



Leaning Forward

The Official Newsletter of Lean and Innovative Thinking for the City of Baltimore

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Highlights

- Overview of the City's two Lean pilots
- A peek inside the City's Innovation Lab
- A look at the City's ePlans project
- Upcoming events, including the next meeting of the Good Government Book Club and future Lean events

In this issue:

Baltimore Launches Lean Government Initiative	1
Finance Lean Event: RBDL Process	2
MOED Lean Event: One-Stop Career Center	3
Introducing the City of Baltimore Innovation Lab	4
Innovative Spotlight: ePlans	4
Light bulb Thought	5
Upcoming Events	5

Baltimore Launches Lean Government Initiative



The City of Baltimore is excited to announce the launch of its Lean Government initiative! What is Lean Government exactly? Lean is a collection of principles and methods that focus on the identification and elimination of waste in a process. Lean integrates people, the process, and technology in order to improve outcomes. It is a mindset and a culture; it must be embraced at all levels of government if it is to succeed. Simply put, by engaging in continuous improvement and having a high level of respect for people, government can improve the safety, quality, delivery, cost, and morale associated with government.

This exciting and innovative approach to how public services are delivered has great potential as a means of providing higher quality services for less money and in less time. To date, the City has held two very successful lean Government events and is poised to do more as the City enters a new calendar and fiscal year.

Learning and innovation go hand in hand. The arrogance of success is to think what you did yesterday will be sufficient for tomorrow.

- William Pollard

The main idea behind Lean is that the problem does not lie with people—it lies with a broken process which makes it impossible for people to do their jobs effectively. Lean Government starts from the viewpoint that every process can be examined to see what in it is wasteful. After the waste is identified, a new process is designed by the people who will be using it. The process is then implemented and monitored for progress and future improvements.

In May 2014, a series of Lean Government information sessions were held in which agencies were given an overview of Lean and were solicited for candidates for two Lean Government pilots. The pilots selected were an evaluation of the retail business district licensing (RBDL) process and an evaluation of the work flow at the One-Stop Career Center run by the Mayor's Office of Employment Development

(MOED). Both events were extremely successful; for information about each event can be found on pages 2 and 3 of this newsletter.

The site of the Lean events was the City's brand new Innovation Lab, a space where employees can meet for brainstorming sessions, Lean events, trainings, and other collaborative efforts. A look at the Innovation Lab is on page 4. Other features of the newsletter include the Innovative Spotlight page 4, featuring ePlans, an Innovation Fund project spearheaded by the Department of Housing and Community Development, and upcoming events.

Collecting Revenue More Efficiently: a Look at the RBDL Process

The City's retail business district licensing (RBDL) program began in 1976 and is governed by Article 14 of the City Code. It is a process by which businesses in ten business districts pay fees that are returned to merchants associations, then used for purposes such as beautification and promoting special events to increase economic activity. The process begins with inventory collection by the Baltimore Development Corporation (BDC). BDC then sends the inventory to the Dept. of Finance, which issues the bills and collects the fees. The City keeps only 3% of the fees collected to cover administrative costs.

There was much dissatisfaction with the RBDL process on the part of the merchants and those who administered the program. Inaccurate inventory, an untimely billing processes, and lack of knowledge about the various roles of the people running the program were abundant. More time was being spent legally pursuing merchants who had not paid their fees than on issuing the bills in the first place. The inaccuracy of the inventory was also a big problem, as that led to inaccuracy in billing and a high payment delinquency rate. A process to collect approximately \$400,000 was taking up to nine months to accomplish with a low revenue collection rate.



In September, BDC, the Department of Finance, the Law Dept., and the private sector gathered in the City's Innovation Lab for four days to "lean" the RBDL process. The event was facilitated by John and Matt Beakes of Operational Performance Solutions, Inc. After basic Lean training for the participants, the team got to work on examining the process and identifying waste. The results were reducing the time spent on the process from over 350 hours to under 235 hours, a decrease in the total process timeline from 9 months to 6 months, and a reduction in process steps from 93 to 33 – a 65% reduction. Some of the specific improvement included more training on City Dynamics for more staff members, a reformatted bill, a shorter period in which the money would be collected, and the production of a standard procedure for the economic development officers to collect data from the businesses (up until that point, they'd each been doing it their own way). Upon the conclusion of the Lean event, members of the team videotaped a "report out" where they chronicled their Lean journey and discussed the current state of the RBDL process was and what the future state would look like.

