Lean in Washington State

American Association of Motor Vehicle Administrators

May 19, 2016
Why Lean in Washington

We are building a culture where employees are:

• Excited to come to work
• Valued for their skills and talents
• Included in process improvements that impact their work
• Respected
• Trusted to make decisions
• Empowered to fix what bugs them
• Creating more value for our customers
• Helping build trust in government
Lean Leadership: Flipping the Pyramid

Conventional

Leaders boss, tell and direct
Employees take directions and don’t question or offer ideas

Lean

Leaders coach, mentor, teach

Customer focused

Employees are problem solvers, trusted and respected as capable experts.
Lean Strategy

Last year: learn about Lean
• Nearly 100%

This year: use Lean
• Management Practices 83%
• Use Lean Tools 74%
• Goal: at least 80%
Improvement Projects

Decision making at the lowest level

• Empower and trust project teams

• Provide guidance, training and goals

• Project teams decide what solutions to pilot; they don’t just make recommendations
Paradigm Shift

Create safety to:

- Find problems
- Test solutions
- Take calculated risks
- Make mistakes
- Learn from mistakes

Kiichiro Toyoda, the founder of Toyota said, “Every defect is a treasure,” – if the company can uncover its cause and work to prevent it across the corporation.
Two sides to Lean

Hard Side
• Is about:
  - processes
  - measurement
  - tools
  - structures
  - procedures

Soft Side
• Is about:
  - buy-in
  - commitment
  - attitude
  - overcoming resistance to change
  - self-leadership

Adapted from: Dr. John Besaw
OR/WA Suspensions and Adjudications

Background
• Non-Resident Violators Agreement
• 24,000 per year

Problem
• Too much time
• Up to 170 errors per month

Improvements
• Improved own processes
• Access to check status
• Technology
• Stop sending non-suspendable
• Customized letters
• Added language to notice
• Eliminated proofreading
• Stopped stamping documents

Results to WA
• 1,664 hrs. per year
• Errors from 170 down to 0
• $41,387 per year (staff time, paper and postage)

Results to OR
• At least 1,738 hrs. per year
• Overall at least 17% reduction in costs associated with process
Overtime Approval

Background
- 2,150 per year
- Audit

Problem
- Missing proper documentation
- Multiple forms that don’t match
- Difficult and confusing
- 30% Errors

Improvements
- Streamlined, standard process
- Improved form
- E-signatures
- Accept complete forms
- Train employees

Expected Results
- Piloting now
- $58,000 per year (staff time, paper)
- Cut error rate in half
- Eliminated 13 steps
Huddles

Benefits

- Employee Engagement
- Better Communication
- Helping each other
- Teamwork
- Promoting culture of continuous improvement
- Less meetings
- Talk about problems
- Solve problems
Huddle Tools

Visual Management tools used in the huddle:

- Kanban Boards
- Idea Boards
- Project Boards
- Performance Measure/Data Boards
Huddle Example

Call Center

Huddle Board

Green is the New Red

2015 YTD
Calls answered: 392,949

Outs P - 3 U - 3
- 1 hr. lunches

Statistics

<table>
<thead>
<tr>
<th>Daily</th>
<th>Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green</td>
<td>99%</td>
</tr>
<tr>
<td>Yellow</td>
<td>1%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Calls</th>
<th>True demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2189</td>
<td>2204</td>
</tr>
<tr>
<td>46,972</td>
<td></td>
</tr>
</tbody>
</table>

2015:
- Jan: 19%, Jul: 33%
- Feb: 18%, Aug: 46%
- Mar: 23%, Sept: 42%
- Apr: 31%, Oct: 57%
- May: 42%, Nov: 74%
- Jun: 35%, Dec: 93%

2016:
- Jan: 99%
- Feb: 98%
- Mar: 98%
- Apr: 98%
Performance Measure/Data Boards

**Administrative Services, Public Records**

- Count of request open
- Average “open” 5 days
- **25 or less requests open = green**: stress is low
- **26-49 requests open = yellow**: starting to feel stressed,
- **50+ requests open = red**: stress levels are high
  - Significantly longer cycle times
  - Need to identify root cause
Project/Task Board (Kanban Board)

Human Resources Recruitment

- Action Request
- Drafted
- Posted
- Screening
- Go / No Go
- Reference Checks
- Hired
Team Kanban Board

Information Services
Questions?