



**State of Missouri  
2008 Governor's Award for Quality and Productivity  
Executive Summary**

**Team Name:** The eFolder Project Team  
**Nominator:** Spencer Clark  
**Nominating Department:** Department of Labor and Industrial Relations  
Inter-agency nominations must include names of all agencies  
**Category:** Technology In Government

**Executive Summary:** [Executive summary page must be 12 points, Times New Roman font, and left justified. Attach the executive summary to the front of the nomination]

The Division of Employment Security (DES) and the Information Technology Services Division (ITSD) achieved a completely paperless operation by developing and implementing the eFolder System, one of the most advanced electronic document management systems in the country for unemployment insurance benefit claim processing.

The initial challenge was to document all current and future business processes in order to convert the manual workflow and paper document file system to an electronic process. The goals were to improve staff productivity, customer service, reduce cost, reduce risk, and provide for disaster recovery.

Prior to eFolder, workload was redistributed by transporting folders from one regional claims center (RCC) to another. Improved customer service and productivity, reduction in risk and cost were realized through an instant electronic redistribution of workload for maximum utilization of staff in all four RCC's.

A study in 2004 shows clerical functions necessary to maintain paper files reduced trained staff productivity approximately 35%. With the implementation of the eFolder System, 14% fewer staff resolved 7.8% more cases in 2008 over the same quarter in the two previous years. Such a substantial increase could not have been realized without the eFolder System.

Estimations in 2004 indicated possible payroll savings of \$1,175,000 due to projected increases in productivity. The 2008 payroll savings is projected at \$2,971,056 based on current production and staff levels. The DES realized an exceptional increase in processing cases from 54,027 in the first quarter of 2006 to 58,201 in the first quarter of 2008. This is a 25% increase in production per technician.

The DES annual expenditure for mailing, faxing, and printing was \$104,268. This expenditure was immediately eliminated upon implementation of eFolder.

Prior to the eFolder System, customers calling the RCC often had to wait for staff to find their paper files. If the file did not reside at that RCC, the caller had to phone the center where the file was located. eFolder provides reduced phone time and improved customer service by providing all staff immediate access to information for customers statewide.

Originally, DES had no disaster recovery plan. A disaster striking one RCC could potentially wipe out over 25% of the active claims documents. The daily transport of completed case documents to Central Office from the three remote offices (Kansas City, St Louis, and Springfield) for imaging came with a risk and liability of losing documents for thousands of claimants. With eFolder, all correspondence is received in Jefferson City, immediately scanned, and distributed electronically to the RCC's affording complete recovery capability.

As the future of DES continues to operate in the ever changing dynamic UI environment, the eFolder System is poised to adapt to these changes and allow for future enhancements. It will continue to be an effective tool for increasing service quality and productivity.

The system has become a model program for modernization throughout the Department. The knowledge gained from the eFolder project is now being examined for the benefit of other agencies within the Department of Labor and Industrial Relations.



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NOMINATION FORM

**I. GENERAL INFORMATION**

Department: Department of Labor and Industrial Relations \_\_\_\_\_

**1. Project or team name.**

The eFolder Project

**2. List the name of all team members, job titles, state agency department, and/or community organization.**

Team Members for eFolder

- Please provide job titles and agency/organization for all members)
  - Department of Labor and Industrial Relations (DOLIR) – Division of Employment Security (DES)
  - Office of Administration - Information Technology Services Division – Department of Labor and Industrial Relation (OA-ITSD-DOLIR)

