



ACHIEVING MORE WITH LESS EFFORT!

Rapid Process Improvement (RPI) at Texas Workforce Commission

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September 3, 2014

Austin, Texas



Origins of RPI in Texas: Utah's Example, SB 563 & WOTC

- Utah's Department of Workforce Services
- Senate Bill SB 563, enacted by 82nd Texas Legislature in 2011
 - TWC was to establish a pilot program:
 - "To improve the efficiency and quality of operations while reducing costs."
 - TWC selected Work Opportunity Tax Credit (WOTC) program as its pilot.



Our Mandate



We are entrusted by the taxpayers to use their tax money efficiently and effectively.

- We must be prepared to question the assumptions of *"We've always done it that way."*
- We must look at our processes in a fresh light, and generate new, innovative ways to reach our goals.
- We must work together as a team to eliminate waste, increase our responsiveness, and reduce our costs.
- RPI is just the right thing to do. It represents a deep and enduring commitment from all of us to the people of Texas.
- We owe it to the taxpayer to get the most out of the dollars they entrust us with.

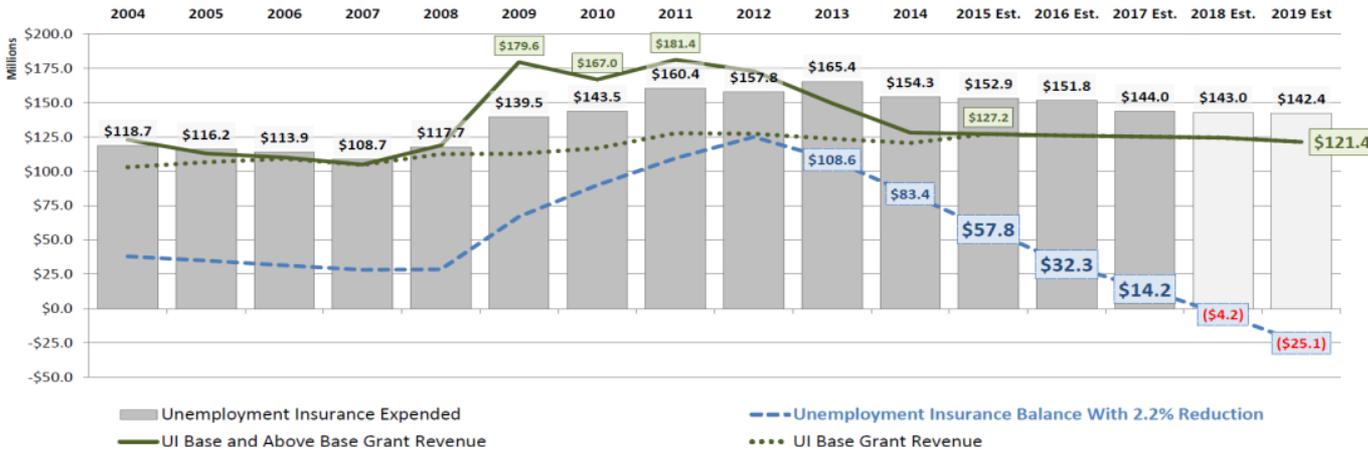




Demand Vs. Resources

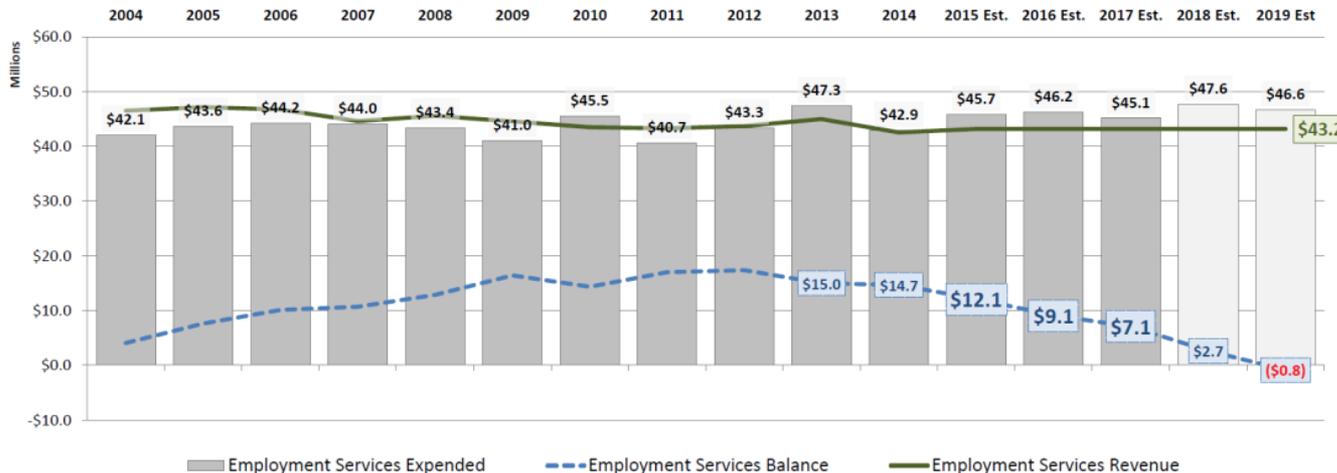
Summary of Major Federal Funding Sources

Unemployment Insurance Administration Grant



Unemployment Insurance:
-\$-29.3.1M

Employment Services



Employment Services:
-\$-.8M



Issues We All Face

- RFP and Procurement processes take too long!



Request For Proposal & Contracts

RPI Example #1:

Problem Statement: RFP's and Contracts took too long to put out for bid and select.

