



TENNESSEE UI

Project Highlight

"This transformation was not just about unemployment insurance. It restored the confidence of our team and the people who are counting on us—the Tennessee public."

—Deniece Thomas, Commissioner

In the 2010s, staff at the Tennessee Department of Labor and Workforce Development (TDLWD) were focused on delivering reliable, timely unemployment insurance (UI) services to Tennessee residents, but the agency's software systems were ill-equipped to support them. Inefficient task handling in their recently modernized UI benefits system resulted in a rapidly growing backlog of pending claims. "I couldn't even tell you how many pending claims there were because we couldn't find them," said Assistant Commissioner Jason Cecil. As claims piled up and claimants faced weeks-long delays in payment, public trust in the agency eroded.

TDLWD was also due to upgrade their UI tax system, which was running on a 40-plus-year-old mainframe, but leadership knew that moving forward with the same software used for the UI benefits modernization wouldn't give them the tools they needed to effectively serve Tennesseans. Commissioner Deniece Thomas described the state of the agency saying, "I could see the defeat on our folks' faces when they could not meet the needs of Tennesseans. They wanted to give people good, complete answers but didn't have the tools to do it, and it weighed heavily on our team." TDLWD leadership made the decision to find a replacement UI tax and benefits system—one that could repair the broken processes, and most importantly, rebuild the trust of Tennesseans.



Left to right: Jacob Greer, Eric Glapa, Chris Russ, Charles Jansen, Geicole Diggs, Jeremy Colbert, Robin Betts, Rusty Felts, Jason Cecil

Finding the Right Partner

In 2018, the Tennessee Department of Labor and Workforce Development (TDLWD) was searching for an unemployment insurance (UI) tax and benefits system that Tennesseans and TDLWD staff could rely on. TDLWD leadership had learned from the 2016 modernization of their UI benefits system that TDLWD staff should drive key business process decisions. During that modernization, system design decisions were made without soliciting agency input, leaving TDLWD to live with the consequences of system processes that didn't match business needs. Program Specialist Phillip Calderon explained the result of bypassing staff input, saying, "We created a lot of workarounds because we couldn't trust the system. There was a lot of double and triple checking to make sure the system did what we meant for it to do."



"I think that Tennessee's UI program is now one of the top 10 in the country, and I think that has a lot to do with our team, the relationship we built with our vendor, and the commitment we had to get the system right."

—Rusty Felts, Assistant Commissioner

For their next system, having a vendor who listened to and prioritized TDLWD's needs was a must. "We were not looking for just a vendor. We were looking for a partner—somebody not just bringing the tools

to optimize processes, but who understood our Tennessee vibe, could really walk alongside us, and understood what we were trying to build," Commissioner Deniece Thomas said. TDLWD embarked on their procurement process with these goals in mind and ultimately selected Fast Enterprises (FAST) to implement Iris—an integrated UI tax and benefits system. Iris would repair broken benefits processes, replace tax operations running on a dated

mainframe, and unite tax and benefits in a reliable system that both TDLWD staff and the Tennessee public could depend on.

A System Tennesseans Can Trust

Prioritizing customer and staff experiences during the Iris implementation enabled TDLWD to rebuild trust inside and outside the agency. Deputy Assistant Commissioner Jeremy Colbert explained, “Before Iris, it was hard for clients to complete tasks without manual assistance from staff, so we wanted to remove barriers and make it as streamlined as we possibly could. Claimants aren’t going to enjoy filing unemployment, but it shouldn’t be a burden.” Streamlining customer interactions meant re-evaluating how customers used their online portal, identifying points of friction, and refining those processes. To better understand the user perspective, the agency conducted a formal usability study of the portal before and after rollout. Jacob Greer, UI Benefits Iris System Support Director, said, “We made quite a few changes before we rolled out because of the study we did—language changes, location changes of hyperlinks, color coding. After hundreds of thousands of people in the state started using it, we also spent a lot of time assessing and analyzing their inputs to see how we could continue to improve it.” TDLWD also used these customer inputs to revise fact-finding

forms with easier-to-understand questions so that customers could complete them with less confusion. Jeremy said, “We tried to write the questions in a way that a normal everyday citizen can understand and respond to.” With more accurate, consistent answers from claimants, adjudicators can quickly identify claimants with the same answers to key questions and resolve large groups of straightforward claims at once.

