Improving Performance with Lean

The Baltimore City Experience

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Agenda

- What is the "Lean" thing?

- Lean in Baltimore City

- D.I.Y Lean Government

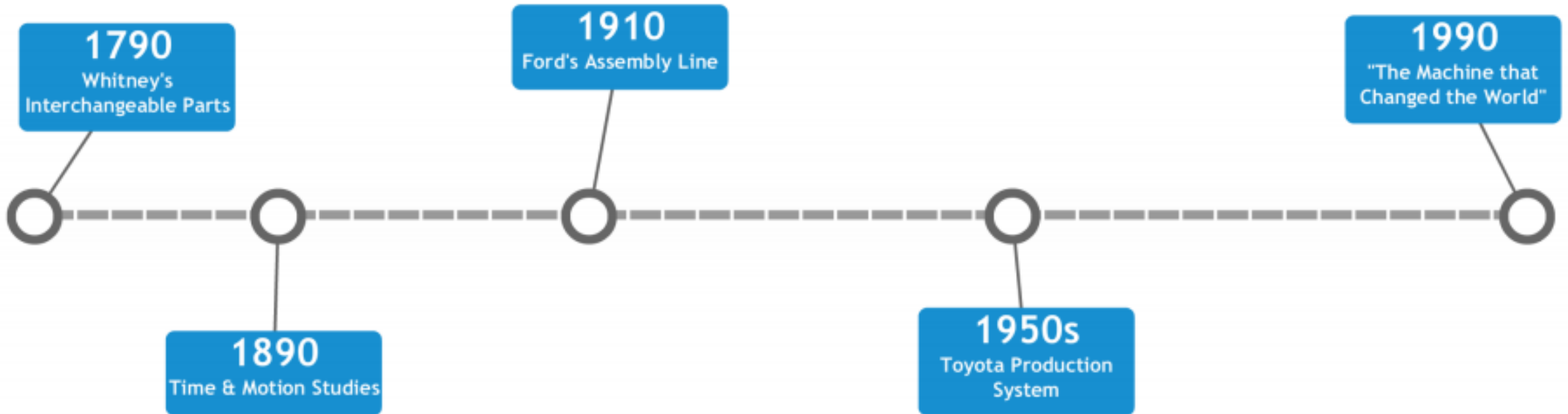- Stuff we learned...and not only the easy way

- Your turn!

What's this "Lean" thing

"Insanity is doing the same thing over and over again and expecting different results" — Albert Einstein

The Evolution of Process Improvement

5 Principles of Process Improvement

1. **Identify what your customers value**

2. **Map the steps required to deliver that value**

3. **Deliver value without waste**

4. **Deliver value on demand**

5. **Seek perfection**

Real talk:

Waste is rude   **Your organization has problems**   **It's not the customer's fault**   **This will be more work**

And, no … your people are not the problem

Now that you're sold....

You CAN do this

Your customers will be thankful

You'll have tools to fix issues

Your employees will feel empowered

Your service will improve

And, yes ... it can be REALLY FUN.

Continuous Improvement Toolbox

- Voice of the Customer
- Process Map
- A3
- Value Stream Analysis

- Gemba/Waste Walk
- Communication Circles
- Spaghetti Diagrams

Understand the Process

Identify Waste

Make the Change

Find the Root Cause

- Impact/Effort Matrix
- Standard of Work
- Mistake Proofing
- Visual Management
- Level-Loading

- 5 Why's
- Fishbone Diagram

It's happening all around you

- State & Federal Tax Returns

- Trash Collection Optimization in Pittsburgh

- Denver Excise and Licensing Department

- Washington Department of Health's Women, Infants & Toddler Program Complaints Process

- Colorado Department of Transportation Inventory Management

- City of Philadelphia contract management process

Lean in Baltimore City

"People need to touch change. And being able to touch change is a huge problem for municipal and state employees who spend hours in office buildings with little to no direct contact with a customer." – Brian Elms, *Peak Performance*

Mission: Giving people the skills, resources and freedom they need to turn ideas into results.

