“Yes, We’ve Always Done It this Way,”
but...
“Why Not Do It Better, Faster, Cheaper?”

Lowell A. Keig
Texas Workforce Commission
Agenda

• Mission
• What is RPI?
• Process Improvement Results
• More about Value Realized
• Housing Process Improvement Initiative – A Case Study
• Operationalized RPI Tools
• Creating an Improvement Environment
• Current Initiatives
• Next Steps
• Recap of Take-Aways

Civil Rights Division’s Mission

Enforcement and Education
• Equal Employment Opportunity
• Fair Housing
TWC Leadership

Texas Workforce Commission (TWC) Commissioners:
• Chair Ruth Hughes
• Commissioner Julian Alvarez
• Open Commissioner Position

TWC Executive Director:
• Larry Temple

TWC’s Rapid Process Improvement (RPI)

- Theory of Constraints
  • Manage Constraints
  • Focus on the System
  • Maximize Throughput

- Lean
  • Simplify Processes
  • Eliminate Waste
  • Increase Speed

- Six Sigma
  • Reduce Variation
  • Eliminate Defects
  • Sustain the Gains
How does CRD Measure Improvement?

• **QT/OE** (quality throughput divided by our operating expenses). Did our QT/OE increase upon implementation of improvements?

• **Value Realized**
  
  **Definition:** The value of increased throughput, quality, and/or reduced operational expenses (or a combination of the three) made possible through improvements.

  **How is this calculated?**
  
  It is the difference between what it now costs to produce our current QT vs. how much it would cost to produce the same current QT, but at our baseline (pre-improvement) efficiency rate.

  \[
  \text{Value Realized} = (\text{Cost per QT}_{\text{baseline}} - \text{Cost per QT}_{\text{New period}}) \times \text{QT}_{\text{New Period}}
  \]

**CRD Employment RPI Results**

- **Cost per Quality Employment Case Closure with Number of Quality Closures**
  - 2014: $4,469
  - 2015: $2,292
  - 2016: $2,049

- **Percent Quality Employment Case Closures with Number of Total Cases**
  - 2014: 37.5%
  - 2015: 48.3%
  - 2016: 66.2%

- **QT/OE Employment Cases**
  - 2014: 100%
  - 2015: 195%
  - 2016: 218%

- **Value Realized Through Employment RPI**
  - 2014: $1,098,270
  - 2015: $1,210,223
  - 2016: $1,287,062
What is the Recipe for Value Realized?

You make cakes each year for your charity's bake sale...

- Year 1:
  - $T = 10$ cakes
  - $QT = 7$ cakes (70%)
  - $OE = $50
  - Cost/quality cake: $\frac{50}{7} = $7.14

- Year 2
  - $T = 15$ cakes
  - $QT = 13$ cakes (86.7%)
  - $OE = $65
  - Cost/quality cake: $\frac{65}{13} = $5

- VR: $(7.14 - 5) \times 13 = 27.82$

$$\text{Value Realized} = (\text{Cost per QT}_{\text{baseline}} - \text{Cost per QT}_{\text{new period}}) \times QT_{\text{new period}}$$
Problem Statement (2013):
We are not conducting investigations/conciliations and completing resolutions in a timely manner or in the quantity needed.

Problem Statement (2015):
As a result of the RPI 2013, Housing Investigations garnered improvement in all measured areas. However, the Section continues to struggle with closing cases in a timely manner and in the necessary quantity.

**2013**

**TWCCRD Fair Housing Throughput Operating Strategy (TOS)**

**GOAL:** Perfect complaints, complete investigative plans, conduct desk-side or on-site investigations, and complete resolutions faster and faster while increasing the current quality level.

**FEEDING CONTROL POINT:**
Investigative plans are prepared. Jurisdiction, allegations, bases, and issues are clarified. Elements of proof are understood and defined.

**AFTER CONTROL POINT:**
WIP of 14 cases/investigator. Responses received from both parties and desk-side investigation is completed. For responses not received, Investigator conducts on-site investigation. Investigators are closing more and more cases with increase in quality.

