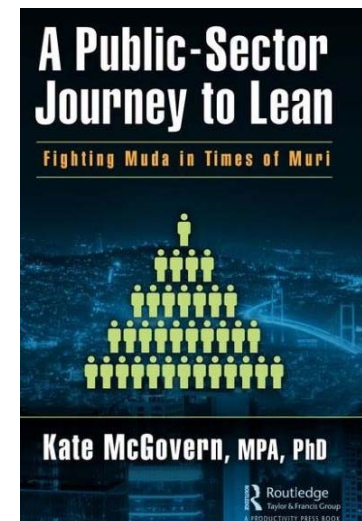


# LEAN FOR QUALITY MANAGEMENT

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NH Government Finance Officers Association  
Kate McGovern, MPA, Ph.D.  
May 2, 2019



# Lean is:

- **A set of techniques** to identify and eliminate waste
- **An operating principle** to simplify and standardize
- **A perspective** - a way of thinking

# Lean as a Management Trifecta

- ❑ Improve quality for customers
- ❑ Boost employee morale
- ❑ Enhance capacity for mission

# Warm-up Exercise

*(This list is for your use, not to be turned in)*

- ☐ “At work, I would love to spend more time on \_\_\_\_ if only I could spend less time on \_\_\_\_.”
  
- ☐ Of all the processes in my organization, the most troublesome/aggravating are:

You do WHAT????

*WHY* do you do that?



# Program

- ☐ Intro to Lean
- ☐ Process mapping
- ☐ Lean managers
- ☐ Tool box
- ☐ Checklist

With a  
New Foreword  
and Introduction by  
the Authors

The Story of Lean Production—  
Toyota's Secret Weapon in the Global Car  
Wars That Is Revolutionizing World Industry

# THE MACHINE THAT CHANGED THE WORLD

JAMES P. WOMACK,  
DANIEL T. JONES,  
and DANIEL ROOS

# Alignment of Authority and Responsibility



Toyota's Andon Cord

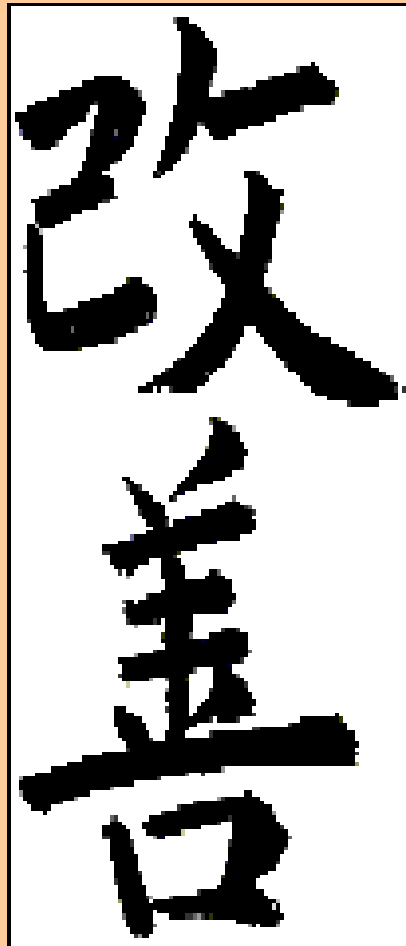
<http://www.allaboutlean.com/andon/>



# Lean Program

- Lean is not an acronym
- Low tech
- User friendly
- Enhances teamwork
- Encourages innovation

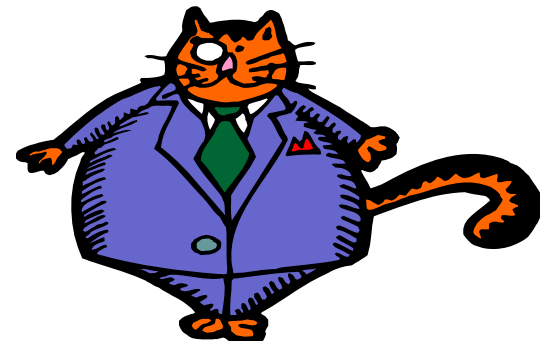




**Kaizen,**  
A combina-  
tion of two  
Japanese  
symbols for  
“change”  
and “good,”  
most com-  
monly trans-  
lated as  
“change for  
the better.”