Old Process:

- 220+ day average.
- Consensus took over 2 weeks.
- 7 Contract capacity.
- Communication by exception.

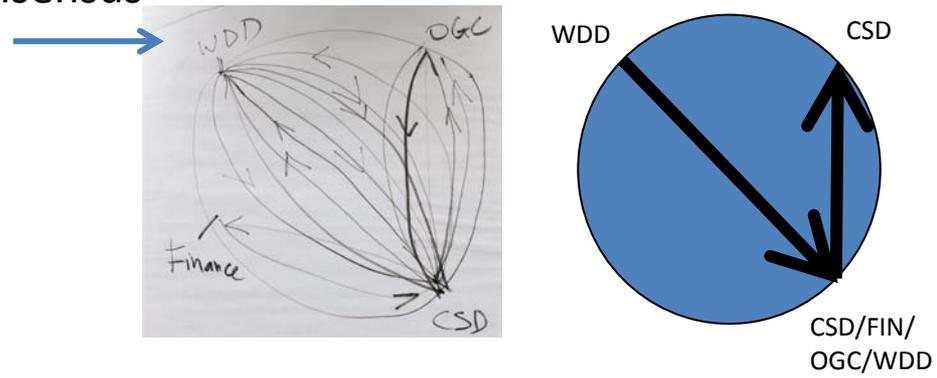
New process: Focused on Constraints (Finalize RFP and Contract Development)

- 132 day average.
- 2 week legal process into 34 minutes. Consensus achieved in 1 integrated meeting.
- 14+ procurements in-process capacity.
- Governance council ensures proactive communication.

RFP Throughout Stream Analyses

Contract ID	RFP Development	Finalize RFP	RFP Published	Manage and Receive Responses	Evaluate and Score	Select Winners	Contract Dev.	Final Contract and Exec.	Total Days Less RFP Published	Total Days
320-14-04	10	10	10	22	7	6	5	77		132
320-14-03	14	14	14	22	8	8	7	89		132
20474600	14	14	14	17	9	12	21	135		132
320-14-02	13	13	13	28	28	21	21	110		132

TOC Method Applied to Tracking Tool





The Tenets of TWC RPI

1. **Blue light**
2. **Grand goals**
3. **Realize hidden capacity**
4. **Constraint focus**
5. **TOS's focus and align us**
6. **Use thinking tools and best practices**
7. **People who do the work can improve the work.**
8. **Dashboards measure:**
 - A. **Throughput**
 - B. **Blue light processes**
 - C. **Quality**
 - D. **Cycle time**
 - E. **Costs**
 - F. **Customer Satisfaction**
9. **QT/OE tracks continuous improvement**
10. **Improve with determination, commitment and vigor**



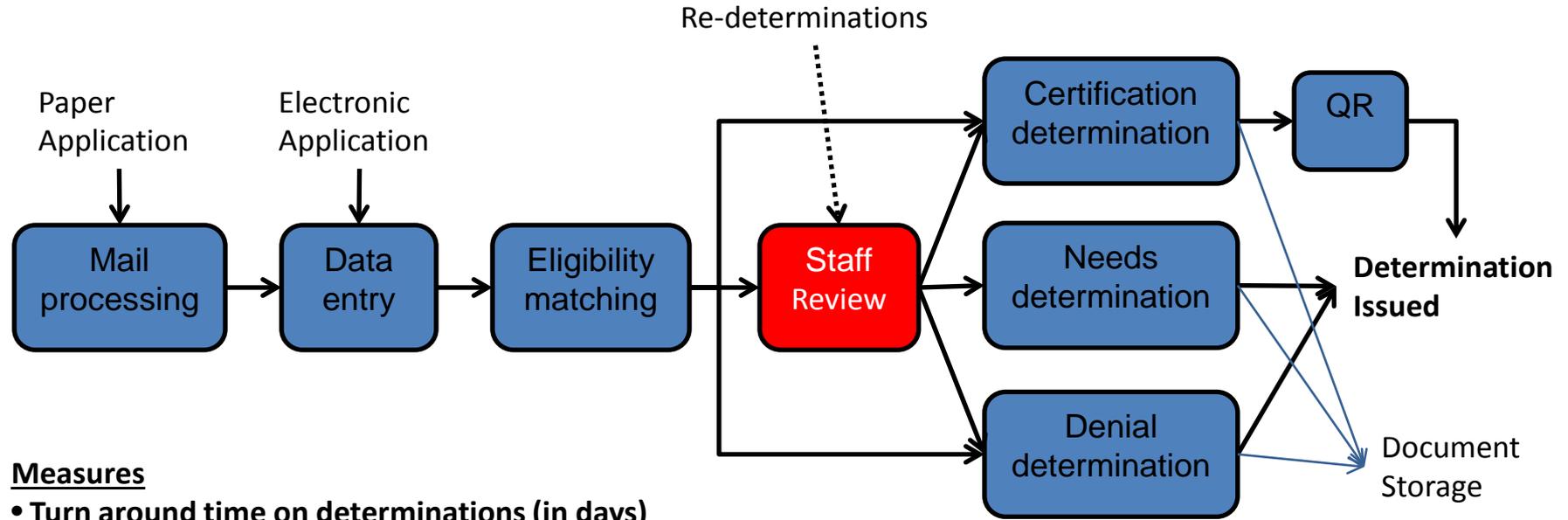
WOTC Throughput Operating Strategy (TOS)

Feeding

- We always have applications ready for review
- We are getting the correct data entered into the system faster and faster

Control point

- Analysts are spending their time processing applications
- More and more “correct” determinations are being made



Measures

- Turn around time on determinations (in days)
- Determinations per day/week
- Quality rate (accuracy)
- Value of certifications in dollars

