



Oregon

Tina Kotek, Governor

Employment Department

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February 12, 2025

The Honorable Senator Aaron Woods, Co-Chair
The Honorable Representative David Gomberg, Co-Chair
Joint Committee on Ways and Means Subcommittee on
Transportation and Economic Development
900 Court Street NE, H-174
Salem, OR 97301

RE: Follow-up information for Informational Meeting on House Bill (HB) 5007

Dear Co-Chair Woods and Co-Chair Gomberg,

Thank you for the opportunity to share information with you about the Employment Department's budget bill, HB 5007, on Monday, February 10.

During the Informational Meeting, you (Co-Chair Woods) asked about the Department's customer service strategy and for any call statistics we could share to demonstrate our performance. As I mentioned to you in response, the Department is very focused on customer service, and we are putting the many parts of that focus into a single document based on the guidance provided by the Department of Administrative Services (DAS) to state agencies.

To provide a complete answer to this question, we asked DAS if they had any input. DAS shared that in their partnership with Executive Branch agency directors, DAS requires customer service training for new employees within 60 days of hire and established the [Enterprise Customer Service Standards policy](#) to ensure universally accessible and responsive communication with Oregonians and agency business partners; reinforce an equitable customer service culture across the enterprise; continuously measure customer service feedback; and continuously improve.

The policy requires state agencies to develop, document and maintain a customer service strategy which includes:

- Service level goals based on customer feedback received through means such as surveys.
- Data analytics and reporting capabilities to support data-driven decisions.
- Identification of self-service and accessible tools so customers can more readily answer their own questions.



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- Identification of root causes of calls and emails and the agency's plans to resolve identified issues.
- Communication channels that include self-service options when appropriate, while not eliminating live assistance or equitable access.
- Continuous improvement processes to ensure that service delivery is keeping pace with customer expectations and available technology.
- Continuous identification and measurement of diversity, equity, and inclusion strategies within the context of the agency's service delivery goals.
- Agencies with contact centers shall maximize the use of available contact center technology to improve service by using contact handling features, workforce planning, data analytics and reporting.
- Agencies with contact centers shall maintain a plan for responding to unplanned high-volume events

Agency customer service policies are due to the DAS Strategic Initiatives and Enterprise Accountability Office by March 31, 2025, for review. In addition to a [customer service policy criteria checklist](#), Berri Leslie (DAS Director) leads a monthly agency director's meeting which provides a forum for agencies to share learning on enterprise issues, including the Governor's agency accountability expectations. DAS asked us to let you and the other members of the committee know that you are welcome to contact strategic.initiatives@das.oregon.gov if you need more information on enterprise customer service and the Governor's enterprise accountability expectations.

Accordingly, the Employment Department will be submitting our plan to DAS for its feedback as it has requested agencies to do in advance of the March 31, 2025 deadline.

