” marketing and engagement plan. Our stated results last year in this initiative emphasize the importance of employee feedback in shaping the organization and holding ourselves accountable at all levels and our commitment to that end. We are hopeful this year’s efforts will increase participation in the survey from 70 percent to 85 percent. Other strategies this year include: supporting accountability by increasing efforts of ongoing training throughout the organization, implementing the redeveloped supervisor and management training program that will lead to improved mentoring, coaching and staff development, and utilization of the improved employee Recognition and Rewards program highlighting our best and brightest staff members.

III. Process Improvement

Objective: Reform and Improve Key Processes

Measurement: Identify and implement at least one key process improvement in each of the five divisions annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Implement process improvement in each of five divisions	Benchmark	5	5	5	5
	Actual	5	8		

Results

- Established core leadership team for LEAN process improvement
- Determined the priority of projects and allocation of resources
- Reported out results of process improvements
- Established process improvement forum for exchange of best practices and efforts within CDLE

Strategies:

- Continue to identify process improvement opportunities
- Continue to determine the priority of projects
- Continue to report out results of process improvements
- Collaborate with other state agencies to learn best practices and efficiencies
- Make Lean training opportunities available to all staff

Each of CDLE's five divisions has implemented at least one successful process improvement project. All projects have outcome measures showing how the process has become more efficient and effective – more lean.

A total of eight process improvement projects utilizing the Lean methodology have been completed at CDLE during FY 2012-13. At least one project was completed in each division. CDLE continues to measure the outcomes from each project to ensure sustainability of the improvements recognized by these efforts.

The Lean methodology has encouraged collaboration and greater engagement among staff of all levels within CDLE.

IV. Technology

Objective: Implement optimal technology solutions to deliver timely and accurate customer service

Measurement: Timely resolution of technology issues identified by users of applications and infrastructure as reported in the service desk system.

Performance Measure	Outcome	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Overall CDLE % of service incidents resolved within Service Level Objective	Benchmark	90%	90%	90%	90%
	Actual	97.5% <i>(June 2013 data only)</i>			

Measurement: Percentage of critical systems and applications meeting their availability targets.

Performance Measure	Outcome	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Overall CDLE % of critical systems meeting their availability targets	Benchmark	90%	90%	90%	90%
	Actual	96.7% <i>(June 2013 data only)</i>			

Strategies:

- Define the portfolio of technology projects, services and assets for the Department.
- Develop appropriate technology governance processes to effectively prioritize, manage and report on our technology activities and projects.
- Implement technologies which align with the Governor’s Office of Information Technology roadmap and drive improved costs, productivity and support for the customers of the Department.
- Execute on operational processes and have in place the necessary skills to satisfy project demands, problem resolution needs and system availability requirements.
- Assure appropriate funding is in place for successful technology projects and support activities.
- Complete technology projects which have a positive transformative impact on the Department.

Results:

- 6 new large technology projects completed in 2012-13, which have a positive, transformative impact on the Department including: Bonding Legislation for Unemployment Insurance (UI), FIRP-UI, Rural Consortium access to CDLE network, ISS Employer Self Service, ISS SmartPay, UI IVR Server Virtualization.

V. Partnerships & Stakeholder Relationships

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado

Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

Measurement: 80% of stakeholders acknowledge that their views were heard during the rule making process.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
80% of stakeholders' views heard	Benchmark	80%	80%	80%	80%
	Actual	100%	100%		

Measurement: 16 meetings annually with chairpersons and ranking minority members of the committees of reference

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
16 meetings annually with committees of reference	Benchmark	16	16	16	16
	Actual	16	18		

Strategies:

- Create CDLE annual report and distribute to partners and stakeholders
- Conduct audit review of department online information for jobseekers and use results in new “Jobseeker Toolkit”
- Utilize federal grants to outreach to Colorado’s small employers and on-board into new online tools and services
- Expand “Employer Toolkit” to include all CDLE resources for employers

Results:

- Conducted partner and stakeholder survey for each division on relationship strengths and weaknesses and determined opportunities for enhancement.
- Created CDLE master database to house all department partner and stakeholder contact information for resource mapping, communication and outreach, policy development, and advocacy.

- Created new online “Employer Toolkit” and services for Colorado employers: My UI Employer for unemployment premium information and SIDES for job separations.
- Created workers’ compensation stakeholder group for the Division of Workers’ Compensation
- Partner with federal agencies to conduct three compliance outreach events for the Division of Oil and Public Safety.
- Created new quarterly press release with data from CDLE’s Office of Labor Market Information to provide more up-to-date picture of Colorado’s economy
- Created monthly press calls on employment situation press releases from the Office of Labor Market Information.

Objectives by Division

Following are strategies by division that each is following to meet the department-wide objectives as well as their own division-specific objectives, measures, and strategies.

Unemployment Insurance

The mission of the Unemployment Insurance Program is to provide unemployment insurance in a fair, timely, accurate, and efficient manner to the employers and citizens of Colorado, to stabilize the workforce, and to minimize the impact of unemployment on the state's economy.

I. Customer Service:

Objective: Increase customer satisfaction through more timely and effective interactions with claimants and employers.

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey, and after a baseline is set, will increase by 5% annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2015-16
Customer Satisfaction will increase by 5% annually	Benchmark	N/A	+5%	+5%	+5%
	Actual	Baseline= 49.5%	54.4%		

*New measure based on CDLE strategic plan

Context: Colorado's UI claims load remains approximately 5 percent higher than prerecession levels, but is far lower than the levels at the height of the recession. Even as the economy begins to recover in Colorado, there is still a high demand for customer service, including calls into the Customer Service Center (CSC). Although the demand is still high, the CSC has seen an 83 percent improvement in wait times and a 100 percent increase in the number of calls answered by agents. Currently, Colorado is paying federal emergency unemployment compensation benefits for up to 37 additional weeks beyond the regular unemployment benefits.

Over the past year, the Division increased front-line-service staff positions in the Claimant Services Branch by over 30 percent and nearly 20 percent in the Employer Services branch. The Division's vacancy rate is less than 10 percent as of the beginning of SFY 2014.

A key strategy for the coming year is to further expand self-service applications for both claimants and employers. The My UI suite of applications provides significant enhancements to the service provided to our customers. The My UI Claimant site has been updated this past year to include filing a new claim or restarting a claim and a payment-request application. My UI Employer was launched in late 2012 to allow employers the ability to monitor account status and make premium payments online. My UI Appeals will round out the available applications allowing both claimants and employers to file an appeal and follow its status online and will be available in the last

calendar quarter 2013. A separate online application, known as the State Information Data Exchange Small Employer Website is also available to employers to receive requests for and respond to requests for information about a former employee who applied for unemployment benefits.

Strategies:

- Assessment and feedback: create and implement ongoing customer service surveys
- Establish a culture of service
- Set baseline satisfaction
- Implement changes to improve satisfaction
- Increase opportunities to provide additional survey feedback by making surveys available in various formats

II. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability resulting in high performance.

