Evaluating Customer Service at the Employment Security Department

Washington’s Employment Security Department (ESD) administers the state’s unemployment compensation program. The department collects unemployment taxes from Washington businesses to pay weekly benefits to employees who lose their jobs through no fault of their own. People who are eligible to receive those benefits apply for them online or by telephone. After being approved for benefits, a person must submit weekly claims to receive them.

In response to the global coronavirus pandemic that reached the United States in early 2020, the Governor required many businesses to temporarily close or reduce capacity. This led to a huge increase in unemployment claim filings. ESD reported that between March and October 2020, it paid out nearly $12 billion in unemployment benefits to more than one million Washingtonians. Early in the pandemic, the number of weekly unemployment claims filed rose by more than 3,500 percent in March of 2020 compared to the previous year. The flood of claims strained ESD infrastructure and staff, caused long delays in benefits payment and overwhelmed ESD’s call center capacity.

In early 2021, the Office of the Washington State Auditor released a performance audit of ESD’s pandemic response that identified factors that led to those problems, most notably the lack of sufficient numbers of trained staff. Later that year, the state Legislature passed a law (ESSB 5193) requiring ESD to complete a number of activities aimed at improving customer service. These included: establishing criteria to automatically trigger staffing increases, building a reserve force of unemployment claim adjudicators, and creating online dashboards that show the agency’s customer service performance.

Preliminary scope and objectives

This audit will examine ESD’s implementation of ESSB 5193 and improvements the agency has made to customer service since the previous audit. It will seek to answer these questions:

- Has ESD met the requirements of the customer service legislation passed during the 2021 legislative session?
- To what extent has the agency improved its customer service since that session?
- Does the agency have a quality performance management structure in place for monitoring and improving customer service on an ongoing basis?
- Were there practices in other states that resulted in better customer service related to unemployment benefits during the pandemic?