ID # (assigned by CSG): 12-MW-05-OH

Please provide the following information, adding space as necessary:

State: Ohio

Assign Program Category (applicant): Government Operations and Technology

Program Name: Lean Ohio
Administering Agency: Ohio Department of Administrative Services
Contact (Name and Title): Pieter Wykoff, Director of Public Affairs
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1. How long has this program operated (month and year)? Note: the program must be between 9 months and 5 years old as of April 5, 2012 to be eligible for this year’s award.

   This program was created at the beginning of the administration of Governor John Kasich, who took office January 10, 2011.

2. Describe the program:
   - Why was it created?

   When Governor Kasich took office the State of Ohio was facing an $8 billion shortfall on an approximate $50 billion biennial budget. Having promised to solve the shortfall during the fall campaign without raising taxes, Governor Kasich immediately instructed all of his 26 cabinet members to think outside of the box and come up with new ideas and innovations to help deal with the shortfall. In addition, Kasich told the cabinet that given the circumstances, he wanted them to put politics aside and do things because they were the right thing to do, not the political thing to do.

   Ohio Department of Administrative Services (DAS) Director Robert Blair took this advice to heart. Having served as a top executive in two previous administrations, he quickly appointed Deputy Director Steve Wall to form an enterprise-wide Lean Six Sigma Office, Lean Ohio, using loaned executives from other agencies. The Lean Ohio Office would offer Six Sigma and Lean tools to all 26 cabinet agencies and to the offices of other statewide elected officials.
The Lean Ohio Team offers state agencies a variety of tools to become more efficient and effective:

- **Kaizen Events** – A week-long, team driven blitz to overhaul a core work process. The office has conducted 18 Kaizen Events since the Kasich Administration began. Twenty more are scheduled this year.

- **The 5S Process** – This can be used to overhaul the physical layout of a work area.

- **Value-stream Mapping** – This process uncovers core work processes and key improvement opportunities.

- **The 3P Process** – This approach is used for building a new work process from scratch in order to meet new customer needs.

- Why is it a new and creative approach or method?

In many state administrations, political turf wars often prevent an administration from embracing an enterprise-wide approach to governing. This has not been the case in the Kasich Administration. The Cabinet meets weekly. Cabinet members, along with the Governor’s Senior Staff, received four hours of Six Sigma overview training at the beginning of the administration. Cabinet members have loaned executives from other agencies to the Lean Ohio Office. The Lean Ohio Office also partnered with the Parker Hannifin Corporation, a Cleveland-based company that specializes in motion and control technologies; and the Cintas Corporation, a Cincinnati-based uniform company, to receive free Six Sigma black-belt and green-belt training for 36 state employees from various state agencies. These employees will later mentor and help train other state workers in Lean and Six Sigma principles.

- What are the specific activities and operations of the program in chronological order?

The best opportunity to chart specific activities in chronological order is to examine how a Six Sigma Kaizen Event works-

**What is done before a Kaizen event**-

1. Present an overview of Lean and Kaizen events to management
2. Conduct a "pre-scope" to review potential issues, core processes, and improvement
3. Meet with management in a scoping session (at least 4 weeks before Kaizen event)
4. Collect and analyze baseline data (after scoping session)
5. Conduct customer satisfaction survey (after scoping session)
6. Conduct "voice of the customer" focus group(s)

**What is done during a Kaizen event**-

1. Present statistical analysis of current process data
2. Present results of customer satisfaction survey
3. Provide just-in-time training on Lean and Six Sigma principles and tools
4. ID and document all steps in the current process
5. Analyze current process to uncover value-added steps and wasteful non-valued-added steps
6. Identify, rate, and reach consensus on best ideas for improvement
7. Create and reach consensus on a new ideal process based on a pull system and proper flow
8. Use various Lean tools as needed to increase speed and reduce waste throughout the process
9. Create an implementation plan for the new process, with action registers for communication, training, IT involvement, etc.

10. Develop a scorecard of meaningful measures for tracking implementation progress and results

11. Guide the preparation of a report-out presentation, delivered to leadership and staff on the final day of the Kaizen event

What is done after a Kaizen event-

1. Write an article that highlights the results of Kaizen event, posting the text in Web and PDF format at lean.ohio.gov
2. Conduct follow-up meetings to review progress -- first at 30 days after a Kaizen event, then at 60-day, 90-day, 120-day, 6-month, and 1-year intervals
3. Report updated results at lean.ohio.gov
4. Conduct a second customer satisfaction survey 6-9 months after the Kaizen event to identify progress and needs
5. Promote recognition opportunities for successful teams

Some examples of Kaizen events-

Ohio Attorney General Bureau of Criminal Investigation
Ohio’s crime labs analyze evidence and DNA for police departments and county sheriffs. It’s crucial work that needs to be done right and done quickly. A Kaizen event has prompted major improvements that maximize efficiency.