Jeremy explained, “If someone quits their job to relocate, they’re ineligible to receive benefits—that’s denied. I don’t need to look through every one of those individually.” This process shortens the time spent reviewing claims, helping customers receive decisions faster. Jeremy continued, “I don’t have enough staff to make a million decisions, but the new processes enable adjudicators to make multiple determinations more efficiently. I’m overly pleased with how that’s turned out.”

With these changes, staff can perform at levels they could never reach before Iris, which has rebuilt customer confidence in the state’s unemployment insurance services. Program Specialist Phillip Calderon said, “We have higher satisfaction rates from our customers—whether it be from the employers or the claimants—and that drives people to use the system.”

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“It wasn’t about fighting the court of public opinion. It was about knowing in our heart that when we went home at night, we delivered the best product for the citizens of Tennessee. That matters a whole heck of a lot to us.”

—Deniece Thomas, Commissioner

Seeing Results with Iris



Reduced Customer Inquiries

4,600 fewer UI-related calls per month just 2 months after implementation.



Faster Weekly Certification

51% reduction in average weekly certification time—from 15 minutes to 7.3 minutes.



Electronic Employer Registration

Previously a 7-day, cumbersome paper process, employer registrations are now easily completed online in minutes.



Error Reduction

Better wage report validation reduced errors to under 1%, minimizing manual review.



Jason Cecil and Jeremy Colbert

One Team for Tennesseans

Iris brought tax and benefits processes into one system, so tax and benefits staff needed to be aligned from the start. To ensure Iris met the needs of both areas, TDLWD involved key tax staff early in the Iris benefits implementation. Robin Betts, Assistant Administrator for Recovery and Tax, who came from the tax side, said, “On the Iris project, I was trying to think ahead. If we were doing something for benefits, I would talk about how we wanted things for tax to work.” Benefits staff also made a point of bringing tax considerations into discussions, even if tax staff did not raise concerns directly. Eric Glapa, UI Tax Iris System Support Director, explained, “Even though I wasn’t working with the front-end processes, I was in all the meetings. Everybody said I was their tax guy, and when anything came between benefits and tax work, they’d come to me to make sure we knew how it would affect employers, which I appreciated.” Integrating tax and benefits perspectives from the beginning was critical to building a strong, unified Iris system. Deputy Assistant Commissioner Chris Russ said, “In any project you have disagreements, but I think our teams, both on the tax side and the benefits side, worked well together to make this the best system it can be for the state of Tennessee.”



Left to right: Rusty Felts, Eric Glapa, Jason Cecil

Improvements

“With the layout of Iris, staff can implement decisions a lot better. They can view their claimant response, employee response, and implement their decision—all in a centralized view.”

—Geicole Diggs,
Assistant Administrator, Integrity Unit

“Before, we did a lot for employers because they didn’t have as much access. Now, they can access so much and do a lot of work on their own. I give the new system a 10 out of 10, really.”

—Haylee Huggins,
Administrative Services Manager

“Working with a system that was pretty much 40 years old, there was a lot of paper involved, and tasks would take days, weeks, or months to do. Now things are streamlined in the system, and tasks take minutes.”

—Patty Grimes,
Unemployment Accounts Auditor

“Efficiencies in Iris—like the system automatically making requests or putting timelines on tasks—save us 3 to 4 minutes per claim. That adds up to an extra 5 or 6 claims a day, and that gets us in the green.”

—Trenton Thomas,
Claim Specialist



Empowering Decision Makers

TDLWD leadership recognized that the staff closest to their business processes had valuable insight into how Iris needed to function to meet the needs of Tennesseans. With this in mind, leadership enabled project team staff to have a voice and real decision-making authority when reimagining business processes. Commissioner Deniece Thomas explained, “Staff had years of frustration and wanted to see systems optimized. I wanted them to be at the table, have a voice, and feel empowered to make decisions. They didn’t feel like that in the first project, so this was an opportunity to really make that entire group feel like they were not in the back seat but that they were driving the car and forging the direction.”