Measurement: Employee engagement will be demonstrated through improved results on the annual CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2015-16
Improve employee survey results by 5% annually	Benchmark*	Baseline	74.4%%	65.1%	+5%
	Actual	70.9%	62.0%		

*Departmental Policy

Context: Within this objective, the UI Program developed a 3-year plan in 2012 to ensure it meets all federal Core Measures. Measures that are currently failing to meet the acceptable level of performance (ALP) by 10 percent or greater have a multiyear approach to meet the federal metric. The plan includes milestones targeted towards achieving performance levels equivalent to the regional average performance level (Region 4) and/or to the national average performance level first, and with continuous improvement, reaching the ALP, and with an ultimate goal of ranking as one of the top-ten states on those performance measures

Using the Department’s strategic plan, the UI Division created a business plan that outlines tasks to ensure strategic benchmarks are met. Organizational and operational performance will also be tracked through individual performance plans of all staff. Goals for the individual plans are created according to the UI Program’s priorities and performance measurements in the business plan. By evaluating individual and team performance, it is possible to determine the organization’s strengths and its progress towards achieving program goals, priorities, and federal performance results. Success is measured by the Division’s overall performance, rather than that of the individual, team, or branch.

The UI Division recognizes the need to sustain the accomplishments of the completed Lean projects. Thus, the UI Division is developing a Lean cadre to monitor the

completed projects and ensure that all recommendations are fully implemented. This cadre will be made up of staff from all levels and branches within the UI Division and will rotate.

Strategies:

- Mentoring, coaching and staff development
- Creating and sustaining a values-based culture
- Improving communication to and from employees
- Leaders create recognition and acknowledgment system for teams
- All employees communicate and create opportunities for engagement in problem solving, strategizing, and analyzing progress towards performance goals
- All individual staff and teams are aware of their performance accountability expectations concerning State and National Performance Goals and they are reflected in their performance plans
- Create Lean cadre

III. Process Improvement:

Objective: Improve efficiency and effectiveness of operations processes to meet and exceed performance measurements and improve daily operations

Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Implement 1 process improvement annually	Benchmark*	1	1	1	3
	Actual	2	3		

*Departmental Policy

Measurement: Seek to meet all federal compliance standards by FY 2014-15 with emphasis on the federal core measures

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Meet all federal Core Measures by FY 2014-15	Benchmark	12	14	17	17
	Actual	3	7		

Context and Rationale for targeted key Unemployment Insurance processes and outcomes:

In an effort to be “lean” and provide efficient, effective, and elegant customer service, the UI Division looks at all of our systems and processes daily to identify how, when, and where to change, alter, and streamline our customer-service delivery. This includes not only technology solutions, but also includes eliciting ideas from those on the frontline administering the systems and processes and considering national best practices. The primary objective of the UI Division, in support of the citizens and businesses of Colorado, is to minimize the impact of unemployment on the state's economy by ensuring timely and accurate benefit payments to eligible claimants. These core principles ensure that efficiency, effectiveness, and integrity drive our program and support Colorado’s economy.

The UI Division embraces the Lean philosophy. To ensure the success of the completed Lean projects, the UI Division is creating a Lean cadre. The cadre will collaborate with the Process Improvement Team to review all process-improvement suggestions. Through this review, the team will determine the viability of the suggestion and create a scalable process that can be followed for each suggestion creating consistency in the process-improvement efforts.

Prior to 2012, the recovery of overpaid benefits was not considered in the overall improper payment rate. Beginning in 2012, the recovery of the overpaid benefits is considered as part of the rate. The UI Division implemented two new processes to increase the recovery of overpaid benefits.

The UI Division also made improvements in the reviews of premium functions and passed most of the functions in 2012.

Determinations made by the UI Division on unemployment claims and the resulting outcome relative to the percentage of those decisions that are prompt is a key customer service and internal process within the UI Division for a number of reasons:

- The time it takes for decisions to be made on claims can be a primary driver for inbound calls into our Customer Service Center (CSC).
- The adjudication function is a primary driver of other internal functions within the UI Division—its outcomes are inputs into other processes.
- Because of an outdated information technology system platform, there are limitations to access on the status of a pending claim for a customer; this in turns drives inbound calls to the CSC.
- Similarly, current information technology hinders communication capabilities to customers on the status of their pending claim, again driving inbound calls to the CSC.
- Finally, when the UI Division does make payments promptly to waiting customers, it prevents inbound calls.

The second key process within the UI Division is the internal Benefits Accuracy Management (BAM) Team procedure for improper-payment detection, and the resulting outcome measuring the estimated percent of improperly paid benefits to claimants. This is a primary focus for the Division because:

- The percentage of properly paid benefits has a direct bearing on both types of customers—claimants and employers.
- The health of the UI Trust Fund is impacted by the percentage of properly paid benefits.
- The breakout report of improperly paid benefits illuminates for the Division the areas it can control and improve upon for this measure, versus those outside the scope of our direct control.
- Analysis of improper payments suggests strategies that can be used by the UI Division to improve prevention of future improper payments and collection of current improper payments.

- Finally, underpayments of benefits drive inbound calls to our CSC.

These efforts will allow the UI Division to meet these identified performance metrics as well as all federal performance by the end of federal fiscal year 2014-15; the Colorado UI Division will target meeting federal performance standards for 1) payment timeliness on unemployment insurance benefits; and, 2) minimization of improper benefit payments.

Evaluation of Prior Year Performance:

First Pay Promptness

- In calendar year 2012, the UI Division had a 17 percent vacancy rate. That rate is reduced to approximately 5 percent. As this improved through promotions and hiring, first pay promptness was negatively impacted.
- In FFY 14 more staff are focused on direct-service duties, and we will track, through the workload-distribution system, staff productivity.
- In January 2013 the UI Division began planning for training with an emphasis on the law to improve quality scores, which will in turn improve first-pay promptness.

Improper Payments

The three main root causes of improper payments in Colorado in 2012: separation, benefit-year-earnings and work-search issues.

- **Separation**
Improper payments resulting from separation issues occur when BAM investigators determine that a different entitlement decision should have been made on a job separation. In most cases, this occurs because the BAM investigator obtains additional or different information than that available at the time the original decision was made. The BAM program also found improper payments resulting from separation issues. For the majority of cases where the UI Division had responsibility, BAM found that the UI Division either took incorrect action or failed to follow proper procedures. For the majority of cases where the claimant had responsibility, the claimant provided inadequate information. In some instances, the employer did not provide any information or provided late or inadequate information. The UI Division is renewing efforts to focus on quality decisions being made, as well as improving communications with the employer to stress the importance of their participation and responsibility in maintaining the integrity of the UI trust fund.
- **Benefit-Year Earnings**
Improper payments resulting from benefit-year earnings occur when BAM investigators find that a claimant incorrectly report wages or other payments, such as vacation or holiday pay, for a week in which the claimant was paid benefits. The BAM program found improper payments resulting from benefit-year-earnings issues. This occurs when a claimant either did not report earnings or reported earnings incorrectly when requesting payment. The improper payments were generally detected through the claimant interview and/or through verification of wages. We are improving communications to help claimants

understand their responsibility to properly report any work and earnings while receiving benefits, including explicit guidance in publications, e-mail messages when an individual reports earnings when requesting payment of benefits, and verbal messages played on the CSC queue while waiting on hold. Beyond the improved communication efforts, we have implemented a new cross-match system, which enhances and automates overpayment-detection processes. The detection of overpayments enhance our recovery efforts, which has a direct impact on the net improper-payment rate.

