



E-LEAN update

January 2009

Transforming government

The start of a new year brings the promise of new beginnings and new challenges. There is no question that the global economic crisis is the most significant challenge for businesses and governments at the start of 2009. The State of Minnesota is no different.

Lean is a proven tool to enhance the quality, efficiency and effectiveness of government services. In Minnesota, nearly 40 Kaizen events in 2008 have transformed government processes, getting better results with less spending and saving thousands of staff hours.

On average, the new process designed during the Kaizen event reduces process cycle time by 70 percent. For example, if an employee spent 50 days processing a program enrollment application, a Kaizen event may improve the process to the point that the application is

processed in just 15 days. As a result, a considerable amount of staff time is freed up for work on activities that add value to the agency and for Minnesotans.

Beyond Kaizen events, which rapidly improve processes through the use of tools such as process mapping, standard work and 5S, sustaining Lean improvements requires a culture of continuous improvement. Government operations involve complex systems of information flows from citizens, public agencies and private industries. It is often difficult to know all of the steps involved in providing a service when employees are only involved in one small step. In a continuous improvement culture, each employee is thinking about and making

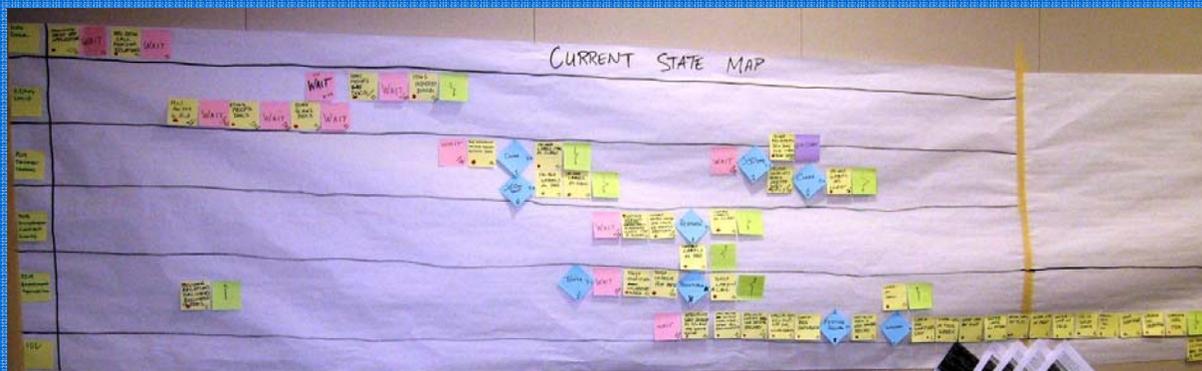
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DHS reduces application lead time by 87%

Nearly 40,000 personal care attendants and other home health care providers will be receiving faster service on their enrollment applications following a recent Kaizen event at the Department of Human Services (DHS). Enrollment is necessary for providers to receive payments from insurance carriers.

DHS sought to reduce the turnaround time for applications to 14 days from the current 54 days and reduce the average daily volume of applications in the queue to less than 1,000 from the current 4,000.

The Kaizen team developed a two-phase plan that, with full implementation, will significantly exceed the original goals. The time to process the enrollment application will be reduced to an average of 7 days, an 87% improvement. Also, the lead time on an application will be reduced to one day and the task time will be reduced to less than 10 minutes— a 97% reduction. The value of staff time saved per application will be \$180.

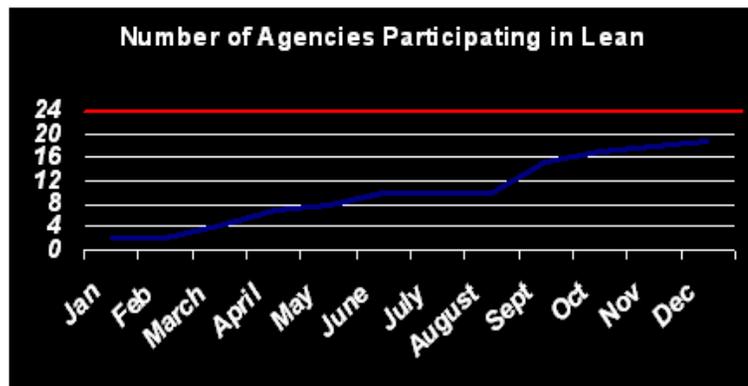


One year of Enterprise Lean

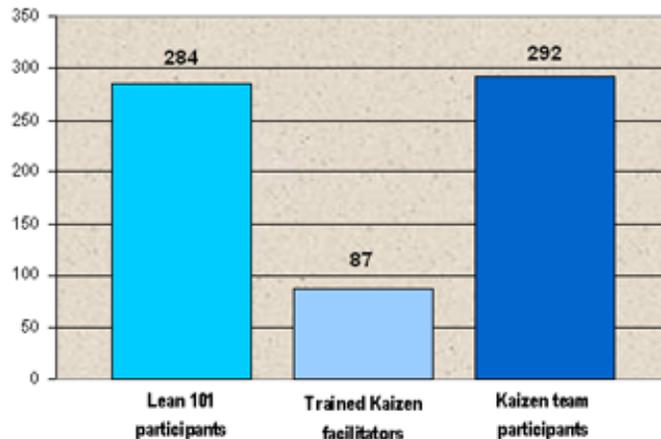
This month marks one year of the State of Minnesota's Lean journey. Although people were skeptical at first, the news of the successful pilot projects spread like wildfire and helped launch Lean in 19 state agencies throughout the year.

The improvements made with the Lean tools have streamlined government processes by reducing waste and enhancing the value-laden activities. The most significant results have been achieved

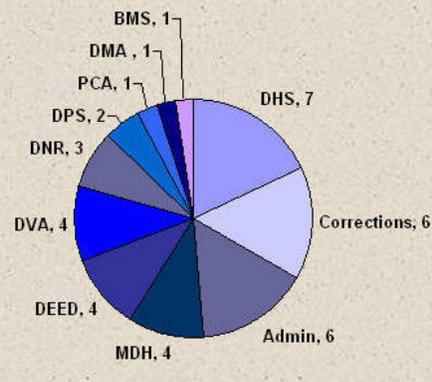
through Kaizen events and the hard work of hundreds of state employees.



2008 Statistics for Enterprise Lean



Kaizen events held by agency



Transforming government *(continued from the front page)*

incremental changes to the process in which they are involved. Gradually, the entire value stream is improving— saving staff time and state dollars.

Even with the barrage of grim economic news and belt-tightening by state agencies, Lean is not about reducing staff.

Lean focuses on streamlining the value-added work of employees and the elimination of wasteful activities such as waiting, multiple reviews and sign-offs, and rework. Lean is creating opportunities for creative solutions to the challenges facing Minnesota in 2009 and beyond.

2009 Lean Government Exchange

Join federal, state and local government practitioners for a Lean learning and networking opportunity. Meet other government administrators that are applying Lean to eliminate waste, standardize workflow, reduce backlogs and decrease process complexity. The State of Iowa is hosting the event June 9, 10 & 11. For more information, visit <http://Lean.iowa.gov>.

The E-Learn Update

Thank you for your interest and participation in improving the efficiency of Minnesota state government operations. If you have further questions, comments or would like to set up a Lean improvement event, please contact Tom Baumann at TomBaumann@state.mn.us.

This material can be given to you in a different format such as large print, Braille, or audio tape or disk by calling 651-201-2555. Customers with a hearing or speech disability may call us through the Minnesota Relay Service at 711 or 800-627-3529, or via email at admin.info@state.mn.us.