

# Results Washington



## Progress Report on Lean Management Strategies

January 2016

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## Executive Summary

Launched in late 2013, the state's Results Washington initiative is helping drive improvements on dozens of specific, measurable goals through five overarching goal areas. These goal areas span education, the economy, the environment, public health, safety and effective government.

This report and its appendices include many examples of results at both statewide and agency levels. Many of the goals represent complex challenges, such as homelessness, struggling students, pollution, offender recidivism, traffic fatalities, smoking, teen pregnancy and loss of critical habitat.

Results Washington is tracking 189 measures to gauge progress on these enterprise-wide goals. Two years into this effort:

- 53 percent of measures are on track to meet the targets.
- 32 percent need improvement.
- 12 percent – many of which were recently added – are in the early stage where agencies are collecting baseline data.

We have already met or exceeded targets for 45 measures, many of which have been removed and replaced by new goals.

In addition, state agencies are increasingly using performance management tools to streamline work processes and service. From early 2013 through mid-2015, agencies reported that their staff took part in 1,246 of these improvement projects. This report and its appendices include more than 140 examples from mid-2014 through mid-2015.

Lean management principles, which underlie much of this improvement work, have proven highly effective at driving customer-focused improvements in health care, aerospace, retail and other sectors. In the public sector, Lean principles are helping manage growing workloads and rising demands for services, as well as improving quality.

Washington has become a national leader in this arena of enterprise-wide performance management. This report provides an overview of some of efforts we are using to transform state government.

It's also important to note that much work remains. While Washington state government is well on its way to becoming a Lean organization, cultural change on this scale takes time and focused effort.

In addition, many of the Results Washington measures focus on complex challenges that the state has struggled with for decades. We are encouraged by – and proud of – the early progress, while acknowledging that on many measures, there is a long way still to go.

We appreciate the Legislature's support and interest in this work to make state government more effective at getting results for Washingtonians.

## Creation of Results Washington

In September 2013, Gov. Jay Inslee issued [Executive Order 13-04](#), which stated, in part, that:

Washington state and its public servants are committed to the continuous improvement of services, outcomes and performance of state government, to realize a safe, beautiful and healthy place to live and work. In order to achieve these aims, "Results Washington," an innovative, data-driven, performance management initiative will drive the operations of state government through Lean thinking. This initiative will aid state leaders in fact-based decision-making, enhancing the breadth of understanding, focus and commitment to our customers — all Washingtonians.

The order laid out a framework for citizen and employee engagement, cross-agency collaboration, reporting and sharing of results with the public.

Results Washington is built around five key goal areas:

1. **World-class education:** Preparing every Washingtonian for a healthy and productive life, including success in a job or career, in the community and as a lifelong learner.
2. **Prosperous economy:** Fostering an innovative economy where businesses, workers and communities thrive in every corner of our state.
3. **Sustainable energy and a clean environment:** Building a legacy of resource stewardship for the next generation of Washingtonians.
4. **Healthy and safe communities:** Fostering the health of Washingtonians from a healthy start to a safe and supported future.
5. **Efficient, effective and accountable government:** Fostering a Lean culture that drives accountability and results for the people of Washington.



