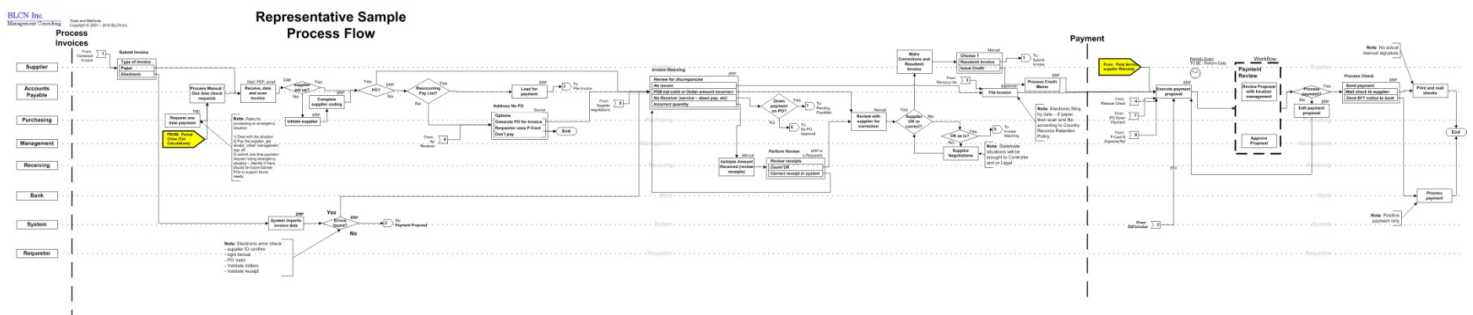


Government Customer Quotes

- "The Integrated Lean approach was easy to use and helped us move through the analysis quickly."
- "We were quick to find non-value added activities and quick hits."
- "The input from the businesses and other agencies was eye opening when looking at the process end to end and including their interactions."
- "Now when we address issues, we reference the process and apply the techniques."
- "Using our own process or project issues during the training exercises was very effective and we had something tangible to work on after the course."



Too Many Government Lean Projects Fail To Meet Objectives Due To Approach – The Following Pages Identify How To Increase Success And Sustainability For These Efforts.

What is Lean?

Lean became popular decades ago to drive out process waste from the manufacturing floor. The focus was to increase throughput and reduce cycle time while eliminating waste and improving quality. Since its inception, Lean has quickly moved to the non-manufacturing areas. Lean process improvement efforts are grounded by the organization’s strategic intent and customer needs and wants, sometimes called Voice of the Customer. The end objective of Lean is to redefine the operating business processes to meet the business objectives, customer requirements, reduce cycle times, eliminate process waste, and improve overall performance of the organization (as measured by key organizational metrics).

What is Integrated Lean?

Integrated Lean was designed to successfully implement Lean in an office environment. The Integrated Lean methods leverage the core Lean concepts and analytical tools with the usage of swim lane process mapping (see graphic above) for end to end business process analysis. BLCN has found that this approach brings an appropriate level of discussion to activities and accountability at an operational level, which you will not achieve by using other high level mapping techniques. Additionally, once the As Is and To Be processes are completed, a gap analysis is performed and a transition plan is defined. The plan focuses on people (job role impacts), process (policy, procedure, *metrics*), and technology (business requirements and tools). Addressing people, process, and technology is important in reducing organizational resistance and enhancing long term success.

BLCN, and our partners, have been using Integrated Lean successfully for over a decade on all sorts of operational processes. Typical results are 40-60% reduction in cycle time and non-value added activities; which impacts capacity and cost. Integrated Lean for systems deployment has proven successful in ERP, PPM / PMO, and other systems implementations. BLCN has seen up to a 40% reduction in system configuration costs due to better system and business requirements definitions. BLCN has seen an average 10% reduction in training expenses due to the interaction of the key staff during the modeling sessions.

Integrated Lean is a methodology with effective tools, a clear process and a systematic way of thinking. The following pages will delve into specifics in using Integrated Lean successfully in improving and simplifying government. The following critical success factors are based on past BLCN consulting, training and mentoring experiences with city, county and state government clients. The first paragraph of each success factor describes typical issues and the second paragraph is the recommended approach.

Integrated Lean in Government – Critical Success Factors

Positioning

Given the current environment, many Lean programs are positioned as cost cutting efforts. There are two problems with this: 1) Cost cutting is viewed as a short term activity vs. an ongoing culture, 2) normal human behavior is to try to wait it out and hope that the leadership is going to lose interest quickly and let it fade away. Cost cutting provides no benefit to the organization's individuals, which increases organizational resistance to change.

Properly positioned efforts will focus on increasing responsiveness, throughput and capacity, as well as being a way to think about issues and new direction. This positioning provides the connotation that the staff will be more effective and responsive to their customers by taking away their operational pain points, not providing job threats, and thus better acceptance and personal benefit. Cost reduction and revenue enhancement will be a byproduct benefit.

Define Success

Too often leadership states: "we want to be lean", "we need to cut expenses", "this is going to be implemented throughout the agency", and so on. These types of statements are vague and do not give enough direction to the team members that are going to be performing the work. There is not a clear understanding of what success is. It is like telling someone we will meet for lunch, without a date, time or place.

