

WisDOT Lean Government Initiative Status Update



March 4, 2014

WisDOT Board of Directors



Lean Announcements



WisDOT Update



- ❧ 2014 Lean business plan – Program goals
 - ❧ Develop quantifiable goals within each division
 - ❧ Additional 20 projects completed – with quantifiable results
 - ❧ 50 staff formally trained
 - ❧ Develop internal training resources
- ❧ Share current portfolio snapshot
- ❧ Training update

Statewide news – Strategic planning event focused on:



- ❧ What should be the Steering Committee focus?
- ❧ What do we need to support the effort?
- ❧ Communication Plan for sharing our vision with Governor's office

Lean project results



Consultant Contract Process

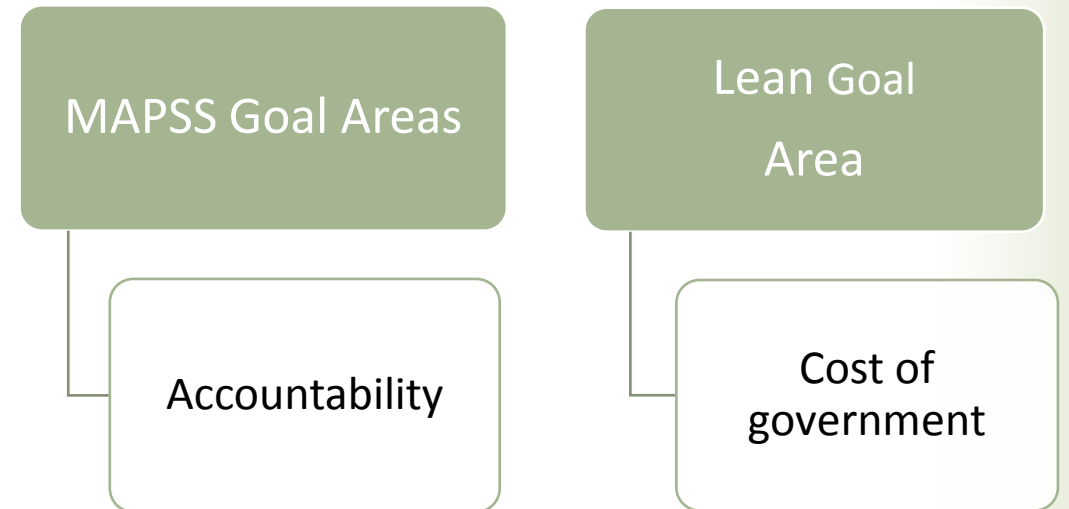
Danielle Block

Division of Transportation System Development

Issue and goals – Southeast Region’s Consultant Contract Process



- Timely execution of engineering consultant contracts is essential
 - Currently less than 30% of regional consultant contracts are executed within 12 weeks of consultant selection
 - Process for executing consultant engineering contracts places conflicting demands on budgets, schedules and scoping staff resources
- Current process includes numerous processes and deliverables
 - No standardize tracking tool to budget and anticipate consultant contracting needs
 - Supervisors and project manager deadlines and deliverables are not clear
 - Historical data on scoping, budgeting, estimating effort and scheduling deliverables not previously standardized
- Project goals
 - Reduce time to scope and negotiate consulting contracts
 - Define and implement standardize tool to track deliverables



Results and next steps – Southeast Region’s Consultant Contract Process



Anticipated Results

- Reduce time to scope and negotiate consulting contracts greater than \$1M to a range of 6 weeks to 10 weeks maximum
- Reduce current workflow lead time by 3 weeks
- Improve the accuracy of internal scopes and estimates by 25 and 30 percent respectively
- Savings estimated at 4 weeks of SE region staff labor (5 contracts/FY = approx. \$7,500 total)

Next steps

- Evaluate Fiscal Year 2015 consultant contract scoping, estimating, negotiating and executions according to the control plan
- The team recommends involving statewide stakeholders in a new Lean Initiative to address an additional barrier to consultant contract execution: statewide contract reviews and signature process

Key
Metrics

Lead time

Lean Goal Area

Cost of
government

Lessons learned



- ❧ Strong communication between regional engineering teams, management, central office and consultants is essential to the successful completion of the project.
- ❧ It is anticipated that the emphasis on timely and accurate delivery of internal contract documents will have a positive effect on the early estimating of consultant needs.
- ❧ Improvements at the regional level of the consultant contracting process requires thought about the potential effect on the contracting process statewide.