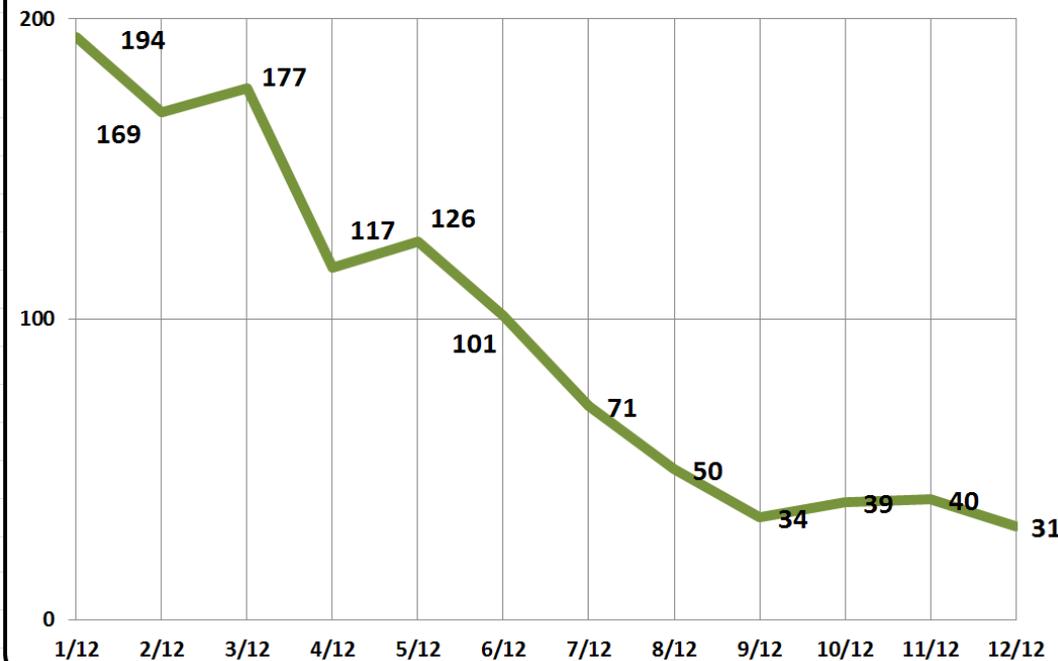
Following the control point

- Determinations made are issued quickly (no back log)
- Determinations are issued faster and faster



Results: WOTC Days to Process Application & Issue Tax Credit

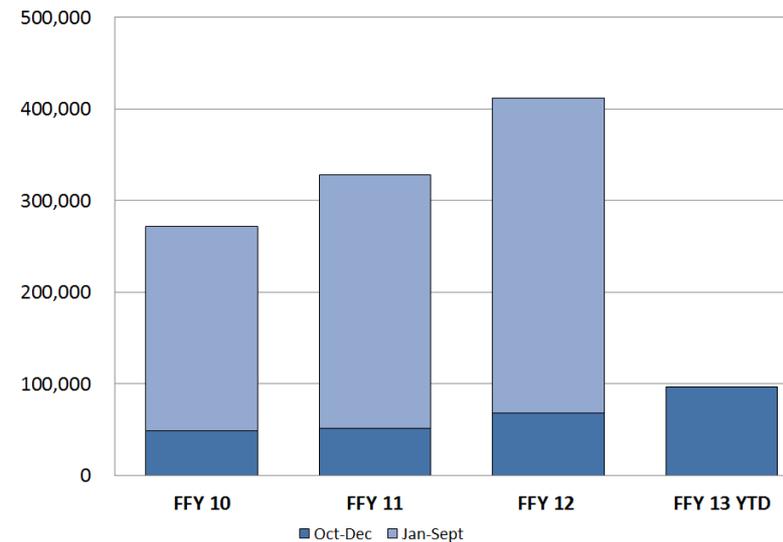
Table 1. Avg Days to 1st Determination (CY 2012)



Cost Per Determination dropped:

- \$3.47 / Determination in Jan 2012
- \$1.69 / Determination NOW July 2014

Table 2. # Determinations YTD (FFY)