1. Rodney Rice, OA-ITSD-DOLIR, Computer Information Technologist III – Project Manager
2. Stuart Huddleston, OA-ITSD-DOLIR, Computer Information Technology Supervisor II
3. Karrie Ketchum, OA-ITSD-DOLIR, Computer Information Technologist III
4. Lori Orman, OA-ITSD-DOLIR, Computer Information Technologist III
5. Edward Durrill, OA-ITSD-DOLIR, Computer Information Technologist III
6. Brenda Skidmore, OA-ITSD-DOLIR, Computer Information Specialist I
7. Ken Holzem, OA-ITSD-DOLIR, Computer Information Technology Supervisor II
8. Russell Franke, OA-ITSD-DOLIR, Computer Information Technologist III
9. Janet Lepper, DOLIR - DES, Broad Band Mgr I
10. Carol Luecke, DOLIR - DES, Broad Band Mgr I
11. Patrick Noonan, DOLIR - DES, Broad Band Mgr I
12. Robert Lambert, DOLIR - DES, Claims Sup II
13. Cynthia Palisch, DOLIR - DES, Claims Sup II
14. Leah McWilliams, DOLIR - DES, Claims Sup III
15. Jared Brockman, DOLIR - DES, Claims Sup III
16. Kathy Ruppel, OA-ITSD-DOLIR, Computer Information Technology Specialist I
17. John Spillers, OA-ITSD-DOLIR, Computer Information Technologist III
18. John Butler, OA-ITSD-DOLIR, Computer Information Technology Supervisor II
19. Christine Luna, Dept of Labor, Div of Employment Security, Claims Sup II
20. Tony Giboney, OA-ITSD-DOLIR, Computer Information Technology Specialist I
21. Carolyn Koetting, DOLIR - DES, Claims Sup III

**3. Nomination category.**

(Check only one)

- |  |  |
|--|--|
| <input type="checkbox"/> INNOVATION          | <input type="checkbox"/> CUSTOMER SERVICE                    |
| <input type="checkbox"/> PROCESS IMPROVEMENT | <input checked="" type="checkbox"/> TECHNOLOGY IN GOVERNMENT |
| <input type="checkbox"/> EFFICIENCY          |  |

**4. Describe why you selected this nomination category.**

This project exemplifies each of the criteria listed for Technology in Government. The team used the latest workflow and file management technology to modernize routine processes and create a paperless office. Since implementation, the system has proven itself by already resulting in reduced cost while assisting staff in providing improved customer service and increased productivity.

## II. BACKGROUND

**1. When did the team begin?**

September 2004

**2. When did the team implement this project?**

August 2007

**3. How long has the project been implemented?**

☐ 0 - 3 Months

☐ 4 - 6 Months

☐ 7 - 9 Months

X 10 - 12 Months

☐ 12 or more

☐ On-going Project

## III. RESULTS/ACCOMPLISHMENT

**1. What did the team accomplish?** *(Use specific data and examples to identify accomplishments and whom benefited: i.e. agency, division, department, citizens, individuals, etc. Information must be included for nomination to be considered for GAQP.)*

The team was successful at implementing an advanced electronic document and workflow system for processing disputed claims for unemployment benefits. The results of the project were improved staff productivity, customer service, reduced cost, reduced risk, and disaster recovery capability.

The initial challenge for the team was to document the never before recorded complex current manual processes and proposed future processes in order to convert the manual workflow and paper document files to the electronic system.

The project eliminated clerical functions that occupied 35% of the claims adjudicators' time, which allowed them to focus on conducting investigations and resolving disputed claims. The DES realized an exceptional increase in processing cases from 54,027 in the first quarter of 2006 to 58,201 in the first quarter of 2008 while at the same time DES experienced a 14% reduction in total staff through attrition, retirements, etc. Staff productivity in the first quarter 2006 averaged 229 cases per technician while in the first quarter 2008 the average increased to 287 cases per technician which resulted in a 25% increase in per staff productivity. This is a substantial improvement in productivity and utilization of staff that could not have been realized without the eFolder System. This productivity improvement provides not only the Division better cost savings with less staff doing more, but also improved customer service to the citizens that we serve.

Estimations in 2004 indicated possible payroll savings of \$1,175,000 due to projected increases in productivity. The 2008 payroll savings is projected at \$2,971,056 based on current production and staff levels. Obviously, the agencies, the Department, and the taxpayers all benefit from these savings.

