

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date

08/01/2019

2. Department

Employment Development Department

3. Organizational Placement (Division/Branch/Office Name)

Benefit Systems Modernization Project / Information Technology Branch

4. CEA Position Title

Business Director

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The Business Director will be responsible for ensuring that business program needs are satisfactorily met by the system modernization project that will expand automation to facilitate efficiencies by replacing outdated hardware and software systems that support core benefit programs including filing, eligibility, audit, fraud and overpayment collection activities.

6. Reports to: (Class Title/Level)

Chief Deputy Director, Employment Development Department

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain): The Business Director will oversee the development and direct the execution of the project as it relates to department's business areas, including the recommendation of new policy and policy changes related to the use of the information for the benefit programs.

8. Organizational Level (Select one)

- 1st
- 2nd
- 3rd
- 4th
- 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

The Business Director will be responsible for implementing increased enterprise-wide business program efficiencies, identifying opportunities for expanding services to customers, and makes recommendations on operational changes that fully utilize modern technology solutions and enhancements. The Business Director will be responsible for ensuring that program improvements are in line with EDD's vision, mission, and strategic goals. The Business Director will also be responsible for identifying risks that could impact the mission of EDD's business programs, and for developing plans to mitigate said risks.

Recommends, develops, and implements related policy to support EDD's various tax collection and benefit service programs. Advises the Chief Deputy Director and Deputy Directors on long-term planning and program delivery systems. Identifies future benefit program needs and participates in the Department's overall business strategic planning process.

The Business Director shall plan, develop, and execute a comprehensive organizational change management strategy including internal and external business change partners throughout all departmental divisions that will be directly or indirectly impacted by the many and varied changes being implemented during the project. The change management activities include implementation, education, training, legislation development, and business process reengineering implemented in partnership with all EDD divisions and business programs. In addition, the Business Director will work in partnership with the Project Technical Director to identify post-implementation strategy for the ongoing success of the BSM system.

Plans, facilitates, and evaluates the work of a multi-functional staff of approximately 14 staff. Ensures operational and cost efficiencies in the areas of program development, policy governance, and program management.

Exercises oversight over the coordination and preparation of program activities for the Department's Benefit Systems Modernization project. This includes the development and implementation of modernized technology used to request and pay benefits to unemployed and disabled claimants, collect labor market information, ensure the benefit charge and Unemployment Insurance rating process is effective and accurate, ensure benefit overpayment identification and collections are accurate, and carry out the Department's marketing activities with employers and constituency groups.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The proposed CEA is critical to the Department's mission to deliver valuable and innovative services to meet the evolving needs of employers, workers, and job seekers. The Business Director shall ensure that the Department's program-related strategic plan goals are achieved while leading the planning and implementation of the project.

The Department's business landscape provides services to millions of California citizens and businesses. In addition, there are thousands of EDD employees who depend on the functionality of the benefits systems to continue to provide critical services to the public. The Business Director will ensure front-line EDD program staff, who are end-users along-side with the public and, therefore, offer invaluable input, contribute their expert knowledge in developing the needs of the system to support EDD's business operations well into the future and are fully trained and educated on the new system when implemented. Time is of the essence to ensure efficient and effective project planning activities occur now, in order to provide customers the very best products and experience when doing business with EDD.

Business input is not only necessary but required, as the Unemployment Insurance, State Disability Insurance, and Tax programs and their customers are directly impacted. The Benefit Systems Modernization project's success will be defined by the system's ability to meet the needs of the public who entrust EDD to deliver services to meet the needs of millions across the state. This kind of success requires a highly skilled expert program leader who adheres to, and is knowledgeable of, business modernization processes, project management tools and techniques, as well as having a thorough knowledge of required EDD program outcomes, to meet all legal, regulatory, and program service needs.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

In 2016, EDD began the Benefit Systems Modernization (project) that will eliminate the Department's legacy systems and modernize the benefit systems. However, the project's program activities to date have been overseen on a regular basis by the Project Director from the Information Technology Branch. This project leadership structure has resulted in an unbalanced emphasis on technical project leadership. Over time, the Project Director's natural IT focus may impact the business needs and consequently, some business opportunities risk being missed due to lack of proper representation. Furthermore, the project's existing program leadership is bifurcated amongst the three primary impacted branches of Unemployment Insurance, State Disability Insurance, and Tax. As such, it became necessary to move other management resources into positions to assist with the massive undertaking as it impacts the entire enterprise. This movement frequently pulled other CEAs away from their assigned duties and required them to perform double duty for extended periods of time. This approach is far from an ideal situation and is not without consequence--nor can it be sustainable over the duration of the project. Their time spent on the project made it a challenge to perform the full range of their primary job responsibilities, such as driving production goals and service level commitments, division specific program planning, succession planning, staff development, hiring and recruitment, and many other functions often competed for the time spent on the project.