- **Work-Search Verification**
Improper payments resulting from work-search verification occur when Benefits Accuracy Measurements (BAM) investigators are unable to verify that a claimant sought work as required. We are improving communications with claimants and coaching continues to be provided to all investigators.

The above analysis of improper payments helps to illustrate why the U.S. Department of Labor (USDOL) set the acceptable standard for improper payments at 10% or less for states—specifically, not all the elements that can be used to determine benefit payments are within the control of the Division, and as such benefit decisions are made on the information available at that time. Further, either party (claimant or employer) can appeal the determination of a benefit, and at that time present new information that can impact the amount of a benefit payment, up or down. Such changes after an appeal still count as improper payments caused by the Division.

Objective: Improve processes to ensure timely and accurate benefit payments

Key Process: Determinations made by the UI Division on unemployment claims

Key Process	Inputs	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Determinations made by the UI Division on unemployment claims	% FTE working within Claims Processing Unit on new claims adjudication	77.9%	91.8%		
	New Claim Filings Per Quarter	Q1=52,494	Q1=38,456		
		Q2=49,248	Q2=48,618		
		Q3=43,251	Q3=45,937		
		Q4=39,171 ¹	Q4=41,020		
	Total Adjudication Issues Detected per Quarter*	Q1=96,051	Q1=105,601		
		Q2=97,336	Q2=106,577		
		Q3=93,969	Q3=106,891		
		Q4=86,663	Q4=108,044		

¹ Data includes claims filed through 09/22/2012.

**NOTE: An issue is a temporary hold established to prevent payment while the UI Division investigates eligibility to collect benefits. An individual claim processed can have multiple issues that must be resolved before a determination can be made.*

Outputs:

Key Process	Outputs	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Determinations made by the UI Division on unemployment claims	Total Estimated Claims Processed per Quarter	Q1=49,743	Q1=51,975		
		Q2=45,674	Q2=46,472		
		Q3=45,637	Q3=49,043		
		Q4=39,686	Q4=47,471		
	Total Issues Resolved per Quarter	Q1=89,539	Q1=114,346		
		Q2=91,347	Q2=102,238		
		Q3=100,402	Q3=107,895		
		Q4=99,216	Q4=105,030		

Outcome Measurement: Meet or exceed federal performance metrics for first payment promptness

Performance Measure	Outcome	FY 2011-12		FY 2012-13		FY 2013-14		FY 2016-17	
		Metric	Change	Metric	Change	Metric	Change	Metric	Change
Meet or exceed federal performance metrics for First Payment Promptness*	National Benchmark >= 87%	87%	0%	87%	0%	87%	0%	87%	0%
	Actual	82.6%	-2%	76%	-7.9%	66.2%	-9.8%		

*Percent of all 1st payments made within 14/21 days after the week ending date of the first compensable week in the benefit year.

Key Process: Unemployment Insurance internal Benefits Accuracy Management Team (BAM) process for improper payment detection.

Key Process	Inputs	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Unemployment Insurance internal Benefits Accuracy Management Team process for improper payment detection	% of FTE within Quality Assurance Team working on Benefit Accuracy Management review	77.8%	77.8%		
	Federally mandated caseload of total claims reviewed per quarter	Q1=123 paid; 124 denied	Q1=120 paid; 123 denied		
		Q2=120 paid; 120 denied	Q2=118 paid; 116 denied		
		Q3=122 paid; 122 denied	Q3=118 paid; 123 denied		
		Q4=120 paid; 123 denied	Q4=125 paid; 120 denied		

Outputs:

Key Process	Outputs	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Unemployment Insurance internal Benefits Accuracy Management Team process for improper payment detection	Improper Payment Error Cause % Breakout ²	Benefit-Year Earnings: 36.4%	Benefit-Year Earnings: 25.45%		
		Separation Issues: 31.5%	Separation Issues: 28.31%		
		Work-Search Verification: 17.2%	Work-Search Verification: 23.34%		
		Other Improper Payment Issues: 7.9%	Other-Pay Issues: 12.27%		
		Eligibility Issues (able to work, available for work, failing to report): 5.9%	Ability/Availability to Work: 5.38%		
			Work Registration: 4.13%		

² Preliminary data through April 30, 2013

		Base Period Wage Issues (incorrect wages used to determine benefits): 1.1%	Base Period Wage Issues (incorrect wages used to determine benefits): 1.13%		
Improper Payment Error Responsibility % Breakout	Claimant Only: 58.4%	Claimant Only: 55.15%			
	Claimant, Employer, and Agency: 12.6%	Claimant, Employer, and Agency: 4.54%			
	Agency Only: 11.9%	Agency Only: 7.33%			
	Claimant and Employer: 7.9%	Claimant and Employer: 15.20%			
	Claimant and Agency: 5.7%	Claimant and Agency: 8.69%			
	Agency and Other: 1.4%	Agency and Other: 0%			
	Employer and Agency: 1.1%	Employer and Agency: 4.79%			
	Claimant, Employer, Agency, and Other: 1%	Claimant, Employer, Agency, and Other: 0.91%	Employer Only: 3.4%		

Outcome Measurement: Reduce the percentage of improper payments to the nationally acceptable level (as an extrapolated percentage of all UI benefits payments)

Performance Measure	Outcome	FY 2011-12		FY 2012-13		FY 2013-14		FY 2016-17	
		Metric	Change	Metric	Change	Metric	Change	Metric	Change
Reduce the percentage of improper payments to the national acceptable level.	National Benchmark <= 10%	12.5% (National Average)	-28% (from 2010 level)	10.67% (National Average)	-20%				
	Actual	12.9%	-27%	10.85%					

Strategies:

- Establish Lean cadre that will maintain improvements resulting from Lean projects
- Establish a Process Improvement Team made up of all branches

First Pay Promptness:

- During FY 2013 increase the number of staff processing claims to allow the UI Division to focus on not only first-payment timeliness, but also the other federal measures for adjudication timeliness and quality.
- Track performance data for individual staff on a weekly basis and are holding management and staff accountable for performance moving forward.
- Establish a training curriculum to focus on principles of the statutes to enable staff to make timely and correct decisions.

Improper Payments:

- In coordination with the national effort to ensure program integrity and reduce improper payments, the UI Division has developed a three-pronged approach to reduce improper payments focused on: Prevention, Detection, and Collection.
- We have increased the number of staff resources dedicated to the detection and collection of improper payments.
- Technological improvements are in progress. In addition to our ongoing four-state consortium project to modernize our benefits and premiums system, UI implemented the automated Benefit Audit, Reporting, and Tracking System (BARTS), which will increase early detection of earnings overpayments. BARTS provides substantial automation to the once manually labor-intensive cross-match process (the screening of employer-reported quarterly wages against benefits paid). BARTS also facilitates comparisons between the National New Hire Database (NDNH) and the State New Hire Database (SDNH)
- Federal systems are being used to verify legal-immigration status, validate social security numbers, and conduct cross-match audits.
- In January 2013 we began utilizing the Treasury Offset Program, which allows benefit overpayments caused by unreported earnings and/or fraud to be collected by intercepting federal income-tax returns, which resulted in more than \$3 million recovered since its inception. We also intercept state income tax returns and gambling proceeds.
- BPC is now able to accept credit-card payments as an additional method for an individual to make a payment towards an overpayment debt.
- In addition to our collections work internally, state statute enables the UI Division to receive offsets from state tax refunds, lottery winnings, and gaming proceeds on accounts referred to Department of Personnel and Administration’s Central Collection Services.

