



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ADMINISTRATION

OFFICE of MANAGEMENT & BUDGET
One Capitol Hill
Providence, RI 02908-5890

Office: (401) 574-8430

DRAFT

Lean Steering Committee Meeting Minutes
Monday, August 26, 2015, 9:30 a.m.
Department of Environmental Management
235 Promenade Street, Room 425
Providence, RI 02908

Lean Steering Committee Attendance

Name	Agency/Organization	Present
Janet Coit, Chair	Director, Department of Environmental Management	Yes
Abby Swienton	Policy Advisor to the Governor	Yes
Brian Daniels	Director, Performance Management, OMB	Yes
Andrew Manca	Department of Environmental Management	Yes
Jonathan Womer	Director, OMB	Yes
Macky McCleary	Director, Department of Business Regulation	Yes
Leslie Taito	SVP, Corporate Operations, Hope Global	Yes
Jacky Beshar	VP, Groov-Pin	Yes
Robert Imbruglio	Lean Manager, Pentair Equipment Protection	Yes
Karl Wadensten	President, VIBCO	Yes
George Nee	President, Rhode Island AFL-CIO	Yes
Neil Steinberg	President & CEO, Rhode Island Foundation	No

Others in Attendance

Name	Agency/Organization
Grant Dulgarian	Community Activist
Ann Marie Young	Implementation Aide, OMB/DOA, Taking Minutes

Janet Coit called the Lean Steering Committee meeting to order at 9:35 a.m. The Governor is busy compiling this year's Budget, and the Lean goal is being included in the Budget. The MPA is in place, with some of the consultants, those who have already deploying getting together, either a Lean team within their department, since every agency has a Lean ambassador within their department. Everyone is getting trained on and excited about Lean, but one of the challenges as we work to make government efficient in Rhode Island is that we ensure that we are promoting Lean in a sustainable way that meets the Governor's objectives.

Having last met on May 21, 2015, Janet Coit made a motion to consider the minutes from the May 21, 2015 meeting, Macky McCleary moved to have the minutes considered. Karl Wadensten recommended including metrics on page two, listing how many people have taken action on the MPA, and what is the Lean goal, and mentioned that it would be helpful to have a fact sheet or scorecard in addition to the minutes. Janet Coit handed out a report recently provided to the Governor and the Committee agreed that the report would cover the metrics. The Committee agreed to include the

report to the Governor attached to the minutes for this meeting, and then going forward keep a running tally of the progress that we have made. Janet Coit called for a vote to approve the minutes as distributed, all were in favor. The minutes were approved as drafted.

Janet Coit announced that Andy Manca has been hired by the Department of Administration, Office of Management and Budget, as the Lean Government lead (Title: Chief, Program Development, Lean Government Initiative Coordinator). Andy formerly led the Lean government initiative at Department of Environmental Management (DEM), and was outstanding amount the candidates.

Andy Manca has been responsible for teaching Lean 101 classes and reported that 222 state employees have attended Lean 101 training from April through August 26, 2015, not including previous training dates at DEM. A total of 324 state employees have taken Lean 101 training (102 were from trainings before August 26, 2015, in the three years previous to this year's trainings).

Andy Manca reported that Lean classes are going very well and are comprised of both frontline staff, and associate directors, who recognize that this effort is critical to continuous improvement, and view the initiative as something that can really help with efficiency. Lean ambassadors have been instructed to get lean projects started at their agencies, and agencies have been told to work with their ambassadors if they have ideas on how to improve efficiency. Some agencies have scheduled with the vendor, some have not. We need to confirm whether everyone is on their vendor's schedule.

Andy Manca continues to get requests from directors who would like to schedule dedicated Lean trainings for their agencies. There are two dedicated classes scheduled for DOA, in addition to the standard trainings that have been scheduled. The response to training was really positive, and we are heartened by the response to the trainings. Local 580 is getting the message that this is the real deal, agencies like DHS are really working and making change. The "Lean" label frightens some staff, should consider referring to it as continuous improvement.

Janet Coit would like to ensure that there is a feedback loop from the staff who are motivated/ambassadors to the directors, with suggestions and follow up after Lean trainings are completed, so that there is the follow through. Andy had an interesting conversation with a staff member from DMV who said that she does not think Lean is going to work because her manager is never going to listen to what she has to say. The message needs to be received by agency heads that this is an Executive Order, that we are all mandated to engage Lean objectives and initiatives, and that management is onboard this. Management should be aware and address feedback, list observations, and ideas.

Jonathan Womer reported that by Friday, September 4, 2015, each agency will submit their strategic plan for their agency. Each agency is supposed to have a Lean objective, in addition to the ambassador program. Objectives should be standardized for tracking of the objectives, and we need to have the ambassadors really follow up with us, working through their agencies. We can have agencies accountable for, for example, five lean processes done, or what the process is. We need to have a tracking mechanism so that we can have a feedback loop with them, so that we really know what the agency is doing, which ties it. The process should be that the directors sign onto a particular lean process, give it to the Governor, ambassadors can help us manage, and we can make sure the tracking is going on.

Ambassadors are selected by the directors, and it was asked whether there is analysis on who those people are in the hierarchy. We have been through a similar process to Lean before, for the Carcieri Administration, it was called "Fiscal Fitness," where the least effective people in the departments were assigned, so you need to be sure that there is oversight that the person who the director appointed is really a respected person in the hierarchy.

Abby Swienton agreed that that directors should be instructed to pick someone in their agency who is motivated, and who would be interested in this type of an opportunity. We need to validate that cabinet directors are motivated and interested in the Lean Opportunity. It should be emphasized that this is a professional development opportunity, a way to get additional training, and the ambassadors who we have seen are CFO's and program managers. Janet Coit would like a list of directors and their lean ambassadors.

