

Strategic Lean Project Report



For Reporting Period: January 1, 2015, through June 30, 2015

I. General Information:

Lead agency name: Liquor Control Board

Improvement project title: Receiving and Invoice Reconciliation

Date improvement project was initiated: 1/1/2015

Project type:

Project is directly connected to:

☐ Results Washington performance measure

☒ Agency Strategic Plan

☐ Other

If applicable, specify the alignment:

Goal 4: Create a culture that fosters excellent customer service, open communication, transparency, accountability, data-driven decisions, and business-initiated process improvement including the use of integrated technology.

Report reviewed and approved by: Randy Simmons

II. Project Summary:

Create a standard work process to reduce set up time to process purchases and reconcile invoices for payment. As a result of this endeavor, the team will use a standard process for all contract agreements and all team members will be able to step in to help if another member is falling behind, on vacation or is out unexpectedly with little to no knowledge of the specific contract.

In addition, the team will implement a weekly notification process by email to let the customer know what goods/service deliveries are expected for the next 5-7 days. This process will provide customers with instructions on receiving their products and services as well as what is needed by the contracts team to complete the transactions.

III. Project Details:

Identify the problem:

The work team evaluated the way receipts and invoices were processed at the delivery date or end of a contract/purchase. It was established that the team all had special ways to get to the same goal. The process was documented previously, but every team member had their spin on how to get to done in their own way resulting in different processing times and methods. By allowing the team to do non-standard work it is difficult to fill in when a staff member is out of the office.

Problem statement:

Currently, follow-up escalation activities causing a work stoppage equal 18 per day compared to our target of 11 or less per day, which we want to reach by 4/1/2015. Items causing a work stoppage/follow up prevent the team from completing new work in the target timeframe of 9 days.

Strategic Lean Project Report



Improvement description: From December 1, 2014, through January 31, 2015, the goods and services receiving and invoice reconciliation process was mapped. A schedule was created to designate dates and times to complete batch work. Staff agreed to adhere to standard work process flows for 30 days. After the 30-day test, process maps were adjusted where needed to ensure the process was accurate.

- Goal: Decrease weekly follow up escalation activities causing work stoppage/waiting
- Goal: Reduce backlog of pending purchases
- Goal: Increase # of invoices paid in 30 days and decrease or eliminate late payments
- Goal: Decrease order wait time (customer request to award)

Customer involvement: Customers received their purchase orders faster as a result of this endeavor. In addition, the team implemented a weekly notification process by email to let the customer know what goods/service deliveries are expected for the next 5-7 days. This process provides customers with instructions on receiving their products and services as well as what is needed by the contracts team to complete the transactions.

IV. Project Details:

Improved process as measured by: (Click those that apply)	Specific results achieved: (Complete the narrative boxes below)	Total Impact: (Actuals; Current Reporting Period)	Results status:
☐ Safety			
☐ Cost			
☒ Quality	Decreased weekly follow up escalation activities causing work stoppage/waiting from 18 to 10	12/14-4/15	Final
☒ Time	Decreased order wait time from 15 days to 10 days.	12/14-4/15	Final
☒ Customer Satisfaction	Decreased backlog of pending purchases from 10% to 8%.	12/14-4/15	Final
☐ Employee Engagement		☐ N/A (or)	

V. Contact information:

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For Reporting Period: January 1, 2015, through June 30, 2015

Strategic Lean Project Report



VI. General Information:

Lead agency name: Washington State Liquor Control Board

Improvement project title: Informal Hearings process improvement

Date improvement project was initiated: 3/2/2015

Project type: New Project

Project is directly connected to:

- ☐ Results Washington performance measure
- ☒ Agency Strategic Plan

If applicable, specify the alignment:

GOAL 4: Create a culture that fosters excellent customer service, open communication, transparency, accountability, data driven decisions, and business initiated process improvement including the use of integrated technology.

☐ Other

Report reviewed and approved by: Randy Simmons

VII. Project Summary:

The Washington State Liquor Control Board: improved the informal hearings process, resulting in a reduction in processing time for customers from 73 days to 57 days, a net reduction of 16 days or 22%.

VIII. Project Details:

Identify the problem:	The informal hearing process (settlement conference) takes on average of 73 days to complete. Errors caused time delays of two weeks as documents were mailed between parties. The cost in postage under the old system was \$29.54 per hearing. The hearings clerk completed transactions manually with little automotive support or tracking.
Problem statement:	Currently, the process takes 73 days to complete compared to our target of 60 days, which we want to reach by 6/30/2015.
Improvement description:	A team of employees revised instruction letters sent to individuals that were using informal hearings after identify common errors made during the process. The DocuSign software already used by the agency was identified and implemented into the process to remove mailing costs, reduce processing time, and reduce errors.
Customer involvement:	Collecting information from the Marijuana Licensing Unit customers that used the software in the application processed allowed the group to consider customer experience as options were reviewed for communication, timing release, and instructions on this process improvement.