In January 2014, the RBDL Lean team will convene to evaluate if the new, leaner process has helped increase payment rates and improve the workflow within BDC and the Department of Finance.



See the RBDL report out video on **BBMR's** website at:
<http://bbmr.baltimorecity.gov/LeanGovernment/LeanEvents>

Improving Service Delivery for the Unemployed: Examining MOED's One-Stop Career Center



The Northwest One-Stop Career Center, located on the third floor of Mondawmin Mall, is one of four one-stop centers run by the Mayor's Office of Employment Development (MOED) that provide employment assistance to Baltimore citizens. The Northwest One-Stop Career Center is unique because it houses all of the City's re-entry services, i.e. services that are targeted towards ex-offenders to help them gain employment. Services offered include GED classes, resume writing workshops, interview skills class, child support service, and an expungement workshop. Each year, approximately 35,600 people come through the center seeking services.

The main problem at the Northwest One-Stop Career Center was the delays in receiving service and the backlog of data entry. There were multiple waiting periods as well as at least a week's backlog to enter new registrants into the system. After filling out paperwork, new registrants would then have to wait over a week before being able to attend an orientation session and to receive most of the services the center offered. Additionally, greeters at the center were regularly overwhelmed with walk-in customers, customers calling on the phone, and data entry.

In October, MOED staff members participated in a four-day Lean event to see how they could reduce wait times and waste. The event was facilitated by Matt and John Beakes of Operational Performance Solutions, Inc. Using value stream mapping, waste was identified and removed from the process. The results included physically reconfiguring the entry points of the center with the assistance of a "point person" to direct traffic in the morning (when intake is highest), the creation of an electronic orientation program to reduce waiting periods and allow customers to receive access to services immediately, writing protocols for greeters so as to standardize their work, the creation of a matrix which outlines all services, and reorganizing registration materials so that they are more clear and less voluminous. Upon the conclusion of the Lean event, members of the team videotaped a "report out" in which they chronicled their Lean journey and discussed the current state of the One-Stop Career Center process and what the future state would look like.

The new, improved version of customer intake began in December 2014. The backlog of folders to be entered has been eliminated and copies of the electronic orientation has been put on CDs to use with the center's computers. MOED will continue working with BBMR and the Lean facilitators to monitor progress.



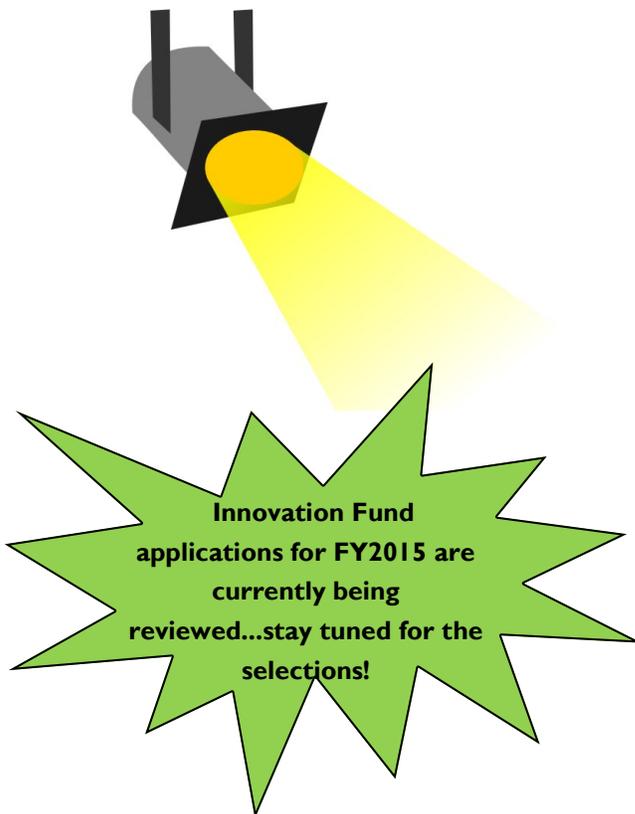
See the MOED report out video on BBMR's website at:
<http://bbmr.baltimorecity.gov/LeanGovernment/LeanEvents>

The City's Innovation Lab

In the spring of 2014, the City's Innovation Lab made its debut. The lab is a joint venture between BBMR, MOIT, and the Dept. of Human Resources. Located at 201 East Baltimore Street on the 2nd floor (within the HR training division), it is a physical space that serves as a place where City employees can congregate and brainstorm on how to solve some of the City's toughest problems and how to best implement strategic solutions to them. Additionally, Innovation Lab will also serve as an incubator for Innovation Fund ideas, many of which could be realized during & after a Lean event takes place.