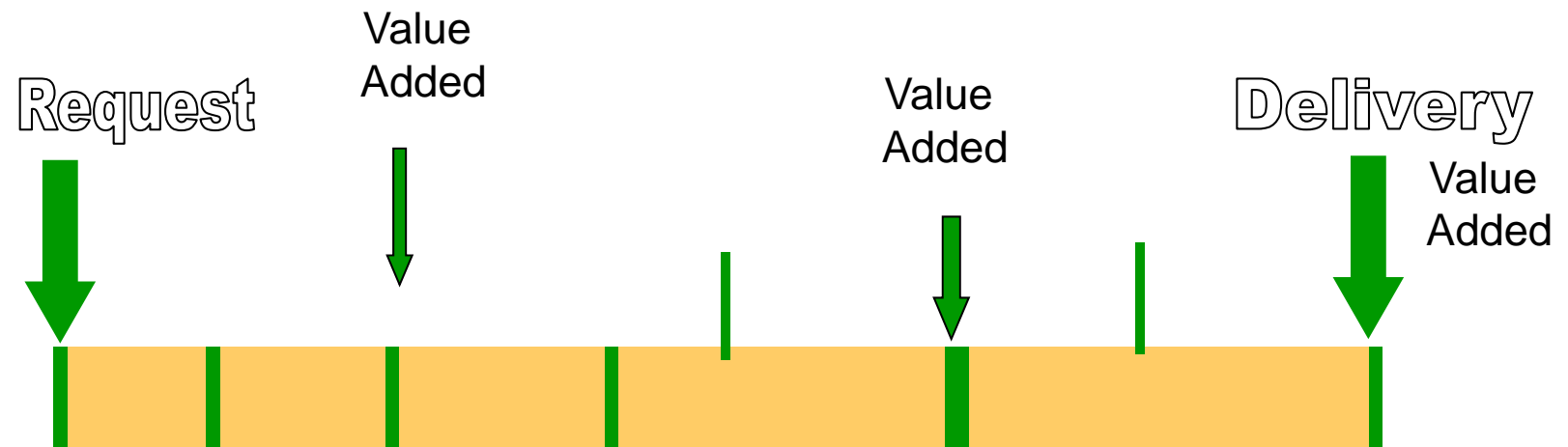
# Get the fat out of government

*...Unfortunately, there is no line item in the budget called “fat.”*



Source: Government Finance Officers Association's White Paper. *Less Time, Lower Cost, and Greater Quality: Making Government Work Better with Lean Process Improvement.*

