

TechSolve


Efficiency and Effectiveness: Overcoming Challenges to Better Serve Citizens

TCMA Annual Conference
June 25, 2010

*It is not the strongest of species that survives,
nor the most intelligent, but the one most
responsive to change.*

Charles Darwin

Who We Are



- Dave Krings: Director, Non-Profit & Local Government Solutions, TechSolve (A **not-for-profit** organization that serves local governments, nonprofits and private sector clients to identify and implement process improvements that reduce costs and enhance productivity and quality). Dave is a former ICMA President with 40 years of public service in experience.
- Mike Hodge: Assistant City Manager, Pearland, Texas. Mike is also a licenced Professional Engineer and a Land Surveyor.
- Bob Hart: City Manager, Kennedale, Texas. Bob is a former President of the Innovation Groups and a City Manager in Huntsville, Georgetown, and Pampa, Texas.
- Sherrie Mattson, Internal Auditor, Conroe Texas. In 2006 she became the first Conroe Internal Auditor. She formerly worked for 19 years with Tomball, Texas.

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What we will present

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- Dave: Introduction and overview of "Lean"
- Mike: "Lean" in the Pearland development process
- Bob: Operational Changes in Kennedale
- Sherrie: The organization-wide promotion of "Conroe Lean"
- Attendees: Questions and Comments

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Defining Lean

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Lean has been defined in many ways.

"Lean is a philosophy that seeks the involvement of all workers in the elimination of waste and adding of value by stressing respect for people and teamwork and by incorporating a series of analytical techniques to reduce wasteful and non value-adding activities."

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Lean Key Objectives

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Satisfy our Customers!!!

- Minimize Cost
 - Eliminate unnecessary expenses
- Maximize Quality
 - Continuous improvement using all available knowledge and capabilities
 - 100% quality, 100% of the time
- Minimize Time
 - Lead Time < Customer Delivery Expectation

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Lean can be used to:

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- Shorten the time required to hire
- Reduce the complexity of your building permit process for the development community
- Cut the lead time for making purchases
- Reduce expenses in your judicial system
- Allow you to provide more or better services at the current costs
- Improve processes to "better"

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Value-Added Definitions

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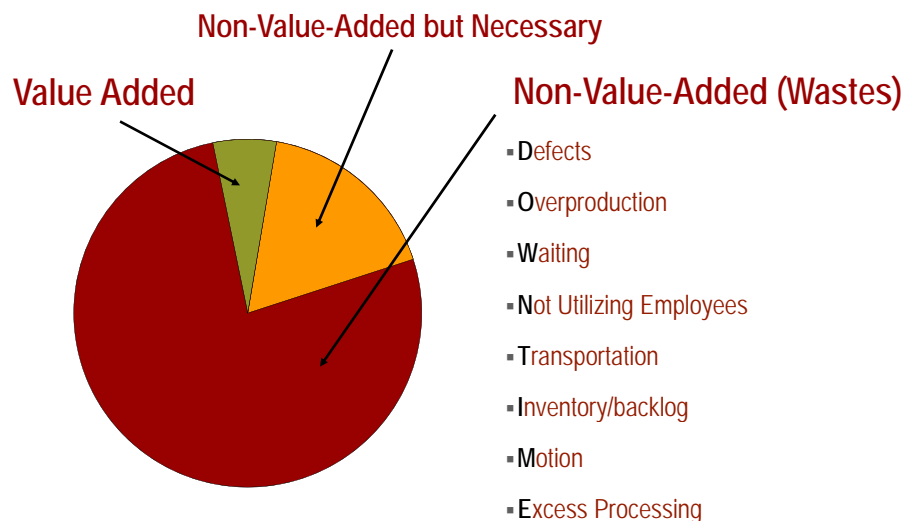
- Value-Added
 - Any activity that increases the market form or functionality of the product or service.
 - *These are things a knowledgeable customer is willing to pay for.*
- Non-Value-Added
 - Any activity that does not add market form or function and is not necessary.
 - *These activities should be eliminated.*
- Non-Value-Added but Necessary
 - Any activity that does not add market form or function but is necessary with the current process.
 - *These activities should be eliminated, simplified or reduced.*

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Identifying the 8 Wastes

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Typically 75-98% of lead time is non-value-added.

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Starting a Lean Program

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- **Must:**
 - Communicate ground rules and goals upfront
 - Including that no one will be laid off as a result of Lean improvements
 - Recognize that the line workers are the process experts
 - Not imposing "management solutions"
 - Require top management support
- **Suggested:**
 - Training for management and/or staff
- **Optional:**
 - Lunches, picnics, etc.

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Composition of a Lean Team

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- **Cross Functional**
 - Across the organization
 - Members from outside the department / process
 - Process Owners
 - Up and down through the organization
 - Management level
 - Operational level
- **Ideal Size**
 - 7 to 14
 - Depending on process

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Focus Areas

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- Typical processes with potential for improvement:
 - Hiring Process
 - Procurement Process
 - Building Permit Process
 - Municipal Court Process
 - I.T. Project Prioritization Process
 - Accounts Payable and Accounts Receivable

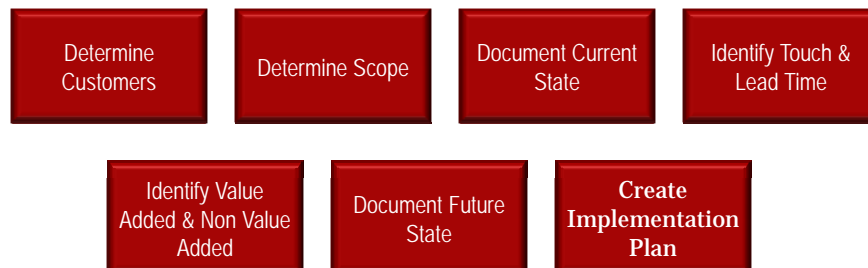
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Value Stream Mapping

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There are seven components of a LEAN process review utilizing Value Stream Mapping.



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What constitutes a lean organization?

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- Learning about lean is occurring throughout the organization
- Lean is going through cycles of evaluation and improvement – not just a series of projects or “events”
- There is a sharing of refinements in the lean process throughout the organization

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Public Sector Good Examples

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- How some jurisdictions are gaining positive results from Lean efforts:
 - Determine what is “better”
 - Measure to ensure results
 - Share results with elected officials
 - Invite elected officials and possibly local media to participate in celebrating results
 - Be careful not to turn an administrative process into a political process
 - Take a good look at Pearland, Kennedale and Conroe—Differing variations on the same theme and all producing great results!

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