Lean project results



Northwest Region Purchasing Lean Project

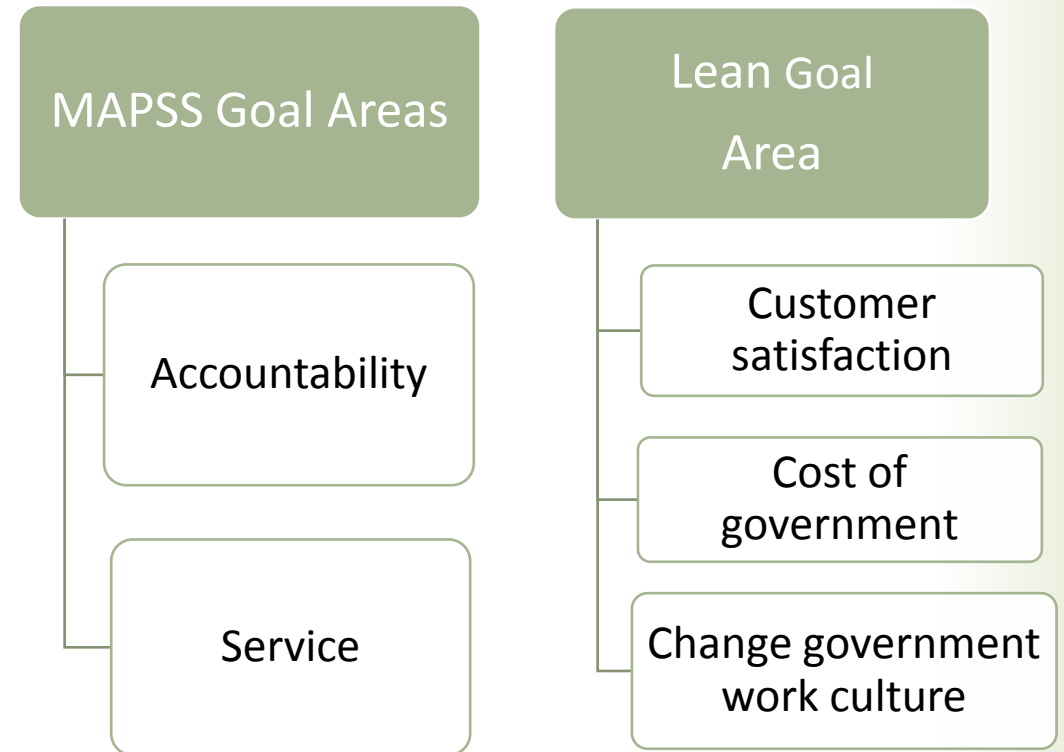
Deb Stensland

Division of Transportation System Development

Issue and goals – NWR Purchasing Process



- Tracking Pcard purchasing, budget monitoring and timely purchasing are essential to manage the Region's budget and operations
 - Often, pcard purchases are not reflected in budget reports for several weeks
 - Confusion over how to purchase essential supplies causes inefficiencies for Region staff and Management
- Current process has a number of limitations
 - Each authorized purchaser follows a different process
 - The Region spent \$157,000 in pcard purchases in FY13 and has no automated way to report what is being purchased.
 - The Region has no automated way to track how much has been purchased with pcards that has not been reported in budget reports
 - Region staff and management have not been trained on purchasing procedures in several years
- Project goals
 - All approved purchases will be complete within two weeks
 - Create a consistent process for purchasing
 - Develop tools to manage Region Operating Budget



