

# Redefining Government Processes with Lean Six Sigma



By Chris Collins, Erie County Executive

Erie County is the first large county in the United States to implement Lean Six Sigma. With 35 years of private sector experience, I have made Lean Six Sigma the cornerstone of my administration's efforts to reform county government upon taking office in 2008. A year later,

Erie County has embraced Lean Six Sigma initiatives as a way to rapidly increase efficiency and decrease waste. In addition, Lean Six Sigma is empowering county employees to suggest changes to their work process. As a result, Erie County is realizing significant cost savings and improving the quality of services provided to the public.

Lean Six Sigma is simply a process improvement method for reducing variability, increasing efficiency and eliminating waste. It focuses on four major components:

- The **Philosophy** of an organization to provide services in a cost-effective manner. Six Sigma projects provide break-through improvements.
- The **Tools** component provides statistical techniques and analysis to gather, sort and make effective decisions with data and people.
- The **Methodology** component provides a disciplined step-by-step approach to solving problems and addressing issues, referred to as DMAIC (Define, Measure, Analyze, Improve, and Control).
- The **Metrics** component provides critical functions in government with primary, secondary, consequential, business (customer driven), and financial measurements, which drive performance based budgeting.

Large businesses such as General Electric, Motorola, Allied Signal and Texas Instruments use Lean Six Sigma as their cornerstone for driving improvements. Six Sigma is used in manufacturing companies, service companies (such as banks and hospitals), and as Erie County is demonstrating, it also works in a government setting.

Erie County's Deployment Plan for 2008 and 2009 includes training and certifying:

- **36 Six Sigma Green Belts** – 72 hours classroom time, per employee
- **200 Six Sigma Yellow Belts** – 16 hours classroom time, per employee
- **6 Six Sigma Black Belts** – 200 hours classroom time, per employee
- To date, there is a waiting list of union employees looking to sign up for Lean Six Sigma training.

The first wave of Lean Six Sigma projects is generating total annual taxpayer savings of over \$2 million, far surpassing initial expectations. Our 2008 pilot programs represent a cross section of county departments and functions, and were driven internally by county union employees who successfully completed Six Sigma Green Belt training. The pilot programs included:

- Dept. of Public Works** – Consolidating and centralizing fleet services
- Dept. of Public Works** – Managing overtime reduction in the Division of Buildings & Grounds
- Dept. of Social Services** – Streamlining application workflow
- Dept. of Social Services** – Decreasing backlog in the Office of Child Support Enforcement
- Dept. of Parks, Recreation & Forestry** – Managing equipment repair and rental
- Dept. of Parks, Recreation & Forestry** – Streamlining permit processing & fee collection
- Dept. of Health** – Increasing number of family planning clients enrolled in the Family Planning Benefits Program
- Dept. of Mental Health** – Improving assessment & stabilization of forensic mental health services in Holding Center
- Dept. of Mental Health** – Reducing juvenile residential treatment services

This final project demonstrated the most substantial taxpayer savings to date. Erie County is currently spending approximately \$8 million for residential treatment. Residential treatment is court ordered and therefore a mandated cost with local share. By diverting youth in the Person in Need of Supervision category (PINS) and reducing length of stay, Erie County has been able to dramatically reduce utilization of residential treatment. This project alone saved county taxpayers \$1.5 million in 2008 and is on track to save an additional \$1.6 in 2009. Taxpayer savings are doubled when you account for the savings Erie County is generating for New York State through this initiative.

To help enhance Erie County's Lean Six Sigma effort, commissioners and department heads are undergoing Culture Change Management training with Deputy County Executive Al Hammonds and Six Sigma Director Bill Carey. Through this training, Erie County's leaders developed a plan to help facilitate the necessary culture changes needed throughout Erie County government. Employees trained in Lean Six Sigma are now helping to implement the plan throughout Erie County.

At a time when county governments are dealing with increasing costs and decreasing sales tax revenues, Lean Six Sigma is an opportunity to create true savings and improve services. To learn more about Erie County's Lean Six Sigma program, please visit [www.erie.gov](http://www.erie.gov). 