# Waste is Interwoven in the Process





# PROCESS MAPPING

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A CORE LEAN TOOL



# The Waste of Excess Processing

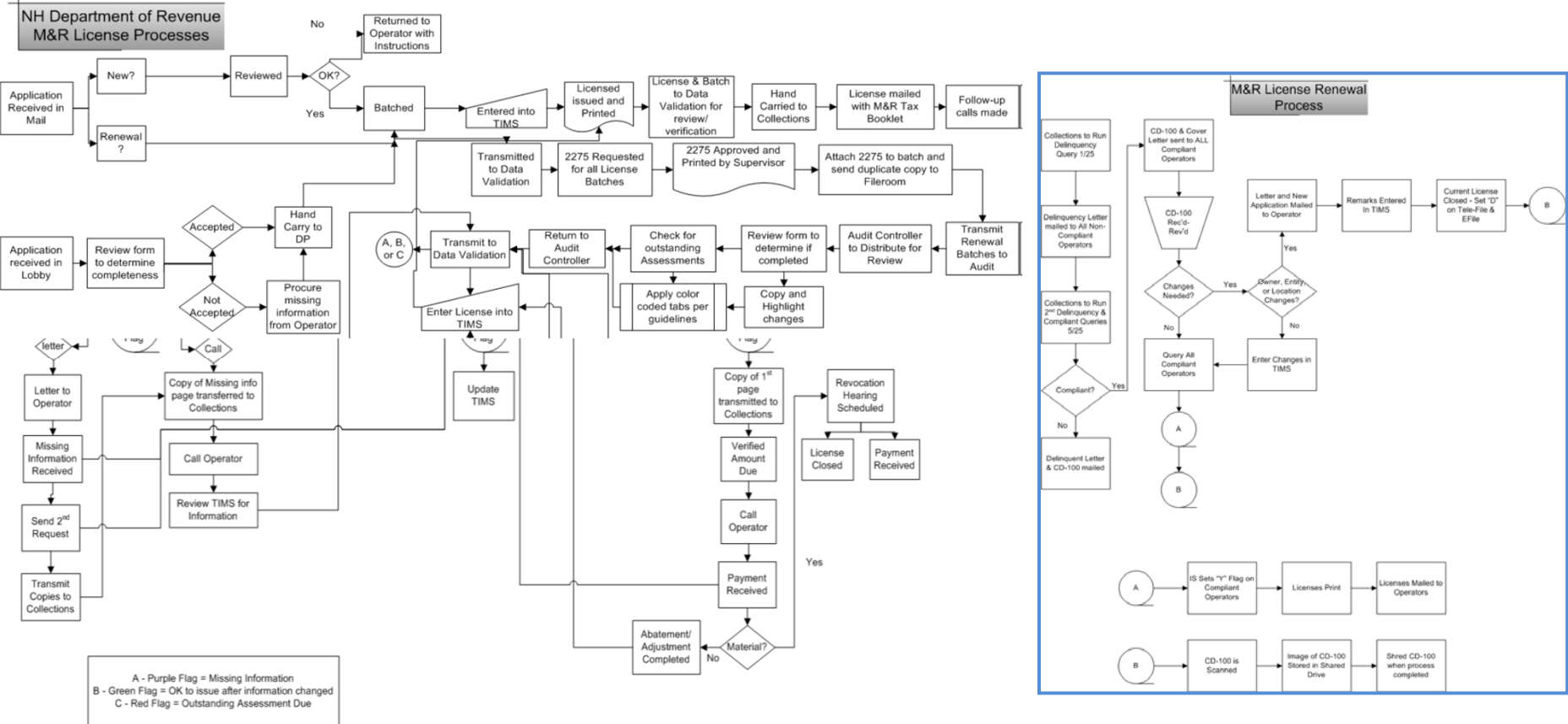


# The Waste of Waiting



Typically, 90% of process time is waiting.  
Handoffs increase wait time.





**Results:** 100% Compliant Operators' licenses renewed before the expiration date of June 30, 2013. Decreased license application reviewing from 7 times to 1 time and eliminated photo copying time altogether.



# MANAGERS' RESPONSIBILITIES IN A LEAN ORGANIZATION

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# Managers Charter Kaizen Events

- ❑ Convening a team of people who do the work
- ❑ Authorizing them to redesign the process



# Set Measurable Goals for the Kaizen

*Example:*

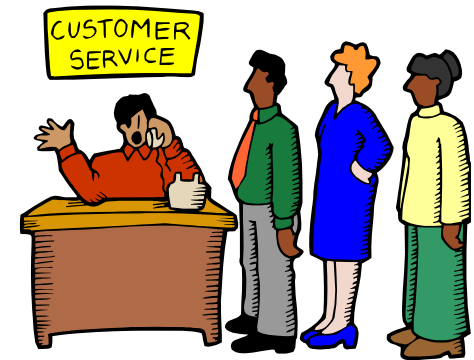
Decrease the time to issue a permit to a qualified applicant from \_\_\_\_\_ to \_\_\_\_\_.

# Kaizen team lead by a Lean facilitator



# Value for your customers

- Applicants for building permits
- Callers for emergency assistance
- Parents enrolling children in school
- Residents registering cars, paying taxes



# Lean Risk Management

- Designing Lean business processes with control considerations does not mean ‘putting up with fat.’”
- Seek “the right balance of efficiency, effectiveness, and minimal enterprise risk.”

