

# Wisconsin Department of Transportation

## Major Item Approval Process

### Lean Summary Report



#### Project Summary

The Division of Transportation System Development (DTSD) annually requests reallocation of funding to its operating budget from the major cost line to meet planned needs exceeding budgeted levels. The Office of Policy, Finance and Improvement (OPFI) and the Division of Transportation Investment Management (DTIM) participate in the request review and approval process and make recommendations to the Secretary's Office.

The goals of this project are to reduce the total lead time from the start of the review process until request approval, reduce the number of hours spent by participants in meetings, and reduce the time spent by DTSD staff revising process documents.

This project was completed in October 2014.

#### Improvements

- Improved scheduling guidelines to decrease total lead time
- Improved timeliness and quality of information for DTSD decision-makers and OPFI/DTIM reviewers
- Established mutually agreed upon definitions of roles and responsibilities of DTSD, OPFI and DTIM in the review process
- Developed agreed upon criteria for eligibility of requests for improvement funding

#### MAPSS Core Goal Area

- Accountability
- Service

#### Statewide Goal Area

- Cost of government
- Customer satisfaction

#### Issue

Annually, DTSD utilizes the "Big Ticket" process to review all non-project related requests for funding of equipment, service contracts and consultant needs that are expected to exceed \$10,000 in the upcoming fiscal year. Since funding for DTSD's annual operating budget is less than its ongoing needs, the division identifies a level of funding (typically \$10 - \$20 million) to be reallocated from major costs in Appropriation 363, State Highway Rehabilitation (SHR), to the operating budget. State statutes specify the activities that are eligible for "improvement" funding, including SHR. DTIM and OPFI participate in the review of requests to validate reallocated funding will be used for eligible costs. In recent years, this annual process was lengthy with numerous meetings to review requests and resolve eligibility issues. Requests for additional information resulted in extensive rewriting of DTSD documents, revisions to spreadsheets, and significant review time by DTSD managers and OPFI/DTIM stakeholders.

#### Lean Six Sigma Process

A cross-divisional team used the DMAIC (Define, Measure, Analyze, Improve and Control) methodology to:

- Define the needs and wants of customers
- Map the "Big Ticket" process and define stakeholder participation
- Measure prior year lead time, meeting time and time spent on document revisions
- Use root cause analysis and metrics to identify causes of the lengthy lead time, multiple meetings and document revisions
- Develop an improvement plan to overcome causes, including improving timeliness and quality of information, establishing shared expectations of roles and responsibilities, and creating mutually agreed upon parameters and process steps

After the process was implemented for state fiscal year (SFY) 2015, the cross divisional-team reviewed the implemented improvements and identified additional process improvements for SFY 16.

#### Results

**Cost of Government:** The team reduced the total lead time of the review process from 14 to nine (9) weeks, a 36 percent improvement, and reduced the number of staff hours spent in meetings from 214 to 75, a 65 percent improvement. In addition, the team's efforts reduced the process time spent revising documents from 108 to 36 hours, a 67 percent improvement.

**Customer satisfaction:** The team anticipated that improving the process would reduce the frustration and challenges engendered by the process in prior years. DTSD, OPFI and DTIM participants reported that the process changes significantly improved the process.