The lab is fully equipped with wall-to-wall whiteboards, an electronic whiteboard with a projector, Laptops, office supplies, a Lean library, and refreshments. To date, it has been used for trainings within HR, Lean events and their follow-up meetings, strategic meetings for Ten-Year Financial Plan implementation, Lean Government and Innovation Fund information sessions, and Mayoral team meetings.

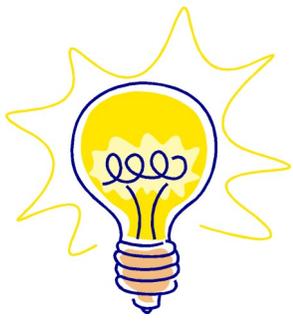
To reserve time in the lab, please email Amy Costanzo at amy.costanzo@baltimorecity.gov.



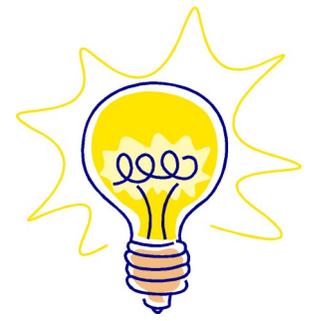
Innovation Spotlight: ePlans

In FY2012, the Department of Housing and Community Development (HCD) launched ePlans, a program designed to help developers get their construction plans approved electronically. Prior to ePlans, City employees had to physically move blueprints, maps, and other building documents from office to office—a very labor intensive and time consuming process. Working with MOIT, HCD effectively launched the ePlans system in June 2012, which required the purchase of servers to accommodate it. The fee for plans submittal was increased from \$50 to \$150, which developers supported in exchange for more timely service.

ePlans has not only led to a drastic decrease in wait times for developers to get their plans approved by the city, but has also produced enough revenue and savings to pay off its Innovation Fund loan early. It continues to operate smoothly, much to the pleasure of developers and city officials alike, and has become a shining example of an effective Innovation Fund project.



Light Bulb Thought



Each issue of Leaning Forward will contain a Light Bulb Thought—something to provoke thinking along the line of innovating, improving, and progressing. This issue’s Light Bulb Thought is adapted from Samuel Bacharach’s article “5 Steps to Becoming an Innovation Champion” (2013).

Pitch your idea at the right time.

Timing is everything. Proposing your idea at a good time can be the difference between it being implemented or it being ignored. Ideas should be brought to the table fully (or at least mostly) developed. Something to keep in mind is that there will never be an ideal time, but there is such a thing as a likely-to-be-taken-seriously time.

Know who your supporters and opponents are.

In an organization, there will be support for ideas and those who are against them. The key is getting those who are interested to stay interested and trying to get resistors on board. How does one do that? Through good communication and perhaps negotiating trade-offs for support in other areas.

Establish credibility.

You have to be smart and establish your expertise, show that there is an opportunity for action, lean on your positional authority, and demonstrate your integrity. If you fire on these four cylinders, others will believe you can deliver.

Understand the resistance to your idea.

Criticism is one of the realities of leadership, and there is nothing to do but accept it. Instead of letting critics take you by surprise, learn to anticipate what they are going to say, and respond to criticism without losing your head. Before pitching an idea think of all the possible arguments of resistance and prepare rebuttals, even for arguments you think are outlandish. You have to be prepared.

Be prepared to defend and explain your idea further.

Even if you have a good idea, you can’t expect people to accept it unquestioningly. Having a good grasp on data that supports your idea, making a strong argument for staying ahead of the curve, and presenting your idea as an opportunity for individual or team leadership are all ways to garner more support and increase the chances of your idea being accepted by others.

- Selection of FY2015 Innovation Fund Projects: January 2014
- RBDL Lean event update: January 14, 2014
- MOED Lean event update: January 16, 2014
- Good Government Book Club Meeting: March 5, 2014

Upcoming
Events