Janet Coit would like a list of project directors so that strengths-finder match with mentors assigned, who have complimentary strengths. It would be worthwhile to have the Lean ambassadors do the strengths-finder surveys as well.

Macky suggested stated challenge is gap between training and enthusiasm, for directors who have not been involved before. To have just the ambassadors is not sufficient. Macky suggests that OMB, through Andy Manca, create a Lean consulting team to sit three times a month, to include managers to develop a Lean plan for their agencies. Members of the Lean Steering Committee could be part of consulting team, along with managers. Jacky Beshar is already involved -- all Lean Steering Committee members from the private sector agreed to be part of the Lean consulting team.

The Lean members emphasized that change has to come from the top. Directors and managers need to stress that these are important objectives-they have to incorporate themselves into this process. Every time it has failed in the past, it was because in the past, the top agency CFO was not brought into the process. Need to come up with a way to help CFOs stay involved in the process. A letter should be forwarded on monthly basis to emphasize that they will not be successful with Lean without them onboard with the process. There is skepticism in the agencies that needs to be overcome. What the Lean Steering Committee members believe will make the Lean effort successful should be listed.

Karl Wadensten believes that the agency heads should be responsible for conveying the importance of the Lean initiative, and drew a diagram for the Committee to emphasize that the direction needs to come from the top in order to improve engagement. A pipeline of communications should be directed so that there are no intermediaries. Guidelines for best practices should be set forth, and managers should pull in the process, rather than push. Agencies should develop strategies with input from the base, to see what the expectations for the training are. The training Andy Manca is doing should be mapped, and we need to let agencies know where to direct questions to. Ambassadors need to understand their role and provide directors and leadership with endorsement, but they should also understand it, because agency heads are the most responsible.

Lean 101 trainings should begin by asking what the expectation is. Each person at the trainings should list five things that work, and five things that do not work. Trainings should ask what the operating premise is. Agency heads should see the layers of the surface problems and recognize that small things will make the biggest difference, rather than making large capital investments.

A manual playbook could be developed to outline the role of ambassadors for ambassador to refer to it, so that they are able to show how we are supposed to do how to get started -- it should include the Executive Order. From a practical aspect, outline what I am supposed to do. A tool can be developed through OMB to manage and give guidance on what the necessary steps are. Macky McCleary and Brian Daniels' performance management meetings will require several lean metrics. Agencies should have a goal on an agency basis, which they are held to accountable for. Karl Wadensten suggested that they set a goal to have 15% of agency staff to participate in Lean training. We should choose a set of internal goals that each director is held accountable for.

Abby Swienton confirmed The A3 was posted on the Governor's website two weeks ago and that the Governor would like to review goal and create problem solvers. We need to communicate the

message. Karl Wadensten communicated the Lean message on Dan Yorke. Abby Swinton is working with Governor's staff on the matching grant summit in October and will package a message about the A3 for Tim White and Ted Nesi, Executive Suite, in addition to getting the message out about regulatory reform and Lean with Joy Fox. The Committee is working on adapting training from Ohio - Jacky has a group define what to do with the training.

Janet Coit agrees that there is a mix with push-and-pull on management style, because if you do not have the strategic objectives, agencies need to be very top level, because agency heads should see it as an effective tool to complete objectives, not as one more task to be completed. Macky McCleary believes we need both push and pull, because we will always have some people who do not want to be engaged.

Jacky Beshar said that the goal is a culture of continuous improvement, not the amount of people you have trained, so want to make sure we are not telling directors you need to get this many people trained, but more so that we are here to help you get a problem solving culture in place. The pull is to show what you have done, and to show people what you have accomplished, so that they are engaged, this is why we are really doing this, not to be critical about anyone.

Andy Manca reviewed the mentor initiative. Janet Coit indicated that there was enthusiasm at a retreat related to decision making styles, and Janet would like continue the enthusiasm. Everyone should complete the strength-finders assessment and have talk about leadership and successful teams and how to reach people with different styles. Andy Manca has events scheduled and the list of events was reviewed.

Andy is training with DCYF. Abby Swinton announced that she would be moving to DCYF as Agency Director, from the Governor's Office to become chief of staff lead lean initiatives.

Macky McCleary is working on budget questions, and October was the earliest could get, they are doing ETAs. Janet Coit pointed out that a mature Lean program does not always need an outside consultant.

The Lean Committee met the RI Foundation challenge grant to match \$50,000 grant, and Janet Coit thanked participants.

Brian Daniels mentioned that the Governor's office included \$100,000 for Lean, so an A3 competition has been organized to fund agency programs and initiatives. Departments can submit entries in line with strategy plans, and steering committee meeting members help rate them. The A3 competition is a way to generate excitement about Lean, and gives funding directly to the agencies.

The Governor's office is most excited about the lean public-private mentorship program, to match leaders with agencies to help problem solve. Janet Coit would like to circulate a list to Lean Steering Committee members so that they can add names of those who they think can aid in the Lean initiative, and ask members to make calls. Abby Swinton mentioned that she talked to Dennis DiPrete, Steve Russo of Astromed, (Steve is the director of operational excellence), also Christian Cohen at Polaris. Other names that have come up for the mentorship program are: Gilbane, Atria, Kenyon, Teknor Apex, Yankee Candle. However, it does not need to be a manufacturing company. Macky McCleary mentioned FM Global as a possibility.

Janet Coit asked if there was any further business, and then made a motion to adjourn, motion seconded the motion. All were in favor. Meeting adjourned at 10:45 a.m.