Prior to the eFolder System, the manual workload to process paper documents in each of the four regional claims centers (RCC) is outlined below:

1. Picked up mail from post office and opened all envelopes
2. Received incoming faxes
3. Sorted documents according to action required
4. Distributed documents to appropriate staff for initial processing.
5. Set issues and created physical file folders for each disputed case
6. Filed physical case folders awaiting scheduled interviews.

7. Retrieved physical case files for scheduled interviews.
8. Added interview documents and re-filed physical case folders awaiting final adjudication.
9. Retrieved physical case files and distributed to appropriate staff for final adjudication.
10. Added physical documents created during final investigation and adjudication
11. Packaged completed physical case files for transport to Central Office Image Unit via U.S. Postal Service.
12. Opened packaged physical case files in Central Office and prepared for archived imaging.
13. Imaged documents for archive.

**Table 1**

Twice a week it was necessary to redistribute the workload via courier service in order to meet federal timeliness requirements. This necessitated the distribution of the physical case files to utilize RCC staff throughout the state. To accomplish this it was necessary to follow the procedures in Table 2.

1. Catalog 150 to 300 physical cases for each transport to another claims center.
2. Package physical case files for transport via courier or State vehicle.
3. Verify receipt of all physical case files in destination office.
4. Distribute case files to appropriate adjudicators for final investigation and decision.

**Table 2**

This physical transportation of citizens' social security numbers exposed both the Department and citizens to extreme risk if an accident ever occurred where documents are destroyed or lost.

For RCC staff, the eFolder System automated 95% of the steps outlined in Table 1.

The manual tasks remaining, such as opening mail and sorting faxes, have been consolidated in Central Office to more effectively utilize RCC staff resources.

All mail is now sent to Office of Administration Mail Unit in Central Office. The DES Central Office Mail Sort Unit opens physical mail and scans all documents into the eFolder System. Within the eFolder System is programming to instantly distribute 80% of the documents statewide using bar code identification.

Previously, all documents were removed from the RCC and imaged following adjudication for archive purposes. If these documents were needed for discussion with claimants/employers, appeals, reconsideration, or Federal reviews, staff was required to perform time consuming steps to print or view case files. In remote offices only supervisors had the software necessary to access imaged files. A time study revealed slow image retrieval times in the remote offices ranging from 2 to 13 seconds (see Table 3). Under the eFolder System imaged documents are instantly available to all staff statewide.

<b>Location</b>	<b>Average Network Utilization</b>	<b>Time to Retrieve Single Image from DASD</b>
St. Louis	57%	8-13 seconds
Kansas City	33%	3-5 seconds
Springfield	26%	2-6 seconds
Jefferson City	(local)	1-3 seconds



**Table 3**

By automating workflow the eFolder System reduced the number of times a document was handled by an adjudicator during an investigation from a minimum of eight touches to as low as two in order to conclude an investigation. The eFolder System has utilized bar coding technology and the use of Optical Character Recognition (OCR) to minimize the handling of documents. The system automatically routes documents to the appropriate location. The eFolder System has eliminated the labor intensive manual processing of paper documents which were formerly worked in each RCC. Faxed documents are now imaged upon receipt of the transmission. The document is never physically touched.

The eFolder System project has exceeded the expectations of the team. Each quarter's production records reflect the results of improved file management, cost reduction, and increased productivity. Improved customer service is realized through the ability to instantly access records and redistribute workload for maximum utilization of staff in all four regional claims centers

**2. Which of the following describes the benefits of the accomplishment? (Check all that apply and provide an explanation)**

**X Cost Reduction**

The Division, the Department, and the tax payers all benefit from substantial cost reductions afforded by the eFolder System. Productivity improvements from the eFolder System provide a cost savings with less staff doing more. The 2008 payroll savings is projected at \$2,971,056 based on current production and staff levels. A savings of \$15,000 a year has been realized from no longer transporting files between Claim Centers. The DES annual expenditure in 2004 for mailing, faxing, and printing documents related to disputed cases was \$104,268. This expenditure was immediately eliminated upon implementation of the eFolder System.