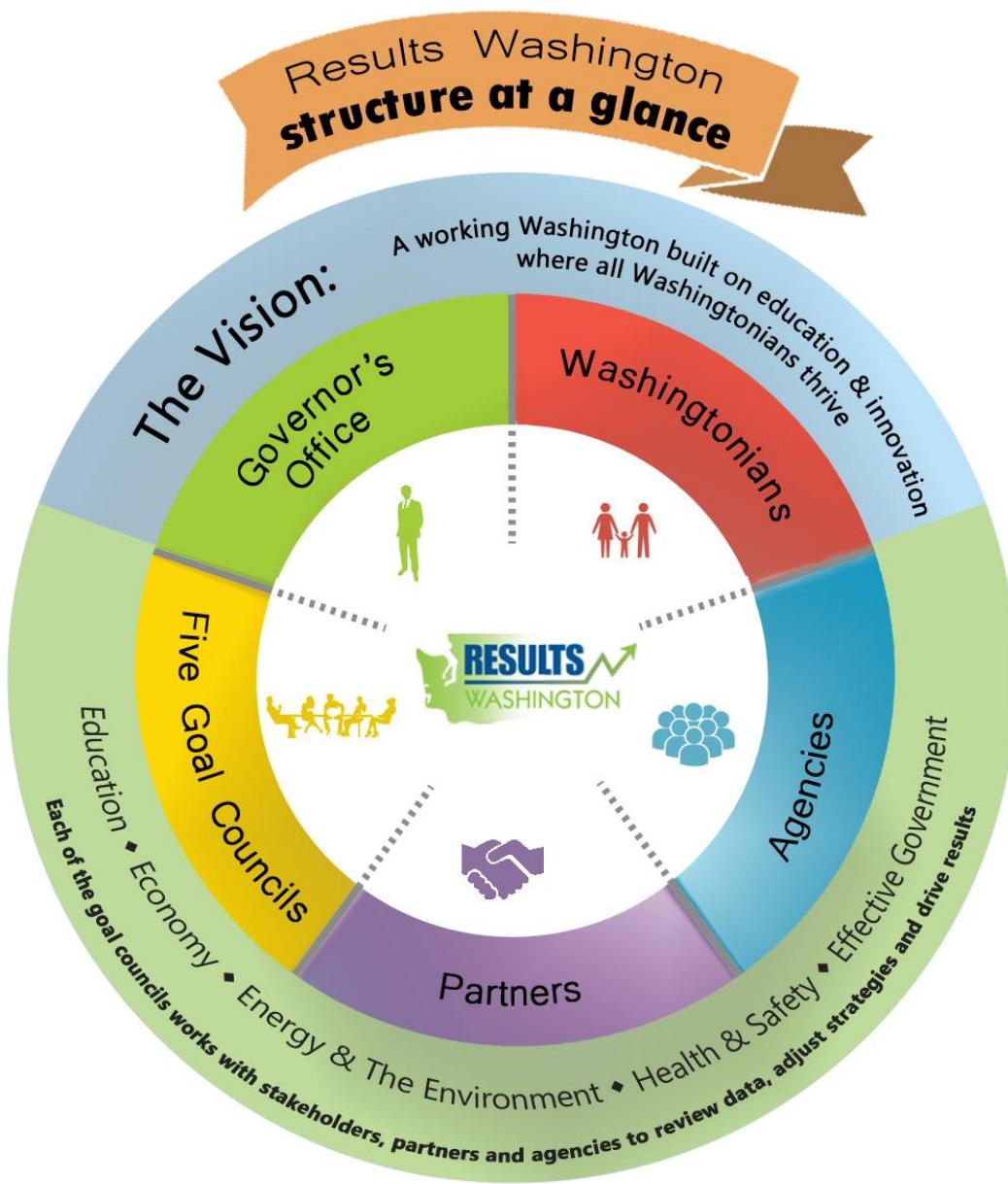
Within those five goal areas, there are 189 measures created with input from hundreds of Washingtonians, dozens of stakeholder groups and state agencies.

For example, the healthy and safe communities goal includes efforts such as:

- Decreasing the infant mortality rate from 5.1 per 1,000 births in 2012 to 4.4 or fewer per 1,000 births by 2016.
- Increasing toddler vaccination rates from 65.2 percent in 2012 to 72.6 percent by 2016.
- Decreasing workplace fatalities from 2.7 per 100,000 full-time workers to 2.5 or fewer per 100,000 full-time workers by 2016.

## How Results Washington is Structured

For each goal area, Results Washington created a goal council composed of 12–15 state agency directors. Each member brings to bear the expertise, perspective and resources of his or her agency.



Each of the 189 improvement measures has an agency director assigned as the lead. In many cases, multiple agencies are involved.

For example, the state's efforts to reduce speeding-related traffic fatalities are led by the Washington State Patrol, which works closely with the state Traffic Safety Commission. Each of those agencies has specific strategies, action items and due dates linked to reducing speeding-related deaths. (Those fatalities dropped from 184 in 2013 to 159 in 2014.)

Each goal council meets monthly to review progress, share data, refine strategies and collaborate on action items. These meetings often include partner organizations outside state government.

Ten times a year, Gov. Inslee meets with individual goal councils to discuss what's working, what's not and how to improve results. These meetings often include customers and clients. The meetings are open to the public, video recorded and made available on the Internet.