Robyn L. Raschke, Michael T. Lee, and Arti Mann, “Lean Processes without Compromising Controls,” *Government Finance Review*, 2013, 29(3): 44–50.

## Lean Project Team on Travel for the Insurance Department Yellow Belt class September 28-October 4, 2016







# LEAN TOOL BOX

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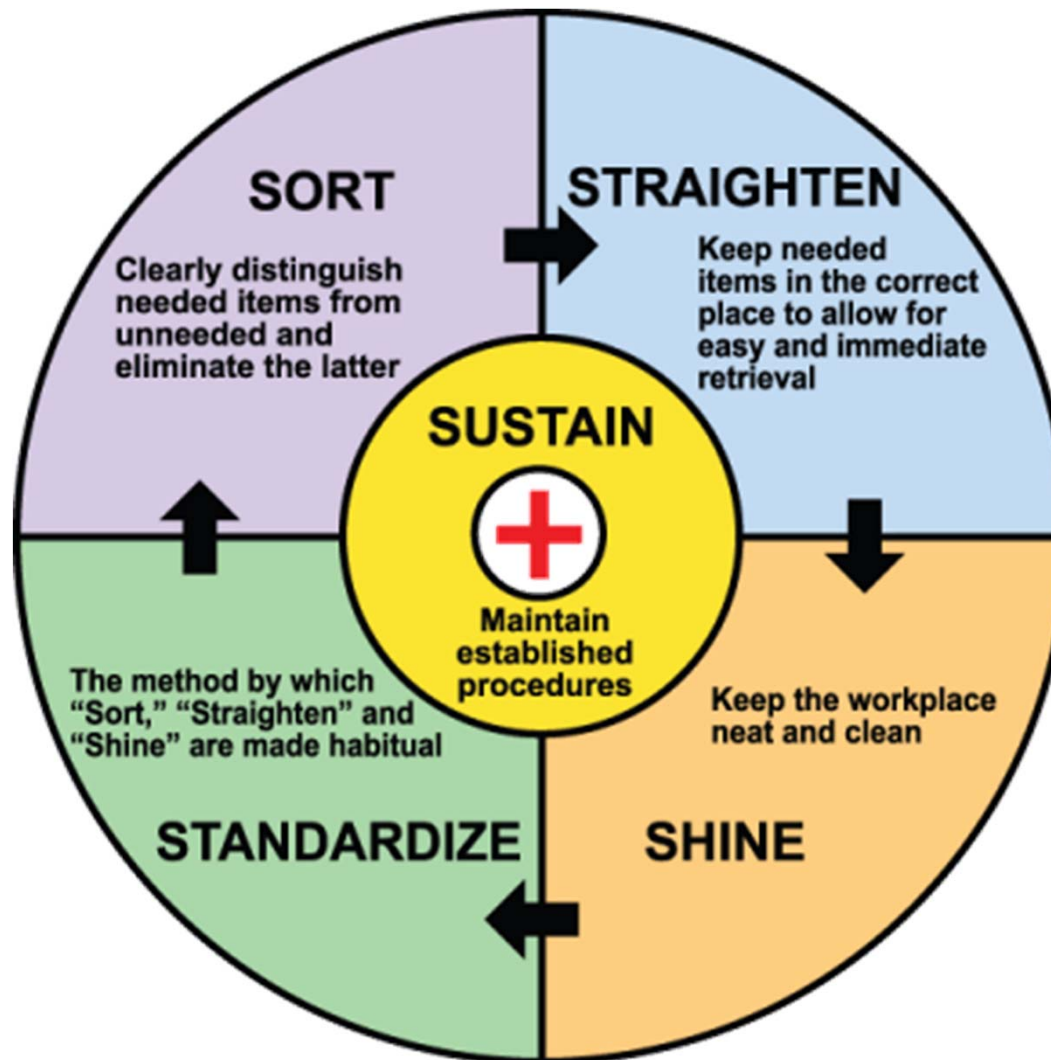
A Quick Glimpse