**CONTROL POINT:** Management/Peers approve/endorse investigative plans, on-sites, and timeline. The way forward is clear, questions to ask and documents to review and gather are identified.

**NECESSARY CONDITIONS:** Awareness of status of IPs, flow of case files, when flow is not optimal (problem), quality level, and sub team reporting.

**MEASURES:** 10 complaints perfected, 80 to 100% of IPs reviewed for the week, number RFI/Conciliation mailed for the week (10), number on-sites scheduled for the week (10), number of desk-sides held for the week (5), number on-sites held (5), and 10 cases successfully resolved for the week.

**LEVERS:** Full-time intake investigator. Possible full-time mediator. Additional training and coaching in fair housing. Additional administrative support to remove clerical duties from investigators. Checklists for Intake, Admin, Investigators, and Supervisors.
What is Your “Blue Light”? 

Not My “Blue Light”
TWCCRD Fair Housing Throughput Operating Strategy (TOS)

**GOAL:** Perfect complaints, complete investigative plans, conduct desk-side or on-site investigations, and complete resolutions faster and faster while increasing the current quality level.

**FEEDING CONTROL POINT:** Complete, accurate and HUD-approved housing inquiry.

**AFTER CONTROL POINT:** Parties are notified and invited to mediate. WIP of 14 cases/investigator.
Investigators utilize the best outlet for closing more cases efficiently with increased quality. Management/Pees approve/endorse investigative plans, on-sites, and timeline.

**CONTROL POINT:** The way forward is clear, questions to ask and documents to review and gather are identified. Complainants are available to provide necessary information in a timely manner. Inquiries can be perfected into complaints.

**NECESSARY CONDITIONS:** Adequate staffing levels of fully trained investigators, efficient Investigative Plans and Letters of Determination, optimal flow of case files, and fair and unbiased investigations. Jurisdiction, allegations, bases, and issues are clarified. Elements of proof are understood and defined.

**MEASURES:** 10 complaints perfected per week, 90-100% of IPs reviewed for the week, number of RFI/Conciliation mailed for the week (10), number of case closures submitted to management for the week (10), and 10 cases successfully resolved for the week. Number of mediations. Management endorse investigative plans, on-sites, and timeline within 3 business days.

**LEVERS:** Adequate compensation. Improved training, mentoring and coaching in fair housing and reduced investigator learning curve. Aged Case Panel. Checklists for Intake, Admin, Investigators, and Supervisors.

**CONCILIATION**

**INVESTIGATION**

**MEDIATION**

**INTAKE**

Customer Inquiry/Complaint

On-Site Investigation

(Successful Mediation)

Resolution/Finding

(Successful Conciliation)

(Old Dogs, Mean Dogs) Review

Wikipedia

BUILDING ON SUCCESS 2018
Performance Evaluations

1. **Duty**: Conducts quality fair housing investigations...

Performance Standards:
- **Good**: Average quality of case files must rate 91-95%
- **Outstanding**: Average quality of case files must rate 96-98%
- **Exceptional**: Average quality of case files must rate over 98%

...
Dashboards
Monthly Division Dashboard Excerpt
Monthly Housing Case Closures for CRD Budget

Dashboards Cont’d
Employment Section Dashboard

Weekly Intake/Production Charts 8/20 - 9/1/2018

BUILDING ON SUCCESS 2018
Buy-In

• Commitment at the Top is Critical
• Continuing Education
• “Walk the Walk”

Change Management

• Exhibit Leadership
• Recognize variance
• Identify early adopters
• Switch rather than fight
Current Process Improvement Efforts

- Weasel stomping
- Full Kit
- Alligator chomping
- Updating Checklists

Current Initiatives: **WIP Boards**
And, they're portable!

NEXT STEPS

- Identify primary and secondary constraints and watch for shifts
- Utilize mini-RPIs with tiger teams
- Improve quality goal setting and measurement
Take-Aways for Process Improvement Experts from a Non-Expert Director

• Better, faster, cheaper, not budget cutting
• If at first you don’t succeed…
• Tone at the Top & Peer Sharing
• “Old Dogs/Mean Dogs” Meetings
• Performance Evaluations
• WIP Boards

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