Projected Results: Three processes at three labs have been turned into one. The new process involves 103 fewer steps, reducing the time from submission of evidence to final report by as much as 83%. The switch to online reporting will save $57,000 per year.

Ohio Bureau of Motor Vehicles
The Ohio Bureau of Motor Vehicles issues licenses and permits to motor vehicle dealers and salespeople. The process protects consumers and Ohio's many legitimate dealerships -- and now it's getting simpler and faster for everyone thanks to dedicated staff and industry leaders who put Kaizen to work.

Projected Results: The overhauled approach would cut the time to process a first-time dealer license by as much as 83%. Wait time for license renewals would fall by 80%. Automation would yield annual savings of $62,600 from cuts in paper, printing, and postage. The streamlined process requires 5,200 fewer labor hours per year, so staff time can be put to better use.
Ohio Department of Transportation
Annual aircraft registration has long been a manual paper-postage process in Ohio. But it's being replaced by an online system that will save time and money. Scheduled for roll-out in 2012, it was developed by a Kaizen team.

Projected Results: Registration processing will take 80% to 96% less time when the changes are in place, speeding along at 11 days in some cases. The new process has 60% fewer steps and 25% fewer handoffs. A backlog that grew to 12,000 registrations will be eliminated in three months.

Ohio Rehabilitation Services Commission
When a person needs vocational rehabilitation services, their application is used to determine eligibility and priority. The process is important, and now it's getting a lot faster -- which means that people with disabilities will be able to speed up their return to work.

Projected Results: The newly designed approach has one model that's used when processing an application for services -- in place of the previous five. The streamlined process would cut up to 92 days (a 71% reduction) from the average start-to-finish process time. For many, it means they'll be able to get back to work or apply for a job some 3 months faster.

Seven Steps for Implementing Lean in State Government in Ohio
Making services simpler, faster, better and less costly

**Step 1:** Learn and test the effectiveness of “Lean Manufacturing” in state government systems.
*Do not invest in fads*
A team of state employees work with outside business experts to learn and experiment with Lean and Six Sigma tools and principles to improve government services.

**Step 2:** Focus on major top-down Lean Kaizen events to achieve significant results.
*Selling results is easier than selling theory*
Select high-opportunity projects and champions that will do what it takes to succeed, and accumulate a variety of significant, transformative results throughout state government.

**Step 3:** Communicate and celebrate those tangible results made by pioneers to increase interest and demand.
*If you improve it, they will come*
Use web site, articles and meetings to share results, and recognize and reward those who achieved excellence.

**Step 4:** Develop additional practitioners to meet the increased demand for Lean efforts.
*Matching supply and demand*
As more people and agencies wish to use Lean, increase capacity by develop a variety of opportunities for training, mentoring and gaining experience – both within Lean Ohio Office and interested agencies.

**Step 5:** Everyone should be improving all the time – not just if they are involved with an official Kaizen team.
*Push Lean down and out*
Develop and support state wide network and opportunities for agencies to gain and share increased capacity. Support methods for mass involvement in more frequent but less complicated improvement projects.

**Step 6:** Ensure that efforts are aligned, prioritized, sustainable and visually measured with appropriate metrics.
*From random projects to aligned systems*
Widen focus to include strategic planning, understanding and improving systems through value stream mapping, creating efficient processes the first time and visual management systems to better ensure complete success.
**Step 7:** Lean thinking becomes the normal routine rather than something done just during an event

*Lean embedded in state government’s D.N.A*

How else would you do *any* state business except by using the best practices for improvement and efficiency? Lean is naturally part of all meetings, projects, day-to-day work activities, and new employee orientation.

Use these as guidelines to determine the appropriate *Program Category* for your state’s submission and list that program category on page one of this application. Choose only one.

**Infrastructure and Economic Development**
- Business/Commerce
- Economic Development
- Transportation

**Government Operations and Technology**
- Administration
- Elections
- Information Systems
- Public Information
- Revenue
- Telecommunications

**Health & Human Services**
- Aging
- Children & Families
- Health Services
- Housing
- Human Services

**Human Resources/Education**
- Education
- Labor
- Management
- Personnel
- Training and Development
- Workforce Development

**Natural Resources**
- Agriculture
- Energy
- Environment
- Environmental Protection
- Natural Resources
- Parks & Recreation
- Water Resources

**Public Safety/Corrections**
- Corrections
- Courts
- Criminal Justice
- Drugs
- Emergency Management
- Public Safety
Save in .doc or rtf. Return completed application AND video (if applicable) electronically to innovations@csg.org or mail to:

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This application is also available at www.csg.org.