## Examples of Results by Goal Area

See below for a few examples of results in each goal area.

### EDUCATION



More families of high-risk young children are able to receive voluntary home visits from trained professionals who provide support and information about maternal and child health, parenting and child development.



Fewer college students need remedial courses. The percentage dropped from 40 percent in the 2009–10 school year to 34.5 percent in the 2012–13 school year.



More college students are enrolling in employer high-demand programs. More than 1,800 additional students enrolled in such programs in the 2013–14 school year compared to the prior year.



The number of college students taking online courses rose by more than 4,000 in two years.



A record number of students – 91 percent of those who are eligible – signed up for the College Bound Scholarship Program in the 2014–15 school year.

### ECONOMY



From 2011 to 2014, exports increased 42 percent, small business income increased 16 percent and average worker earnings increased 10 percent.



Employment in key sectors has also risen. From 2011 to 2014, employment rose 21 percent in information/communication technology, rose 7 percent in maritime and rose 12 percent in agriculture.



In the past two years, Washington's ranking for innovation and entrepreneurship has

risen from 13<sup>th</sup> in the country to third.

## ENVIRONMENT



The percentage of Endangered Species Act-listed salmon and steelhead populations at healthy, sustainable levels increased from 16 percent in 2010 to 20 percent in 2015.



All Washingtonians now live in areas that meet federal air quality standards.



Diesel soot in the air continues to decline and the number of old woodstoves replaced with certified woodstoves or alternatives is increasing.



Outdoor recreation rates are rising in Washington's public lands and waters.

## HEALTH AND SAFETY



Cigarette smoking by 10<sup>th</sup> graders continues to decline, from 10 percent in 2012 to 8 percent in 2014.



Compared to two years ago, nearly 15,000 more adults received state outpatient mental health services.



Recidivism is down among youth released from juvenile rehabilitation facilities. In 2012, 8 percent of youth returned to rehabilitation within a year. In 2014, that number dropped to 5 percent.



The number of ex-offenders getting jobs after release from prison increased from 31 percent in 2013 to 35 percent at the end of 2014.



Speed-related traffic deaths dropped from 184 in 2013 to 159 in 2014.



Washington has the second-lowest worker fatality rate in the nation.



The teen pregnancy rate continues to shrink.

## EFFECTIVE GOVERNMENT



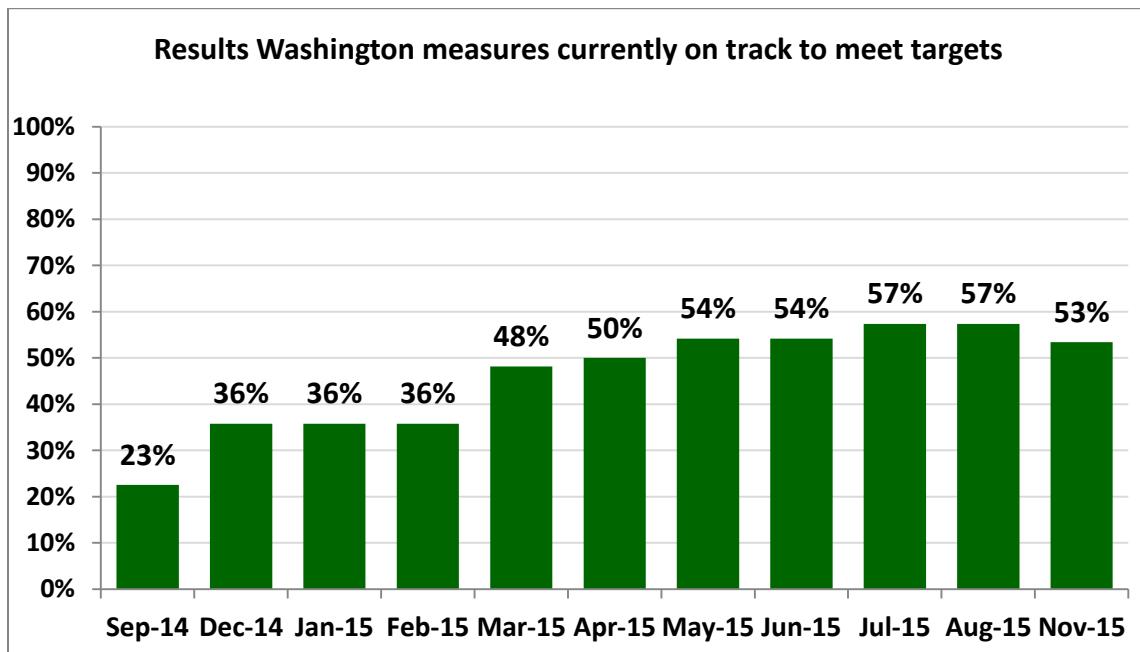
Employee-driven Lean improvements [at dozens of agencies](#) have resulted in easier-to-understand forms, streamlined processes, faster services, better outcomes, cost avoidance, more transparency and higher customer satisfaction.

