

Strategic Lean Project Report



For Reporting Period: July 1, 2015 through December 31, 2015

I. General Information:

Lead agency name: **Liquor and Cannabis Board**

Partner agencies: N/A

Improvement project title: Local Authority Notification

Date improvement project was initiated: 3/2/2015

Project type: Previously reported project

Project is directly connected to:

Results Washington performance measure

Agency Strategic Plan

Other

If applicable, specify the alignment:

GOAL: Ensure the highest level of public safety by continually improving and enforcing laws, regulations and policies that reflect today's dynamic environment

Report reviewed and approved by: Peter Antolin

II. Project Summary:

The Liquor and Cannabis Board improved the process of notifying local authorities, resulting in time savings of 123 hours a month.

III. Project Details:

Identify the problem: The Liquor and Cannabis Board is required by statute to send out notifications to local municipal authorities of new liquor and cannabis applications within their jurisdiction. This process involves printing and mailing a notification to the local authority and waiting the allotted time of 20 days for a response from the local authority. The team wanted to look at improving the process by removing the non-value added activity while maintaining the quality of the service as well as upholding the regulation. Our current process is to send these notices via U.S. Mail; using an abundance of time and resources, when other less expensive methods are likely available and acceptable to our customers and stakeholders.

Problem statement: Currently, 2015 the LCB spends \$1,145 in resources to mail out notices compared to our target of reducing the cost of the process by 50%, which we want to reach by 10/30/2015.

Improvement description: Automate the Local Authority Notification process by use of email.

- Obtain email contacts for all local authorities
- Invite local authorities to participate in pilot program

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Customer involvement:

- Solicit feedback on new process
- Customers were involved in the pilot program and after statewide implementation. During the pilot program and upon completion of the project, we reached out to several customers requesting feedback on the new process. Here are some examples of their responses:

Pierce County – “Yes, we much prefer email notification over U. S mail notification. By utilizing email, it gives the County an additional 4-5 days with which the County can inspect, review and respond to WSLCB regarding any concerns the County may have concerning the applicant and/or application location.”

City of Everett – “Our agency greatly appreciates the new electronic notification and communications. It enhances our process and ensures we can respond in a timely manner. When mail is sent to a city or county, you are dealing with two mail processes. One is the US mail and the other, the internal mail of our agency, which seems to be slower than US mail. Thank you for the new improvements.”

Grays Harbor County – “I have been waiting for you to go digital, so I am very happy with the new process. Thanks”

Clallam County – “Clallam County has been working fine with the new notification procedure and so far has no concerns. I will advise any concerns found down the road, but I don’t believe there will be any. It is going great and thank you!”

City of Tumwater – “It’s working just fine for me – easy to notice them come in and I can forward them via email rather than having to make paper copies.”

City of Fife – “So far it’s been great – I would much rather receive notifications via e-mail than hard copy. The e-mails are easier to transmit to the departments that need them. We only ran into one special events permit that wasn’t for us – was sent to us in error – but other than that, it’s been working very well. Thanks so much for asking!”

IV. Project Details:

Improved process as measured by: <i>(Click those that apply)</i>	Specific results achieved: <i>(Complete the narrative boxes below)</i>	Total Impact: <i>(Actuals; Current Reporting Period)</i>	Results status:
<input checked="" type="checkbox"/> Cost	Avoided the cost of paper, envelopes and stamps utilized to mail out local authority notices from	\$1145.25 saved in first quarter of	Preliminary

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	\$1145.25 per quarter to ZERO.	new process	
<input checked="" type="checkbox"/> Quality	Increased the amount of time the local authority has to review the application from 15.76 days to 20 days. The new notification process grants local authorities 26.9% more time to consider their response to LCB local authority notices. Statute allots the local authority 20 days to respond, or the application process continues. Results showed that, on average, it took 4.24 days for the local authority to receive their notice, giving them only 15.76 days to review the application and return their response to the LCB. With our new process the local authority now receives their notice instantly, allowing them the full 20 days to review and respond to the notification.		
<input checked="" type="checkbox"/> Time	Decreased the amount of time for local authority letters to be generated and distributed for mailing/filing from 18.5 minutes to 1 minute.	422 local notifications in October 2015 sent via email versus USPS = 123 hrs.	Preliminary

V. Contact information:

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For Reporting Period: July 1, 2015 through December 31, 2015

I. General Information:

Lead agency name: **Liquor and Cannabis Board**

Partner agencies: N/A

Improvement project title: Spirits System Accounting Module Enhancement

Date improvement project was initiated: 10/1/2014

Project type: New Project

Project is directly connected to:

- Results Washington performance measure
- Agency Strategic Plan
- Other

If applicable, specify the alignment:

Strategy: Use existing technology better and modernize technology where needed.

