LEAN GAHANNA

Program Status Report
January 23, 2017

PROGRAM OVERVIEW

The Lean Gahanna program was developed in mid-2015. It is modeled on the state's LeanOhio program, which has a mission to make government services simpler, faster, better and less costly. Using continuous improvement methods such as Lean and Six Sigma, Gahanna City programs and departments have been empowered to cut the proverbial "red tape," remove inefficiencies, improve customer service and achieve measureable results.

The Lean Gahanna program is working to institutionalize a culture of "lean thinking" throughout the City by providing ongoing Lean/Six Sigma training opportunities for City staff, fostering a Lean culture throughout City government and facilitation of Lean/Six Sigma projects throughout the City.

By improving program efficiency and effectiveness through Lean training and projects, Gahanna government will be a better value to the taxpayers and stakeholder communities. Over time, Gahanna will also be poised to provide services and training resources to other local public sector partners, such as the townships, schools and neighboring communities.

The City Administrator is the project lead for the Lean Gahanna program, assisted by the Finance Coordinator-Budget & Performance. The Lean Gahanna team is made up of City staff who have completed LeanOhio Boot Camp. As additional staff members receive Lean training and develop expertise, the Lean Gahanna project team will continue growing and evolving.

PROGRAM METRICS-SINCE INCEPTION

Employee Training Data

Highest Belt/Training Achieved	Current Employees	Pct of Total FT Employees (146)	All Employees *(incld. separations)*
Camo Belt (40 hours)	16	11%	17
Green Belt (80 hours + project)	0	0%	2
Black Belt (180 hours + 2 projects)	1	.6%	1
Total	**17**	**11.6%**	**20**

Training Value

Training Course	Cost	City Expense	% City Expense
Camo Belt (40 hours)	$36,000	$4,000	11%
Green Belt (80 hours + project)	$9,185	$1,185	13%
Black Belt (180 hours + 2 projects)	$3,100	$3,100	100%
Total-All Training	**$52,285**	**$8,285**	**17%**

Improvement Project Key Performance Indicators (KPIs)

Note: The requirement to report a KPI for projects has only recently been introduced

Project	KPI	Target	Performance
Accounts Payable Process	$ Direct Savings Per Year	$45,000	$45,000
Golf Course Fuel Entry	# Redirected work hours Per Year		131
Service Department Invoice Processing	# Redirected work hours Per Year		175
Full-Time Recruiting	Mean Recruiting Cycle Time (days)	83.25	70
Legislative Agenda Process	DPMO Reduction	25%	42%

2016 REVIEW

Setbacks

In 2016, the Lean Gahanna program faced two significant setbacks. The state's Local Government Efficiency Program (LGEP) which had provided numerous scholarships for Gahanna employees to participate in LeanOhio's Bootcamp training, was not renewed. And, even before the remaining scholarship funds were exhausted, the local training partners we had relied on to provide Bootcamp training hit their contract ceilings and were unable to accept any further scholarships after early-March. Consequently, we were only able to send three employees through the LeanOhio Bootcamp training program in 2016.

Training

While this challenge set us back in our aggressive training goals, it further motivated us to begin to develop the capacity to provide training in house. In mid-2016, we began negotiations with the LeanOhio program for the City to license the LeanOhio Bootcamp training curriculum itself, so that we can provide the training in-house and continue our valuable partnership with the LeanOhio program. We expect to have an agreement in place when the LeanOhio Bootcamp 2.0 curriculum is released in March 2017, after which we will be able to resume our training program.

Despite the LGEP scholarship limitations in 2016, the Lean Gahanna program still had training success in 2016. The following employees completed training/certification programs:

Name	Department	Training/Certification Completed
Jennifer Teal	Mayor's Office	Lean/Six Sigma Black Belt
Rory Gaydos (sep)	Information Technology	Lean/Six Sigma Green Belt
Ken Fultz	Service: Building & Zoning	LeanOhio Bootcamp
Donna Harper	Service: Utility Billing	LeanOhio Bootcamp
Brenda Wilson	Service: Utility Billing	LeanOhio Bootcamp

In addition to these formal training and certification programs, six Lean Gahanna team members participated in the American Society for Quality (ASQ) Columbus Section Spring Conference in Columbus in March 2016, and eight Lean Gahanna team members attended at least one ASQ Columbus Section dinner presentation this year.

