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Press Release

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City of Tyler's Lean Sigma Program Saves \$2.4 Million

The City of Tyler reached a major milestone today by exceeding \$2.4 million in hard and soft dollar savings through the implementation of their Lean Sigma Program. To date, 45 Lean Sigma projects have been completed by City employees trained in the methodology.

“Lean Sigma helps identify the waste and variation that occurs in everyday processes,” said Tyler Mayor Barbara Bass. “The program provides a structured approach for improving efficiency – which saves both time and money.”

The City originally launched its Lean Sigma Program in 2009 with the hiring of a Lean Sigma Master Black Belt. Since that time the program has been expanded to include most City departments. A total of 123 Blue Belts (four hours of training), 29 Green Belts (80 hours of training) and seven Black Belts (160 hours of training), have been trained in the methodology. These employees work on Lean Sigma projects in conjunction with their normal job duties.

“All of our Green Belts and Black Belts have completed at least two Lean Sigma projects that are focused on improving a city process, saving the city either time or money,” added Mayor Bass. “Many other City employees have participated on project teams that put improvement into the hands of those most familiar with the process – our front line employees.”

Examples of projects completed are the reduction of vehicle part inventory, the effective management of chemical usage at the water treatment plants, cutback of overtime, and improving the way refuse is collected.

Lean Sigma was a logical step in Tyler's long history of continuous improvement that began with the City's Blueprint and continued with Business Planning, the Tyler Apprentice Program, Tyler 21, and City University. Tyler is one of only a few cities in the nation to implement Lean Sigma throughout their entire municipal organization.

“In the last few years, Tyler, like most of the nation, experienced tough economic times,” said City Manager Mark McDaniel. “Decreasing sales tax revenue and stagnant property values led us on a journey to work even more efficiently. I believe our results speak for themselves.”

Tyler has one of the lowest property tax rates in the state, at 20.4 cents per \$100 valuation, a AAA bond rating and no general obligation debt.

“I believe our success can be attributed to the synergy of our Lean Sigma program combined with other employee engagement strategies, including our ‘City University’ training program and our ‘Called to Serve’ internal communications,” added McDaniel. “Employee buy-in and empowerment is the key. If your employees aren’t committed to the strategy, it is unlikely that it will become part of your culture.”

Lean is set of tools that are based upon the Toyota Production System. The overall goal is to eliminate non-value added waste in a process.

Six-Sigma is a business management strategy, originally developed by Motorola in 1986. Today it is widely used in many sectors of industry. Six Sigma seeks to improve the quality of processes by identifying and removing the causes of errors and variation.

“Lean Sigma is an opportunity to further enhance our commitment to setting the standard for responsive local government,” said McDaniel.

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