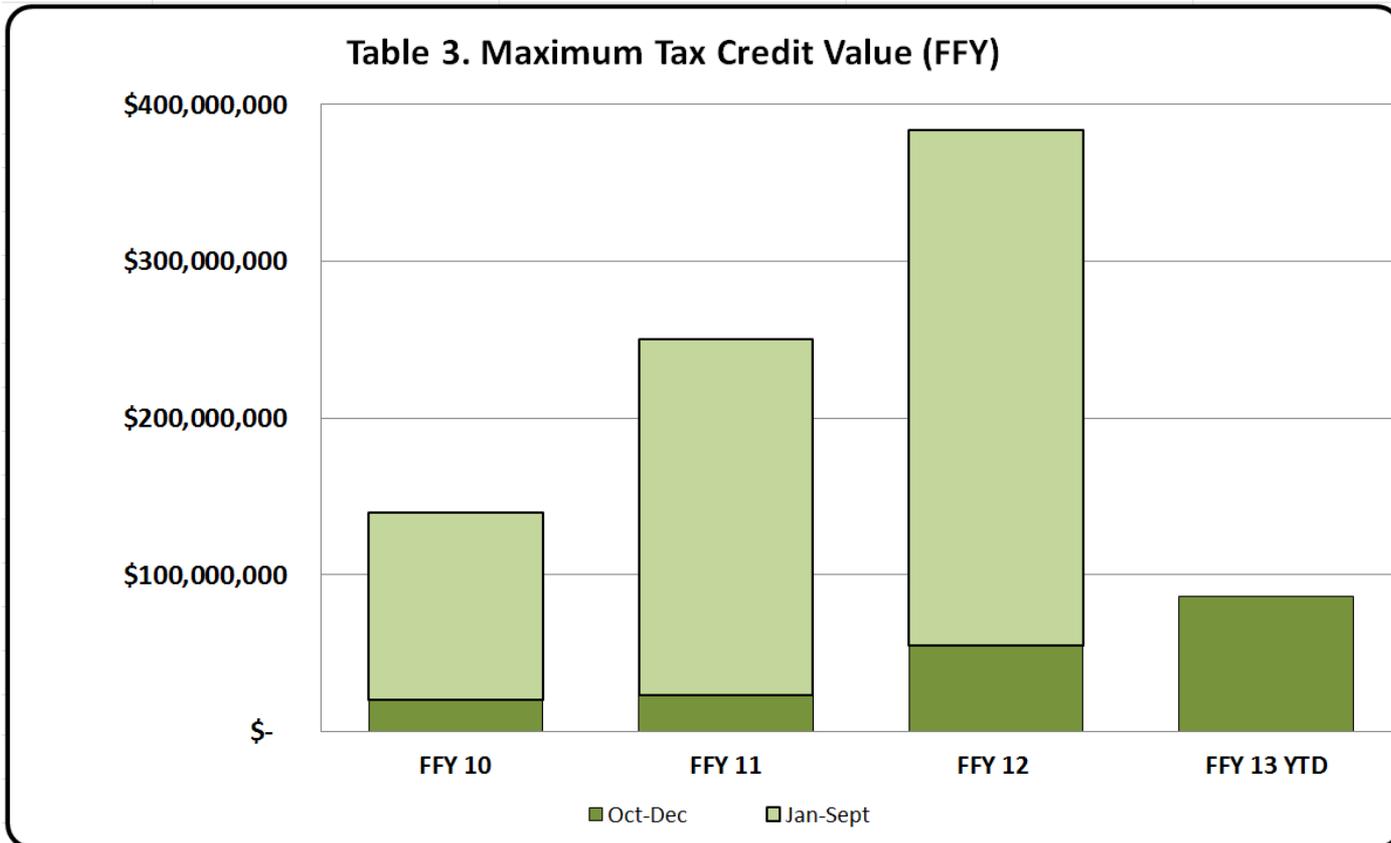


TWC RPI Example #1



Results:

WOTC –Dollar Value to Employers– (In Addition to Timely and Responsive)



TWC RPI Methodology

Funds & funding source requirements

Goal / Common Objective

Boards (Subrecipients), State & customer requirements etc.

Layer 1:
Stakeholder & communication analysis

Benchmark

Layer 2:
Product / Service & customer analysis

Build a TOS

Layer 3:
Map Current State

Identify the Constraint

Analyze Constraint

Exploit, Elevate &/or Break Constraint

Throughput Rounds

Layer 4:
Perform Sync/Gap Analysis

Measures of Throughput

Measures for Improvement

Layer 5:
Map Future State

Identify & Pull Levers

↓ Cycle time
↓ Effort
↓ Steps
↓ Hands
↑ Capacity

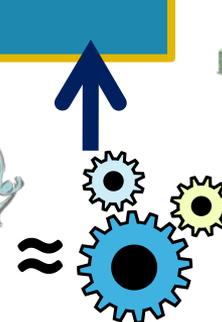
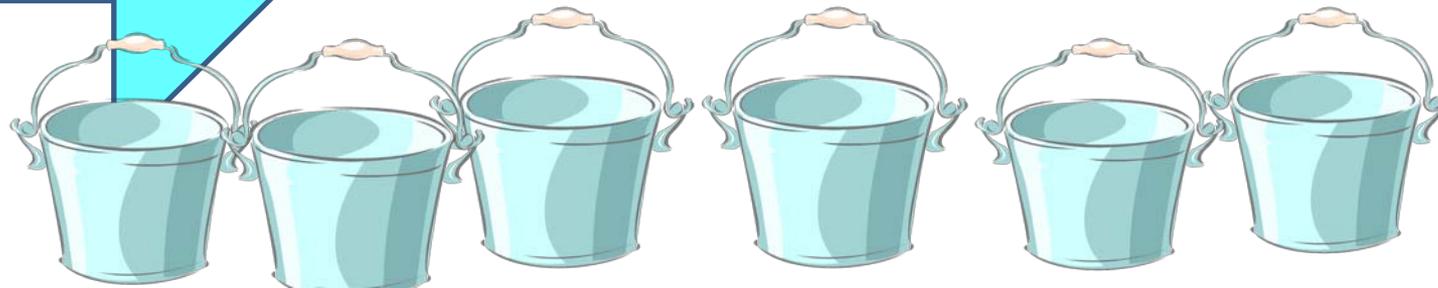
Gov't Service

Measure & Improve

↓ Decisions
↓ Op Costs
↑ Cust. Sat.