# Mistake-Proofing

*"Are you sure you want to DELETE?"*



# 5S



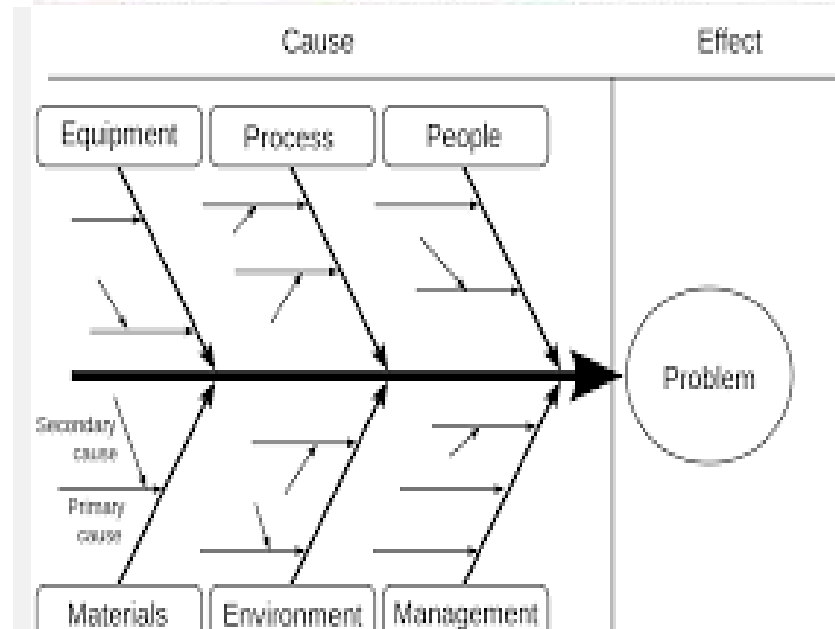
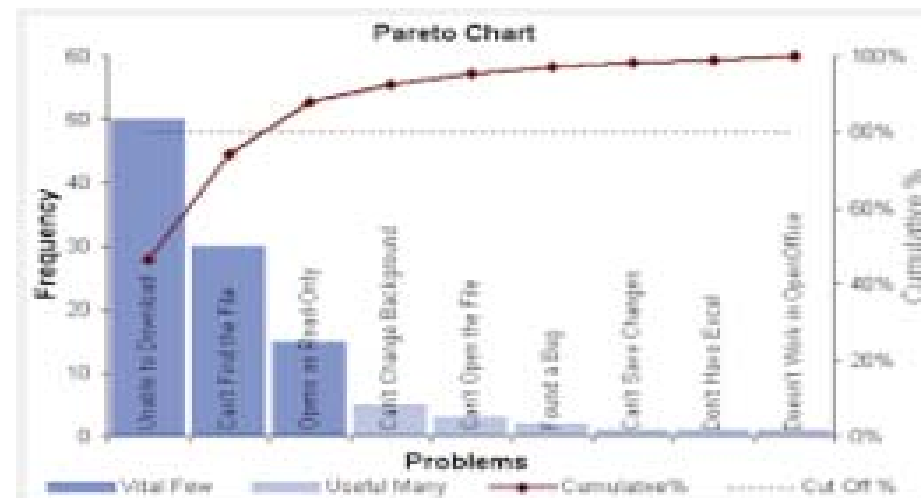
# Analyze the Data

