



Leaning Forward

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



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MAYOR



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Highlights

- A look at a Department of General Services A3 project
- Overviews of the two Lean events conducted by the Department of Health
- A peek at the latest Innovation Fund project, the Camp Small Zero Waste Initiative
- An overview of Baltimore City's new Lean beginner training goals
- This issue's Lightbulb Thought from Chip and Dan Heath, authors of the book "Made To Stick"

A Good IDEA

Mayor Announces Formation of Team to Advance Lean and Innovation

As Lean has evolved, so have ideas about its connection to other City goals, especially to data collection and analysis. To this end, the Mayor has announced the formation of the IDEA Team - Innovation, Delivery, Evidence, and Accountability - to build on promising management initiatives and work with agencies to find smart solutions to some of the City's most pressing challenges.

Led by Budget Chief Andrew Kleine and Chief of Staff Kaloipe Parthemos, the IDEA Team will work to:

- train more employees in Lean principles and applications
- develop Innovation Fund project ideas
- implement the Employee Innovations Awards Program
- develop crowdfunding ideas
- develop a Challenge website where agencies sponsor prize competitions that invite innovators from around the globe to help tackle Baltimore's toughest challenges
- collaborate with CitiStat and the Chief Data Officer on a data analytics project
- inventory city-run programs to determine where we need to gather more evidence about the impact of the dollars we spend and how to make it bigger

Stay tuned for updates on the progress the IDEA Team makes!

Deadlines

December 18th, 2015: Agency Lean proposals due

December 18th, 2015: Agency Innovation Fund proposals due

March 2016: 1,000 City employees from Cabinet-level agencies trained in Lean Government completed



Fall is here and kids are not the only ones headed back to class - the Lean training program continues to train Baltimore City employees in the concepts and practical applications of Lean Government through its tiered (beginner, intermediate, and advanced) class structure.

Part of the completion of the intermediate class involves the completion of a small improvement project (an A3 project) within a participant's own office, division, or agency - a process with which they are very familiar that could benefit from Lean principles being applied to it. Projects have included:

- Developing an easier Youth Works summer job registration process (MOED)
- Addressing vehicle preventative maintenance (DGS)
- Examining the budget book publication process (Finance)

Additionally, the first advanced class training was completed in early October. For participants learned about the skills needed to actually facilitate lean events and in the upcoming months, they will co-facilitate several Lean events to qualify them to become bronze level Lean facilitators. Congratulations to Mark Conway, Shonte Eldridge, Amanda Bates, and Darin Bayley for completing advanced training!



Training dates for all three levels have been added to the Innovation Lab calendar - to sign up for free training, please visit:

<http://bbmr.baltimorecity.gov/BaltimoreLIFT/LeanTraining.aspx>.