Charter

SIPOC





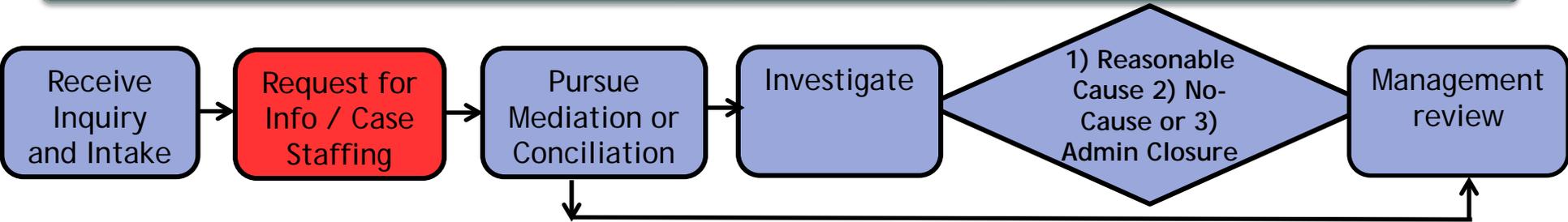
Review of Method

- Analyze & restate problem
- Write charter
- Analyze product, service & customer
- Build a TOS
 - ID GOAL
 - ID Constraint
 - ID what good looks like
 - Portray high-level flow
- Map it! - status quo
 - Harvest ideas & solutions
 - Listen to & empower staff
- Gap it!
 - Ideal _{minus} reality
- Map it! - future state
 - Build simple, elegant & integrated solutions
- Track it!
 - Dashboards
 - Oversight
- Continuously improve!

Visualizing a Workflow Model

Year's Goal at least 385 cases; Month's Goal=38 Cases; 9.2 per week = 9 to 10 per week

What Good Looks Like



Intake	IPs Prepared	IPs Endorsed	Investigations Launched	Desk-sides Held	On-Sites Held	Closures	Admin
10 Complaints received per week	10 IPs are prepared per week	80/100%IPs Reviewed/endorsed per week	10 Letters mailed/On-Sites Scheduled per week	Desk-sides Conducted (NC/Admin Clz) Total:	On-Sites Conducted 8	10 Clz per week @ 1 per staff	Mailed to HUD
1 per invest.	1 per invest.	1 per invest.	1 per investigator	4 per investigator	4 per investigator	1 per investigator	1 per invest.

OR

The Model Produces Whatever You Want It to . . .

Desk Review	On Site visit	Report Writing (Wk 1)	Report Writing (Wk2)	Report Draft vetted w/ workforce	Draft Report Sent to Board
2	2	2	2	2	2
---week 1---	--week 2-	--week 3--	--week 4--	--week 5--	--week 6--

= 2 units
per week
output.

- What throughput do I want my team to accomplish:
 - In a given period of time
 - In given section or department
 - By team
 - By individual
- What do I want to have visibility of and when?
 - What generates “variance reports”
 - What triggers the “auto” kanban actions?
- How much throughput do I want my team to handle? How much can I produce?



The Model then Becomes. . .

- **Your dashboard**
- **Your management expectations**
 - For teams
 - Individuals
- **Your financial model.**
- A basis to calculate your **“surge capacity”**
- A way to develop (future) **recommendations** to
↑ or ↓ staff strength based on demand.
- A way to **deal with whatever** life throws at you

Progressive Resolution

- This understanding and thinking tool helps us distinguish between *true* disagreement and *perceived* disagreement.
- Eli Goldratt: We must peel away assumptions and perceived differences in order to expose legitimate interests and needs.
- Energy is needlessly expended on:
 - positional bargaining,
 - compromise (where we both give up our interests)
 - situations where we walk away with loss-loss records
- This tool enables you to graphically portray points of agreement and disagreement.



• Where I feel strongly but you agree with me

• Where we disagree

• Where you feel strongly but I agree with you

Progressive Resolution Structure

Teenager and Parent Example

- Where we all agree
 - Home by 1230
 - Only friends we know drive you
 - No drinking or illegal stuff
 - We know exactly where you are all the time.

- Where we disagree
 - # of friends in the car
 - Unlimited Austin area radius
 - “All ages” venues are OK
 - Tabitha going

- Where we all agree
 - OK to go with friends
 - Friends home, concert or eating establishment is OK
 - All high school events are fine

↑ Often negotiated on a case by case basis

Progressive Resolution Structure

Example: Conflicting Duties & Responsibilities

<p>Responsibility is definitely prerogative of Group A</p>	<p>Consensus that this role/action should be handled by Group A</p>	<p>Disagreement as to which group is responsible for this role/action</p>	<p>Consensus that this role/action should be handled by Group B</p>	<p>Responsibility is definitely prerogative of Group B</p>
<p>All agree to this</p> <ul style="list-style-type: none">•••	<p>Most agree</p> <ul style="list-style-type: none">•••	<p>Argument</p> <ul style="list-style-type: none">••	<p>Most agree</p> <ul style="list-style-type: none">•••	<p>All agree to this</p> <ul style="list-style-type: none">•••
<p>This will become SOP</p>	<p>This illustrates “the line” and may become SOP</p>	<p>Acknowledged lack of consensus. It will be dealt with on a case by case basis</p>	<p>This illustrates “the line” and may become SOP</p>	<p>This will become SOP</p>



A simple illustrative example



- Situation: A parent is having an impassioned discussion with a child. The discussion *again* revolves around nutrition and preferences.
- The parent feels strongly that the child should eat nutritious food rich in vitamins, BUT the child would like to eat what taste good.
- The child feels adamant that they should like the food they eat!

- **Where I feel strongly but you agree with me**

Foods the parent wants the child to eat and the child likes!

- **Where we disagree**

Foods where we entirely disagree because the child really wants to eat the food and the parent NEVER wants to allow the child to eat it. And vice-versa.

- **Where you feel strongly but I agree with you**

Foods the child wants to eat and the parent also wants the child to eat!

Progressive Resolution Structure

Example: Healthy vs. tasty food for kids

Foods the parent wants the child to eat and the child likes!