Report reviewed and approved by: Peter Antolin

II. Project Summary:

The Liquor and Cannabis Board improved the Spirits System Accounting System, resulting in a decrease of 52 hours per month to review and adjust computations for spirit Licensee balance due letters to 3 hours per month.

III. Project Details:

Identify the problem: The Accounting Enhancement Project for the Spirit System was started because the system was miscalculating the penalties at the end of the month for the licensee with an outstanding balance.

Problem statement: Currently, it takes staff 52 hours per month to review and adjust computations for Spirit Licensee balance due letters, compared to our target of 16 hours per month, which we want to reach by 7/1/2015.

Improvement description: Since the system wasn't working correctly, it was taking staff 52 hours per month to review and adjust the penalties for balance due letters. Once the problems in the system were identified, a plan for the development of technical fixes and enhancements was launched. The new Spirits System Accounting Module has allowed us to convert to a running balance, which generates penalties on the outstanding balance on the account instead of relating the penalties to each report. This change allows us to easily look at the amounts on the licensees running balance report to determine any penalties that should be assessed on each licensee account. It also reduced the time spent reviewing balances and adjusting penalties for balance due letters from 52 hours per month to 3 hours month. After the new code was released into the production environment, we continued to monitor this process for 6 months to ensure accuracy.

Customer Internal system end-users (staff) were involved in the root cause analysis of the why

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involvement: errors were occurring, and they were integral in software testing the new enhancements and bug fixes prior to being released into production.

IV. Project Details:

Improved process as measured by: <i>(Click those that apply)</i>	Specific results achieved: <i>(Complete the narrative boxes below)</i>	Total Impact: <i>(Actuals; Current Reporting Period)</i>	Results status:
<input checked="" type="checkbox"/> Time	Decreased time spent reviewing balances and adjusting penalties for balance due letters from 52 hours per month to less than 3 hours.	49 hours per month	Final

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VI. Optional Visuals:



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For Reporting Period: July 1, 2015 through December 31, 2015

I. General Information:

Lead agency name: **Liquor and Cannabis Board**

Partner agencies: N/A

Improvement project title: Tapeless Back Ups

Date improvement project was initiated: 2/1/2016

Project type: New Project

Project is directly connected to:

Results Washington performance measure

Agency Strategic Plan

Other

If applicable, specify the alignment:

Strategy: Use existing technology better and modernize technology where needed.

Report reviewed and approved by: Peter Antolin

II. Project Summary:

The Liquor and Cannabis Board improved the process of backing up and securing system data, resulting in time savings of 10 hours a month.

III. Project Details:

Identify the problem:

Every day the Information Technology Infrastructure Team must secure agency system data and transfer it to a tape back-up. A courier service vendor travels to headquarters and retrieves the tapes for offsite storage. This manual process takes 15 to 30 minutes daily depending on the number of tapes for LCB staff to perform. This process can be automated using existing technologies and reduce the staff time involved.

Problem statement:

Currently, the Liquor and Cannabis Board IT Infrastructure Team spends 15-30 minutes every day preparing data tapes for offsite storage compared to our target of less than 1, which we want to reach by 11/1/2015.

Improvement description:

Using existing technologies, the improvement team believed that there must be a more efficient way to maintain our critical data in a more automated process. The group established what agency needs the current vendor service was fulfilling, and identified the gaps and challenges that existed because of the current process. They reached out to several other state agencies to see what processes and services they were using for data retention and protection. By way of leveraging the state contract, the LCB entered into a new contract that utilizes cloud-based data storage without any manual processes while meeting all of our security requirements. The team estimates that they are now saving 10 hours per month in reduced time spent on preparing the tapes and securing agency data with no added risk or loss of quality. Added benefits include improved disaster recovery and risk mitigation as

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Customer involvement: the data is now encrypted and stored outside the State of Washington. Process partners were involved in the scoping of the project, and other state agencies were interviewed about their experiences and lessons learned.

IV. Project Details:

Improved process as measured by: <i>(Click those that apply)</i>	Specific results achieved: <i>(Complete the narrative boxes below)</i>	Total Impact: <i>(Actuals; Current Reporting Period)</i>	Results status:
<input checked="" type="checkbox"/> Cost	Avoided the replacement cost of the on-site tape back-up hardware that was near the end of its lifecycle, quoted at \$42,000.	\$42,000 not budgeted in FY15-17	Final
<input checked="" type="checkbox"/> Time	Decreased the amount of time to prepared data tape backups from 10 hours a month to ZERO.	10 hours a month	Final

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