For a longer, detailed list of 147 recent improvement projects, listed by agency, please see this report's [online appendix](#) (<http://1.usa.gov/1PKY9FJ>).

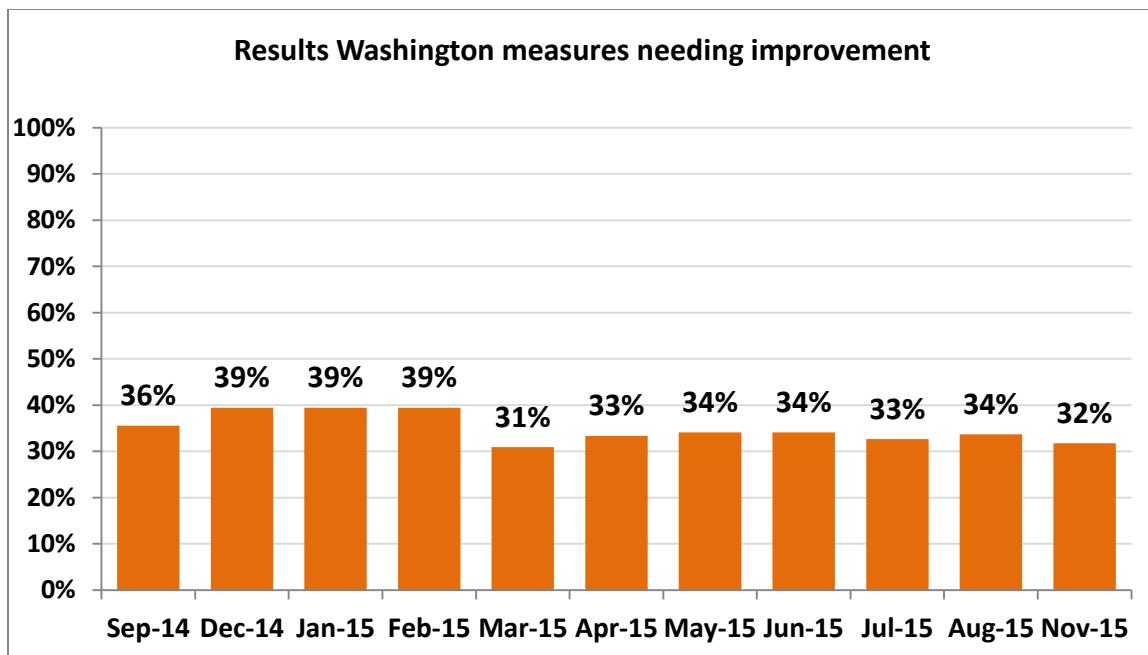
## Performance Accountability

Each month, Results Washington assesses the status of all 189 measures. As of December 1, 2015:

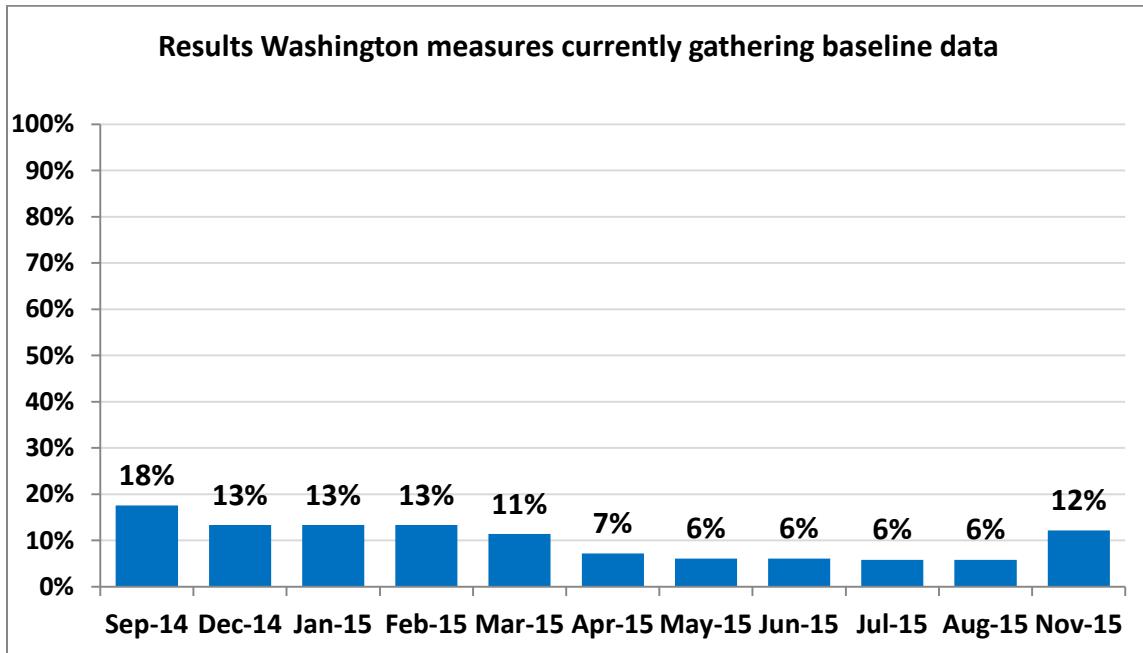
- 101 measures (53 percent) were on track to meet their targets. (This percentage declined slightly in November due to the addition of new measures.)



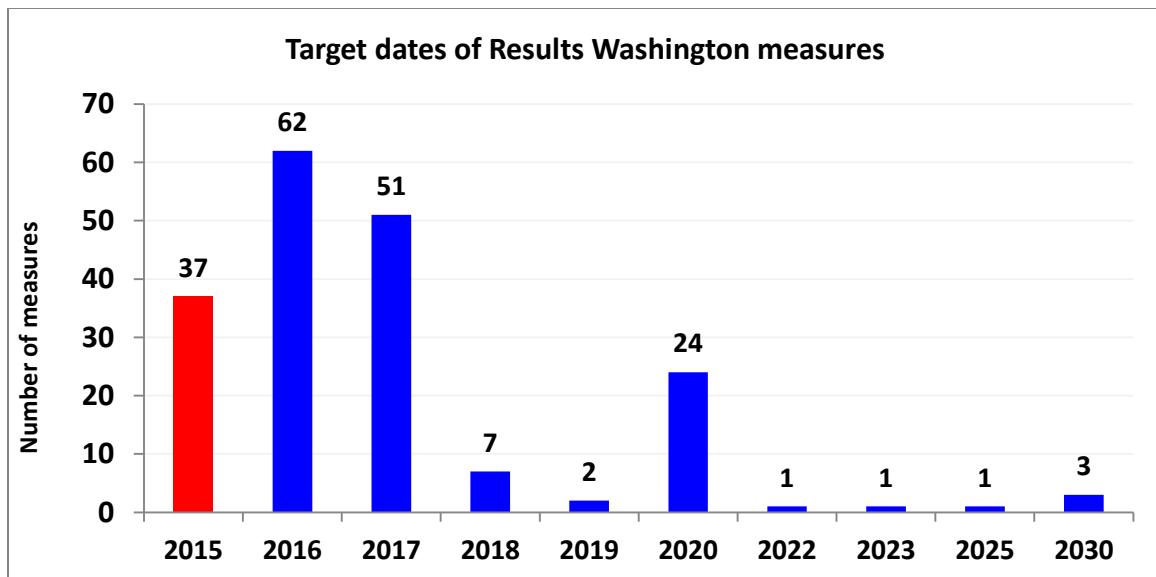
- 60 measures (32 percent) need improvement.



- 23 measures (12 percent) are in the process of establishing baseline metrics.