Partnerships & Outreach

In 2016, we met with the leadership teams of both the City of Canal Winchester and the John Glenn International Airport. Both organizations share an interest in building continuous improvement programs similar to Lean Gahanna, and have demonstrated interest in participating in Gahanna-sponsored Bootcamp training once we have our in-house training program up and running. Working with these organizations, and others that may become interested in the future, will widen our network of peers, enrich our training experience, and may provide a modest revenue stream to offset our in-house training costs.

In addition to these one-on-one discussions, in 2016 the City Administrator provided multiple presentations about the Lean Gahanna program to outside organizations with a focus on Lean/Six Sigma. These presentations increase the visibility of the Lean Gahanna program and have helped to enhance the network and resources available to the Lean Gahanna program. They include:

- ASQ Columbus Section Presentation, April 2016
- LeanOhio Promotional Video, filmed June 2016
- MoreSteam, LLC Online Webinar, July 2016

Two long-reaching and useful promotional resources resulted from these efforts. The LeanOhio promotional video is available online at https://youtu.be/ILvgyFwpkUw and provides a brief (less than four minute) overview of our program and some of our successes. The MoreSteam webinar can be viewed at https://www.moresteam.com/presentations/webcast-lean-gahanna.cfm and provides a much more in-depth (approximately one-hour) view of the program.

Projects

In mid-2016 we began to develop a more robust set of project and program planning and tracking tools, in order to be able to better capture data and improvement results moving forward. In future years, we aim to be able to provide more summary-level data regarding completed projects and KPIs.

Project summary reports for three notable 2016 projects are included at the end of this report. These include the two projects completed by the City Administrator in conjunction with Lean/Six Sigma Black Belt Certification, and a project completed in partnership with a student team from the Ohio State University's Fisher College of Business.

2017 PLAN

The Lean Gahanna program will continue to grow and mature in 2017. Plans for the year include:

- Providing our first in-house Bootcamp training for City staff in the spring
- Developing program partnerships and potential modest revenue opportunities with neighboring communities and organizations
- Improved project reporting, including the use of enhanced summary report-out templates and Key Performance Indicators
- Developing a mature Lean Gahanna program structure

Developing a mature Lean Gahanna program structure, will be necessary as the number of trained employees starts to grow. In order to remain successful we will need to develop formal program documentation and reporting tools and an internal program leadership team. We expect 2017 to be a successful year for the program, and look forward to sharing our continued successes with the community.

Title	*Full-Time Employee Recruiting Process*	
Lead:	Jennifer Teal	Date:	July, 2016
Department:	Human Resources	Status:	Complete

Background/Problem Statement

The City's current process for recruiting full-time employees takes too much time. This leads to a loss in department productivity due to extended vacancies and loss of good candidates to other employers because of the extended cycle time.

Goal: Reduce recruitment cycle time by 25%. Improve internal and external customer understanding of the process and expectations. Maintain or improve candidate quality.

Current Condition

Slow recruiting processes are detrimental to departments who are already operating with less-than-optimal staffing numbers. Department services are often affected (eliminated or reduced) when positions remain vacant. Our current recruiting process is very labor-intensive and the staff-time that is allocated to it could be better utilized in other areas. We lose quality candidates throughout the process due to the length of time it takes.
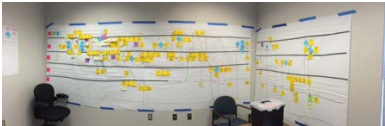
Analysis
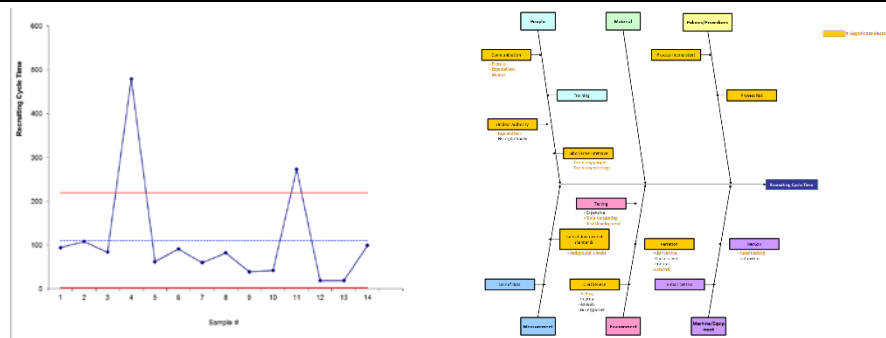
Regression Model