Key Workload Indicators:

Number of Weeks Claimed

Calendar Year	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Estimate*	2014 Forecast*	2015 Forecast*	2016 Forecast*
UI Weeks Claimed	1,562,509	3,673,371	3,386,823	2,692,331	2,345,180	2,068,742	2,110,117	1,849,367	1,890,977

*Forecast assumes moderate growth in the economy.

IV. Technology:

Objective: Create and implement a long term strategy for a state of the art information technology platform for national UI model to enhance service to claimants and businesses.

Measurement: Develop systems which improve ease of access to services or provide customers choices for more effectively conducting business with the Division.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
<i>Increase employer utilization of Premium Payment tool</i>	<i>Benchmark</i>	N/A- new tool	Baseline	+15%	+15%
	<i>Actual</i>	N/A- new tool	1,431		

Context: While UI technology is outdated and inflexible, the UI Division is implementing and marketing new self-service tools to customers to provide better service. These tools streamline current processes and will integrate with new technology once implemented. These technologies include online applications that allow all of our customers to communicate with us in a more efficient manner.

Strategies:

- Simplify our approach and consolidate systems and processes where possible
- Develop 1-3 year technology strategy and priority plan
- Develop communication plan for operations and project liaisons
- Market and onboard employers to use the online services, including SIDES and My UI
- By December 31, 2016, implement the new CUBS and CATS systems in UI

V. Partners and Stakeholders:

Objective: Leverage internal and external key partnerships and inter/ intra team actions to meet or exceed acceptable performance levels for all core metrics, achieve strategic goals, and become a top ten UI program.

Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

*Departmental Policy

Measurement: 80% of stakeholders acknowledge that their views were heard during the rule making process.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
80% of stakeholders' views heard	Benchmark	80%	80%	80%	80%
	Actual	80%	80%		

*Departmental Policy

Context: The focus of this objective is to improve relationships with internal and external partners to more efficiently and effectively administer the UI program. To accomplish this, we must elicit assistance and feedback from our partners and stakeholders to better create new processes. The results of a successful partnership will move us toward the ultimate goal.

Strategies:

- Continue to assess who the Division's current partners are and the value each offers to the other
- Established an internal taskforce to draft and review legislation and rule proposals
- Continue to refine the rules process by soliciting input from stakeholders
- Continue to work with UI Stakeholders, comprised of business, worker, and labor interests to consider all viewpoints
- Continue to integrate UI and workforce systems through partnerships and collaboration
- Leverage best practices to better integrate administration of UI with rapid reemployment of eligible UI claimants

Employment and Training and the Colorado Workforce Development Council

Employment and Training includes Workforce Development Programs and the Rural Workforce Consortium. Its mission is to provide administration and delivery of workforce initiatives that enhance Colorado's economic vitality. The Colorado Workforce Development Council (CWDC) provides leadership and direction for workforce programs in the state. Its mission is to create a business-focused system that integrates the work of economic development, education, training, workforce development, government, and business stakeholders in creation of and access to a highly competitive workforce.

Process

In alignment with the strategic direction of the Colorado Workforce Development Council, Workforce Development Programs administers, oversees, disseminates funding, creates policies, and develops virtual technologies to support the statewide network of workforce centers who are primarily responsible for direct services to job seekers. Workforce centers, including those in the Rural Workforce Consortium, offer both one-on-one and self-service options to job seekers, who may choose to access these services on-line through Connecting Colorado, the Virtual Job Fair or the Virtual Workforce

Center at Libraries, or go in-person to a workforce center. All job seekers register in Connecting Colorado; then they may receive a variety of services, including access to job listings, matching to appropriate openings and referrals to employers, vocational counseling, skills assessments, labor market information, work search workshops, job fairs, and, when appropriate, referrals to training programs that will increase their ability to compete for jobs. All job seeker services, outputs, and outcomes are captured in Connecting Colorado including the “Total Job Seekers Served” and the “Percentage of Persons Working in the Quarter Immediately Following Receipt of Workforce Services.”

Outputs

Description	FY 11-12	FY 12-13	Percent Change	FY 13-14 Projection	FY 16-17 Projection
Total Job Seekers Served	460,662	469,798	+2%	475,000	485,000
Total Job Openings Received	186,046	1,005,624*	+441%	1,100,000	1,150,000

*Job openings have increased in part because of the gradual increase in jobs created, but primarily because CDLE now has access to the job listings from US. Jobs, the national data based supported by a consortium of businesses and the National Association of State Workforce Agencies.

I. Customer Service:

Objective: Increase customer satisfaction

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey and after a baseline is set will increase by 5% annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Customer Satisfaction will increase by 5% annually	Benchmark*	TBD	+5%	+5%	+5%
	Actual	Baseline = 70%	70.56%		

*New measure based on CDLE strategic plan

Measurement: 5% increase in employer participation in Connecting Colorado annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
5% increase in employer participation.	Benchmark*	TBD	+16,422	21,113	+15%
	Actual	Baseline = 15,640	20,108		

*New measure based on standard set by statewide Business Services Alignment Initiative to support the strategic direction of the Colorado Workforce Development Council and the Colorado Blueprint

Measurement: 5% increase in Libraries participating in the Virtual Workforce Center at the Libraries initiative.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
5% increase in library participation.	Benchmark*	40	32	50	+5%
	Actual	30	48		

*When the project began, there were approximately 80 libraries that benefited from improved broadband connectivity. At that time, it was estimated that half of them, or 40, would potentially participate as Virtual Workforce Centers at the Libraries.

Objective: Increase entered employment outcomes and business participation in the workforce system to support the Colorado Blueprint goal to “Educate and train the workforce of the future.”

Measurement: Meet the negotiated percentage goal of persons working in the quarter immediately following receipt of workforce services.

Performance Measure	Outcome	FY 2011-12 Actual		FY 2012-13 Actual		FY 2013-14 Estimate		FY 2016-17 Estimate	
		Incidents	Change	Incidents	Change	Incidents	Change	Incidents	Change
The percentage of persons working in the quarter immediately following receipt of workforce services	Benchmark*	53%	+3%	54%	+1%	55%	+1%	58%	+3%
	Actual	52.01%	-1.18%	52.87%	+0.86%				

*This measure is negotiated annually with the US Department of Labor

Strategy: Employment and Training’s programs will pursue implementation of the following strategies to increase employment outcomes for all job seekers, UI claimants and those completing training programs, and increase employer participation in the workforce system:

- Support sustainability of the targeted industry sector initiatives maximizing employment and training opportunities across all growth industries across the state.
- Implement technology initiatives that offer “anywhere, anytime” educational and employment opportunities to Colorado’s job seekers, students, employers, and workforce professionals.
- Make available Virtual Workforce Centers at the Libraries to support the Rural Workforce Consortium region including 52 counties. Methods to measure success will be identified for outcomes such as the following:
 - ✓ Jobs Posted
 - ✓ Jobs created
 - ✓ Training Completed
 - ✓ Certifications
 - ✓ Job orders filled and people hired
 - ✓ People served by us and our partners

- Develop an impact analysis model that includes business impact to evaluate the overall effectiveness of workforce programs.