Results and next steps – NWR Purchasing Process

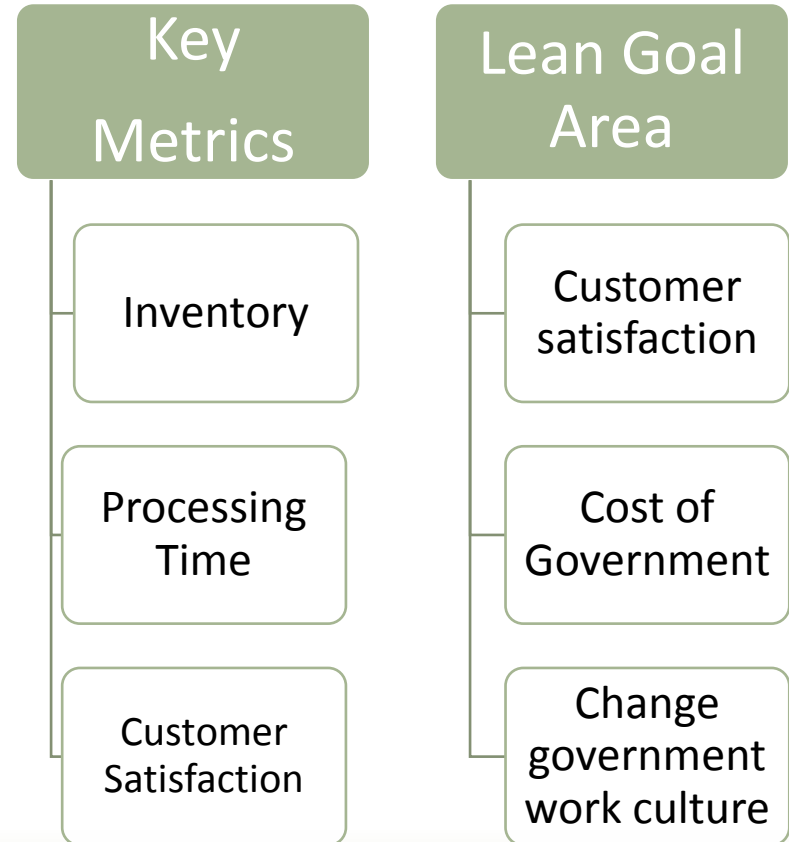


Results

- Created a purchasing request form, tracking spreadsheet and shared mailbox for all requests to ensure we are meeting customer expectations.
- Created a spreadsheet to record all pcard purchases. Data has been logged for FY13 and FY14 to date.
- Created purchasing training outlines for management and staff to eliminate inconsistencies and confusion.
- Create a database to monitor inventory of select purchases.
- Reduced the number of pcard users to promote efficiency.

Next steps

- Provide results of pilot project to other regions



Lessons learned



- ❧ Specific metrics should be identified and measured early on to gauge the increase in efficiencies that the Lean Government Initiatives bring about.
- ❧ This Lean Government Initiative pointed out other necessary process changes that had not been anticipated.
- ❧ Improvements at any single level of the process requires thought about the potential effects on all customers.

Lean project results



Highway Signing Lean Project

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Issue and goals – Highway Signing Process



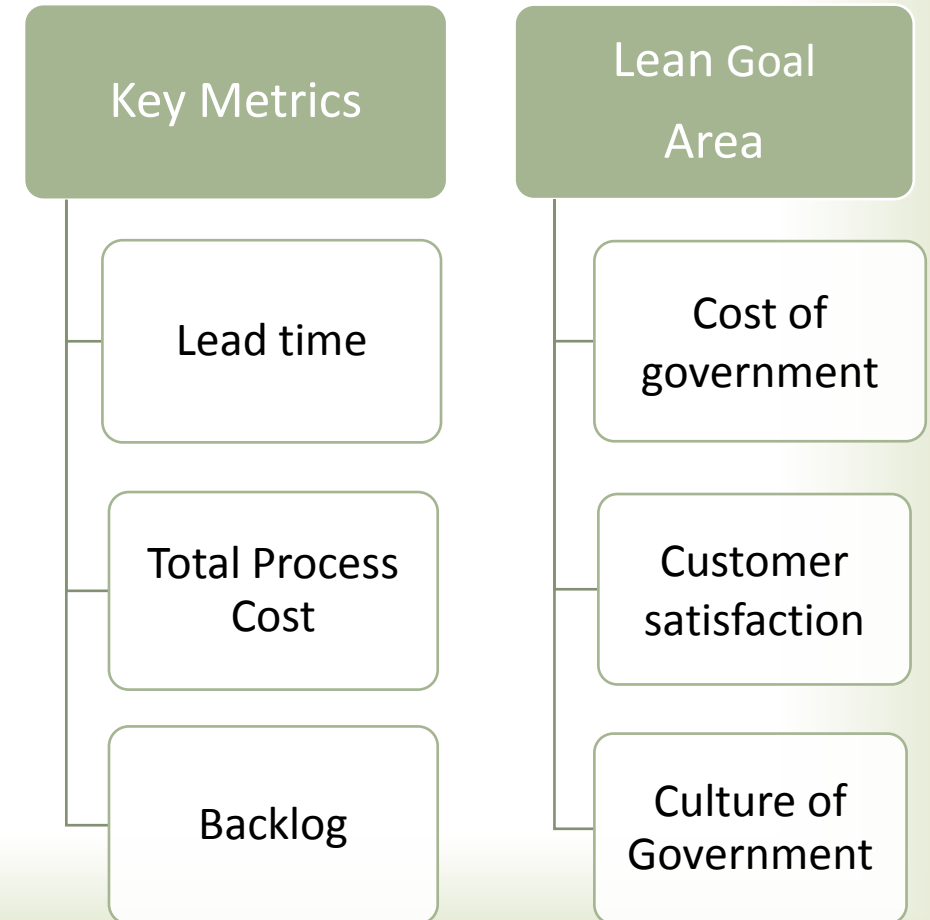
- ❧ The current process for ordering, delivery, and installation of state highway signs involves several duplicated and inefficient steps
- ❧ The steps in the current process creates opportunity for error, lengthening of the lead time, and increased cost
- ❧ Project goals
 - ❧ Reduce the average time between ordering and installation of signs
 - ❧ Reduce the installation costs per sign
 - ❧ Reduce the backlog of signs beyond life expectancy