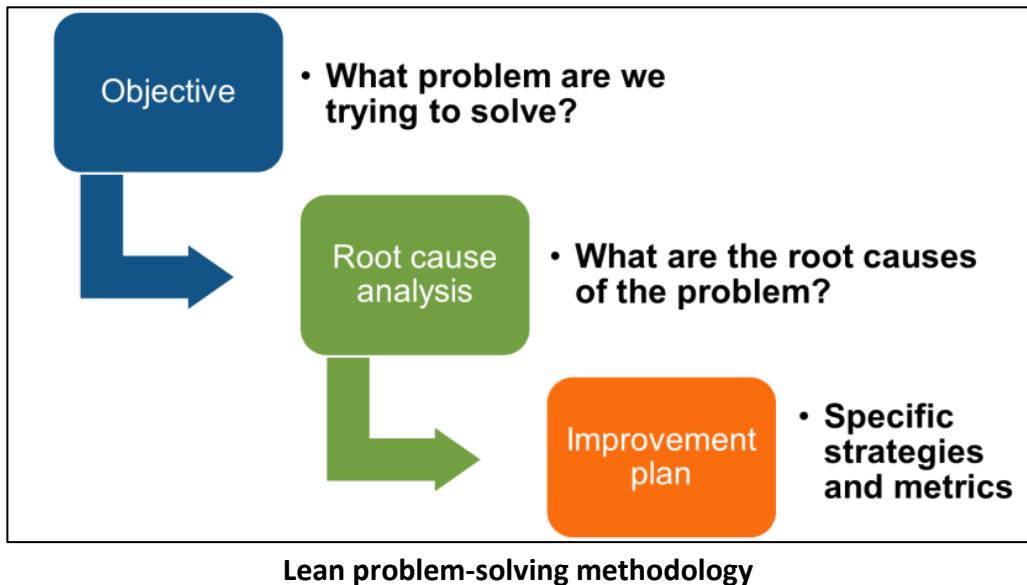


The target dates of measures range from the near-term to a few measures that have targets in 2025 and 2030. (The goal of zero traffic fatalities, for example, would be achieved in 2030.) The vast majority of measures have targets in 2015, 2016 and 2017, as shown in this chart:



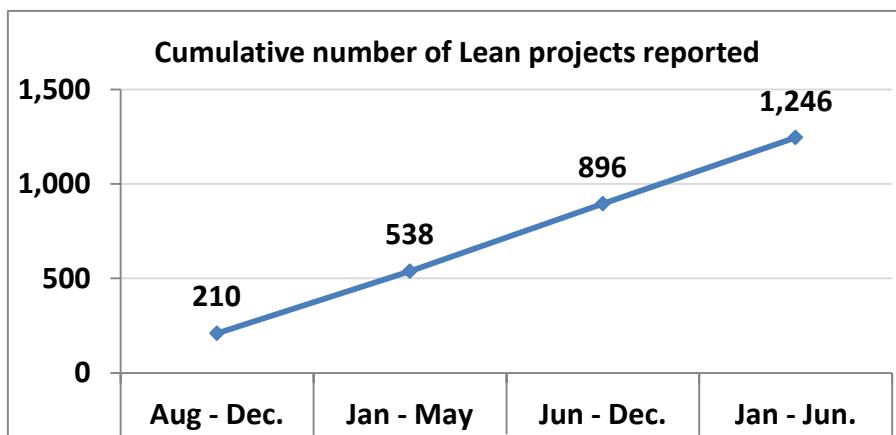
## Building a Lean Culture

Ultimately, Results Washington and the emphasis on Lean principles are about building a lasting culture of customer-focused problem-solving throughout state government. Lean problem-solving focuses on trying to address root causes rather than treating symptoms.



Although Washington has a long history of performance management and improvement initiatives (described in Appendix B), previous efforts tended to focus on certain processes at individual agencies. The Results Washington structure and goals are much broader and more comprehensive and require an unprecedented level of collaboration among — and within — agencies.

Organizational change, particularly on the scale of state government, takes time. Yet Washington is well on its way toward becoming a Lean organization. Customer-focused improvement efforts at dozens of state agencies have led to faster services, less paperwork, cost avoidance, easier-to-understand forms and more efficient use of resources. From early 2013 through June 2015, agencies reported that their staff took part in 1,246 Lean projects.



## Lean Improvement Education

Both Results Washington and state agencies are helping expand state employees' understanding of the Lean philosophy and tools. It's a broad approach that covers elements of process improvement, employee development, leadership behaviors and management systems.