Context: Workforce business services are provided by the state through workforce programs and by each local region. The services provided vary by region; this is confusing and frustrating for businesses and job seekers alike. Standardizing the core basic services that are provided to businesses through the workforce system, we will be able to better serve all customers and more clearly identify opportunities for collaboration. Additionally, the Virtual Workforce Center will provide greater access to workforce services for both job seekers and employers.

Evaluation of Prior Year Performance: Outcomes for all workforce system employment and training programs were directly impacted by the jobless recovery and budget reductions initiated by Congress. This is evidenced by the FY 2011 decrease in the percentage of all job seekers and UI claimants obtaining employment by the first quarter after services were provided. The exception was those receiving training, which speaks directly to the competitive edge that recent training and achievement of credentials provides to those seeking employment. The number of employers accessing the workforce system increased; one positive indicator that economic recovery is occurring, however slowly.

Despite these challenges, the percentages achieved met the US Department of Labor standards for “entered employment” at the 80% of goal or greater level. This is considered acceptable and not subject to a corrective action plan process. Workforce Development Programs expects to improve program performance with the strategies detailed above as the economy strengthens and additional jobs are created.

II. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability resulting in high performance.

Measurement: Employee engagement will be demonstrated through improved results on the twice-yearly CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Improve employee survey results by 5% annually**	Benchmark*	NA	82.6%	72.2%	79.18%
	Actual	78.7%**	68.8%***		

*New measure based on CDLE strategic plan

** Source: Is an average of the percent results for WDP and RC from June 2011 survey

*** Source: Combination of WDP and RC June 2012 surveys derived from raw numbers.

Measurement: 100% of managers and supervisors go through new performance evaluation training.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% performance evaluation training	Benchmark*	100%	100%	100%	100%
	Actual	100%	100%		

*New measure based on CDLE strategic plan

Strategies:

- During FY 13-14 and FY 14-15, programs will implement mechanisms for staff to provide input to guide strategic planning and support the restructuring of programs in the Division with a focus on Lean processes
- Each program will incorporate CDLE’s values and align behaviors into managers’ performance plans
- Programs will provide regular all-staff meetings utilizing available technology to allow employees across the state to participate Once each quarter, staff in field offices will host the meeting and set the agenda.
- Each year two all-staff sessions will be held to train staff on pertinent programs, policies, technologies and other strategies to implement the strategic plan.
- Improved engagement will be measured through the yearly employee satisfaction survey

III. Process Improvement:

Objective: Reform and Improve Key Processes

Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Implement 1 process improvement annually	Benchmark*	1	1	1	1
	Actual	1	1		

*New measure based on CDLE strategic plan

Strategies:

- During FY 13-14 and FY14-15, Workforce Development Programs will expand the use of electronic forms to create and manage on-line sign-off and tracking of internal documents.
- The Colorado Rural Workforce Consortium will create a level of consistency and performance through a regularly updated Operations Manual and providing training on how to use the manual, providing training on best practices through the Virtual Workforce Centers, Business Services standardization, and coordination of resources and marketing.
- The CWDC will utilize a variety of facilitation tools to engage partners, stakeholders and council members in effective meetings and work sessions that produce action, clearly defined implementation and measurable outcomes.

- Align business services processes and messaging across workforce regions, using a Lean approach, to improve the delivery of basic business services and enhance the development of on-the-job training and internships.
 - Create a unified message for the workforce system reflecting the alignment
 - Work with the Business Services Alignment initiative to develop and issue comprehensive policy and procedures for the listing of job openings and conduct of business services activities.
 - Incorporate this effort into the Colorado Workforce Development Council’s performance incentive system.
- Utilize a LEAN approach to streamline the eligibility and enrollment processes for Workforce Investment Act programs in local workforce centers, resulting in increased enrollments, a greater focus on intensive reemployment services, and a lower cost per participant.

Context: These initiatives will create improved consistency, continuity, and efficiency as well as greater engagement and better information.

IV. Technology:

Objective: Implement optimal technology solutions to deliver timely and accurate customer service.

Measurement: Percentage of critical systems and applications meeting their availability targets.

Performance Measure	Outcome	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Employment and Training – Connecting Colorado Availability - % of time system meets availability target	Benchmark	90%	90%	90%	90%
	Actual	N/A			

*New measure based on CDLE strategic plan. Data collection beginning fall 2013.

Strategies:

- During FY 2013-14 and FY14-15, Workforce Development Programs will continue expanding statewide access/usage of the Virtual Job Fair technology to support hiring by employers and access to job openings by individuals. It is anticipated that more than 25,000 individuals will benefit from this new service each year.
- During FY2013-14 and FY14-15, Workforce Development Programs will promote increased usage of document scanning by the local workforce centers to create paperless customer case files, thus streamlining the process of file storage and allowing remote monitoring of case files for compliance with legal and policy requirements.
- As part of an ongoing upgrade to e-colorado.org, Employment and Training’s knowledge management portal, Workforce Development Programs (WDP) has purchased on-line forms creation and management software, known as Smart

Forms. WDP has trained staff in the use of the software and made it available to all sections of the Division and the statewide network of workforce centers. Workforce Development Programs is now making this software available to the other Divisions in the Department. The result will be the reduction in paper documents and the streamlining of internal review processes.

- The Rural Workforce Consortium will complete development of the first phase of Virtual Workforce Centers at the Libraries. This partnership with the libraries will provide workforce center services to communities without workforce centers.
- The CWDC will continue to create effective and efficient methods of communication and collaborative meetings through the use of virtual meetings, work sessions and board meetings. Cost savings of a virtual meeting versus an in-person meeting is over \$15,000 per meeting. Savings in the number of hours required of CWDC members (volunteers) and staff in drive-time alone will exceed 100 hours per meeting.

Context: As resources, including staff time, and funding, become more scarce, the Employment and Training division is working to create more efficient ways to hold meetings and meet customer needs through technology. Virtual meetings, job fairs, and workforce centers enable more customers, partners, and staff members to participate and in a more cost effective and convenient manner.

V. Partners and Stakeholders:

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado.

Measurement: 90% active participation of council members.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
90% active participation of council members	Benchmark*	90%	90%	90%	90%
	Actual	85%	87%		

*CWDC’s goals for active engagement of members

Strategies:

- The CWDC will convene partners and stakeholders to align the efforts of economic development, education, workforce development, government and business at the local, regional and state levels.
- Building upon the alignment work, the CWDC will convene program level staff of stakeholder and partner organizations to develop a cross functional multi-agency Career Pathways initiative.
- The Consortium will engage in a comprehensive asset mapping effort with its partners to identify influence points, tell its story, identify advocates and testimonials, and then develop strategies to maximize those assets.
- Workforce Development Programs will continue to pursue cross-agency partnerships to implement employment and training initiatives that benefit workers and business across the state. These include:

- Pilot projects with Unemployment Insurance (UI) and workforce centers to identify UI claimants who are eligible for dislocated worker training services
- H1B grant, in partnership with workforce regions and key businesses, to train incumbent workers and long-term unemployed in high tech occupations
- Partnerships with the community colleges to identify, assess, and refer appropriate candidates to developmental education, energy industry training, and other courses leading to business-recognized credentials

Context: We must utilize these challenging times to get better at what we do, to increase effectiveness and responsiveness to ensure ease of business engagement in government, to eliminate redundancies where possible, increase collaboration, leverage resources, and increase communication. Employment and training recognizes that it “cannot do it all.” The Division will do what it does best, and link to the rest. The synergies we find by working closely with our partners and stakeholders will enable us to provide increased value even during these challenging times.