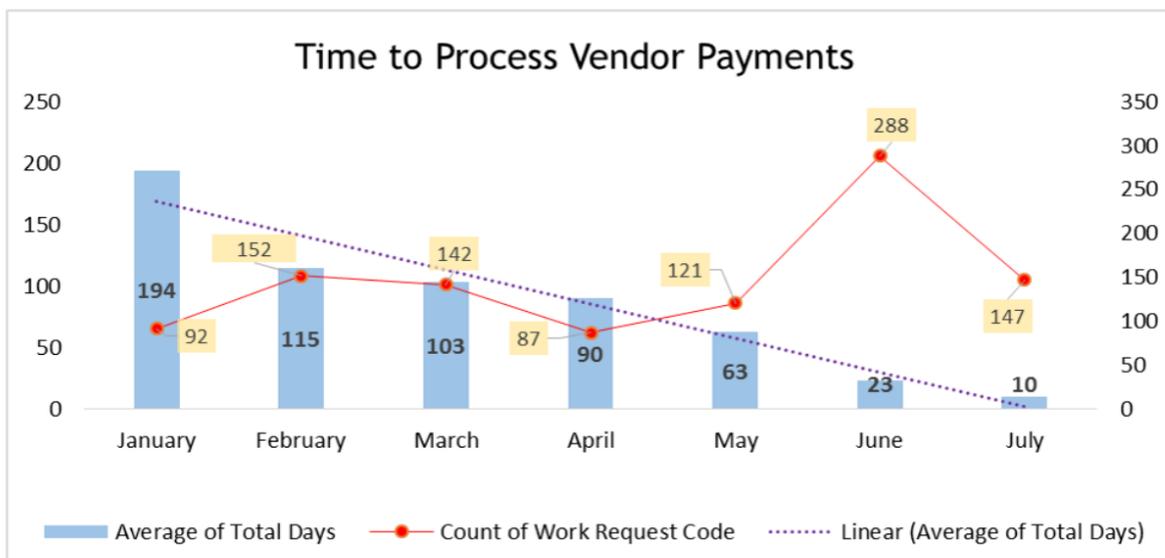
Vendor Payment Process

A Look at DGS' First A3 Project

One A3 project undertaken was the process of vendors working with the Department of General Services (DGS) being paid. Previous delays in vendor payments caused a strain on relationships with contractors who perform emergency repairs. To address this issue, the fiscal department of DGS had an internal Lean event with all agencies involved in the process, including BAPS, Facilities Management, and Purchasing to analyze the current process and coordinate a procedure to accommodate urgent work.

As a result, DGS's fiscal department has made significant changes to the accounts payable and invoicing processes in order to differentiate between ordinary work order requests and urgent requests. New business processes allow the department to quickly fix problems, while ensuring prompt vendor payment. The revised processes are being tracked on a weekly basis and making improvements along the way. Currently, DGS is leading an interagency collaboration to further improve the prompt vendor payment process. On October 1st, DGS met with the Bureau of Purchasing and BAPS to verbalize an agreement for a new exemption code for urgent procurement services. Further formalization of this agreement including SOPs will follow.

The chart to the left shows the decrease in the average number of days it took DGS to process vendor payments. The average time decreased from 194 days in January 2015 to 10 days in July 2015 - a 95% decrease! Even as the number of work requests periodically increased, the amount of time to process the payments continued to decrease - a true Lean success!



The Right Routing

A Look at the Health Department's Contract Management Process

The Baltimore City Health Department (BCHD) has an exceptionally large amount of grants in its budget. The grants drive a large number of contracts, which need to be routed. The process of routing contracts and getting them to the Board of Estimates (BOE) for approval is paper-based, which is labor and time intensive. The average amount of time it took for a contract to be routed was 107 days, although there was tremendous variation. The process of routing contracts properly was taking too much time, sometimes leading to grant funds not being spent before the grants expired.

In July 2015, staff from BCHD gathered in the Innovation Lab for four days to examine and “lean” the contract routing process. The event was facilitated by Ken Bechard of Global Productivity Solutions, Inc. Prior to the event, the participants had attended four hours of Lean beginner training provided by the City. Improvements include:

- creating boiler plate verbiage on scope of service and budget templates
- providing vendors with information about BCHD's expectations
- sending the budget office an electronic copy of a BOE memo for electronic signature instead of a paper copy
- preparing documents such as the BOE memo, Agency Summary, and MBE/WBE waiver up front so as to reduce time that paperwork stays in the BCHD contract office.

The group also envisioned what a further future state would look like, which included an IT solution that would reduce routing time by an additional 10%-20% and enable greatly enhanced visibility, as to where each contract stood in the routing process.

The improvements that the BCHD Lean team came up with seek to reduce the time it takes to route a contract now, 107 days, to 67 days, a 40% lead time reduction. BBMR will continue to work with BCHD to monitor the progress of the event.



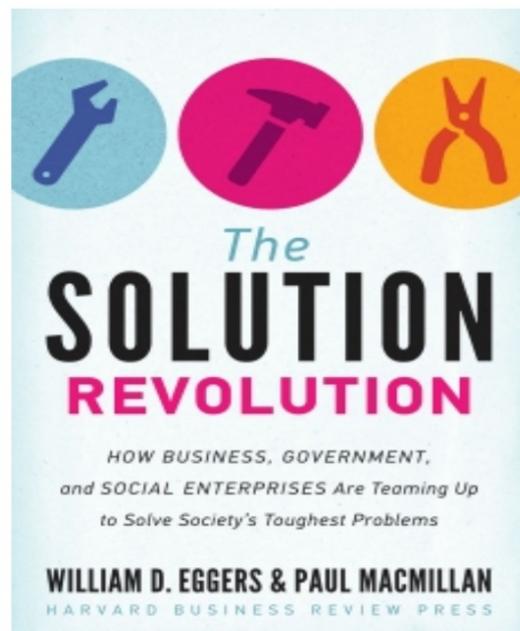
Join us for the next Good Government Book Club meeting!