All agree to this:

- Broccoli
- Cheese
- Spaghetti
- Corn
- Bananas
- Salad w/ ranch

This will become routine

Foods that the child is occasionally OK eating (some amount)

Most often agree:

- Spinach
- Peas
- Succotash
- Wheat bread

This illustrates “the line” and, on occasion, on the menu

Foods on which we entirely disagree.

Argument:

- Brussels sprouts
- Beets
- Sauer kraut

Acknowledged lack of consensus. It will be dealt with or negotiated on a case by case basis

Foods that the parent is occasionally OK with (controlled amount & timing)

Most often agree:

- Ice cream
- chicken nuggets
- pizza
- White bread

This illustrates “the line” and, on occasion, on the menu

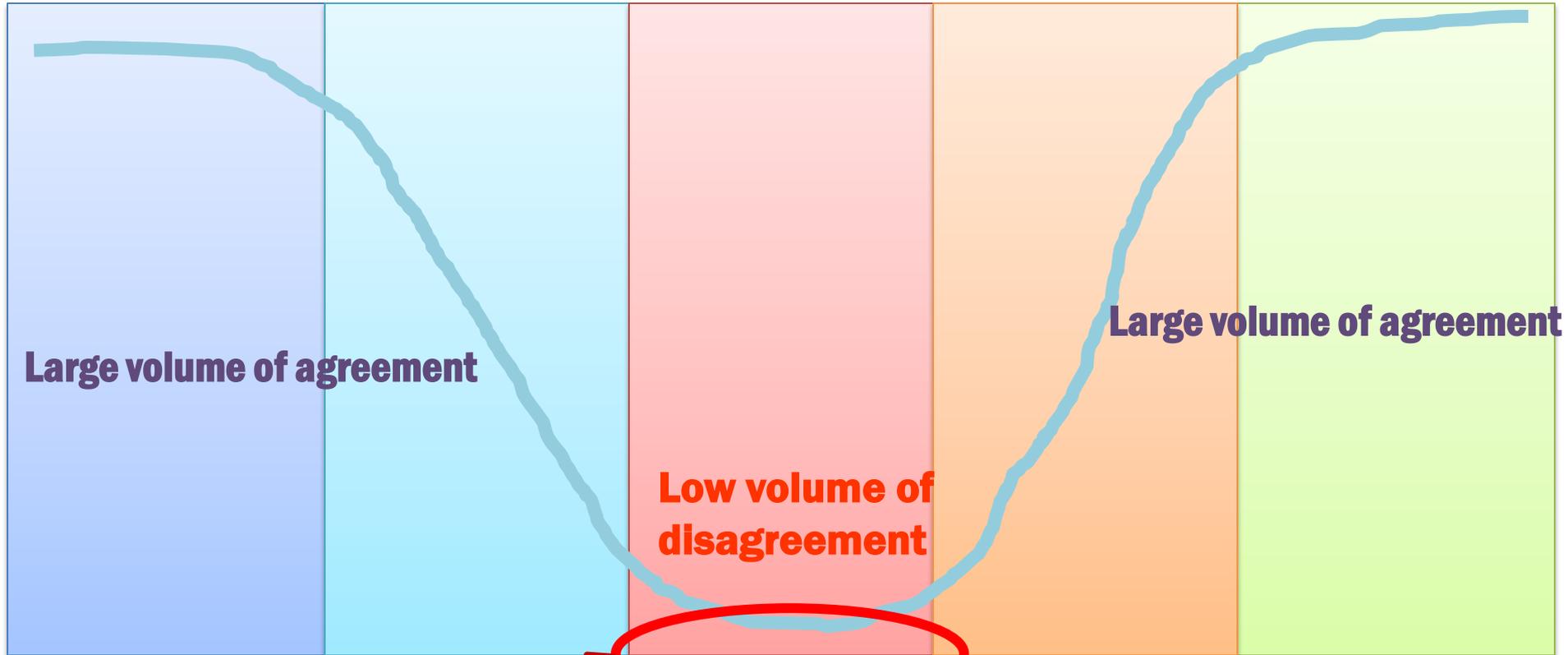
Foods the child wants to eat and the parent also wants the child to eat!

All agree to this:

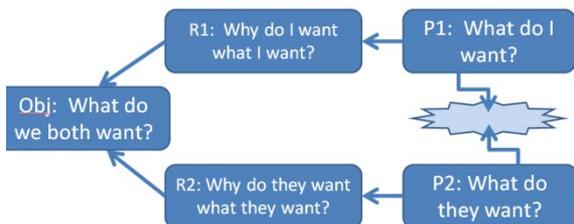
- Carrots
- Green beans
- Macaroni and cheese
- Apples
- Applesauce
- Cole slaw

This will become routine

The Progressive Resolution Spectrum



- We can effectively use the “evaporating conflict cloud” thinking tool to expose assumptions and develop injections (solution ideas) in the remaining areas of disagreement.

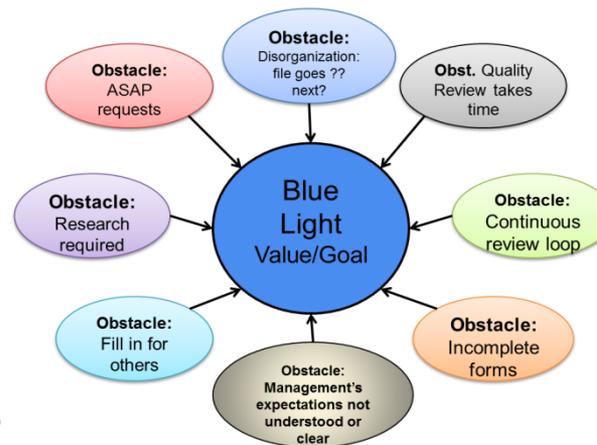




How we can favorably influence things that may be out of our control.