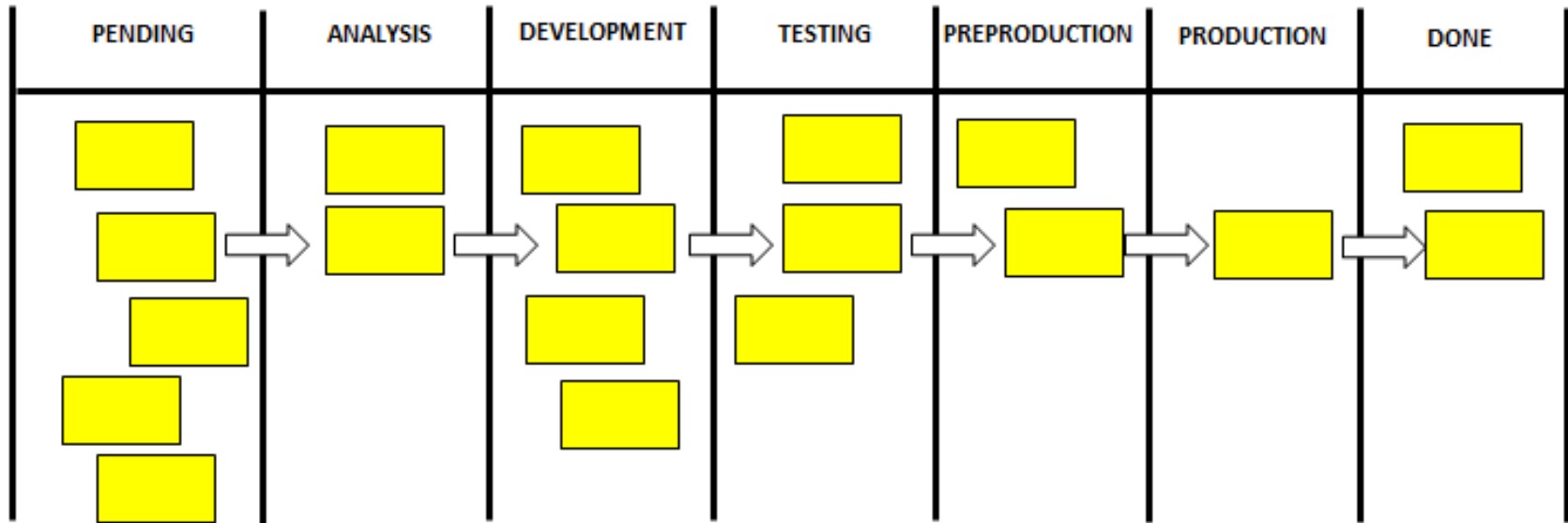
### The 5 Whys Worksheet

What is the abnormal condition?

	Confirmation Required?	Method
Why did this occur (1)? <input type="text"/>	Yes <input type="radio"/> No <input type="radio"/>	<input type="text"/>
Why did this occur (2)? <input type="text"/>	Yes <input type="radio"/> No <input type="radio"/>	<input type="text"/>
Why did this occur (3)? <input type="text"/>	Yes <input type="radio"/> No <input type="radio"/>	<input type="text"/>
Why did this occur (4)? <input type="text"/>	Yes <input type="radio"/> No <input type="radio"/>	<input type="text"/>
Why did this occur (5)? <input type="text"/>	Yes <input type="radio"/> No <input type="radio"/>	<input type="text"/>

**Root Cause**





# Develop Standard Work

- Do all the department heads have a different process for signing off on purchase orders?
- Does every town try to figure out what software to use to conduct common business practices?
- Are developers faced with as many as 200 different procedures to obtain building permits in New Hampshire?