This month's meeting will be on November 18th at 12pm in the Curran Room of City Hall. Our book selection is *The Solution Revolution*. Co-author William Eggers will be joining us for a discussion about his book *The Solution Revolution*. We will be providing dessert and beverages. Bringing a bag lunch is encouraged.

If you are not a City of Baltimore employee, please bring an ID with you to gain entry into City Hall. Take the elevators to the fourth floor; the Curran Room is on the left side of City Hall as you exit the elevators.

An RSVP is not required, but you can do so at:

<http://www.signupgenius.com/go/20f0f4da8a729a0fd0-good>



Ending the Year Well

Examining the Year-End Accounting Process

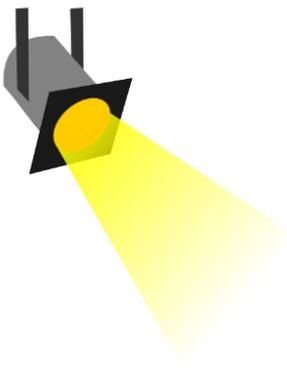
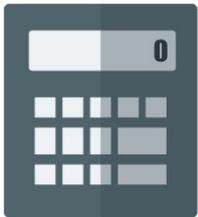
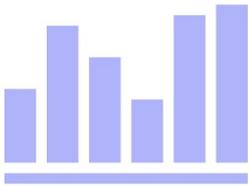
100% of close out grant reports submitted on time!

The Baltimore City Health Department (BCHD) has a larger dollar volume of grants in its budget than any other agency in Baltimore City. Closing out the grants at year end by grantor deadlines has proven problematic for a variety of reasons, including accountant workload, lateness of invoices received from vendors, lateness of year-end close reports from sub-grantees, and overall inefficiency of internal work processes. On average, only approximately 10% of grant year-end close reports, which detail all of a given grant's expenditures, were submitted by the August 31st deadline.

In July 2015, staff from BCHD and MOIT gathered in the City's Innovation Lab for four days to "lean" the BCHD year-end accounting process. The event was facilitated by John Beakes and John DeCaro of Operational Performance Solutions, Inc. Prior to the event, the participants had attended four hours of Lean beginner training provided by the City. Some of the actions taken as a result of the Lean event included:

- Changing the timing to start close weeks earlier
- Following up relentlessly with sub-vendors that were late submitting their documentation
- Setting staggered internal due dates to spread the workload
- Working with MOIT & McGladrey (a technology firm) to "fix" the journal entry process to automatically upload backup from the shared drive
- Worked with the budget office to understand & project into the reports any material entries that were pending.
- Single person pulled & consolidated some of the key data dumps used

The actions led to the BCHD accounting team closing out 100% of the FY15 year-end close grant reports on time! FY16 will go even smoother as additional projects identified at the Lean Event are developed and put into place.



Innovative Spotlight

Camp Small Zero-Waste Initiative

Fiscal 2016's first Innovation Fund project is a Rec and Parks initiative to convert Camp Small to a site that not only generates no waste, but creates revenue and savings from previously unrealized sources: compost and lumber.

The project will be implemented in three phases, the first two of which will be funded by the Innovation Fund. Phase 1 involves the removal of compost that has gathered on several acres of Camp Small. Using a screening machine, the raw compost can be turned into more refined compost, which can then either be sold to private entities or used in City projects, such as tree plantings.