To deliver the best possible system for Tennessee, TDLWD leadership assigned key personnel to the project full-time and entrusted these staff to make decisions on behalf of the agency. Robin Betts, Assistant Administrator for Recovery and Tax, said, “Our leadership learned from mistakes made during the first modernization, and they actually did let the Business Analysts make the decisions.” Jeremy Colbert, Deputy Assistant Commissioner, agreed, “Leadership trusted us and didn’t micromanage us—they gave us the ability to do what we needed to do and the freedom to make decisions.” The result of this strategy was not only a system that accurately aligned with Tennessee processes, but a strong sense of ownership and pride across the team. Phillip Calderon, Program Specialist, said, “The work that I put into testing creates efficiencies not just for the employers and the claimants, but also internal staff. Hopefully, Iris will be a lasting system with the agency for decades.”



“Being able to freely discuss what we desired and needed, and being able to easily collaborate with all parties involved made the project successful.”

**—Whitney Cooper,
Unemployment Accounts Auditor**

Iris

Agency Name

Tennessee Department of Labor and Workforce Development (TDLWD)

Vision Statement

To ensure all Tennesseans have access to high quality jobs in a safe and thriving workplace.

Agency Values

Integrity, Teamwork, Continuous Improvement

Project Type

UI Tax and Benefits

Project Dates

September 2022 – May 2025

Population

7.3 Million

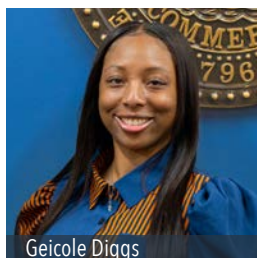
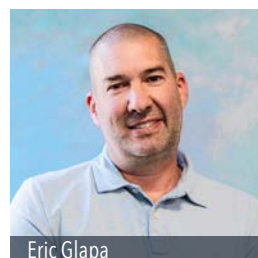
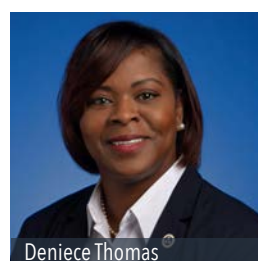
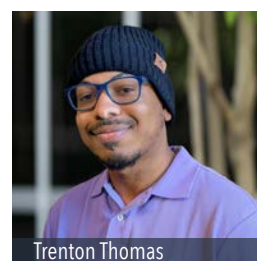
Capital

Nashville

Fun Fact

The Iris system is named after the state’s official cultivated flower, the iris.





A Future of Continuous Improvement

Before Iris, the Tennessee Department of Labor and Workforce Development (TDLWD) struggled to make timely payments to claimants who depended on them. Today, the department consistently pays claimants on time and ranks among the nation's leading unemployment insurance (UI) agencies for the US Department of Labor's First Payment Timeliness measure. However, better UI services for Tennesseans does not end with stronger metrics or one successful implementation. Chris Russ, Deputy Assistant Commissioner, said, "It's nice to sit up here and talk about metrics, but what we're ultimately trying to do is make it better for each person in the state of Tennessee."

"The thing that makes me smile the most is the swagger our staff got back because they have tools in place that can help them do their jobs. Now, they hold their head up high and say, 'It feels good to be a part of TDLWD.' That makes me feel good because our people feel good."

—Deniece Thomas, Commissioner

That commitment to continuous improvement inspired TDLWD to create an Office of Transformation that applies best practices from the Iris project to other modernization efforts across the agency. Charles Jansen, Director of the Office of Transformation, said, "We are setting a tone for the agency on how we are going to manage modernization projects and the strategy around that going forward." The success of Iris is helping shape future initiatives that serve Tennesseans, and agency leadership remains dedicated to advancing that progress. Michael Betts, Director of Appeals, said, "If you sit on your laurels and you don't try to improve, you might as well get out of the business. I don't think that we will ever rest."