# MOVING FORWARD WITH A LEAN INITIATIVE

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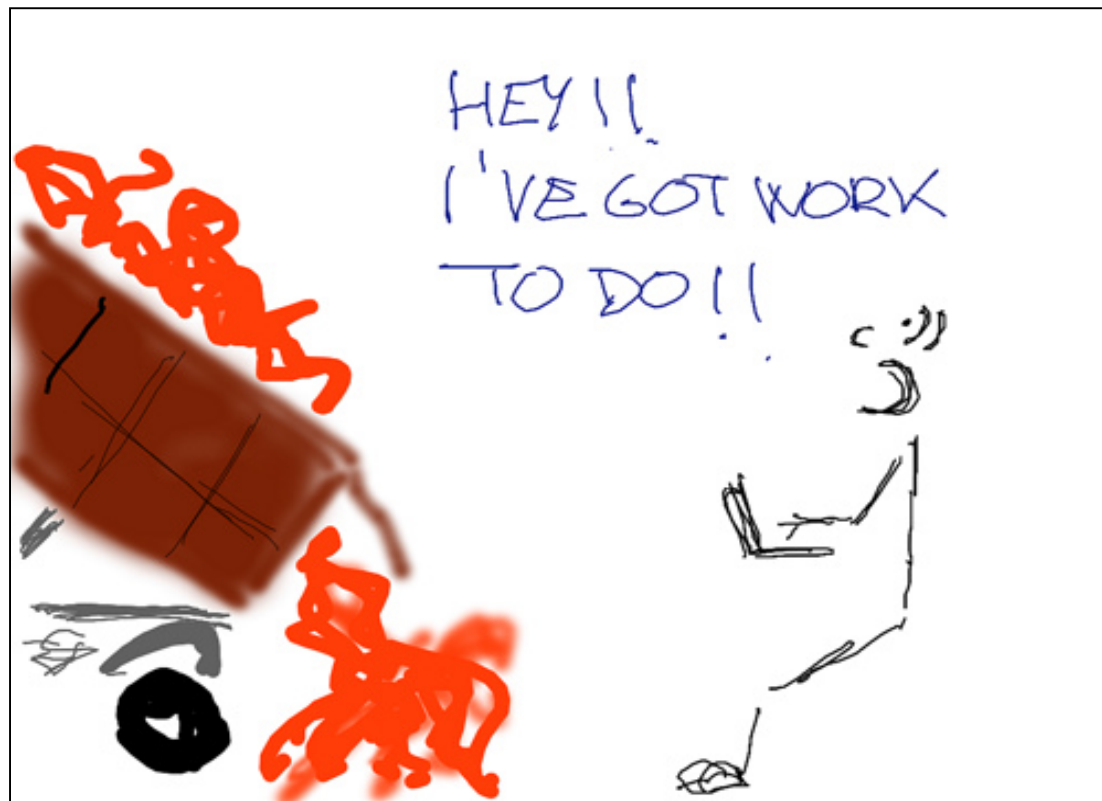
# Lean is *not* about cutting staff



DOS Commissioner Barthelmes  
addressing the 2013 Lean Summit



# Consider the Morale and Mission Impact of Under-utilized Human Capacity



# Lean First

Automation applied to an efficient process will magnify the efficiency...

Automation applied to an inefficient operation will magnify the inefficiency.