**X Time Savings**

The eFolder System has reduced customer service time, clerical time, and the overall time necessary to resolve a disputed claim. Prior to the eFolder System, a customer calling a Claim Center often had to wait for staff to retrieve a paper file. If the file did not reside at that RCC, the caller was directed to call the center where the file was located. The eFolder System provides reduced phone time and improved customer service by providing all staff with immediate access to files statewide. Based on a time study in 2004, the clerical functions necessary to maintain paper files and move documents reduced trained claims adjudicators' productivity by approximately 35%. Eliminating most of the clerical functions assisted 14% fewer RCC staff to resolve 7.8% more disputed cases in the first quarter of 2008 over the same period in the two previous years. Such a substantial increase could not have been realized without the eFolder System.

**X Improved Process**

Nearly all duties and processes in the Claims Centers were streamlined or enhanced in some aspect by the eFolder System. It has significantly simplified many processes and entirely eliminated others. Prior to the eFolder System, each duty required technicians to perform some clerical function to access or process correspondence and disputed cases. Some duties were solely dedicated to determining which cases required action and then moving the selected cases from one file to another. Other labor-intensive duties required technicians to audit files and purge "dead" cases. Often, the most time-consuming step in processing incoming correspondence was filing. By automating filing and workflow, the eFolder System eliminated the labor-intensive step of filing from each process. It automatically detects and moves cases which require action, and it eliminates the manual audit and purge procedure. In many cases, it has reduced the number of times a document is handled from eight times to two. In addition, the eFolder System has become a model program for modernization throughout the Department of Labor and Industrial Relations. The knowledge gained from the eFolder project is now being examined for improving processes in other agencies within the Department.

**X other: Risk & Security**

The risk and associated liability of losing confidential information during the intrastate transport of paper documents has been eliminated by the eFolder System. In addition, the system has provided complete disaster recovery. Prior to the eFolder System, completed case documents from offices in Kansas City, St Louis, and Springfield were transported via the United States Postal Service to Central Office for imaging. Similarly, the redistribution of workload was accomplished by transporting paper case documents via courier from one Claims Center to another. Each transport exposed the Division to significant risk and the associated liability of permanently losing documents containing confidential information for hundreds or thousands of claimants and employers. A disaster striking one RCC could potentially wipe out more than 25% of the active claims documents. With the eFolder System, all correspondence is received in Jefferson City, immediately scanned, and distributed electronically to all Claim Centers affording complete recovery capability. Completed case documents reside in the system with no need for transporting. Electronic redistribution of workload eliminates the possibility of loss during a courier transport.

### **III. RESULTS/ACCOMPLISHMENT (continued)**

**3. Explain how the accomplishments of the team are beyond regular duties and responsibilities (150 words or less).**

The team showed outstanding dedication and teamwork among business, ITSD, and contractor staff by working on the project while simultaneously maintaining normal assigned duties.

During design, development, and testing, the team was required to travel to RCC's for extended stays. The team:

- charted never before documented manual processes for a Requirements Analysis Study
- performed extensive after-hours work for design, development, testing, installation, troubleshooting, and support of overtime work
- conducted extensive re-engineering of applications to accommodate eFolder interfaces and requirements and worked directly with IBM to identify modifications to Content Manager product to support eFolder functionality
- provided additional enhancements above and beyond the contractor supplied programs to "tweak" the application for staff
- "invented" new processes to support fax input directly into eFolder, date-stamp fax images, automate investigation documents for direct input
- obtained significant training in numerous software languages, protocols and processes required to support eFolder

### **IV. MEASUREMENT/EVALUATION**

**1. Explain how the team measured and evaluated this project (Describe in detail the process and results).**

The team conducted a Cost Benefits Analysis in 2004 which served as a base measurement and compared that to available data to determine savings and benefits realized in 2008.