Division of Labor

The mission of the Division of Labor is to aid Colorado employees, employers, and the general public through the responsible administration, regulation, and enforcement of Colorado labor laws.

I. Customer Service:

Objective: Increase customer satisfaction

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey and after a baseline is set will increase by 5% annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Customer Satisfaction will increase by 5% annually	Benchmark	TBD	+5%	+5%	+5%
	Actual	49.5	61%		

Objective: Gather information about customer experiences with the Division and develop programs to improve customer service satisfaction rates

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey and after a baseline is set will increase by 5% annually.

Strategies:

- Assessment and feedback: create and implement ongoing customer service surveys
- Establish a culture of service
- Implement changes to improve satisfaction

The Department has identified three common areas for improvement:

- Timeliness on service delivery;
- Consistency among staff; and
- Website navigation.

The Division is in the process of implementing improvements to address these three themes.

Performance Measure	Outcome	FY 2012 Actual	FY 2013 Actual	FY 2014 Estimate	FY 2017 Estimate
Percentage of claims successfully resolved* through mediation, conciliation, and other efforts.	Benchmark	85%	85 %	85 %	85%
	Actual	88%	86%		

* Successful claims include paid wage claims and achievement of employer compliance. Unsuccessful claims include employer bankruptcy, lack of Division authority, and employer noncompliance.

Strategies:

- Constant refinement of publications and website content in conjunction with Google analytics results and search trends;
- Increased outreach to a broad customer base through multi-method educational programs;
- Continue to utilize a multifaceted approach in making sure that employees are treated fairly including:
 - ✓ Extensive educational efforts;
 - ✓ Rulemaking, and
 - ✓ Compliance activities
- Focus on: increased staff training
- Improve, and standardize agency claim processing and quality control review procedures

Context: The customer base for the Division of Labor includes employees, employers, third-party representatives, law firms, and many others. All such customers seek and request timely and accurate information; desire a fair opportunity to present their perspective or inquiry to the agency; and wish to be treated with respect, professionalism, and impartiality. The Division of Labor's educational materials are at the forefront of establishing and conveying Colorado's workplace requirements; creating, maintaining, and revising publications and public materials are crucial to ensuring that customers are well educated and informed through all phases of their interactions with the Division. Diversity in methods of correspondence, expediency in response to inquiries, and expertise in the subject matter are common preferences of the Division's customers.

Outcome: The Division places a strong emphasis on achieving proper and timely payment of valid wage claims. However, historical precedent and recent economic trends have demonstrated that a relatively small percentage of employers will refuse to comply with the law and compensate their employees appropriately. The approximately 12 to 14% of wage claims that are ultimately classified as non-compliant typically involve employers who (1) do not have the funds to pay their employees, (2) are actively engaged in criminal or illegal behavior, or (3) wish to litigate or pursue the dispute in another forum (Usually Court).

Evaluation of Prior Year Performance: A new Wage Order and State Minimum Wage were successfully issued and implemented on schedule in January of 2013. New Advisory Bulletins were issued on their target date (and subsequent improvements have also occurred). Accompanying fact sheets, guides to the law, and staff training documents were all updated and disseminated in a timely fashion. The Division's 5,348 new claims in FY 11-12 were slightly higher than the 5,260 new claims received in FY 12-13. The lower amount of new claims may be due to deteriorating economic conditions and a significant number of failed/bankrupt businesses which lead to workers' choosing not to file.

II. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability resulting in high performance

Measurement: Employee engagement will be demonstrated through improved results on the twice-yearly CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Improve employee survey results by 5% annually	Benchmark	NA	46.1%	64.1%	+5%
	Actual	43.9%*	61.0%		

*Data source is the January 2012 survey.

Measurement: 100% of managers and supervisors go through new performance evaluation training.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% performance evaluation training	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

Strategies:

- The Division is in the process of creating a wide array of new policies, charts, and checklists. These materials will clearly define expectations, resolve areas of uncertainty, and assist managers in meeting their goals.
- Employees at the Division have been afforded increased opportunities to avail themselves of training, education, professional advancement, and other programs that serve to improve workplace knowledge and skills while also boosting morale and camaraderie.

Context: The ongoing improvements at the Division of Labor, in tandem with a renewed emphasis on employee input and feedback, have created an atmosphere well suited to encouraging success, monitoring performance, and attending to areas of deficiency.

III. Process Improvement:

Objective: Reform and Improve Key Processes

Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Implement 1 process improvement annually	Benchmark	1	1	1	1
	Actual	1	1		

Strategies:

- Review and update all Advisory Bulletins
- Eliminate seven Employment Verification audit tracking spreadsheets (Random, Questions, Complaints, Re-audits, Fine Log, Fine Payments, NAICS Analysis)

- To replace the spreadsheets, add fields to the eComp software enabling streamlined aggregate reporting across all Employer-level audit records.
- Eliminate downtime and potential delays in addressing time sensitive audits.

Context: The Division of Labor has initiated a number of significant process improvement projects; these new endeavors are ongoing and crucial to the efficient implementation of employment verification laws. The projects provided staff with the tools to complete their work more rapidly and consistently.

IV. Technology:

Objective: Implement optimal technology solutions to deliver timely and accurate customer service

Measurement: Percentage of critical systems and applications meeting their availability targets.

Performance Measure	Outcome	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Division of Labor – Call Center IVR Availability - % of time system meets availability target	Benchmark	90%	90%	90%	90%
	Actual	N/A			

*New measure based on CDLE strategic plan. Data collection beginning fall 2013.

Strategies:

The Division of Labor will continue to implement planned and emerging eComp changes in scheduled phases, with ongoing testing, revisions, and increased functionality expected in both the short- and long-term. Changes include:

- Increasing program usability both internally and externally;
- Modifications to the online wage complaint submission form; and
- Adding extensive functionality to increase the efficiency of Compliance Officers.

Context: The technological goals of the Division of Labor are comprised of the constant assessment, refinement, and incorporation of new technologies and systems which attain improved staff and customer service experiences.

V. Partners and Stakeholders:

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado.

Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

Measurement: 80% of stakeholders acknowledge that their views were heard during the rule making process.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
80% of stakeholders' views heard	Benchmark	80%	80%	80%	80%
	Actual	90%	90%		

Strategies:

The Division of Labor will collaborate extensively with a number of agencies and associations to:

- Communicate and cooperate on areas of common interest;
- Provide employers and employees with compliance assistance information;
- Offer Division services and educational presentations.
- Post new Division of Labor content and materials on partner websites.

Context: The Division of Labor actively collaborates and partners with many different agencies, organizations, associations, and individuals. The common goals of all such interactions include information sharing, an increased ability to enforce Division laws and regulations, receipt of constructive feedback on Division services, laws, and regulations, and the dissemination of educational information to the public.

Division of Oil and Public Safety

The mission of the Division of Oil and Public Safety (OPS) is to protect the public and our environment by ensuring the safe storage and use of fuel products and explosives, and the safe operation of amusement rides, boilers and conveyances.