From 2013 through 2015:

- More than 28,000 Washington state employees have had Lean knowledge and skills training. Of those, more than 1,500 had problem-solving training.
- More than 6,000 managers and supervisors have had Lean knowledge and skills training. Of those, more than 600 had problem-solving training and 200 had Lean coaching training.
- There are 752 employees that have been trained as Lean facilitators.

The number of employees putting these skills to use is rising and has more than doubled since 2013.

Year of improvement projects	Number of employees who participated
2013	1,747
2014	3,147
2015	3,873

## Lean Transformation Conference

A big part of this effort is an annual two-day Lean Transformation Conference that brings together more than 2,000 people — most of them state employees — to learn about Lean principles, tools and lessons learned.

Presenters include state agency and Result Washington staff. They also include a broad cross-section of Lean experts — all of whom volunteer their time for this event — from private-sector and nonprofit organizations. The 2015 conference included presenters from Toyota, the Gates Foundation, Virginia Mason Medical Center, Seattle Children's Hospital, the United Kingdom's National Audit Office, the Lean Enterprise Institute, Seattle City Light and Premera Blue Cross.

The 2015 conference included more than 55 sessions, over 100 presenters, more than 1,500 state employees, and attendees from 13 city governments, eight county governments and seven institutions of higher education.

# 2015

## Lean Transformation Conference

# 13



city governments

Seattle  
Tacoma  
Redmond  
Issaquah  
Tukwila  
Sammamish  
Burlington  
Bainbridge  
Renton  
Auburn  
SeaTac  
Vancouver  
Riverside

# More than 1,500

state employees



Washington State employees registered for this two-day conference



from:  
state agencies  
higher education  
nonprofit organizations  
local and federal agencies  
Lean consulting firms

# 90

volunteers

# more than 2,400



lbs.  
of food donated

food donations provided:  
3493 meals  
39 people fed  
3 meals a day  
1 full month of meals

# 117

people from the private sector

representing:  
aerospace  
retail  
financial  
health  
information technology  
food and beverage

## By the Numbers

# 7

institutions of higher education



UW  
WSU  
MIT  
St. Martin's  
CPTC  
Evergreen  
Bellevue



# 8

county governments

Kitsap  
Pierce  
Snohomish  
Skagit  
Clark  
Cowlitz  
Los Angeles  
Benton



## **Lean Practitioner Community of Practice**

Open to anyone in state government, the Lean Practitioner Community of Practice provides in-person information, training and workshops, as well as a LISTSERV to promote collaboration and coaching. The monthly gatherings typically draw 50 to 100 people. The training is designed for anyone, from novices to seasoned Lean project leaders, with opportunities for shared learning, collaboration and coaching between the members.

## **Lean Agency Adviser Community of Practice**

A key link to agency leadership, the Lean Agency Advisor Community of Practice comprises 54 advisers appointed by agency directors. Results Washington staff and partners provide training, information and coaching to the advisers, who also model and discuss their own Lean efforts with their colleagues at other agencies. The group also helps provide agency perspectives on strategies for continuing to advance state government's Lean transformation.

## **Lean Fellowship Program**

On a rotating basis, five Lean fellows are loaned to Results Washington by state agencies for intensive one-year fellowships where they gain a deeper understanding of Lean and develop skills in facilitation, leadership and problem-solving. Each fellow puts those skills to practical use on key goals. Our Lean fellow in education, for example, is working on strategies to improve high school graduation rates.

## **Summary**

As Washington state government continues to learn and embrace Lean problem-solving, we're refining and improving our own Results Washington system.

The early work in 2013 focused on designing and developing the Results Washington framework, setting up processes and working with agencies and partners to establish goals and measures that most mattered to Washingtonians.

In 2014, we implemented and experimented, testing different approaches for tracking performance and working with agencies on data-driven strategies, and started to see early results on some of the major goals.

In 2015, Results Washington continued to evolve, applying new standards, setting up a framework to involve more partners and expanding our efforts across state government. Goals are being achieved and strategies being tested and refined as Washington plays a national leadership role in using innovative ways to improve government.

Much work remains. Many of the Results Washington goals are “stretch goals” that require major effort from multiple players. But we continue to believe in the power of innovation, collaboration and data-driven cycles of continuous improvement, and we are encouraged by the results so far.