Strategic Lean Project Report



IX. Project Details:

Improved process as measured by: (Click those that apply)	Specific results achieved: (Complete the narrative boxes below)	Total Impact: (Actuals; Current Reporting Period)	Results status:
☒ Cost	Decreased Mailing costs from \$29.54 per case to 0 per case that used the DocuSign process.	\$757 per month	Preliminary
☐ Quality			
☒ Time	Decreased Processing time from 73 days average to 57 days.	16 days per case	Preliminary

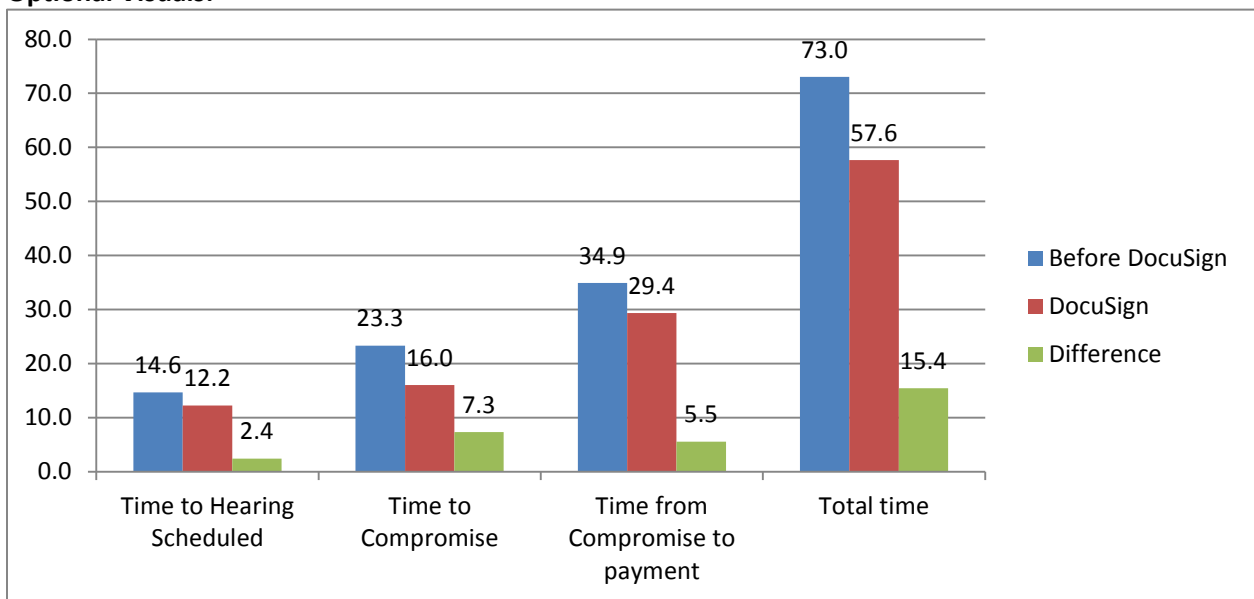
X. Contact information:

Name: Marc Siegfried

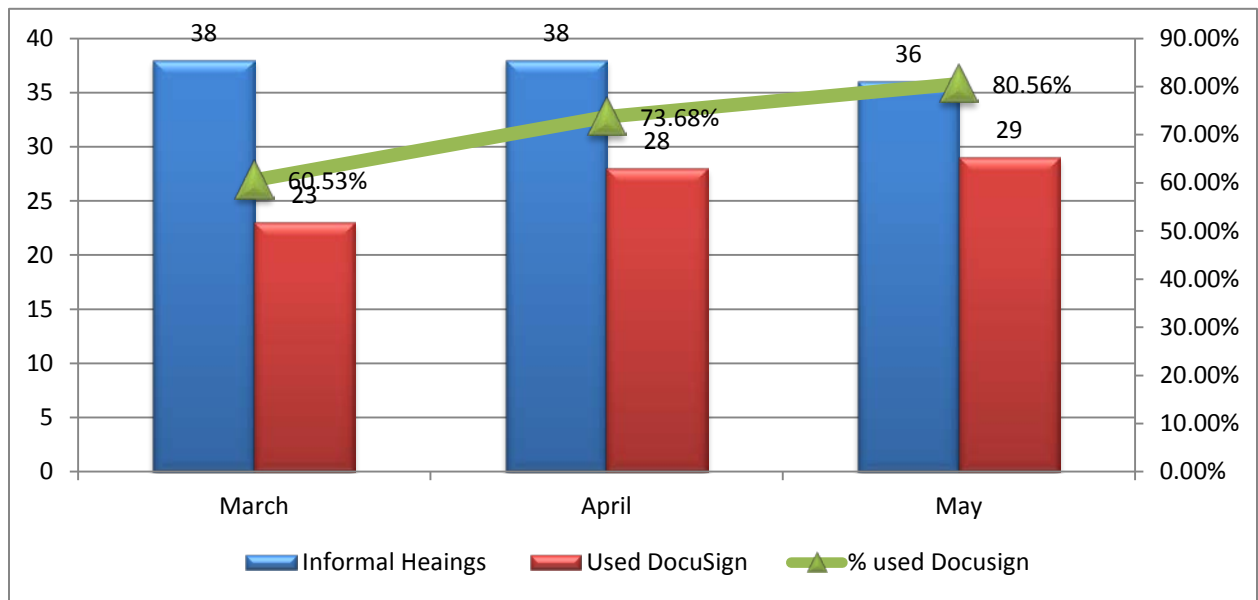
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XI. Optional Visuals:



Strategic Lean Project Report



Strategic Lean Project Report



For Reporting Period: January 1, 2015, through June 30, 2015

XII. General Information:

Lead agency name: Liquor Control Board

Improvement project title: Licensee Briefings

Date improvement project was initiated: 1/1/2014

Project type: Previously reported project

Project is directly connected to:

☐ Results Washington performance measure

☒ Agency Strategic Plan

☐ Other

If applicable, specify the alignment:

GOAL 4. Create a culture that fosters excellent customer service, open communication, transparency, accountability, data driven decisions, and business initiated process improvement including the use of integrated technology.

Report reviewed and approved by: Randy Simmons

XIII. Project Summary:

The Liquor Control Board improved the Licensee Briefings process and service, resulting in the increase of 1) customer satisfaction from 16.5 calls to 2 calls for assistance weekly; and 2) reduced time constraints from a range of 2 to 70 days to less than 24 hours to complete the viewing of a licensee briefing and form submittal.

XIV. Project Details:

Identify the problem: Prior the issuance of a new liquor license, an applicant is required to view liquor law information, by choosing one of 13 online PowerPoint presentations, averaging 80 slides. Users reported by phone and/or email that the slide shows would freeze computer systems and the completion form was not accessible. The applicant was required to print out the completion form, sign, and scan back to satisfy the licensing application requirement.

Problem statement: Currently, it takes 60-90 minutes for applicants to view and read an online presentation of the required liquor law information prior to obtaining a new license, compared to the target of 10 minutes to view an online Youtube style video and to automate submittal of required signed form, which we want to reach by Feb. 2015.

Improvement description: In 2014, the project was presented to management for approval after subject matter experts, with green-belt Lean facilitators, met in three work sessions (total of 20 hours) to conduct a kaizen review of this process (SIPOC, 5-Whys, Fish-bone analysis, Value Stream mapping for current and future state).

Strategic Lean Project Report



Customer involvement: Group tracked data from May to August 2014 to review comments and problem areas. Review team conducted interviews with stakeholders as well.

XV. Project Details:

Improved process as measured by: (Click those that apply)	Specific results achieved: (Complete the narrative boxes below)	Total Impact: (Actuals; Current Reporting Period)	Results status:
☐ Safety			
☐ Cost			
☒ Quality	Decreased complexity, viewing time, and inaccuracy of information from 13 one-hour presentation options to 2 ten-minute video options.	Modernized media venue with focus of two license types.	Final
☒ Time	Decreased applicant calls for assistance from 16.5 calls a week to 2 calls a week, in first month of release.	Weekly staff time saved was one hour.	Final
☒ Customer Satisfaction	Increased accessibility of online resources and required form from 2 to 70 days range to less than 24-hour turn-around using DocuSign software.	Reduced weekly call for assistance by 88%, or 14.5 calls.	Final
☐ Employee Engagement		☐ N/A (or)	

XVI. Contact information:

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XVII. Optional Visuals:

The 2 completed videos are posted on the Websites:

- Licensee Briefing for Off-Premises Sales
<https://www.youtube.com/watch?v=SlbvWz4KZSw&feature=youtu.be>
- Licensee Briefing On-Premises Consumption
<https://www.youtube.com/watch?v=RKHPxjBzvh8&feature=youtu.be>