I. Customer Service:

Objective: Increase customer satisfaction

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey and after a baseline is set will increase by 5% annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Customer Satisfaction will increase by 5% annually	Benchmark	TBD	75.0	+5%	+5%
	Actual	70.4	85.0		

Strategies:

- Begin developing customer service surveys for OPS customers
- Implement random customer service surveys following customer interactions in the field and office

- Increase the amount of online and electronic transaction options for customers to use in lieu of paper
- Minimize hazards that cause injuries by increased enforcement of violations noted during field inspections.
- Place a high priority on thorough and quality inspections that effectively identify violations.
- Use inspector time to instruct facility operators on proper methods to achieve compliance which will directly minimize hazards that could potentially cause accidents or injuries.

Context: State government exists to serve the public, and only through great customer service for both our internal and external customers will we realize our vision of quality and excellence in all we do. By July 1, 2012 begin implementing random customer service surveys following customer interactions in the field and in the office. The survey data will be evaluated to identify and develop ways for us to better serve our customers' needs. Other ongoing customer service initiatives include transition to a more paperless environment utilizing more electronic report submittals and enhancements to the existing online fee payment and electronic fund transfer capabilities that already exist in the Oil and Boiler programs, expanding them to all OPS programs by December 2013.

II. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability resulting in high performance

Measurement: Employee engagement will be demonstrated through improved results on the twice-yearly CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Improve employee survey results by 5% annually	Benchmark	Baseline TBD	89.1%	79.1%	+5%%
	Actual	84.9%%*	75.3%		

*Data source is the June 2011 survey

** Data source is the June 2012 survey

III. Process Improvement:

Objective: Reform and Improve Key Processes

Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Implement 1 key process improvement annually	Benchmark	1	1	1	1
	Actual	1	1		

Strategies:

- Begin evaluating all major regulatory review and approval processes within OPS
- Implement changes to improve quality and efficiency of service delivery

Context:

The OPS utilizes hundreds of processes in the daily implementation of its various regulatory programs, in the office as well as in the field. While the processes are routinely evaluated and improved upon, there is always room for further improvement. OPS will be conducting a reorganization and consolidation of the three Oil programs (Inspection, Remediation and Fund) which will result in numerous process improvements, some through the elimination of duplicative or redundant efforts. Another area of focus is the transition towards a paperless environment. Continuously seeking and implementing employee driven process improvements will enable OPS to effectively accomplish our vision and our mission to ensure environmental protection and public safety.

IV. Technology:

Objective: Implement optimal technology solutions to deliver timely and accurate customer service.

Measurement: Percentage of critical systems and applications meeting their availability targets.

Performance Measure	Outcome	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16
Oil and Public Safety – Amanda Application Availability - % of time system meets availability target	Benchmark	90%	90%	90%	90%
	Actual	N/A			

*New measure based on CDLE strategic plan. Data collection beginning fall 2013.

Strategies:

- Complete a consolidated OPS Enterprise Database, which will help transition OPS towards a paperless environment.

Context: Each section within OPS currently stores, accesses and processes data utilizing separate disparate databases that don't communicate with each other. These database applications are built on platforms that are obsolete and no longer fully supported, and their failure could potentially impact OPS operations. Two years ago OPS submitted a decision item and capital construction request to procure and build a consolidated Enterprise Database to support all the OPS programs on one platform and move to a paperless environment. This \$1.6 million request was approved in 2009. The RFP for vendors was developed in 2010, and in September 2011 a vendor was selected and has already begun preliminary work on the Enterprise Database.

V. Partners and Stakeholders:

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado.

Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	80%	100%		

Measurement: Participate in at least 5 major outreach events annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Participate in at least 5 major outreach events	Benchmark	5	5	5	5
	Actual	5	7		

Strategies:

- Identify important outreach events
- Schedule participation in outreach events

Context: The cornerstone of OPS’s success and ability to get things done, and the one thing that separates OPS from other regulatory agencies are the great relationships we have with our partners and stakeholders. The trust and confidence that our partners and stakeholders have in us, that is evidenced by them not just supporting but championing our initiatives, comes from our continuous engagement with them. By December 31, 2012 OPS will participate in at least five state or national meetings actively engaging with partners and stakeholders. Some of the events will include partnering with other state environmental regulatory agencies such as CDPHE at an all-day outreach meeting hosted by the Colorado Hazardous Waste Management Society in October 2011, partnering with the federal EPA at the National Tanks Conference in St Louis in spring 2012, hosting the Western Weights and Measures Associations annual technical conference in Breckenridge in September 2012, conducting a series of outreach training events for the regulated community throughout the state, and partnering with local associations such as the Colorado Wyoming Petroleum Marketers Association and contractors and consultants.

Division of Workers’ Compensation

The Division of Worker’s Compensation’s (DOWC) mission is to assure the quick and efficient delivery of disability and medical benefits to injured workers at a reasonable cost to employers, without the necessity of litigation.

I. Customer Service:

Objective: Increase customer satisfaction

Measurement: Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey and after a baseline is set will increase by 5% annually.

Process:

1. Promote employer participation in the Premium Cost Containment Program through educational outreach and individualized technical assistance.
2. Evaluate applications for new certification and audit existing certified employers through file review, accident investigation, and site visits/inspections for compliance with program requirements.
Advise board in their decision to approve, continue, deny, or revoke certification of employers in the program.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Customer Satisfaction will increase by 5% annually	Benchmark	TBD	+5%	+5%	+5%
	Actual	70.4	30.4		

Objective: Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment program (PCC).

Measure: Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment Program (PCC) by five percent annually. Benchmark represents 5% increase in cost reduction over prior year.

Outputs:

1. Educational outreach events to promote program participation to employers.
2. Accident investigations of new applicant and currently certified employers.
3. Site visits/inspections of new applicant and currently certified employers.
4. Review of new, and renewal applications for certification in the program.
5. Staff support and advice to the Cost Containment board.

Performance Measure	Outcome	FY 2012 Actual		FY 2013 Actual		FY 2014 Estimate		FY 2017 Estimate	
		reduction	reduction	reduction	change	reduction	change	reduction	change
Reduce costs associated with workplace accidents for employers participating in the Premium Cost Containment program (PCC) by 5%.*	Benchmark	\$17.9M	\$17.9M	\$18.8M	5.0%	\$19.7M	5.0%	\$20.7M	5.0%
	Actual	\$16.9M	\$16.9M	\$22.5M	33.0%				

*This is measured in reduced costs in the latest year as compared to the previous year. PCC accident cost reduction.

Objective: Comply with statutory mandates of the Subsequent Injury and Major Medical Insurance Funds requiring the provision of medical benefits to “promote recovery, alleviate pain or reduce disability” in the most timely and cost effective manner, as well as acting as responsible stewards of the monies intended for the provision of medical and compensation benefits, including the denial of payment that exceeds or is outside the purview of their intended use.

Measure: Pay liabilities of the Subsequent Injury and Major Medical Insurance Funds at or below the annual independent actuarially estimated level. Benchmark represents expected costs as estimated by independent actuary.

