

Wisconsin Lean Government Program

State of Wisconsin Annual Report July 2015 - June 2016 Executive Summary

I. Introduction

Fiscal Year 2016 has been a transitional time for the Lean Government Program (“LGP”). Per the 2015-2017 Budget, the program was fully staffed to three employees in July of 2016. The LGP team, with guidance from the Governor’s Office and input from lean leaders in state agencies, has initiated several activities to transform to a more dynamic, customer focused, and value-add entity. We are pleased to share the following changes to the program.

1. **Community for Collaboration:** The Agency Points of Contact (“POC”) group has identified areas for improvement to create a more efficient and value-add environment for individual agencies. The POC is now a community for collaboration between the agencies. As part of the Department of Workforce Development’s (DWD) Lean program redesign, the agency invited four other agencies to participate in a panel discussion on best practices. All members found the event fruitful and an opportunity to learn new methods and approaches to Lean.
2. **Lean Journey Map Implementation:** LGP has developed a capability maturity model (CMM) called the “Lean Journey Map” that enables agencies to assess their lean environment based on cultural and technical attributes. Agency leadership now understands areas of strength and opportunities for improvement within their organization. This tool is meant to guide and assist agencies in their journey, not to force one method upon a unique agency culture. Here are a few comments about the Lean Journey Mapping activity:
 - a. Greg Gasper, the Division Administrator for the Division of Management Services at DSPS: *“The Lean Journey Map provided by the LGP helped us to fully analyze and realize our Lean efforts to this point, while laying out a very clear blueprint for what steps we can take to bring our Lean program to the next level. The guidance provided by this very simple tool makes it easy to determine how to move forward and continuously improve our Lean program.”*
 - b. Nicole Fite, Lean POC for DWD states: *“While we have a robust VSM program, we know we have work to do to have a robust Lean program at DWD. Over the last six months we have been working on redesigning our Lean program, so the timing of this maturity model couldn't have been better. We found the content and the facilitation of the assessment very useful. This provided us a framework to better understand our sponsor's goals for the Lean program and to better understand our strengths and weaknesses. I liked that the journey map identified appropriate next steps, based on our current maturity level, so that we can develop achievable goals. We are actively using the journey map to guide our redesign efforts.”*
3. **State Training Courses:**
 - a. In less than four months and with two FTEs, the LGP is on schedule to beta-test and release the following courses:
 - i. Introduction to Lean in Wisconsin (Computer Based Training) – Target release in September 2016
 - ii. Lean 101 (Computer Based Training) – Target release in September 2016
 - iii. Executive Sponsor and Process Owner (Instructor Led Training) – Release end of August 2016
 - iv. Performance Metrics – Basics (Instructor Led Training) – Release in early September 2016
 - v. Rapid Improvement Event (Instructor Led Training) - Beta Test at end of August and targeted release in September 2016
 - vi. Change Management in Lean (Instructor Led Training) – Target release in September 2016

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- b. The current Lean Training and Technical Support optional contract is set to expire in late September 2016. With support from the State Bureau of Procurement (SBOP) Contract Manager, the State has released a Request for Proposal (RFP). The goal is to have a mandatory contract in place for Lean Six Sigma Belt Training, as well as Problem Solving and Decision Making (PSDM) courses.
4. **LGP Project and Training Database:** Currently all agencies collect information relating to the Annual Report manually. This is time consuming and sometimes project information is not included. In addition, there is no way to determine what the State's return is on training dollars with improvement projects.

In partnership with the Department of Administration's Division of Enterprise Technology (DET), LGP is developing a database with business intelligence that will allow a standardized method for collecting project and training information. This system will allow agencies to assess projects and determine which methods are successful in terms of results and use. For example, the Department of Transportation may utilize a DMAIC approach while the Department of Children and Families focuses on the Value Stream Mapping (VSM) method. Users will have greater visibility on potential replication projects instead of starting from "scratch."