Each agency will need to clearly define their lean efforts. This should be done with a project lead / project manager to include clearly defined scope, including interaction with other agencies, and defining objectives, key metrics and success criteria. Projects may define stretch goals to enhance creative thinking, as well as an acceptable level of improvement. The success criteria can be validated / adjusted at the end of the To Be process design prior to implementation.

Leadership

In government, the top leadership are policy makers and do not directly drive or engage improvement efforts. Traditionally, business leadership is engaged in improvement efforts. It is very easy for Lean efforts to derail if there is not leadership attention. Lean is usually passed down to the organization with no defined projects or tangible objectives.

The benefit of Lean is that it adds flexibility and capacity to operations, making policy easier to implement. While it is not expected that the leadership is involved in an ongoing manner, they should hold monthly reviews on internal efforts. These reviews should be part of the ongoing leadership calendar. Think of Leadership with Lean as a soccer coach (game evolving – providing direction and strategy) vs. a football coach (play calling – tactically involved).

Political Cycles

Project scopes can be too large. If the effort crosses the time when there is an election, projects may stall or have to be reworked if there is a change in leadership, as strategy and direction may change.

Lean projects should be contained within political cycles as much as possible. Larger efforts can, and should be, broken into smaller manageable efforts, and still be part of a master plan.

Involve Customers

Many improvement efforts focus on the internal tasks only. They may improve how they operate internally, but if it does not meet the needs of the customers, the process is still not successful.

Customers are both internal and external. Internal customers are easier to identify and somewhat easy to work with. External customers, in a government setting, are more difficult due to the high quantity of individuals or businesses. Representative groups, such as business associations, are great for coordinating external input. Use surveys and focus groups for individual constituents to provide short and specific feedback. Focus on the Customer!

Look at End to End Process

Improvement efforts may focus on a small set of operational tasks vs. the “process”. These rifle shot approaches may actually sub-optimize the overall process, and forget about increasing throughput of the process or service.

Identify what is the end deliverable for your customer (license, renewal, information requests, etc.) and identify the beginning triggering event. The end-to-end process activities to be analyzed would start with the triggering event and end with the acceptance of the deliverable. Interactions with other processes need to be defined and analyzed too.

Implement In Phases

Trying to implement large transformational efforts can be painful and frequently fail. Even individual projects can lose focus and die a slow death if progress is not seen quickly or the implementation is too overwhelming.

If applicable, perform analysis on various segments of the customers and identify where there are likenesses and differentiation. It is crucial that quick hits (easy to implement with little effort) are implemented and celebrated. Identify the short term, mid-term and long term implementation actions, based on capacity to implement. This will allow for ongoing progress while longer term changes that require statue changes or additional funding are completed. For implementation, consider using the Plan Do Study Act (PDSA) approach to implement a small scope, learn and adjust, and grow the implementation to a larger scale.

Keep it simple

Lean can come with an overabundance of new terms and tools. Many of the terms and tools are for the manufacturing floor and not overly applicable to the office environment. These terms can be overwhelming and a “turn-off” to the staff. This will decrease the effectiveness of your lean effort.

Most of the terms and tools can be directly related to standard process efforts. Use only the tools that will help the organization get through the analysis quickly. It is important for long term lean thinking that the organization can easily grasp vs. walk away from the approach.

Summary

The previously mentioned approach adjustments are key to allow a government organization to successfully implement Lean and maintain it over time. Lean is a journey, a way of thinking, not a one-time event. Using Integrated Lean eases the adoption of Lean by the organization and increases the chance of ongoing success and benefits realization.

BLCN Integrated Lean Core Offerings

Training: *Participants work on their own project / process issues during the course exercises for immediate benefit!*

- Integrated Lean Training: 1 and 2-day course offerings; and a 2-hour Leadership session
 - Participants receive the BLCN Visio mapping template and shapes files
- Facilitation Skills and Techniques for Business Analysis and Project Management: 2 and 3-day offerings
 - Facilitator role definition, planning the session, tools and exercises in normal and conflict settings.
- Business Analysis: Plan Gather and Documenting Requirements: 2 and 3-day offerings; and a 1.5-hour Leadership session
 - Role definitions, models, elicitation techniques, requirements / user story techniques
- Project Management for New PMs and Department Leads: 2 and 3-day offerings; and a 2-hour Leadership session
- Future courses:
- Personalized content available
- Organizational training programs available

Integrated Lean Business Process Consulting:

- Facilitate leadership sessions: vision, strategic action planning, project alignment and governance
- Perform BLCN Integrated Lean Process Streamlining:
 - Individual processes, functional areas, transformation efforts
 - Achieve quick results and action plans based on gap analysis
- Perform BLCN Lean ERP / Systems design with integrators to align systems and process – ERP, PPM, CRM
- Define common processes across multiple locations
- Structure and perform Organizational Change Management activities in support of transformations
- Draft operational policy, procedure, job design and develop end user training based on process gap analysis

Mentoring:

- Leadership: Assist with project reviews and scheduled one on one reviews
- Core Team: Assist with performing their project tasks and deliverables (many times linked with training delivery)

For discussions about your Lean program, or for additional information about the BLCN Integrated Lean consulting, organizational change, training and mentoring programs, please contact:

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