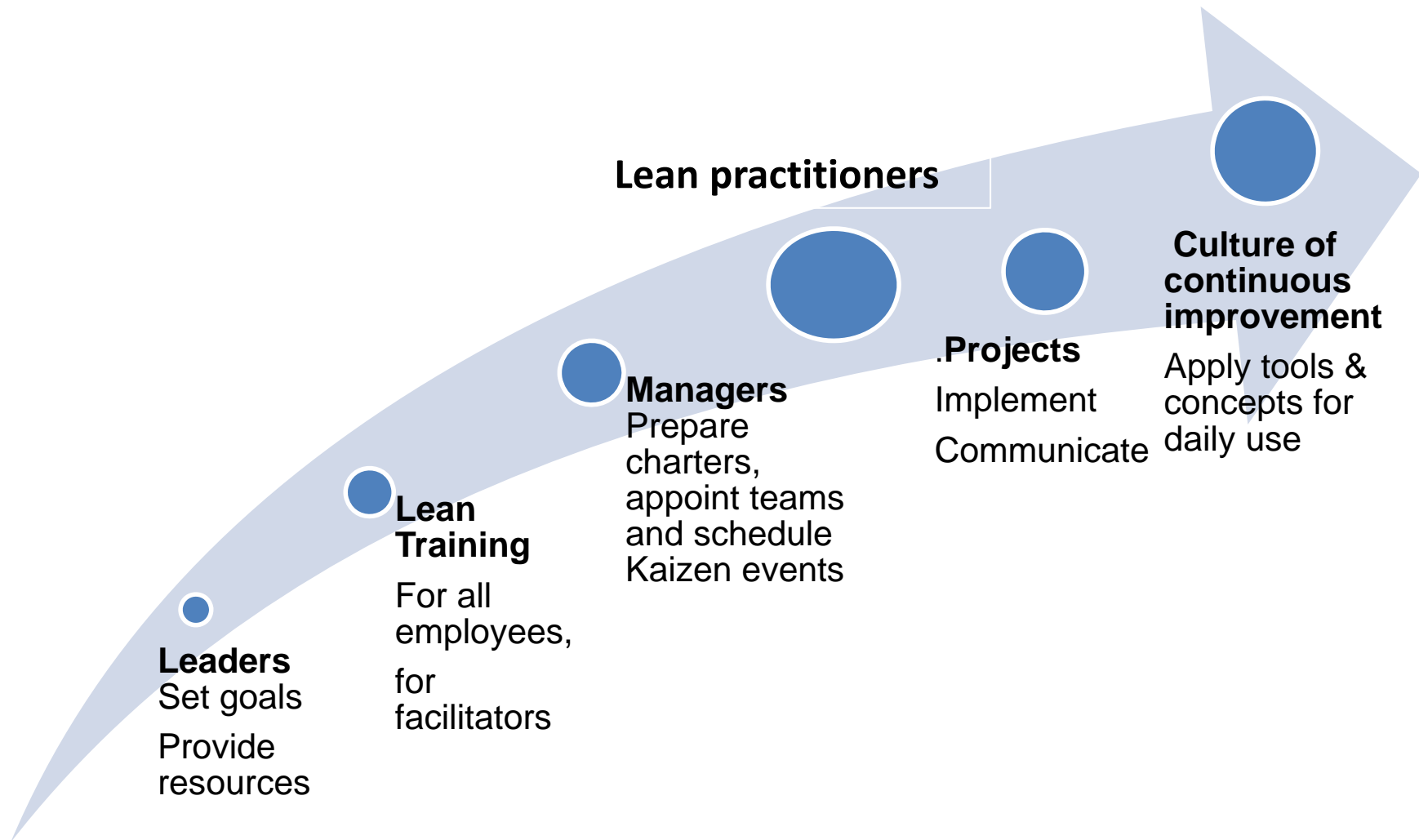
- Bill Gates




# Your Project Wish List

*What's most important or most troublesome  
to you, your staff, your customers?*

# A Model for Continuous Improvement





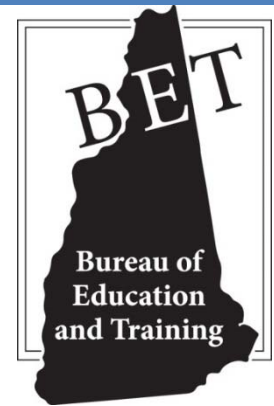
Lean is an organizational performance management system characterized by a collaborative approach between employees and managers to identify and minimize or eliminate activities that do not create value for the customers of a business process, or stakeholders.

--- Shayne Kavanagh & David Krings in  
Government Finance Review, December 2011, p. 19

# Checklist

- ☐ Confirm management commitment
- ☐ Train staff
- ☐ Conduct projects
- ☐ Assure follow-through
- ☐ Document gains
- ☐ Celebrate success
- ☐ Develop broad expertise in a range of tools
- ☐ Promote change agents
- ☐ Link projects to organizational strategy
- ☐ Network
- ☐ Build a cultural of continuous improvement

# Resources



## NH Bureau of Education

Lean training at the Yellow, Green and Black Belt levels. The Yellow Belt credential is now part of the Certified Public Supervisor program. <https://das.nh.gov/hr/trdev.html>

## NH Lean Network

A Community of Practice with open quarterly meetings and annual summits. Resources links including a **blog** at <http://Lean.nh.gov>



# Sources

- *A Public Sector Journey to Lean: Fighting Muda in Times of Muri* (Kate McGovern, 2018)
- Lean materials and programs produced by:
  - Government Finance Officers Association, Lean Enterprise Institute, University of New Hampshire, Community Health Action Network, U.S. Air Force, U.S. Environmental Protection Agency
  - States of Connecticut, New Hampshire, Minnesota, Rhode Island and Vermont.
- Books and articles by W. E. Deming, Shayne Kavanagh, David Krings, Anthony Manos, Ken Miller, Mike Rother, John Shook, Natalie J. Sayer, Chad Vincent, Bruce Williams, and Jim Womack.