- Lack of control \neq lack of influence.
- “It is beyond my control but not beyond my influence.”
- Use interference charts to ID & surmount obstacles
- A few examples from our Organization as to how to overcome the “control vs. influence” phenomena.



Leadership is influence.

-- John C. Maxwell



Organization	Control Challenge	Solution (in part)
Benefits Overpayments Collections	Customers continue to call and ask about departments and functions well beyond our organization. Thousands of dropped calls every month.	How do we get more and more customers to know how to pay us. <ul style="list-style-type: none">• Phone Message and call management• Website Redesign (resolve more!)• UI letters matched phone numbers with customer needs.• 24 prepared answers developed to common questions.

Organization	Control Challenge	Solution (in part)
Business Services “Skills Development”	Customers reluctance to fill out survey caused OES to miss established BLS thresholds.	How can we get more and more of our applications packets to be filled out correctly , with proper OES codes. <ul style="list-style-type: none">• Make it <u>so easy</u>!• <u>Train</u> our College & Board Stakeholders to help them.• Make the <u>website</u> a how-to wonderland.



Question and Discussion

- **What Can we Tell You More About?**
 - Throughput Operating Strategy (TOS): Alignment
 - Projects and Their Results
 - Win-Win-Win
 - Theory of Constraints
 - The Way Forward
 - A Data Driven Organization: Metrics and Dashboards
 - QT/OE, Operational Efficiency, and Cost Savings
 - Continuous Improvement Ethic. Challenges of Cultural Change

Back up Slides Follow

End of Presentation



TWC's RPI Culture

- **Training**
 - 8-hour course available to all TWC (700+ attended)
 - 51 Seven-minute Executive Workshops
- **Practitioners**
 - 71 Trained Practitioners + RPI Director and Project Manager
 - 32 hour course; 8 hour quarterly refresher training
- **Employee Participation**
 - Project Teams are composed of staff, managers, supervisors, etc. A cross-section of the organization.
 - A bottom-up improvement process that aims to accomplish organizational objectives.
- **Win – Win – Win**
- **18 - Completed Projects (+ 5 on-going)**
- **6 Projects without direct RPI leadership**
 - Teach, Coach, Mentor

Another Example? This one was used in Iraq to help negotiate a peace between moderate Sunni Leadership and the U.S. Army in Baghdad and in the Sunni Triangle

Actions and activities that the US Army advocates and Sunni leadership is OK with.

—
All agree to this:

- Regional Army-Sunni sheiks governance council (meet bi-monthly)
- Yellow reflective belts on all “freedom brothers” under arms.
- No automatic weapons.
- Named & verified team leadership

This will become routine

Requirements of US Army that Sunni leadership is conditionally OK with.

—
Most often agree:

- Responsibility areas and no-go Shia areas.
- Day and night unannounced US patrolling
- Full US investigations of IED, shootings, and terrorist incidents.

This illustrates “the line” and, on occasion, an exception may be granted

Conditions or requirements where we continue to entirely disagree.

—
Argument:

- Use of mortars and artillery
- Helicopter use
- Level of municipal services
- Sunni-only regional councils

Acknowledged lack of consensus. It will be dealt with or negotiated on a case by case basis

Requirement of Sunni leadership that US Army leadership is OK with

—
Most often agree:

- Limit “disruptive” day and night patrols based on incidents and enemy activity.
- Limited “jurisdiction” in Sunni neighborhoods on local matters.

This illustrates “the line” and, on occasion, may be a possibility

Actions and activities that the Sunni leadership would like and the US Army is OK with.

—
All agree to this:

- Every freedom brother is armed with an AK-47 with one magazine and one mag in reserve.
- Organized “head-quarters” locations
- Freedom Brother manned checkpoints
- Dual security sites and events (mosques and weddings and funerals)

This will become routine

Populating the Progressive Resolution Spectrum

<p>Cases where we all definitely believe there is no <u>fraud criteria</u> mandate</p>	<p>Consensus is that this case may be fraud, but that the mandate is not yet clear.</p>	<p>Disagreement as to what disposition we should pursue in this particular case</p>	<p>Consensus is that this case may be fraud, but that the mandate is not yet clear.</p>	<p>Cases where we all definitely believe there is a <u>fraud criteria</u> mandate</p>
<p>All agree to this</p>	<p>Most agree</p>	<p>Argument</p>	<p>Most agree</p>	<p>All agree to this</p>
<ul style="list-style-type: none"> • • • 	<ul style="list-style-type: none"> • • • 	<ul style="list-style-type: none"> • • 	<ul style="list-style-type: none"> • • • 	<ul style="list-style-type: none"> • • •
<p>This will become a recommendation</p>	<p>With work and policy guidance the way forward for such cases may be made clear</p>	<p>Acknowledged lack of consensus. It will be dealt with on a case by case basis</p>	<p>With work and policy guidance the way forward for such cases may be made clear</p>	<p>This will become a recommendation</p>