Recruiting Cycle Time = (10.19) + (0.3547)*(Posting Period) + (51.43)*(Interview Rounds)

Solution/Implementation Plan

- Standardized format for initiating a recruitment through our recruiting software (NeoGov)
- Recruiting Planning Memo which outlines points of contact, timeline, expectations & documents to be reviewed
- Recruiting Kickoff Meeting which sets expectations & timelines collaboratively

Results

	Before	After	Improvement
Process Steps ("Yes" Path)	88	45	49%
Process Handoffs ("Yes" Path)	44	16	64%

KPI	Mean Recruiting Cycle Time
KPI Target	83.25
KPI Performance	70

Follow Up/Next Steps

SOPs and job aids were developed to ensure adherence with the inmproved process.

Background

The process for Gahanna City staff proposing legislation for City Council's consideration was not optimal. Department Directors frequently rushed items onto the legislative agenda, without enough time for proper vetting and without enough time for the Mayor to determine the appropriate course of action.

Current Situation

Process for Setting Committee Agenda — Before Improvement
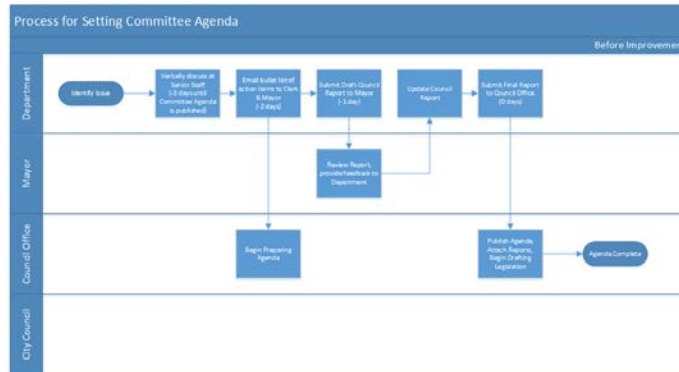
Analysis

Brainstorming, 5-Whys

Why is the legislative process not optimal?
- Because the prevalance of defects in legislation is very high (waiver, supplemental, emergency)

Why do so many ordinances have defects?
- Because the Department Directors feel that they need the legislation to become effective sooner than the normal process would permit and that their budgets are insufficient to address emerging issues

Why do Department Directors feel they need legislation to become effective sooner than the normal process permits & that their budgets are insufficient to address emerging issues?
- Because issues have not been introduced to Council early enough for the regular legislative process to take place and it has become commonplace to ask for additional money rather than plan ahead sufficiently and/or delay new initiatives until they can be funded appropriately.

Why haven't issues been introduced to Council early enough for the regular process to take place & has it become commonplace to ask for additional money rather than plan ahead sufficiently or delay new initiatives until they can be funded appropriately?
- Because Departments are managed in a *reactive and impatient* manner rather than a *proactive and patient* manner

Why were Departments managed in a reactive an impatient manner rather than a proactive and patient manner?
- Because this type of management was reinforced by the Mayor and the Mayor did not demand anything different.