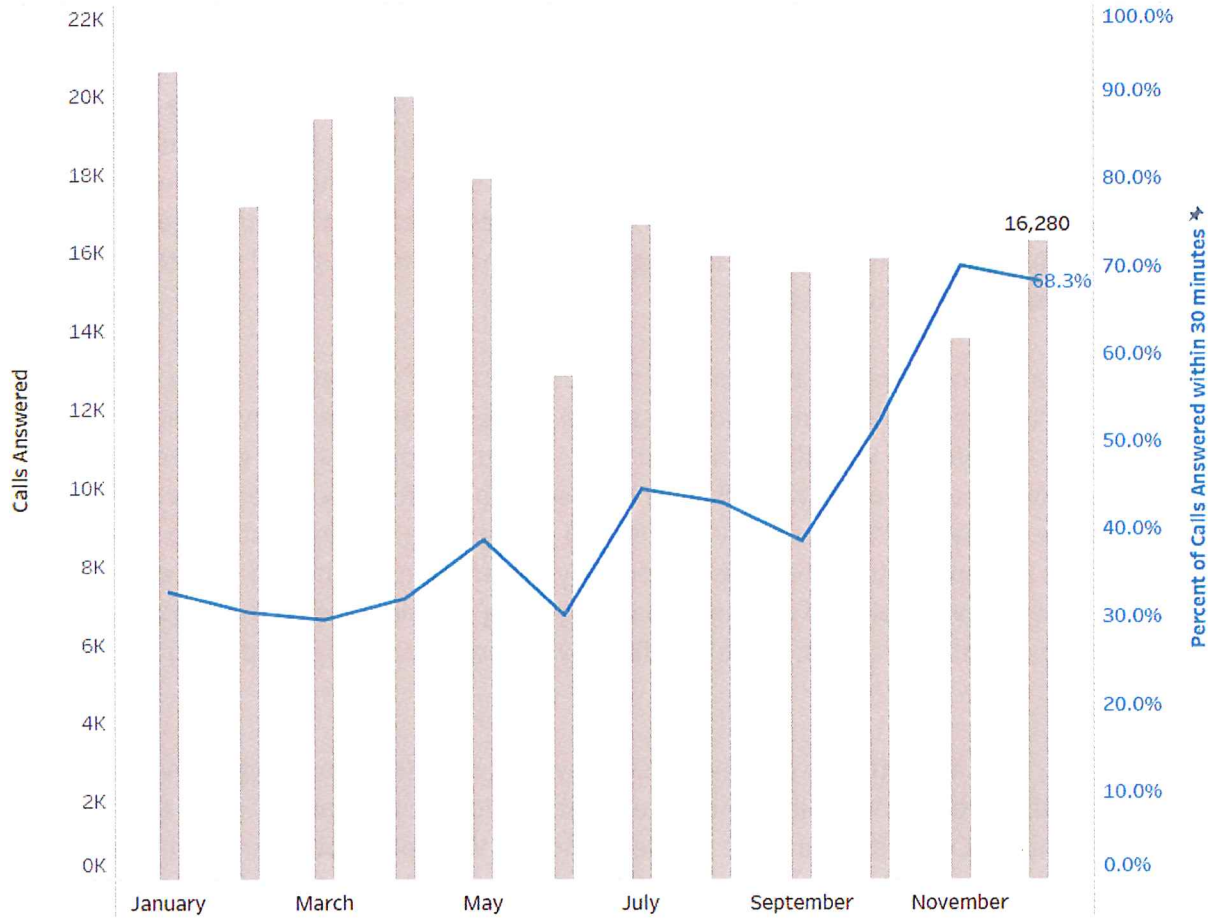
While we haven't finalized OED's Customer Service Strategy for DAS yet, we have been doing the work outlined in DAS's guidelines. We know the main goal of our strategy is to provide a consistent, fair, effective, and efficient customer service experience across all programs. We do this by promoting customer satisfaction, building trust through transparency, improving the customer experience, and upholding the agency's commitment to public service. The strategy includes our principles for customer service; how we expect our staff to interact with our customers, both in terms of communication and efficiency; training and development standards for our staff; a defined process for continuous improvement through the measurement of performance and accountability to standards; and measurable goals for our customer service-levels. Once published, the strategy will include reference information for our customers to the key points of contact within the agency including our Contact Centers for the Paid Leave Oregon and Unemployment Insurance (UI) programs, our Contributions and Recovery Division, our 39 WorkSource Oregon locations, and our Workforce and Economic Research Division.

We have been for some time publishing information to the public about how quickly we get people benefits, answer phones, and other key aspects of customer service. We are examining how to improve on the types of information we share with the public, and how we share it. Importantly, a key part of our customer service strategy is seeing what the public needs from us, and making it as easy as possible for them to 'self-serve.' It seems unlikely the Department will ever receive enough resources for our staff to engage every week with the tens of thousands of people that rely on us (even during strong economic conditions like we have now). We are focused on refining our systems so more people can get the help they need without needing to call or message us, leaving our staff more time to spend with those that have more complicated situations.

