Leading Your UI Program Past the Pandemic and Into the Future

Meeting the Need for Modernized Unemployment Insurance Systems

Increased public awareness of the importance of the Unemployment Insurance program, as well as the establishment of new funding sources in 2021, provide an opportunity for states to pursue high-value systems modernization.

In this *Governing* Q&A, Drew Sutter, national UI Practice Lead at CSG Government Solutions, discusses moving state UI programs forward post-pandemic. Over his career, Sutter has worked with UI programs in 17 states. Here he shares lessons learned and best practices to protect state investments in program modernization.

What effect does the pandemic have on the future of UI modernization?

When the economy performs well and unemployment is low, UI agencies are often under-funded, hampering the ability to prepare for extraordinary circumstances. Over the past year, states have suddenly faced unprecedented stress on their systems and people. The spike in unemployment has led to historic volumes of claims, payments and claimant inquiries; payment delays; and increased fraud and abuse. Agencies are also contending with rapidly changing UI regulations at the state and federal level. Public attention has become focused on the need to upgrade legacy systems, while many agencies have been forced to divert resources from ongoing modernization projects.

At the same time, the pandemic has highlighted the importance of the UI program — and its economic impact — in the minds of the American people. The American Rescue Plan Act includes significant grants available for states to invest in modernizing UI programs and systems. Many states have also recognized the need for increased investment in upgrading UI system capabilities. Agency leaders can capitalize on this renewed UI focus and funding to modernize their programs in anticipation of future needs.

Based on your experience, how can states minimize unanticipated roadblocks in a system modernization project?

There are some essential aspects in the planning and early execution phases of a project that require ongoing attention to keep consistent momentum to the final implementation releases.

First, dedicate sufficient staff to the modernization effort. Prioritize your experts' time on getting the requirements right upfront, iteratively confirming they are being met during development, and planning and executing comprehensive user acceptance testing.

Second, incorporate organizational change management in the modernization to engage project sponsors and stakeholders from the start; develop and deliver messaging to promote the new system and other changes; and manage learning and training for staff, employers and agents.

Lastly, focus on interfaces and data conversion early. Incorporate lead times to coordinate and complete testing with state and federal agencies, banks and employer agents. Execute multiple full data conversion test runs to ensure your legacy data is accurately mapped and cleansed.

What new technologies should UI leaders consider?

Recent advances in UI-specific commercial off-the-shelf solutions offer streamlined UI business processes, such as claimant, employer and third-party agent self-service; adjudication; benefit payment processing; employer wage filing; and analytics. Configurable integrated solutions include a real-time, holistic view of claimant and employer information, reduced complexity of maintaining standalone legacy applications and shorter implementation timelines. In addition, cloud-based solutions provide the ability to scale more quickly to increases in work volume.

How does CSG help states get started on UI modernization?

We start by collaborating with agency UI and IT leaders to develop a strategic UI modernization roadmap that defines project objectives, identifies and engages key stakeholders, and captures clear business and technical requirements.

We apply CSG's more than 20 years of experience working with states on UI modernization efforts to bring knowledge about available federal funding and requirements, UI solutions in the market and best practices for optimizing business processes. We also help UI executives ensure they are making the right long-term investment by sharing lessons learned from other successful state UI implementations and connecting them with state leaders who have addressed similar challenges.