The removal of the compost from the grounds of Camp Small makes it possible for Phase 2 to begin. Logs that are brought to Camp Small as a result of forestry activities by the City are often turned into mulch when they actually have a higher value as lumber. A sorting system will be built at Camp Small so that logs that can be used as lumber are sorted from those that cannot. Lumber logs will then be sold to local sawmills, thus creating a profit stream for the City, as well as saving money by not paying for the grinding and removal of the logs. Phase 3 of the project involves the rental of newly available space at Camp Small to an organic composting operation.

The Innovation Fund will assist with the setup of the project by providing funding for the rental of a screening machine, fuel for the machine, and entering into a professional services contract for one year with a yardmaster to oversee the operations of the compost screening and log sorting. The project is expected to generate approximately \$300,000 in savings for the City as well as \$75,000 in revenue from log sales in its first year.



Lightbulb 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 the book “Made to Stick” by Chip and Dan Heath (Random House, 2008). In the book, they discuss how to make ideas resonate with people and turn into action.

Here are three strategies they suggest to make strategic ideas “stick”:

Be Concrete

The beauty of concrete language - language that is specific and sensory - is that everyone understands your message in a similar way. “Unemployed college professor” provides a common understand; “upscale but budget-conscious consumer” does not.

Say Something Unexpected

If a strategy is common sense, don’t waste your time communicating it. It’s critical, though, for leaders to identify the uncommon sense in their strategies. What’s new about the strategy? What’s different?

Tell Stories

A good story is better than an abstract strategy statement. Remember you can reconstruct the moral from the story, but you can’t reconstruct the story from the moral. If your organization doesn’t have stories that convey your strategy, that should be a warning flag about your strategy - it may not be sufficiently clear to influence how people act.

Upcoming Events

december

| MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY |
|-------------|------------------------------|------------------------------|-------------------------------|-----------|
| 30 November | 1 December | 2 | 3 Lean Beginner Training | 4 |
| 7 | 8 Lean Beginner Training | 9 Lean Intermediate Day 1 | 10 Lean Intermediate Day 2 | 11 |
| 14 | 15 Lean Beginner Training | 16 | 17 | 18 |
| 21 | 22 | 23 | 24 | 25 |
| 28 | 29 | 30 | 31 | 1 January |

january

| MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY |
|-------------|------------------------------|-------------------------------|-------------------------------|-----------|
| 28 December | 29 | 30 | 31 | 1 January |
| 4 | 5 Lean Beginner Training | 6 Lean Intermediate Day 1 | 7 Lean Intermediate Day 2 | 8 |
| 11 | 12 Lean Beginner Training | 13 | 14 Lean Beginner Training | 15 |
| 18 | 19 Lean Beginner Training | 20 Lean Intermediate Day 1 | 21 Lean Intermediate Day 2 | 22 |
| 25 | 26 Lean Beginner Training | 27 | 28 Lean Beginner Training | 29 |

february

| MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY |
|------------|------------------------------|-------------------------------|-------------------------------|--------|
| 1 February | 2 Lean Beginner Training | 3 Lean Intermediate Day 1 | 4 Lean Intermediate Day 2 | 5 |
| 8 | 9 Lean Beginner Training | 10 | 11 Lean Beginner Training | 12 |
| 15 | 16 Lean Beginner Training | 17 | 18 Lean Beginner Training | 19 |
| 22 | 23 Lean Beginner Training | 24 Lean Intermediate Day 1 | 25 Lean Intermediate Day 2 | 26 |
| 29 | 1 March | 2 | 3 | 4 |

march

| MONDAY | TUESDAY | WEDNESDAY | THURSDAY | FRIDAY |
|-------------|-----------------------------------|------------------------------|------------------------------|---------|
| 29 February | 1 March Lean Advanced Training | 2 Lean Advanced Training | 3 Lean Beginner Training | 4 |
| 7 | 8 Lean Beginner Training | 9 | 10 Lean Beginner Training | 11 |
| 14 | 15 Lean Advanced Training | 16 Lean Advanced Training | 17 Lean Beginner Training | 18 |
| 21 | 22 | 23 | 24 | 25 |
| 28 | 29 | 30 | 31 | 1 April |

Good Government Book Club Meeting: November 18 at 12PM
Civil Service Hiring Lean Event: December 15-18