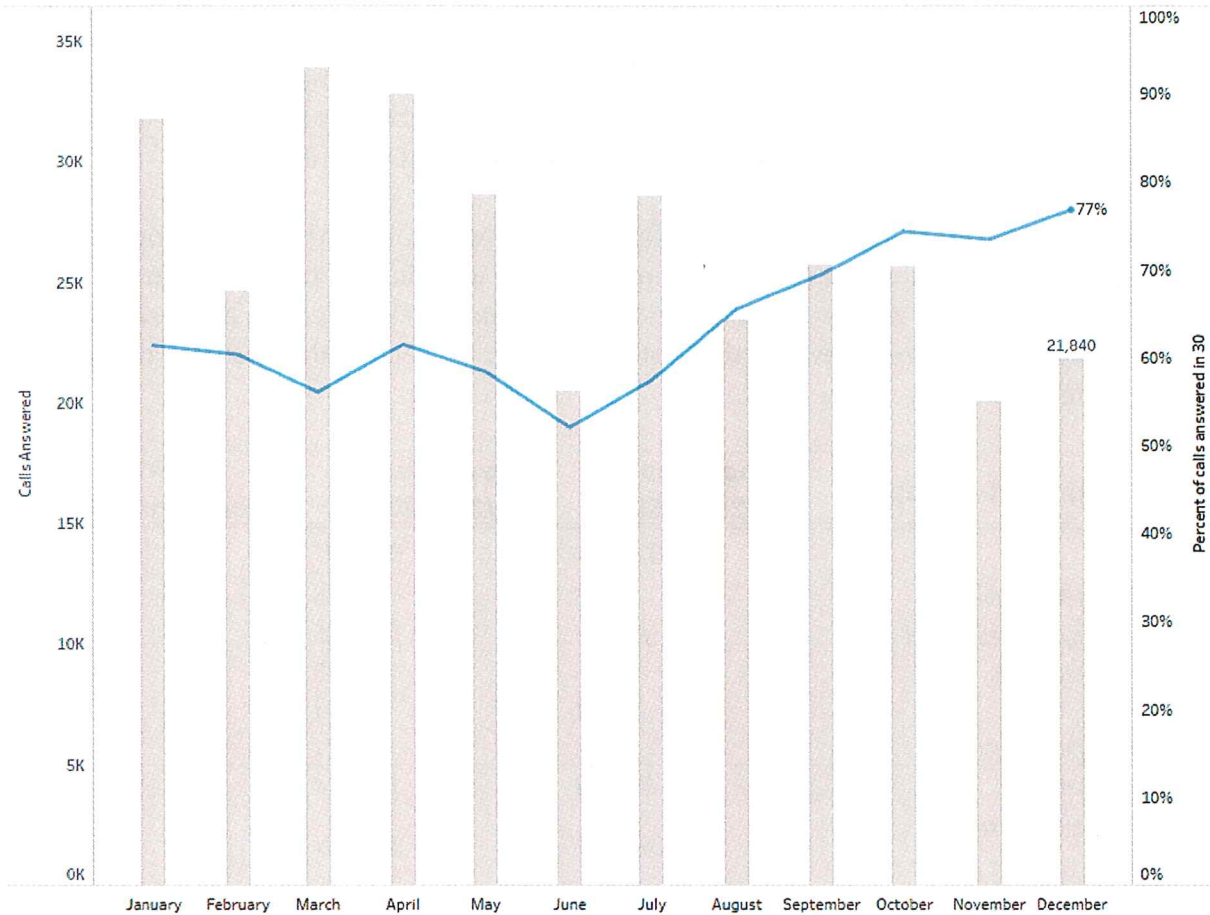
Another key part of our strategy is looking at the root causes of why people reach out to us. We know a primary driver is questions about the status of their UI and Paid Leave Oregon claims. The reason people engage with the UI or Paid Leave Oregon programs is to get benefits. We have focused on speeding up how quickly we get people benefits they are eligible for or, if they are not eligible, explaining to them why that is, and giving them an opportunity to appeal our decisions. This not only gets to the core reason they are engaging with us in most cases, but the data we have on why people call us shows that by getting people benefits more quickly, and resolving issues with their claims, it can significantly reduce the number of people who call or message us.

