DWS Enterprise UI System Project
A Review of the Project

May 22, 2013
Project Timeline

February 10
Project Start

February 11
Tax Phase 1 Implementation

April 12
Original Contract Implementation Date

May 12
Amended Implementation Date

January 13
UI Enterprise Tax & Claims Actual Implementation Date

February 10 - November 11
Tax-Only Phase

December 11 - December 12
Tax & Claims Phase

January 13 - May 13
Post-Implementation

February 2010

May 2013
Funding

- Tax - $26,960,000  (ARRA)
- Claims - $12,401,000  (ARRA)
- Extension - $2,792,700  (ARRA)
- Program Integrity - $3,742,350  (2010/2011 SBR)
- Infrastructure - $1,521,568.97  (UI Automation)
- DWS Contractor Support - $1,295,107
- IVR - $172,085
- 2012 SBR - $5,217,504  (only $2,498,476 for UI)

- Total Project - $48,590,586 (includes Amend #5)
Mid Stream Changes

- USDOL 2010, 2011, and 2012 SBR
- Federal EUC Changes
- IVR Upgrade
- VOSS (Virtual One Stop System) Upgrade
- Infrastructure Upgrades – Exadata, Tipping Point, Core Switches. Full redundancy
- Security and Monitoring – Qradar, SolarWinds
- Internet/Intranet sites redone
- UI Agency Re-Org
- Statute and Regulation changes
Major Activities & Accomplishments

- Design & Development
  - Enterprise system satisfies over 5300 detail requirements
- Data Conversion
  - Performed 17 “Dry Runs” converting DWS legacy data to the new enterprise database
    - Perfected conversion logic, reliability & results
    - Developed reliable time estimates for cut-over period
    - Joint DWS/Deloitte/ACRO effort
- User Acceptance Testing
  - Executed over 6000 tests of tax and claims functionality
  - Expended over 30,000 labor-hours to design, manage, and execute
  - Identified and corrected over 5,000 defects
Major Activities & Accomplishments

- Operational Readiness Testing
  - Complements User Acceptance Testing
  - Simulated actual production activity
    - Replayed actual production transactions in the new enterprise system
    - End-to-end business activity, including
      - Interfaces
      - Finance and accounting
      - Daily batch processing
    - Identified ‘role’ issues in time to be fixed before implementation
  - Rehearsal for Cut-Over Period
- Major Organizational and Business Process Changes
  - New system emphasizes ‘self-service’ for claimants and employers
  - Automated workflow processes ‘push’ work to staff (eliminates ‘cherry picking’)
  - Generic roles (Basic, Operational, Advanced) eliminate ‘stovepipe’ activities/knowledge
  - “Up front” capture of information reduces back office workload
Highlights of Implementation Week

• Data Conversion
  – Began on-time
  – Total elapsed time better than estimated
  – No significant issues

• “Smoke Test”
  – Assurance test performed by DWS staff to confirm that:
    • Conversion had completed successfully
    • All software components of the new system were in place and working
    • Staff were trained and prepared, security roles were working properly
  – Performed 1 day earlier than planned
  – No significant issues discovered

• “Go Live”
  – Sunday, January 6, as planned and communicated to the public
  – 16,000 of 24,000 claimants recertified successfully
  – System had 100% uptime
  – Wells Fargo, Century Link, and SSA issues caused on the distant end
Major Pre- and Post-Implementation Issues
DWS Has Confronted and Continues to Confront

- **ICON**
  - ICON interface provides federal military, and out-of-state wage information
  - 5% of New Mexico Claimants are former federal or military personnel, or have out-of-state wages
  - Lack of an ICON test facility limited scope of testing and impaired reliability of the interface
  - Reliability issues continue to be addressed

- **Extension of Extended Unemployment Insurance Benefits**
  - Occurred during Cut-Over Week, worst possible time
  - Required last-minute complex changes to software
  - EUC increased call volumes exponentially

- **Call Lengths**
  - New system captures more information during initial claims entry
  - Session lengths increased from 15 minutes to 1 hour or more
  - ‘Self-service’ by claimants and employers using PC’s under-used in New Mexico. For example, 60% of initial claims are self-service in New Mexico compared to 95%+/- in Minnesota
  - No ability to increase call center staffing
  - Call wait queue lengths increased substantially
Major Pre- and Post-Implementation Issues
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• Workflow and Staff Competency
  – New system is more complex and more functional, including an automated workflow system for distributing work
  – Technical constraints adversely affected ability to build a fully functional training version of the system
  – Staff training was not as thorough as desired by management or staff
  – Subsequent ‘refresher’ training has been delivered

• Legacy Data ‘Gaps’
  – New data model is ‘richer’ than legacy data
  – Leads to shortfalls in data adequacy required by new enterprise system
  – Example: Detail Wage Data
    • Legacy system used summary quarterly wage information supplied by employers
    • Inadequate quality assurance was applied to detail wage records in legacy system
    • New enterprise system requires high-quality detail wage history
    • Gaps in converted data create issues for new enterprise system that have to be worked by staff

  – Legacy gaps require developer attention for most of the backend fixes
  – Will continue to be an issue for another 6 months when most of the bad data will be cycled out. Tax has a 3 year cycle
Going Forward

- **System Initiatives/New Enterprise System**
  - Correct 50+/- remaining defects (Deloitte)
  - Review and Approve 350+/- enhancement requests (DWS)
  - ‘turn on’ additional automation features in the new system
  - Fraud Bill and Tax Reform bill passed in the Legislative session must be implemented
  - Federal Sequestration

- **System Initiatives/Non-Enterprise Systems**
  - WOTC (Work Opportunity Tax Credit)
  - LEF
  - PWAT
  - Apprenticeship
  - TOPs
  - Others

- **Change management**
  - Process and associated tools
  - TFS (Team Foundation Server) and SharePoint for Managing Software and System Changes
  - Converting from Rational and other tools used during the Project will:
    - Simplify and improve the reliability of software and changes to the enterprise system
    - Reduce costs
Going Forward Continued

- Technology Initiatives to Improve Productivity and Data Sharing
  - More robust data allows for better understanding of workloads and efficiencies
  - Will embark on detailed areas of strategic improvement in customer service, speed, and accuracy across all Divisions
  - Interfaces with other agencies allows better data sharing opportunities (HSD, HED, DVR, DFA, etc.)
  - Fraud detection opportunities with HSD and CYFD could be possible in the near future
  - Fraud detection with County Detention Centers, other States, and National Level systems
  - DWS key player in employment partnerships throughout the State (PED, HED, UNM, CNM, NMSU)
  - Fully automated tie between unemployment insurance and reemployment services
In Conclusion

- New Mexico was the first and is still the only state to implement a combined UI Tax and Claims system simultaneously.
- State of Washington - years building a tax-only application due for implementation in November 2013.
- State of Massachusetts – Tax application launched 2009, Claims is 2+ years late, launch date July 1st.
- State of Nevada – 2+ years late, no date for launch set.
- State of New York – 7 years, no date for launch set still in requirements gathering.
- State of Virginia – Started in 2009 no date for launch set.
- State of Kansas – Project started in 2004 still not complete.

Consortium
- New Mexico’s success has raised many eyebrows around the country.
- Currently working with Massachusetts and Florida, USDOL awarded DWS $2mil to create this consortium.
- ITSC wants New Mexico to expand the consortium and help other States with UI Modernization projects.
- New York, Washington, Oregon, Connecticut, and DC have all expressed an interest.
- Summer 2013 could mean more money to expand this consortium.