## Appendix A: Additional Examples of Agency-Level Improvements

-  A team of seven employees at Consolidated Technology Services (now Washington Technology Solutions) converted the state's outdated long-distance phone service to a better, cheaper one, saving state, local and tribal agencies \$2.3 million a year in phone costs.
-  The Department of Labor and Industries increased overpayment recoveries 28 percent in one year, to \$6.2 million.
-  The Department of Licensing saved more than 2,000 hours of staff time in 2015 by revamping its process for end-of-day cash drawer processing. The changes allow staff more time to be at the counter serving customers.
-  Teams at the departments of Transportation, Licensing and Financial Institutions have cut by more than half the time it takes to fulfill certain public disclosure requests.
-  Washington state government has doubled in one year the amount of downloadable, searchable state data available to the public.
-  The Employment Security Department implemented 30 improvements to improve document entry, storage and retrieval, resulting in a savings of 7,458 hours of staff time and \$119,859.
-  The Department of Revenue streamlined business licensing services renewals, annually saving \$51,555 in bank fees and allowing the agency to shift two positions to perform more complex work.
-  The Washington Traffic Safety Commission cut its invoice process time by nearly 40 percent so vendors receive payment seven days earlier.
-  The Department of Ecology reduced its water right application backlog by 17 percent.
-  The Department of Licensing cut from 11 days to three days the average time it takes to process documents needed to export a vehicle. That helps exporters avoid missing shipment dates and paying vehicle storage fees while waiting for the needed records.
-  The Department of Revenue cut the average number of days to review a tax assessment from 33 days to seven days, saving the state more than \$200,000 in interest as taxpayers received refunds faster.
-  The Department of Social and Health Services cut a key process for reviewing child support payments to some clients from 20 days to one day. This helps those families receive child support money faster. In addition, the improvements are saving \$126,000 a year in paper costs alone.
-  The Liquor and Cannabis Board streamlined the process for applicants seeking a new liquor license. Previously, applicants were required to choose one of 13 PowerPoint presentations averaging 80 slides and 60–90 minutes to review. Applicants then had to print, sign, scan and return the form. Today, applicants watch a 10-minute YouTube-style video and immediately submit the form online. Calls for assistance with the process have dropped 88 percent.



The Washington Military Department shaved the time it takes for the 81<sup>st</sup> Armored Brigade combat team to set up a tactical operations center from 30 hours to 16 hours.



The Utilities and Transportation Commission streamlined its insurance verification processes so transportation carriers without insurance are off the roads 30 days sooner.



The Office of Family and Children's Ombuds revamped the process for filing an official complaint form in non-emergent situations. Because many clients didn't have the ability to print the online form, a multi-agency team created a process for immediate online submission of the complaint form.



The Employment Security Department improved its human resources and information technology processes to ensure that technical services are quickly disconnected when staffers move to new facilities or leave the agency. The changes are saving \$346,000 a year.

Note: For a longer, detailed list of 147 recent improvement projects, listed by agency, please see this report's [online appendix](http://1.usa.gov/1PKY9FJ) (<http://1.usa.gov/1PKY9FJ>).

## Appendix B: Performance Management in Washington State Government

Washington has a proud history of pioneering innovative approaches to making state government more efficient, transparent, accountable and effective. Among the milestones:

- Quality Improvement ([1997](#)): An initiative to improve quality, efficiency and effectiveness of state agency services.
- Priorities of Government (2002): A framework for spending decisions based on the results Washingtonians expect from government and the strategies most effective in achieving those results.
- Government Management, Accountability and Performance ([2005](#)): A management tool to gauge the performance of government programs and agencies.
- Lean Transformation ([2011](#)): The first steps toward building a Lean culture in Washington state government. Then-Gov. Christine Gregoire directed all executive cabinet agencies to explore the use of Lean principles, complete a Lean project, compile results and lessons learned, and deploy efforts to build capacity for using Lean in their operations.



Results Washington is built on that legacy, retaining key aspects of past efforts such as a focus on measurable results that most matter to Washingtonians.

Results Washington also broadens the focus beyond individual agency results, driving improvements through multi-agency work groups that bring broader viewpoints, strategies and resources to bear on the challenges faced by citizens.