Vision: A government that….
- Never stops thinking about how to get better results
- Encourages leadership, regardless of job title
- Gives employees a safe space to try new things
- Measures its progress
- Takes risks in the spirit of innovation

We often hear: we need more money, more people, more technology...

BUT: If you throw these things at a bad process, you end up wasting money, time and resources.

SO: That's where Lean Government comes in
- We want to teach employees to review the core services they provide and empower them to:
  - Eliminate inefficiency
  - Improve customer service
  - Communicate the value of your program or service

IF: At the end of the day, they realize a different resource is needed to make their service the best it can be...they now have evidence – through metrics and process improvement work – to communicate the need.

What we do:

Training

The City offers three levels of training **free** to employees.

Beginner: Get acquainted with Lean philosophy, strategies, and examples of practical applications.

Intermediate: Take a deeper dive into the different Lean tools.

Advanced: Train to become a Lean facilitator.

A3 Problem Solving

Employees are empowered to use this planning tool to engage in process improvement in their workplace.

The A3 can help you clarify your issue, narrow your scope and communicate the outcomes of your proposed improvement.

This is the City's way of documenting change and recording the impact you've had on the service's metrics and performance.

Process Improvement Events

For larger scale change, the City works with outside vendors to facilitate 2 to 5 day events.

Employees work together to map complicated processes, make small changes quickly, and set a 90 day action plan.

City programs and services have seen dramatic results from engaging in Process Improvement Events.

Empowering employees to think dynamically, work toward continuous improvement and ensure Baltimore's municipal processes are adding value for residents.

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By the Numbers

1066
Employees who have completed beginner training and are exposed to the basics of continuous process improvement.

155
Employees who have completed intermediate training and implemented A3 problem solving projects in their workplace.

21
Employees who have completed advanced training and will soon be qualified to facilitate process-improvement events for the City.

15
Process Improvement Events engage front-line workers to employ a variety of tactics to identify and eliminate waste.

12
City agencies have mapped out complicated processes, made changes and seen dramatic results from engaging in Lean.

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Ideas@Work: A3 Problem Solving

- **The Why:** It took **1.5 hours per youth** to register for the MOED YouthWorks Summer Jobs program – or 12,000 hours in FY15. Generally, registrants were not prepared with correct or necessary documents to register.

- **The How:**
  - Create new audio-visual, engaging instruction manuals
  - Create new, more instructive signage
  - Create online pre-registration process
  - Target staffing based on peak times, bottlenecks

- **The Outcome:** In FY16, MOED reduced registration time to an average of 30-45 minutes per youth – or **4,069 hours**.

Ideas@Work: Value Stream Analysis

- **The Why:** In FY14 it took **34 days from payment receipt** for the Baltimore City Fire Department (BCFD) to conduct the inspection and issue permits. On average, inspectors were completing <u>5 inspections per day.</u>

- **The How:**
  - Standardize education across partner agencies regarding permit requirements
  - Create standard form to be filled out by inspectors upon permit review/approval
  - Eliminate practice of batch printing permits, print on-demand
  - Reconstruct inspector workday to eliminate unnecessary downtime at the start of workday.

- **The Outcome:** In FY15, the BCFD reduced wait time to an average of <u>11 days</u> and increased the number of **daily inspections to 8**.

D.I.Y Lean Government

"You can create your own process improvement program. Don't be intimidated by the unfamiliar terms and the expensive certification...what I've found is most important is a hunger for information, a commitment to creating positive change in your organization and a willingness to fail." – Brian Elms, Peak Performance

# Big to small, Cities are doing it all

Who are you?

- How open is your organization to change?

- Do you measure your service performance?

- Do employees feel comfortable making suggestions to superiors?

- Does your leadership place value on professional development?

- Do you know what "widgets" you make?

So, now what?