Goal

Reduce DPMO by at least 25%

Process for Setting Committee Agenda — After Improvement
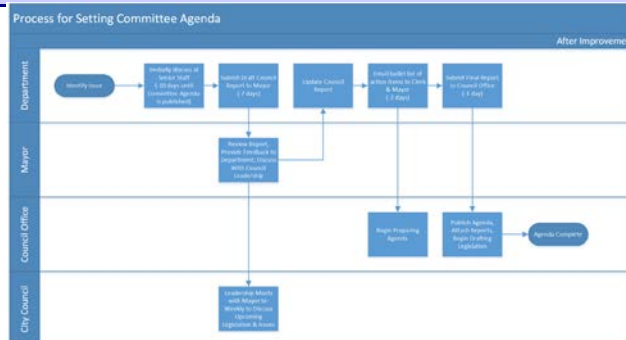
Recommendations

Changed the expectations for Department Directors require **proactive** legislative planning. Increased the amount of time in the process for the Mayor to review legislative proposals and potentially socialize them with Council ahead of time if needed.

Moved the reporting system from being e-mail based with versioning control issues to a single shared-drive.

Implementation Plan

Immediately updated reporting timelines. Provided job-aids to ensure compliance.

Follow Up

We will keep reinforcing our expectations and being consistent. Sharing the Citywide DPMO data on a regular basis with staff and Council. Keep job-aids updated.

Results Report

Reduced DPMO by 42%!

Ordinance DPMO & Defect Types

Legend: Emergency, Supplemental, Waiver, DPMO

Title	*Optimizing the Payroll Process*		
Lead:	OSU Student Team	Date:	December, 2016
Department:	Finance	Status:	Control Phase

LEAN GAHANNA
SIMPLER • FASTER
BETTER • LESS COSTLY

Background/Problem Statement

The City of Gahanna's payroll process is not optimal. During a sample period from Aug 29-Sept 12, 29 labor hours were used to process payroll compared to a target of 24 labor hours.
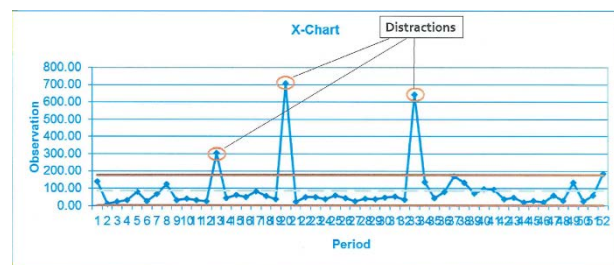
Goal: Improve payroll process to reduce manual processes and improve first-time accuracy. Optimize process to be integrated into new software solution.
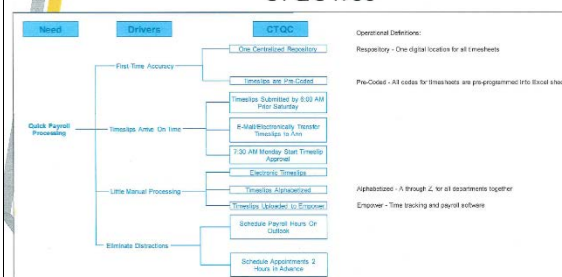
Current Condition

Value Stream Map

Analysis
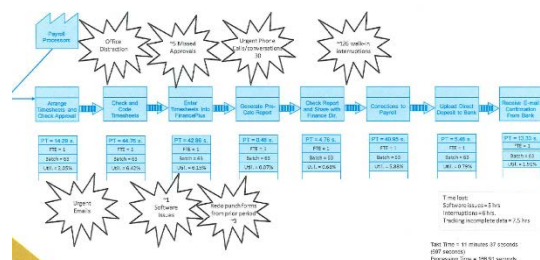
X-Chart — Distractions

Further analysis showed that distractions take up >50% of the Payroll Clerk's available time during payroll processing.

Solution/Implementation Plan

CTQC Tree

Identified sources of distractions and developed mitigating strategies.

Recommended move to electronic payroll process for PD & dispatch vs. paper-based approach.

Results

If recommended solutions are implemented, project team estimates that 14 hours of process time could be eliminated. Still working on implementation

KPI	Required labor hours for payroll process
KPI Target	<24
KPI Performance*	15

*estimated

Follow Up/Next Steps

Identified Office Configuration and 5S Opportunities to improve workflow and reduce the liklihood of distractions.

Working with Police Department to improve paper-based approach and move toward electronic timekeeping solution.