5. **Revised State Charter:** The 2012 State Charter for Lean Government will be updated to reflect a 'continuous improvement' culture instead of the 'lean' focus which can limit the view or application to a certain set of tools or methodologies. Four additional guiding principles have been issued;
 - a. Focus on obtaining the "Voice of the Customer" (VOC) within the projects and improvement activities.
 - b. Seek out "low-cost" solutions before implementing technology.
 - c. Allow for an environment of experimentation that supports the continuous improvement culture.
 - d. Enable greater transparency with continuous improvement through executive report-outs, sharing project and activity information within the agency and with peer agencies, mandatory reporting of projects and activities through a centralized database.

In addition, the 2016 State Charter will require agencies to maintain a Lean Journey Map on an annual basis. It will also require that an annual "Continuous Improvement Culture" survey be issued to agency employees to assess awareness and knowledge of the continuous improvement program and culture.

6. **Outreach:**
 - a. The POC and LGP have acknowledged that the Lean Government website needs to be updated to match the customers' need. We are working to upgrade our site that will maintain current procedures, tools, and templates for agencies to access. There is also the intent to share and highlight successful agency projects and activities. Our site will also have a link to the Project and Training database so that information can be maintained real-time instead of having visibility only at the year-end.
 - b. **Focus on Lean:** LGP has initiated the Focus on Lean series which is based on the University of Wisconsin's "Focus on Facilitation". These events take place on a monthly basis and are intended to share and expand the knowledge of continuous improvement practitioners. There are three session structures that enable participants to learn;
 - i. Experience practitioner lecture – Learn or expand knowledge in continuous improvement topics.
 - ii. Topic of interest – Discuss particular tools or methods in order to advance knowledge or apply effectively.
 - iii. "Test Kitchen" - Opportunity to test a new or non-standard tool or method that could lead to more opportunities in increasing efficiency.

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II. Results (July 2015 - June 2016)

A. Data

Measures	Previous State	New State	Change (Unit)	Change (%)
Process Steps Eliminated	826	323	503 Steps	61% decrease over previous state
Staff Hours Repurposed	28,761	12,372	16,389 Hours	57% decrease over previous state
Cost Avoidance	\$4,975,828	\$547,677	\$4,428,151	89% cost avoidance
Lead-time Reduction (Days)	1,151	484	665 Days	58% decrease over previous state

Projects	Number of Projects
Projects Completed (FY 2016)	76
Projects Planned (FY 2017)	96

Note: This calculation methodology of 'Previous State and New State' is different from previous years that compared fiscal years (e.g. 2015 versus 2016). Comparing years is not ideal because variation of budgets, legislation, natural disasters, and other uncontrollable variables can influence activities of an agency.

III. Conclusion

Fiscal Year 2017 promises to be a time for greater collaboration and growth of continuous improvement throughout the state. Both the POC and LGP team members will be focused on expanding training to new and experienced state employees. LGP is also aligned to focus on enterprise efforts as well as consulting on individual projects for the agencies.

The next wave of courses will include Facilitation and Project Management in Lean (Instructor-led), Problem Solving and Decision Making lite (instructor-led), Root Cause Analysis (computer based) and 5S training (computer based). We will be focused on opportunities to work with external partners like the Wisconsin Center for Performance Excellence (WCPE), University of Wisconsin, City of Madison, American Family, Alliant Energy, and others to jointly develop or participate in training opportunities.

We also recognize the need for the continuous improvement effort to support the Governor's initiative for performance metrics. Agency metrics reflect the outcomes and outputs that support the citizens and businesses of Wisconsin, which should be the focus for all state employees. Continuous Improvement is the support beam that braces the strategic efforts and the mortar that strengthens the business processes of the agencies.

On behalf of the Lean Government Program, we thank the Governor's Office and state agencies for supporting our effort to expand the continuous improvement culture and to educate all stakeholders.

Brian Ross Wakeham
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