Rapid Process Improvement - A Change Management Story

City of Lakeland

Mgr. of Strategic Planning & Continuous Improvement: Ed Hacker
Mgr. of Corporate Performance - Electric Utility: Kathy McNelis
Business Operations Manager - Electric Utility: Maritza Ramirez

Overview

1. Rapid Process Improvement
   - Definition
   - Criteria
2. City Of Lakeland (COL) Initiative
3. Initial RPI City-Wide Events
4. Lakeland Electric (LE) Journey
   - Strategic Plan- KSI
   - Success Examples
   - Lessons Learned
5. Future Focus
Malcolm Baldrige/Florida Sterling Criteria Connection

1. Leadership
2. Strategic Planning
3. Customer and Market Focus
4. Measurement, Analysis, and Knowledge Management
5. Human Resource Focus
6. Process Management
   1. Work Process Management and Improvement
7. Organizational Performance Results

Rapid Process Improvement

- The goal is to identify “LOW to NO COST” solutions.
- Work processes can be improved very quickly since implementation of the approved recommendations begins immediately after the RPI “event” week.

  • All this happens within 5 days!
RPI Major Steps

Employees who actually perform the work identify:

1. How it is being done today,
2. Issues/problems encountered when getting it done, and
3. Recommendations for how to fix it.

Choosing the right process for your RPI Project

*Five question test:*
1. Is the process to improve known?
2. Are the Customer & Business Requirements being met?
3. Is there anyone out there who has best practices we can replicate?
4. Do the people who do the work likely know the problems and will they be able to determine many of the solutions?
5. Are the problems likely within the process itself, or are they on the outside, acting upon the process?
Characteristics of a viable RPI

- Process to improve is known
- No known “Best Performer”
- Problems are within the process – not outside acting upon the process
- People who perform the work likely know the problems and can develop solutions

Rapid Process Improvement (RPI) Initiative

- June 2008 - Training of Task Force
- Team of 10 facilitators
- Training Provided by Steve Dickinson
  - Master Black Belt – Six Sigma
  - Malcolm Baldrige Examiner
  - Master Sterling Examiner
  - Process Improvement Practitioner
  - Practical Quality Services, Inc. - Tallahassee
Project Candidates Submitted

- Process Improvement Candidates requested from each Department.

- Not all process candidates received were viable projects. (Didn’t fit criteria)

- And, not all projects received were owned by the Departments by which they were submitted.

RPI COL Events

1. The Lakeland Center: Shipping & Receiving Process
2. Risk Management - Annual Benefits Enrollment
3. H.R. - Mapping of the Disciplinary Process
4. Parks & Rec. - Special Events Process
5. I.T. - Employee Termination Security
   - Access Removal Process
6. Risk Management (Purchasing)
   - Inventory Issues at Storage Yard
7. Finance - Accounts Payable Process
Lakeland Electric’s (LE) Journey

- Two LE facilitators selected to go through training
- One-on-one meetings with each of the division’s AGMs to introduce the concepts and seek input
- Vetting process using 5 question RPI guidelines
- Scheduled the first event (October 6-9, 2008) - Material Reclaim Process

Lakeland Electric’s (LE) Journey (cont.)

- **FY2009**
  - Continue to vet and schedule an additional 3 events- presented concepts to Utility Committee
- **FY2010**
  - Scheduled 6 events- presented updates to Utility Committee
- **FY2011**
  - Scheduled 6 events, completed 2 “mini- RPIs” trained 1 new facilitator
Key Success Indicator

Senior Leadership team added a Key Success Indicator to conduct Rapid Process Improvements to support and improve efficiencies of operations through process improvements.

The LE goal: “Efficiently integrate technology into business operations”.

Report on results on a quarterly basis during our Strategic Planning Sessions.

Key Success Indicator

FY2012
- Continue to vet potential RPI candidates
- Schedule 6 events (1 every other month)
- Metric has evolved from “count of events per year” to “90% of approved recommendations implemented”
- Began recognition via gift cards
- Sought input directly from employees via brainstorming sessions.
**RPI Lessons Learned**

1. Vetting is critical
   1. Having the **right** people in the room
   2. Having a clearly defined mission
   3. Having a well articulated scope
2. Flexibility in schedule, exercises, timing, to accommodate the team dynamics- *Each team is different!*
3. Allow ample time for all bench strength- they truly help clear/resolve significant barriers (outside dept, vendors, etc.)
4. Facilitators must be able to think and adapt quickly- react positive to unanticipated situations.
5. Important to have “levity” – humor, “quotes of the day”, team props, various team exercises.

---

6. Facilitators should conduct research before event- visit work site, review reports, collect data (if easily accessible)
7. Recognize and thank employees for time and contributions (training credit, awards, gift cards)
8. Involve all team members, not just team leaders in “Champion presentation”- employees value the exposure to top management
9. Must schedule and hold 30- 60- 90- day follow up meetings with team leader(s)
10. Stress importance of sharing results of RPI to team members- NO SECRETS! “What happens in RPI…”
11. Document/capture all items discussed during RPI Event and have available on Network (electronic form)
Examples of Successful RPI Events

1. LE Admin Bldg Badge RPI
2. Letters/Mailings RPI
3. Accounts Payable RPI

1. LE Admin Bldg Badge RPI

Total of 47 barriers addressed to meet the team’s mission of documenting and improving the LE Administration Building Badge/Security Access process in order to standardize and ensure timely communications to meet NERC (North American Reliability Corporation) and FRCC/CIP (Critical Infrastructure Protection) Standards.
1. LE Admin Bldg Badge RPI

2. Letters/Mailings RPI

LE Rapid Process Improvement (RPI) Team Charter

**Process:** Customer Letters and Mailing Process

**Background/Opportunity:**
- Decrease volume of letters mailed
- Decrease postage expenses
- Decrease address errors
- Decrease rework/redundant work

**Mission:** To improve the customer letters and mailing process by reducing the volume, expense & errors and increasing overall efficiency.

**Link to LE Strategic Plan:**
- Improve efficiency of operations
- Customer satisfaction
- Uncollectible as percent of revenue

**Scope:**
1. From "decision to send the letter" (the day the payment becomes late) through "the 2nd letter is mailed" (return mail process).
2. From "receive change of address card from the post office" through "address changed in system."

**Methodology:** Rapid Process Improvement (RPI).
2. Letters/Mailings RPI

Change in Number of Steps from Baseline to Revised Map

<table>
<thead>
<tr>
<th>Steps</th>
<th>Baseline</th>
<th>Revised</th>
<th>Difference</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action</td>
<td>Yellow</td>
<td>53</td>
<td>7</td>
<td>46</td>
</tr>
<tr>
<td>Delay</td>
<td>Pink</td>
<td>5</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Handoffs</td>
<td>Green</td>
<td>11</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Intersections</td>
<td>Diamonds</td>
<td>5</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Computer</td>
<td>Orange</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>All</td>
<td>76</td>
<td>10</td>
<td>65</td>
</tr>
</tbody>
</table>
3. Accounts Payable RPI

**Ensure Results - Key Success Indicators**

1. Decrease records count.
2. Decrease in numbers of steps in the process.
3. Increase in amount of time for analysis.
4. Decrease the AP processing time.
5. Consolidate 4 sets of procedures into 1 set of procedures. Increase operational efficiency and all clerks are interchangeable.
6. Dollar savings in office supplies (including printing vouchers).
Culture Change

Rapid Process Improvement or RPI has become a verb in Lakeland Electric – you often hear employees say...

“We need to RPI this process!”

Rapid Process Improvement - A Change Management Story

Questions?