2018 Lean Transformation Conference
Washington State Government

Customers are people, too!
Insights from local governments beyond the Cascade Curtain.

November 6, 2018
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Multiple Perspectives

- Trust Me, I'm an Engineer. Let's just assume I'm never wrong.
- Can't keep calm. I'm studying Anthropology.

Office of the Washington State Auditor
2,000 Local Governments in WA

37 different types of local governments
And Beyond the Cascade Curtain

Opportunity to Focus on Smaller Governments
Focus on the world of Local Government
State Government: SME Line of Sight

Today

Future Impact
Relative to Local Government:
- layers of approval
- change takes longer
- distance to customers
Local Government: SME Line of Sight

Relative to State Government:
- breadth of responsibilities
- regional environment and economics
- *I know them and they know me.*
Wait, Lean doesn’t apply me!
Scale Makes a Difference

Organization Size (FTEs)

FTEs per Process

- 100
- 50
- 20
- 5
- 2
- 1
- 0.2

- 5
- 50
- 500
- 1,000
- 5,000
- 50,000

Office of the Washington State Auditor 11
Scale Makes a Difference

FTEs per Process vs. Organization Size (FTEs)
Scale Makes a Difference

FTEs per Process

Organization Size (FTEs)
Scale: Mass Production & Service

FTEs per Process vs. Organization Size (FTEs)

- **kaas tailored**
- **Toyota Georgetown**
- **Virginia Mason**

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Scale: State Government

FTEs per Process vs. Organization Size (FTEs)

- Washington State Department of Labor & Industries
- Washington State Department of Social & Health Services
- King County
- Auditor of State
- Dept of Archaeology + Historic Preservation

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Scale: Local Government

FTEs per Process vs. Organization Size (FTEs)

- Klickitat County
- City of Tumwater
- County of Walla Walla
- Whatcom County
- King County

5,000 - 50,000 FTEs
Degree of Specialization

FTEs per Process

Organization Size (FTEs)

Manager is also service provider

Organization can invest in Lean Specialist

Scale Makes a Difference
Differences that Make a Difference

Organization Size (FTEs) vs. FTEs per Process

- **Local Government**
  - 0.2 FTEs per process
  - Organization size ranges from 5 to 50 FTEs

- **State Government**
  - 1 FTEs per process
  - Organization size ranges from 50 to 500 FTEs

- **Mass Production**
  - 5 FTEs per process
  - Organization size ranges from 1,000 to 50,000 FTEs

Degree of Specialization

- Mass Production
- Local Government
- State Government
Differences that Make a Difference

Understand the impact of scale.
Differences that Make a Difference

Build clarity of purpose.
Differences that Make a Difference

Learn to improve “one person processes”.

FTEs per Process

Organization Size (FTEs)
Build capacity for Lean in a way that adapts.
Customer are People, Too

BFHD Immunization

Walla Walla County Receipts

Klickitat County Fairgrounds

Whatcom County Autopay
Benton Franklin Health District

9 person process

- Team provides immunizations for 260,000 people
- Process purpose is clear and deeply held in team
- 3 silos creating multiple billing errors
Challenge of System Change

At the start:

After 3 days:
Challenge of Change
Lessons:
✓ high-level mapping
✓ make stories the key
✓ zero defects goal

Kaizen
Klickitat County Fairgrounds Rental

- Significant staff turn over
- Increasing number of fairground events
- New, stable team needed a clear rental process

5 person process
“I Know My Job”

Manager: “I can solve problems at the grocery store.”

Office: “Is the contract signed?”

Facilities: “I’ve got things to move!”
“Stay In Your Lane”

Manager

Office

Facilities

CUSTOMER
The Emergence of “The Board”

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<th>Requested Forms</th>
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Question/Comments

- 8/15

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"It is a great way to not have to track someone down."

Gordon Kelsey, Director of Public Works
On The Same Page, uh Board

Lessons:

- Don’t huddle, just know and go.
- Clear purpose → focus on communication.
- My job is to make my job transparent.
- 10 minutes of teaching and leave.
Walla Walla County Treasurer

3 person process

- Responsible for recording revenue accurately
- Current system relied on many double checks
- Network with neighboring County suggested Lean
Walla Walla County Treasurer

Purpose to

Job Purpose

Office of the Washington State Auditor
Whiteboard conversations and verbal explanations...
led to a current state map of a 1 person process ...
Walla Walla County Treasurer

with red dots identifying overprocessing steps.
Lessons:

- don’t map if purpose isn’t clear
- one-person sub-process
- duplicate data entry eliminated
Whatcom County Treasurer

- Auto-pay debits property taxes directly from a taxpayer’s bank account
- One person does it all
- He ‘just knew’ it could be better
Improving a One Person Process

Purpose to Job
Improving a One Person Process

Auto-Pay

BACKGROUND
Auto-Pay provides convenience and provides the assurance that a payment will be retrieved. Auto-Pay is a benefit to the taxpayer.

CURRENT CONDITIONS
Taxpayers generally sign up at the counter. New enrollments are cut off after the cut off date.

GOAL
Make it easier and more efficient.

ANALYSIS
Sort Mail
- Incomplete forms
- Most changes to the forms for change of address are rarely used.
- The taxpayer's information
- Processing a batch

Documentation
- For accounts with
- Some taxpayers have
- Data would be more

Flowchart:
- Form entry in PDCS
- Updated info for advices that have been updated
- Change of address for advices that have been updated
- File document
- Pay in mail
- Pay in mail
- Pay in mail
Lessons

✓ When purpose is clear, go straight to mapping.
✓ Work is short, sweet and ‘on the side’.
✓ Sustain change by working with managers.
Lean and small local governments

- One person processes are more common, mission critical, and harder to see.
- Purpose is often hidden.
- Map at the right scale.
Why is all this important?

We all serve Washingtonians!

“My family got their immunizations, the nurses were wonderful, and the billing was clear!”
Why is all this important?

We all serve Washingtonians!

“My rental of the fairgrounds was seamless!”
Why is all this important?

We all serve Washingtonians!

“My county manages its finances accurately and efficiently.”
Why is all this important?

We all serve Washingtonians!

“My taxes were processed without a problem!”
It is all about the Residents of Washington – who are customers – and people just like us!
Conclusions

Lean = Lean = Lean
Local government is profoundly local.
We are building models, training, and tools for small local governments to improve their own processes at the frontier of Lean.
Questions?

Contact the Performance Center at performance@sao.wa.gov or (360)725-5621.