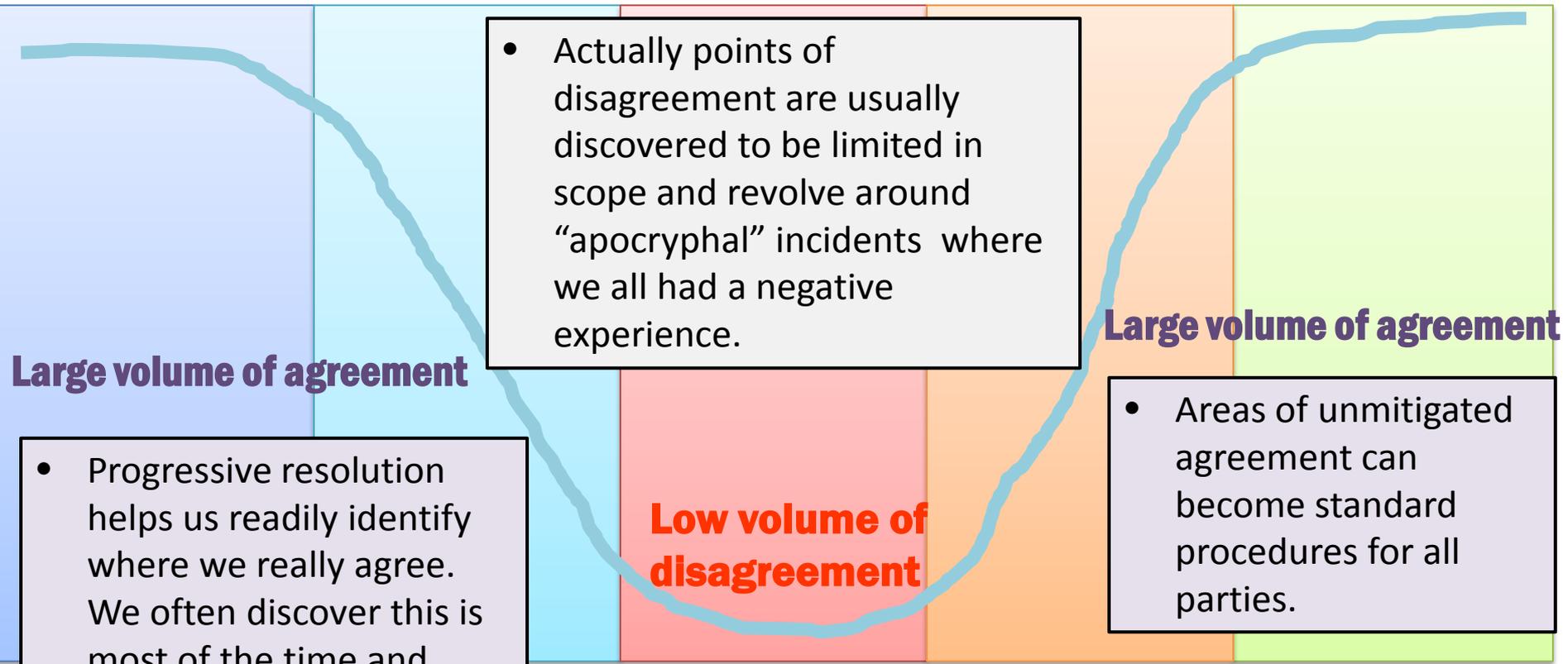
BAFO – Contract Development

Questions that clearly should be addressed in BAFO (best & final offer)	Questions that were not sure should be addressed in BAFO	Questions that clearly should be addressed in Contract Development
<p><u>Describe how activities or services directly support objectives of RFP.</u></p>	<p><u>Clarification when proposal is submitted with information that contradicts the RFP requirement.</u></p>	<p><u>Cost miscalculation based on rounding errors or insignificant amounts.</u></p>

Populating the Progressive Resolution Spectrum

The surprising discovery that we agree most of the time on most situations!

The area under the curve represents the volume of situations that fall into the areas of agreement (blue and green and orange) and areas of disagreement (red)



Legitimate interests recognized and re-stated by both sides form the body of agreement.

- Areas of persistent disagreement can be marginalized and all can agree to resolve them on a “case by case” basis as they come up.

Two Well-meaning Quotes

**You cannot control what you cannot measure.
You cannot manage what you cannot control.**
-- Engineer Adage

- The above quote often applies to internal processes, but it has challenges when applied to external factors beyond our control.

**“Focus on the things that can make a difference
and stop worrying about the things you can’t do
anything about.”**
-- *Pride and Joy*, by Alex Knight

- Notice that the above quote tells us to “focus on the things that CAN make a difference. . .”
 - We should not limit ourselves to focusing only on the things “we think” can make a difference via *control*, when we CAN effectively *influence* important things beyond our control.

Modeling the Monitoring Process Cycle

Desk Review	On Site visit	Report Writing (Wk 1)	Report Writing (Wk2)	Report Draft vetted w/ workforce	Draft Report Sent to Board
2	2	2	2	2	2
---week 1---	--week 2--	--week 3--	--week 4--	--week 5--	--week 6--

= 2 units per week output.

	Now	WGLL
Intake	18	10 Days or Less
Cases Resolved w/100 Days	34%	55%
Begin Aged Cases Resolved	80%	95%
Cases Pending 365 Days or More	22%	5%
Review	14 Days	5 Days or Less
Total Cases Resolved	*340	385 or more



How many desk reviews did we complete last week?

How many reports are “in-progress” with the monitoring team? Is this up to their capacity?

How many reports did the monitors finish last week?

How many reports did we get over to WF? Was it between 2 and 3? Why or why not?

Desk Review	On Site visit	Report Writing (Wk 1)	Report Writing (Wk2)	Report Draft vetted w/ workforce	Draft Report Sent to Board
2	2	2	2	2	2
---week 1---	--week 2--	--week 3--	--week 4--	--week 5--	--week 6--

= 2 units per week output.

What is the number of on-site visits we accomplished? Working this week? Are two or three planned to go out next week?

How reports went through week one of report writing? Do we have 2 or 3 reports ready to start writing next week?

How many reports did we QC before they went to WF?

How many reports did we mail last week?

Process questions to address on a weekly basis with your monitoring team.

Notice we are not asking about the report specifics. We are seeing flow!