Process:

1. Judiciously adjust claims while overseeing expenses and establishing reserves based on historical data and injury type.
2. Make inquiries of physicians to ensure that treatment is reasonable, necessary and related.
3. Apply fee schedule cost caps to provider reimbursements and negotiate those charges which fall outside the Colorado fee schedule.
4. Utilize codified Medical Treatment Guidelines, independent medical evaluations and review by nurse case managers to ensure quality care at a reasonable cost.
5. Deny payment of those benefits that are outside the purview of these funds in accordance with the mandate of the General Assembly.
6. Pay lifetime wage replacement and dependents’ benefits to individuals who have established entitlement, applying statutory offsets and credits where applicable.

Performance Measure	Outcome	FY 2012 Actual		FY 2013 Actual		FY 2014 Estimate		FY 2017 Estimate	
		Total costs	Total costs	Total costs	difference	Total costs	difference	Total costs	difference
Oversee and manage the payment of liabilities associated with the Subsequent Injury and Major Medical Insurance Funds, controlling costs as a fiduciary for the funds while delivering all benefits owed in accordance to statute	Benchmark	\$10.4M	\$10.4M	\$10.7M	3%	\$11M	3%	\$11.3M	3%
	Actual	\$8.7M	\$8.7M	\$7.8M	(10%)				

*Actuarial estimates for expenses for this period are not expected to be published until 12/13.

Outputs: Provide oversight and issue payment of claims for compensation and medical benefits from the Subsequent Injury, Major Medical and Medical Disaster Funds. Limit payments to those claims where entitlement to compensation has been established, ensuring all statutory offsets and credits are taken and reimbursement of medical benefits is reasonable, necessary, related and paid according to fee schedule. Ensure that all payments receive a secondary (audit) review prior to issuance.

Strategies:

- Rollout customer service survey
- Evaluate responses
- Make appropriate changes
- Involve more employers in the Premium Cost Containment (PCC) program by:
 - ✓ Actively participating at events frequented by targeted employers to leverage opportunities for education.
 - ✓ Working closely with workers' compensation insurers and brokers to promote the effectiveness of the PCC program so that they will in turn encourage policyholder participation.

Context: The DOWC exists to administer the workers' compensation system in a manner that assures the quick and efficient delivery of disability and medical benefits to injured workers at a reasonable cost to employers, without the necessity of litigation. The customers we serve expect us to accomplish this mission as effectively and efficiently as possible. The division therefore believes that this expectation is best met through active communication and engagement with our customers on a regular basis.

Evaluation of Prior Year Performance:

The drop of (.5%) in reductions over the previous year is believed to be due in part to many of the certified employers being hit hard by the recession. Although the program is

open to all industries, a significant number of participating employers tend to be in higher risk industries such as construction. Due to reduced work, layoffs, and other economic factors, many of these employers were not able to aggressively offer return-to-work/modified duty positions to their injured workers. Such efforts are usually a routine aspect of workers' compensation cost control, but it has often not been a viable option to these businesses in the current economy.

Key Workload Indicators:

Key workload indicators include the total number of employers certified each month and year, number of educational outreach events for the purpose of increasing participation in the program, and number of employer site visits for the purpose of verifying program effectiveness.

Premium Cost Containment Program	FY 2010-11	FY 2011-12	FY 2012-13
Educational Outreach Events	13	7	16
Employer Program Audits and On-Site Visits	8	23	17
Certified Employers Reviewed	1,698	1,700	1,765

II. Employee Engagement and Accountability:

Objective: Establish a culture of employee engagement and accountability resulting in high performance.

Measurement: Employee engagement will be demonstrated through improved results on the twice-yearly CDLE employee survey.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Improve employee survey results by 5% annually	Benchmark	NA	81.1%	62.6%	+5%
	Actual	77.2%*	59.6%**		

*Data source: June 2011 Employee Engagement Survey

**Data source: June 2012 Employee Engagement Survey

Measurement: 100% of managers and supervisors go through new performance evaluation training.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% performance evaluation training	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

Measurement: 100% staff participation in staff development.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% participation in staff development	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

Strategies:

- Establish a training or staff development program specific to the needs of every unit within the DOWC
- Begin implementing the above training, with at least one training to occur for each unit within the division
- Conform with department-wide efforts to survey employees for engagement and respond with appropriate actions, establish a management team to analyze the results to lead an employee involved collaborative group to recommend change actions

Context: The DOWC recognizes that our success is dependent on the skills, training, and commitment of our staff members. To ensure that our staff members are ready to meet shifting and growing challenges, we are prepared to make the important investments needed to maintain and expand their capabilities and to inspire innovation. Through active and continual involvement of our staff in the development of our strategies and day-to-day work we will create the essential platform for success.

III. Process Improvement:

Objective: Reform and Improve Key Processes

Measurement: Identify and implement at least one key process improvement annually.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
Implement 1 process improvement annually	Benchmark	1	1	1	1
	Actual	1	1		

Strategies:

- Identify at least two existing staff members to assist the DOWC supervisor of project and data management in his role a key coordinator of the department’s process improvement initiative
- Train the above-identified staff members in the LEAN method of process improvement, and begin practical application of the process improvement with at least one program
- Review 40 recommendations for amendments to the workers’ compensation rules of procedure, as submitted by key stakeholders

Context: The DOWC has numerous programs that serve the public and our stakeholders in many ways. How these programs fulfill their objectives is dependent on dynamic processes that require continuous review. The DOWC is committed to discovering the best method for reviewing work processes, evaluating the alternative means to

accomplish any particular task, implementing the optimal alternative as efficiently as possible, and monitoring its success.

IV. Technology:

Objective: Implement optimal technology solutions to deliver timely and accurate customer service

Measurement: 100% system uptime (not including planned maintenance outages)

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% system uptime	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

Strategies:

- Maintain key elements of existing automation systems through collaboration with OIT by ensuring that key staff members with needed training and experience are available to serve DOWC needs
- By June 2013, analyze progress and success of one other state agency’s effort to migrate their automation system from a mainframe to a client/server platform

Context: The Division continues to utilize a mainframe computer system developed in 1991 when the Division was created. As technology changes and fewer people with the ability to support such a legacy system are available, the Division will continue to examine the potential to move to a different system and is hopeful that consideration will be given to implementing a newer system at a state-wide level.

V. Partners and Stakeholders:

Objective: Increase opportunities with strategic partners and stakeholders to provide value to Colorado

Measurement: New rulemaking will reflect 100% stakeholder outreach.

Performance Measure #6a	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
100% stakeholder outreach for proposed rules	Benchmark	100%	100%	100%	100%
	Actual	100%	100%		

Measurement: 80% of stakeholders acknowledge that their views were heard during the rule making process.

Performance Measure	Outcome	FY 2011-12	FY 2012-13	FY 2013-14	FY 2016-17
80% of stakeholders’ views heard	Benchmark	80%	80%	80%	80%
	Actual	100%	100%		

Strategies:

- Formally identify DOWC partners and stakeholders
- Begin research of best methods for surveying DOWC partners and stakeholders for how well they feel involved with, heard, and respected by the DOWC
- Select a method for the above
- Begin surveying partners and stakeholders

Context: The DOWC requires a high level of involvement with stakeholders in order to be effective in the formulation of policy and to be responsive to the needs of all customers. The growing complexity of issues affecting the workers' compensation system, as well as the expanding number of interested parties, requires more sophistication in the engagement of stakeholders. The DOWC is committed to being a leader in reaching out to and hearing from these important partners.