The DES annual expenditure in 2004 for mailing, faxing, and printing was \$104,268. This expenditure was immediately eliminated upon implementation of eFolder.

The team compared payroll for staffing in 2006 and the projected savings in the Requirements Analysis to the actual projected payroll savings for 2008 based on current staffing levels. Preliminary research in 2004 indicated an estimated payroll savings of \$1,175,000 due to projected increases in productivity. The 2008 payroll savings is projected at \$2,971,056 based on current production and staff levels. The DES realized an

exceptional increase in processing of disputed cases from 54,027 in the first quarter of 2006 to 58,201 in the first quarter of 2008. This is a 25% increase in production per technician from 229 cases to 287 cases over the same period.

Based on a time study in 2004, the clerical functions necessary to maintain paper files and move documents reduced trained claims adjudicators' productivity by approximately 35%. With the implementation of the eFolder System, 14% fewer RCC staff resolved 7.8% more disputed cases in the first quarter of 2008 over the same period in the two previous years. Such a substantial increase could not have been realized without the eFolder System.

**2. Are the benefits derived from this project: (Check only one.)**

X Recurring    ☐ One-time

**3. Please explain in 300 to 500 words.**

As we previously have shown within Section IV, Measurement/Evaluation, question 1 on this nomination form, the monetary savings from improved staff productivity, paper, fax and printing costs along with the service benefits to our customers can and will continue to be realized by the Department of Labor and Industrial Relations (DOLIR) – Division of Employment Security (DES) into the foreseeable future.

The instant electronic redistribution functionality of disputed claims workload continues to allow the Division of Employment Security to realize the maximum utilization of staff in all Regional Claims Centers. Obviously, the risk and liability reduction from not physically transporting paper claims cases across the state will also be a continuous benefit for the DOLIR, DES and citizens of the State of Missouri.

The design of the eFolder System allows for future enhancements to make even more productivity increases possible. As staff becomes more familiar with the eFolder System, they will be able to identify those areas where improvements can be made to increase productivity and improve customer service.

As we have already documented, each quarter's production records reflect the results of improved file management through use of the eFolder System, cost reduction, reduction in risk exposure for the Department, improved customer service and increased productivity by all Regional Claims Center staff.

As the future of the Division of Employment Security continues to operate in the ever changing dynamic Unemployment Insurance environment, the eFolder System is poised to adapt to these changes and allow for future enhancements. It will continue to be an effective tool for increasing service quality and productivity.

The eFolder System has become a model program for modernization throughout the Department of Labor and Industrial Relations. The knowledge gained from the eFolder project is now being examined for the benefit of other agencies in the Department of Labor and Industrial Relations.

## **V. RECOGNITION/AWARDS**

**1. Has this project ever been nominated for the Governor's Award for Quality and Productivity? If yes, when?**

No

**2. If yes, for which category was it nominated?**



3. Has this project received any other awards or recognition in the past? If yes, describe.  
No

**VI. NOMINATOR'S INFORMATION**

**NOMINATING DEPARTMENT**


Name	Signature	Telephone Number	E-Mail Address
SPENCER CLARK	Spencer Clark	751-8086	SPENCER.CLARK@DOLTR.MO.GOV

**VII. DEPARTMENT COORDINATOR INFORMATION**

**DEPARTMENT**

Name	Signature	Telephone Number	E-Mail Address
Wanda Seeney	Wanda Seeney	751-7500	Wanda.Seeney@ddir.mo.gov

**VIII. DEPARTMENT DIRECTOR APPROVAL**

DEPARTMENT DIRECTOR'S NAME	DEPARTMENT DIRECTOR'S SIGNATURE
Todd Smith	

Nominations must be signed ONLY by the Department Director to be eligible for consideration.  
Nominations not signed by the Department Director will be returned.