Process Improvements – Highway Signing Process



- Improved efficiency in ordering, delivering, and installation of highway signs is critical for meeting project goals
 - Order signs for complete replacement of all signs within defined highway segments
 - Eliminate partial order deliveries
 - Reduce number of sign installation providers
 - Ship directly to county highway departments
 - Utilize Performance Based Maintenance practices



Results and next steps – Highway Signing Process

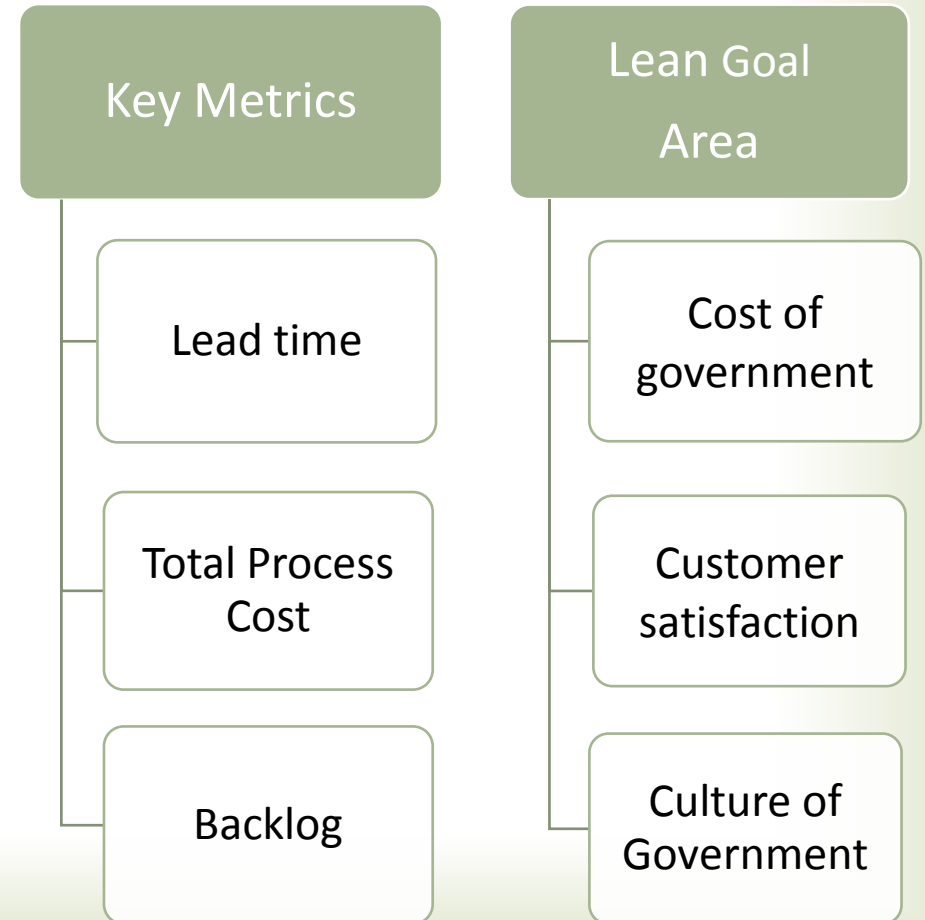


Results

- Anticipated 30% cost savings (\$360K) statewide for sign installation
- Time between identifying a sign replacement need to installation for routine sign replacement reduced from 377 days to 253 days (33% reduction)
- Cost saving will be applied to installation of additional signs (estimated at 3,500) resulting in a improvement to the current backlog of signs beyond expected life

Next steps

- Integrate the new highway signing process into the CY 2015 Performance Based Maintenance effort
- Develop training for WisDOT and County Highway Department staff on new process
- Identify technology needs to improve efficiencies and data integrity



Lessons learned



- ❧ The integrity of data that the Department gathers is critical for accuracy of every process step
- ❧ Involving technical experts and external stakeholders is valuable for understanding the process and how process changes would affect them
- ❧ Implementation of process improvements should be done immediately and you shouldn't wait for major technology improvements



Questions & Comments



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Lean results are published to: <http://www.dot.wisconsin.gov/about/performance/lean.htm>