STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ADMINISTRATION

OFFICE of MANAGEMENT & BUDGET Office: (401) 574-8430
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Providence, RI 02908-5890

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's Executive Order requires departments to include Lean projects in their FY 2017 budget request. The state's Master Price Agreement is in place with Lean consultants. Agencies that have deployed Lean are getting together a Lean team within their department, and every agency has a Lean ambassador within its department. Agency staff is getting trained 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.

Janet Coit made a motion to consider the May 21, 2015 minutes, and Macky McCleary moved to have the minutes considered. Janet Coit called for a vote to approve the minutes as distributed, all were in favor. The minutes were approved as drafted.

Karl Wadensten recommended including metrics listing how many people have taken action on the MPA, and include an outline of the Lean goal, so that there would be a fact sheet or scorecard in addition to the minutes. The Lean Steering Committee reviewed a report recently provided to the

Governor and agreed that the report would cover the metrics. The Committee agreed to include the metrics and attach them to the minutes for this meeting. A running tally of the progress that has been made will be kept.

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 among 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 comprise both frontline staff, and management, who recognize that this effort is critical to continuous improvement, and view the initiative as something that can 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. OMB will confirm whether every department is on its 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 the Department of Administration, in addition to the standard trainings that have been scheduled. The response to training was very positive, and OMB is encouraged by the response to the trainings. Union partners are recognizing that Lean is an effective tool to improve efficiency, and agencies like the Department of Human Services are working to make change. The "Lean" label is off-putting to some staff; should consider referring to it as continuous improvement.

Janet Coit would like to ensure that there is a feedback loop from the ambassadors and other motivated staff to the directors, with suggestions and follow up after Lean trainings are completed. 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. OMB and Lean Steering Committee need to have a tracking mechanism to know what the agency is accomplishing. Ambassadors are selected by the directors, and it was asked whether there is analysis on who those people are in the hierarchy. Abby Swienton agreed that that directors should pick someone in their agency who is motivated, and who would be interested in this type of an opportunity. LSC should 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. A list of project directors would be helpful to do a strengths-finder match with mentors assigned, who have complementary strengths. It would be worthwhile to have the Lean ambassadors do the strengths-finder surveys as well.

Macky McCleary 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. He 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, and 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 and they need to incorporate themselves into this process. Every time a Lean initiative has failed in the past, it was because the top agency leadership was not brought into the process. Need to come up with a way to help leadership stay involved in the process.

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 Lean training that 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 directors should also understand it, because agency heads are the most responsible.

Lean 101 trainings should begin by asking what the expectation is. A manual playbook could be developed to outline the role of ambassadors so that ambassadors can refer to it, so that they are able to show how we are supposed to do how to get started, and it should include the Executive Order. From a practical aspect, it should outline specific steps that need to be taken and what they need to do. 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 goals and create problem solvers. Karl Wadensten communicated the Lean message on Dan Yorke. Abby Swienton is working with Governor's staff on the matching grant summit in October and will package a message about the A3 for media, in addition to getting the message out about regulatory reform and Lean with the Governor's Communication office. The Committee is working on adapting training from Ohio.

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 get through. 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 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 Swienton announced that she would be moving from the Governor's Office to DCYF to become Chief of Staff.

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 supportive of 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 Swienton mentioned that she talked to several potential mentors, and other members of the Committee gave recommendations.

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.

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TO: Governor Gina M. Raimondo

FROM: Brian M. Daniels, Director of Performance Management, Office of Management and Budget

CC: Jonathan Womer, Director, Office of Management and Budget
Janet Coit, Chair, Lean Steering Committee

DATE: August 26, 2015

SUBJECT: Annual Lean Report

This report provides highlights of the statewide Lean Government initiative. The initiative began with the signing of Executive Order 15-09 on April 9, 2015. This report covers activities from that date through June 30, 2015.

Administration

- The Lean Steering Committee, with representatives from government, industry and the non-profit sector, meets quarterly to provide strategic guidance to the statewide effort. Director of the Department of Environmental Management Janet Coit is the chair. The first meeting was held May 21, 2015.
- The Office of Management and Budget (OMB) hired a Lean Government Initiative Coordinator to manage the statewide Lean effort. Andy Manca, a former employee of the Department of Environmental Management who oversaw Lean efforts, started at OMB on July 27, 2015.
- Each department has appointed a Lean Ambassador to coordinate Lean activities and promote Lean training and culture. Ambassadors will meet quarterly to receive training and share best practices in their departments. The first Lean Ambassador quarterly update meeting was held on June 25, 2015.
- OMB created a Lean 101 course and trained Lean Ambassadors and other staff in executive branch agencies. As of June 30, 2015, more than 175 state employees had been trained since the executive order was signed in April. Additional Lean 101 sessions have been scheduled for July, August, and September. OMB is planning additional Lean training beyond the Lean 101 course.
- The state's FY 2016 budget funded the Governor's request of $100,000 for Lean projects. The Rhode Island Foundation issued a $50,000 challenge grant to raise funds for the Lean Government Initiative.

Agency Lean Improvement Projects

- OMB finalized purchase orders with three vendors from the state's Master Price Agreement 486 to provide Lean process improvement services to the Departments of Administration; Business Regulation; Health; Children, Youth, and Families; and Revenue's Division of Motor Vehicles.

  Below is a list of processes identified for review by these agencies. Processes that have already been scheduled with a Lean vendor include the month of the expected review. (A more complete work plan is attached.)
  - The Department of Administration has identified the budget process, labor grievance process, and Minority Business Enterprise (MBE) certification process. The budget process review was conducted in June and is now in the implementation stage.
  - The Department of Business Regulation has identified the professional license approval and renewal process (October), bank application process (October), and legal case management process (January).
  - The Department of Health has identified the professional licensing process and complaint process.
  - The Department of Children, Youth, and Families has identified the child welfare intake process and adjudication process.
  - The Division of Motor Vehicles has identified the appointment scheduling process and digitizing paper-based record process.
- The Department of Labor & Training has conducted training and process mapping to determine areas for focus.
- The Department of Environmental Management continues its third year of Lean process improvement and has served as a model for other agencies. DEM will be reviewing the file review process in September.
- Cabinet departments are updating their strategic plans and are required under the executive order to identify processes for Lean improvement.

Contact

If you or your staff have any questions or need additional information, please contact Andy Manca at 574-8471, andrew.manca@omb.ri.gov or Brian Daniels at 574-9202, brian.daniels@omb.ri.gov.