The Department seeks to establish the Business Director CEA to provide unified and dedicated program leadership to the project. The Business Director will be charged with working across multiple programs to align policies and streamline operations to transform EDD's business in support of its strategic goal of sustainable operations. The Business Director will form partnerships with internal executives and external public and private business partners to move the most complex and difficult program changes forward.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The Business Director will be responsible for making direct and indirect impact to numerous policies throughout the enterprise. Among these are:

1. Recommend, develop and implement policies to conform and comply with federal and state laws governing the program to ensure EDD does not jeopardize funding or increase taxes as a result of non-compliance with mandated rules and standards. For example, in the event a modification is required, the Business Director must immediately develop policy recommendations for the change, and consult with executive management, to either modify existing policy as warranted or develop recommendations on alternative business solutions that align with the goals of the BSM project. Navigate complex reporting, accounting and audit requirements tied to actual workload and benefit costs that must be thoughtfully considered to ensure any system modernization efforts do not negatively impact our integrity, expose the department to audit, fraud, legal or reputational risk. Program management work regularly with oversight partners, including the Department of Labor, Social Security Administration and through their interactions can help to facilitate effective communications and relationships with these partners and stakeholders to promote proactive engagement and to heighten effectiveness.

2. The Business Director will ensure that the business policies, goals and objectives are met. Provide program management and oversight to the BSM Project in using program knowledge and expertise to identify, map, plan, and integrate business changes impacting claims, including working with appropriate stakeholders to identify necessary business and systems enhancements. Engaging with program staff with a working knowledge of the program and state and federal requirements in real time provides the ability for quick attention to urgent project matters as they arise. For example, ensuring accurate end to end processing, reducing payment issues, ensuring separation of duties and access based on business need, reduction of improper payments, customer, claim and wage authentication, and engaging with program field office testers who can facilitate early detection of flaws with a new system, as well as ensuring steps are not missed when it comes to the processing of specific workloads. This level of engagement allows for early detection and resolution of problems, as well as enhances communication with users who depend on the system's effective functionality. This includes policies around operations and guidelines pertaining to managing priorities.

3. Ensuring that solutions do not have a deleterious impact on employees who have to work with the new system. For example, in prior system enhancements, program staff have had to do significantly more work in order to "work around" system limitations, and also had voluminous system flags that caused delays in payments as well as a resulting flood of phone calls from unhappy customers and legislators. This also resulted in significant negative impacts to service delivery, to EDD's reputation, increased media coverage and legislative oversight due to inadequate project planning and delivery. Given this, the EDD must ensure that frameworks and methodologies are in place to manage the project with the lowest risk possible. The Business Director will have the accountability for making certain that EDD maintains and evolves its frameworks to keep in pace with industry changes in project delivery. A stronger program voice in project oversight will be able to engage in early detection and mitigation of these risks to ensure delivery of a reliable and successful project outcome.

4. The Business Director will oversee all management, tracking, and administration related to service delivery. Determining how priorities will be set amongst various systems and business programs where potential competing goals or business objectives occur. The Business Director will report to the Chief Deputy Director, who together with members of the Executive Steering Committee can identify and resolve conflicts involving program needs, priorities and goals in real time in order to ensure the most effective and expeditious resolution of concerns impacting the greater good of the project.

All of the above have identifiable impacts internally as well as to the workforce/labor community. Failure to properly establish and hold fast to these policies could result in flawed business decisions, inaccuracies in benefit or overpayment collection strategies, damage to department's reputation and overall negative impact to the labor workforce and State of California as a whole. The Business Director's role in the development and/or review of these policies is crucial to the overall success of BSM.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The decision-making scope and authority of the Business Director plays a major role in the Department's overall efforts to serve customers.

Within this scope, the Business Director will have the authority to set policies with significant programmatic impact, including our ability to meet program goals, service commitments, the level and degree of program engagement and the most effective use of project data to benefit administration. The CEA will have full decision making authority and be the primary policy maker in regards to benefit administration system functionality.

Considering the increased complexity of modernized automation and the growing reliance on technology for service delivery, there are a myriad of decisions impacting program operations that will be driven and executed by the Business Director, particularly in aligning priorities and deliverables among three large and visible State programs. The Business Director will be instrumental in proactively identifying and mitigating critical risks that could impact the timeliness and accuracy of benefit delivery, involving millions of recipients and involving billions of dollars of funding.

The Business Director will also play a role in departmental efforts in respect to strategic planning, performance metrics, business process improvement, and process re-engineering. The Business Director position will have the authority for making high level policy decisions that have broad impact beyond the program area; whereas, other civil service positions would develop operational procedures or standards to implement policy that was developed at a higher level.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The CEA will be developing new policy that spans multiple lines of business and reviewing existing policy to ensure it supports the Department's long-term modernization goals, as well as implementing current policy. The CEA will be responsible for implementing policies created by control agencies, other areas of EDD and mandated by the legislature. Failure to properly establish and hold fast to these policies could result in flawed business decisions, inaccuracies in benefit or overpayment collection strategies, damage to Department's reputation and overall negative impact to the labor workforce and State of California as a whole.