- Dig out your Strategic Plan (or outcomes, or goals, or whatever)
- Engage your leadership
- Identify your Champions
- Message the change
- Support your team
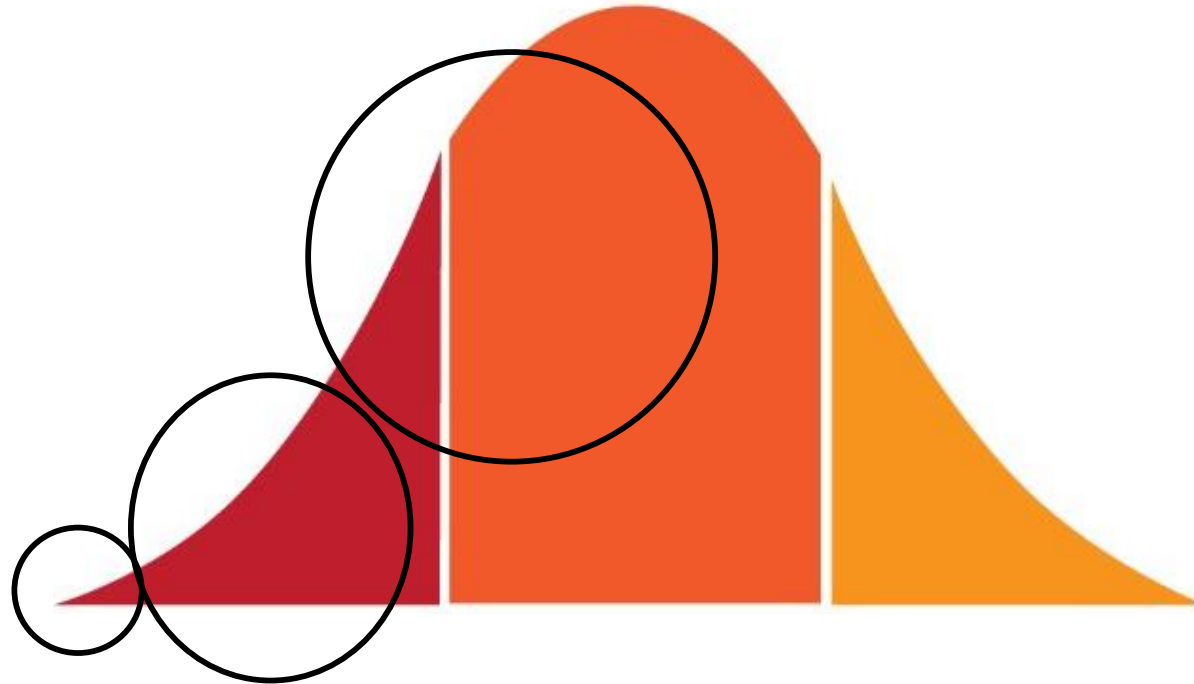
Stuff we learned... and not always the easy way

"And that's the first surprise about change: What looks like a people problem is often a situation problem." — Chip & Dan Heath Switch: How to Change Things When Change Is Hard

Just, don't:

- Make it about the money
- Use metrics in a punitive way
- Lean someone else's process
- Identify what's wrong, and leave someone else with a to-do list
- Teach people skills, but fail to engage them
- Force people to engage
- Throw technology at a bad process

"Just because you build it, doesn't mean they'll come."

Peak Academy

Non-negotiables:

- Start with WHY

- Measure stuff

- All wins are big wins

- Ask for feedback – and act on it

"Improving government is a battle won on the ground."
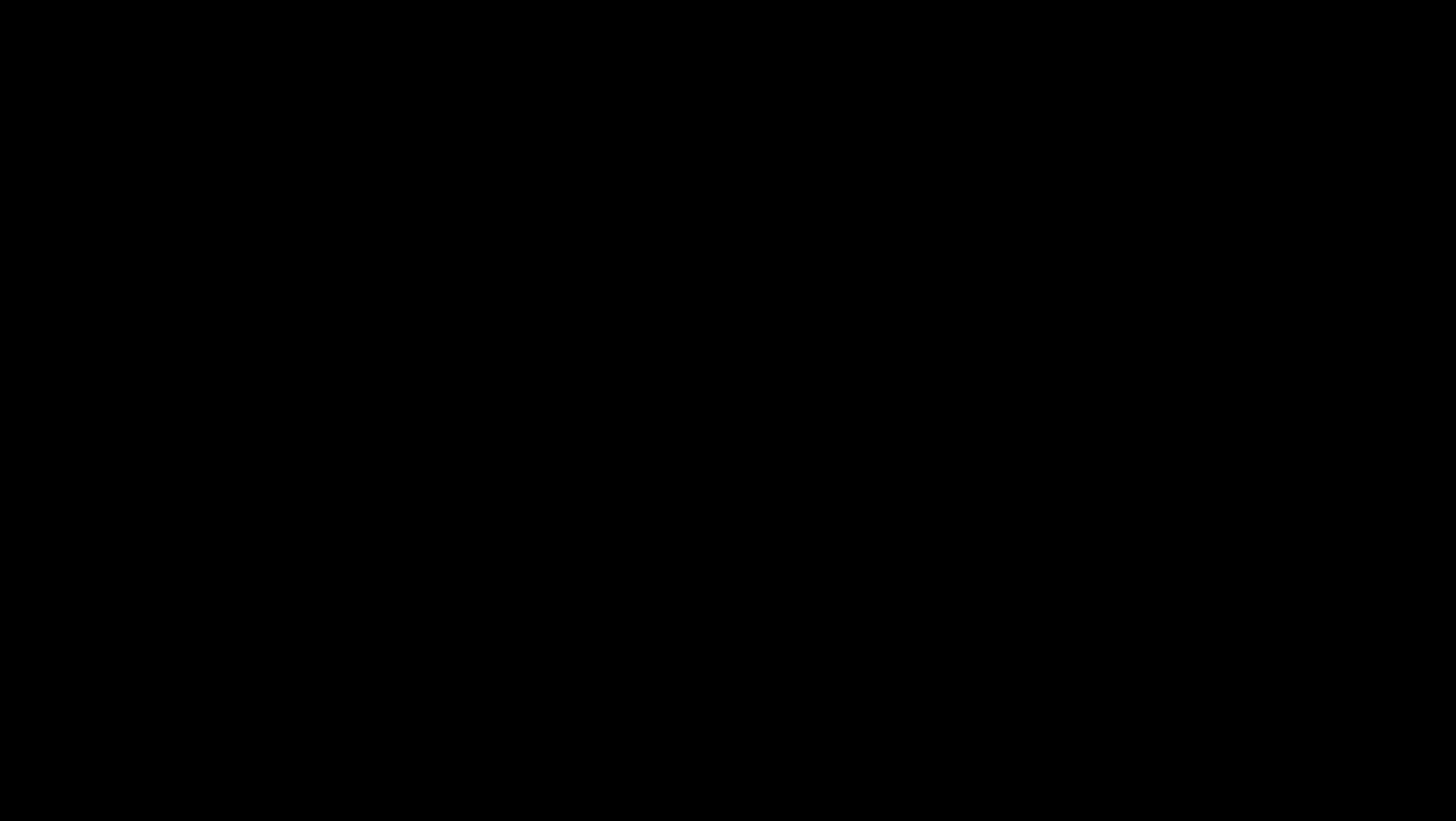
Ken Miller, *We Don't Make Widgets*

Recommended, but not required:

- Don't make this an initiative to evaluate how you do business, make it a part of how you do business.

- Focus on the 80%

- Chunk the change

- Keep track of how change has impacted your process over time

- Make space for creativity

It can transform lives

Your Turn!

"Perhaps we can dispel the greatest myth of all – that government managers are somehow inferior to their private sector counterparts" –Ken Miller, We Don't Make Widgets