Lean Implementation in the Pennsylvania Unemployment Compensation Program

The Importance of Observation (“Going to the Gemba”)
Six Unemployment Compensation Service Centers in PA
Who is on the Scranton Team?

4 managers = Lean Intermediate Training

Nora – Site Administrator

Joe – Adjudication Manager

Vinny – Staff Development Specialist

Patty – Claims Manager

6 Supervisors + 41 Claims Interviewers

6 Supervisors + 41 Claims Examiners

9 Clerks

All Staff = Lean Awareness Training
What's an A3 Project?

<table>
<thead>
<tr>
<th>Problem Statement:</th>
<th>Target Condition:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Background:</td>
<td>Countermeasures:</td>
</tr>
</tbody>
</table>

**Current Condition:**

**Implementation Plan:**
- Action
- Assigned to
- Due Date
- Status (or completed date)

**Problem Analysis:**

Why is/are [insert from problem statement]
- Why...
- Why...
- Why...
- Why...
- Root cause:

**Follow-up Plan:**
- Date
- Actual

**Color-coding key:**
- Plan
- Do
- Check and Act
Nora and Vinny’s A3 problem statement:  
September 2018

Federal timeliness requires that 80% of separation determinations must be written within 21 days when an issue is detected on an unemployment claim. The Scranton UCSC wrote only **49.37%** of separation determinations within the 21 days in the 3rd quarter 2018.
What Nora and Vinny heard when they asked “Why”:

**Supervisors**: spending 3 hrs/day sorting mail (x 6 sups x 5 days = 90 hrs/week)

**Examiners**: waiting to write dets because mail delays caused late documents

**Clerks**: USPS changed mail delivery from mid-morning to noon
What Nora and Vinny saw in the Gemba:
Other observations:

**Countermeasures:** Move to a central tickling system, with mailboxes physically centrally located (even the clerk is in the center!)
Lean: **Continuous Improvement** is Key

After implementing the first A3, the Scranton team continued to research, even though they saw some immediate improvement in 14-Day First Pays.

It was time for Patti and Joe’s A3…
Patti and Joe’s A3 problem statement (April 2019):

0% of T-Info’s are being worked on within 48 hours of being received.
100% of T-Info’s need to be worked on within 48 hours of being received.

Why?
Because T-infos were never made a priority
What Joe and Patti saw in the Gemba:

Wait 3-5 days

Wait Months
Countermeasures:

• When supervisors receive T-infos, they sort and assign it to interviewers immediately.

• “Do this one weird thing…”

  Allow interviewers 5 minutes off the phone when they return from break to work on the T-infos (i.e. send forms and prepare the case)
RESULTS: Non-monetary (Sep) Time Lapse

Nonmonetary Separations: Time Lapse: Detection Date To Determination Date:
Federal DLA – 80% Issued within 21 Days of Issue Detection Date

<table>
<thead>
<tr>
<th>Month</th>
<th>All Other SCs</th>
<th>Scranton</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun-18</td>
<td>63%</td>
<td>57%</td>
</tr>
<tr>
<td>Jul-18</td>
<td>57%</td>
<td>50%</td>
</tr>
<tr>
<td>Aug-18</td>
<td>56%</td>
<td>42%</td>
</tr>
<tr>
<td>Sep-18</td>
<td>51%</td>
<td>45%</td>
</tr>
<tr>
<td>Oct-18</td>
<td>53%</td>
<td>62%</td>
</tr>
<tr>
<td>Nov-18</td>
<td>52%</td>
<td>64%</td>
</tr>
<tr>
<td>Dec-18</td>
<td>55%</td>
<td>62%</td>
</tr>
<tr>
<td>Jan-19</td>
<td>59%</td>
<td>63%</td>
</tr>
<tr>
<td>Feb-19</td>
<td>57%</td>
<td>66%</td>
</tr>
<tr>
<td>Mar-19</td>
<td>58%</td>
<td>69%</td>
</tr>
<tr>
<td>Apr-19</td>
<td>62%</td>
<td>76%</td>
</tr>
<tr>
<td>May-19</td>
<td>63%</td>
<td>80%</td>
</tr>
<tr>
<td>Jun-19</td>
<td>64%</td>
<td>81%</td>
</tr>
<tr>
<td>Jul-19</td>
<td>61%</td>
<td>80%</td>
</tr>
</tbody>
</table>

= Federal Standard
RESULTS: First Payment Time Lapse

First Payment Time Lapse: Average of 0-14 D & 0-21 D: Fed Criteria 87%

- **All Other SCs**
  - Jun-18: 93%
  - Jul-18: 91%
  - Aug-18: 85%
  - Sep-18: 84%
  - Oct-18: 84%
  - Nov-18: 87%
  - Dec-18: 90%
  - Jan-19: 94%
  - Feb-19: 89%
  - Mar-19: 85%
  - Apr-19: 88%
  - May-19: 90%
  - Jun-19: 94%
  - Jul-19: 92%

- **Scranton**
  - Jun-18: 93%
  - Jul-18: 92%
  - Aug-18: 86%
  - Sep-18: 86%
  - Oct-18: 92%
  - Nov-18: 97%
  - Dec-18: 95%
  - Jan-19: 96%
  - Feb-19: 94%
  - Mar-19: 91%
  - Apr-19: 93%
  - May-19: 94%
  - Jun-19: 97%
  - Jul-19: 95%

- **Red** = Federal Standard