With regard to our call statistics, we have been providing updates during Legislative Days since last Spring to the two interim policy committees with which we regularly engage, the Senate Labor and Business Committee and the House Labor and Workplace Standards Committee. The following charts illustrate how we are currently performing in the context of the longer-term information we previously shared with both committees:

Paid Leave Call Wait Times



UI Call Wait Times



We'd like to note that the call wait time data for both programs demonstrates that we are answering a higher percentage of the calls more quickly, even though some people still have to wait too long or cannot get through. This data also shows that we are answering a fewer number of calls but we believe this is a direct reflection of our strategy to focus on the root cause of most calls. Rather than having more people answer more calls to explain why people have not yet received their benefits, the net result of our strategy to shift some of our staff to doing the work to get people their benefits more quickly has reduced the need for people to call in. We know, however, that we still have not been able to reach a point where we can both get people their benefits as quickly as we are now, and also make it easy for everyone who wants to call us to get through.

We have made significant progress since we rolled out our new system, Frances, to administer UI benefits in March 2024, but we're aware that there is still much for us to do to meet the expectations of Oregonians. We believe we have the right strategy and plan in place. We have seen the positive impacts of focusing on the root causes of why people reach out to us and the

continuous refinement of our processes and systems based on customer feedback. I remain concerned that without further action, declining revenue means that despite the progress we have already made, and that we are confident we will continue to make, our customer service levels will decline. That is a main reason I look forward to our Phase 2 budget discussions, after we have a new state economic forecast and hopefully a federal budget for this federal fiscal year, to have more details about what is needed for us to serve Oregonians.

Lastly, during our presentation, Senator Meek noted and asked about the costs associated with the two (2) Full Time Equivalent (FTE) positions which are included in Policy Package 105. While I shared that salary costs are based on the statewide employee classification and pay system, below is more detailed breakdown of the costs associated for each of the positions discussed during the hearing:

Fiscal Analyst 1 - (Step 3)	Fiscal Year 1 7/1/25 - 6/30/26	Fiscal Year 2 7/1/26 - 6/30/27	2025-27 Biennium Total
Salary	62,028	62,028	124,056
<i>Empl Rel Bd Assessments</i>	36	36	72
<i>Public Employees' Retire Cont</i>	12,945	12,945	25,890
<i>Social Security Taxes</i>	4,745	4,745	9,490
<i>Paid Leave</i>	354	354	708
<i>Workers Compensation</i>	21	21	42
<i>Flexible Benefits</i>	21,204	21,204	42,408
Other Payroll Expenses (subtotal)	39,305	39,305	78,610
Service and Supply	18,503	18,503	37,006
Total:	119,836	119,836	239,672

Public Affairs Specialist 2*	Fiscal Year 1 7/1/25 - 6/30/26	Fiscal Year 2 7/1/26 - 6/30/27	2025-27 Biennium Total
Salary	115,056	115,056	230,112
<i>Empl Rel Bd Assessments</i>	36	36	72
<i>Public Employees' Retire Cont</i>	24,314	24,314	48,628
<i>Social Security Taxes</i>	8,802	8,802	17,604
<i>Paid Leave</i>	354	354	708
<i>Workers Compensation</i>	21	21	42
<i>Flexible Benefits</i>	21,204	21,204	42,408
Other Payroll Expenses (subtotal)	54,731	54,731	109,462
Service and Supply	18,000	18,000	36,000
Total:	187,787	187,787	375,574



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*While budget instructions are to use 'step 3' of salary classifications for new positions, the Public Affairs Specialist 2 position listed is not creating a new position, but moving an already legislatively approved position from one part of the agency to another, so we used the actual salary step for the person in that position which is higher than step 3.

We appreciate the consideration of the work we do and our budget and, importantly, how it serves the workers and businesses of Oregon. We will provide additional written follow up to some questions that arose in the second day of the hearing, and I look forward further discussions to help you make an informed decision.

Sincerely,



David Gerstenfeld
Director

Cc: Michelle Deister, Principal Legislative Analyst, Legislative Fiscal Office
Stacey Chase, Budget and Policy Analyst, Department of Administrative Services

