



# ***Meeting Citizens' Needs in Challenging Times Through Organizational Development***

***Mark McDaniel, Tyler City Manager***

***Susan Guthrie, Director of External Relations and  
Organizational Development***



# Tyler Morning Telegraph

Friday, October 22, 2010

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Public Servants Defend Benefits

# The Dallas Morning News

**Cities' worst budget pain in decades won't end for years, U.S. study says**

# San Antonio Express-News

The sky is not falling in city budget

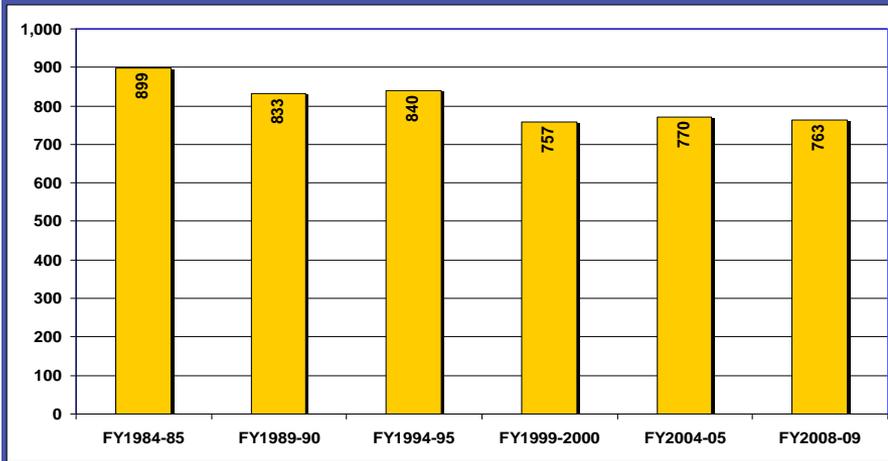
# HOUSTON CHRONICLE

Houston's new fire chief faces a budget blaze

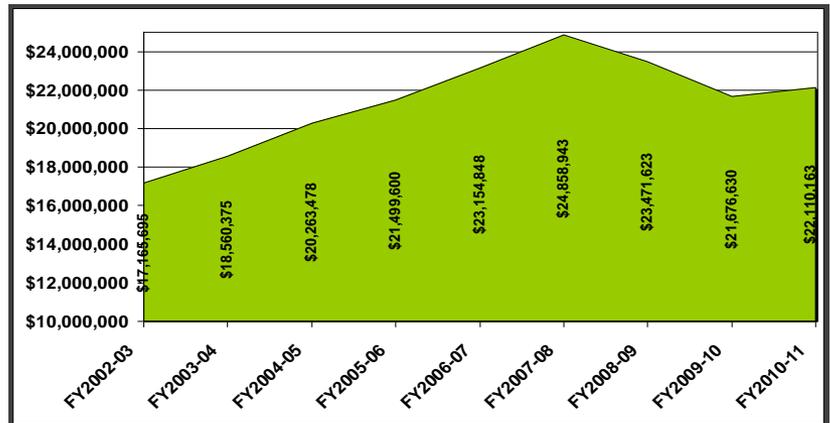


# Fewer Resources

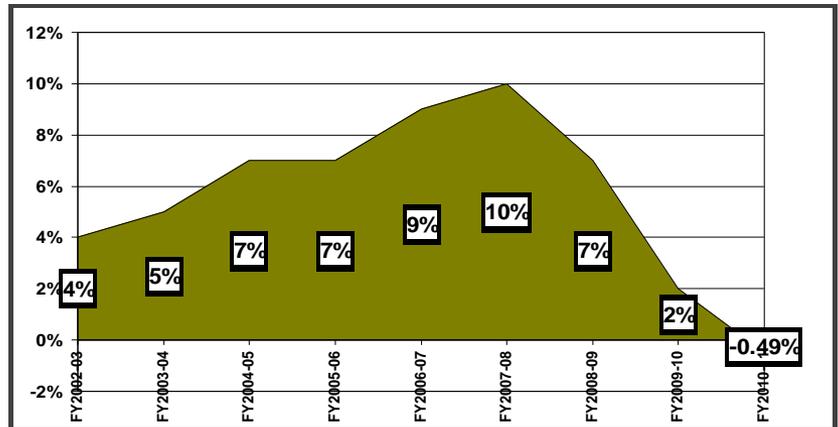
**Fewer Actual Employees on Staff Than 15 Years Ago, During a Period of 30% Growth in Population**



**Sales Tax Below 2006 Revenue**



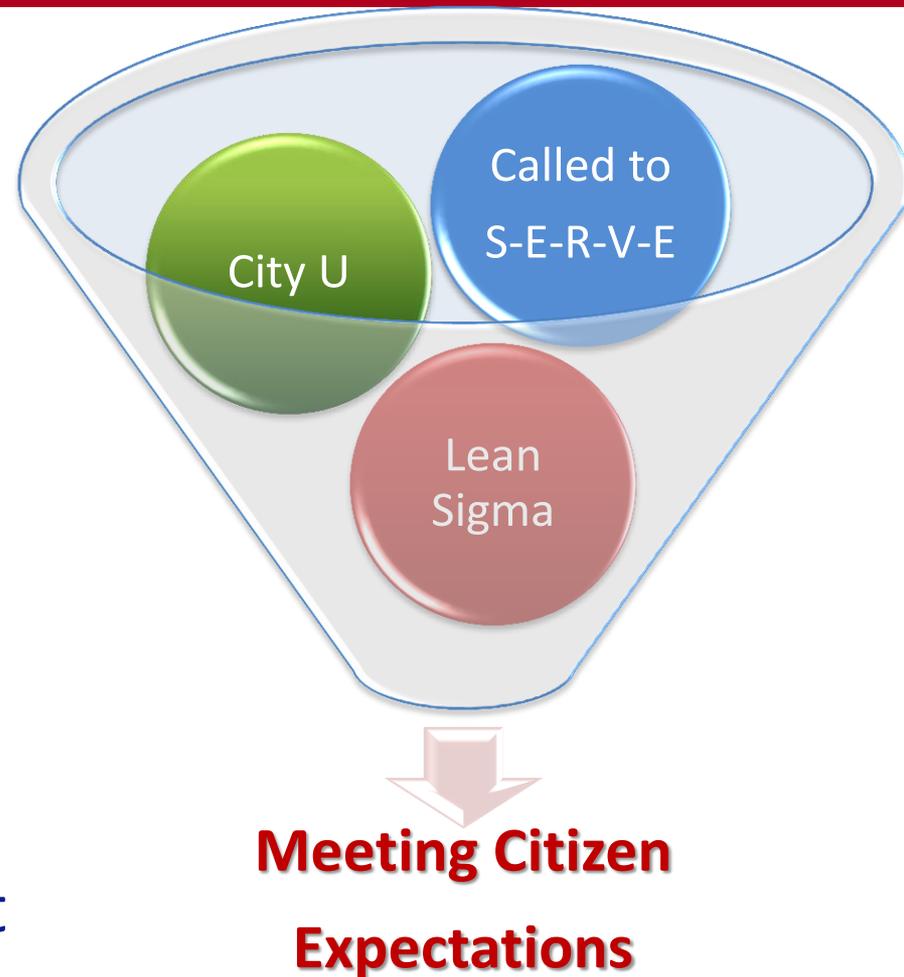
**Half a Percent Drop in Property Values**





# Tyler's strategy-organizational development:

- City University – a culture of learning
- Called to S-E-R-V-E – serving a higher purpose
- Lean Sigma – empowerment of employees

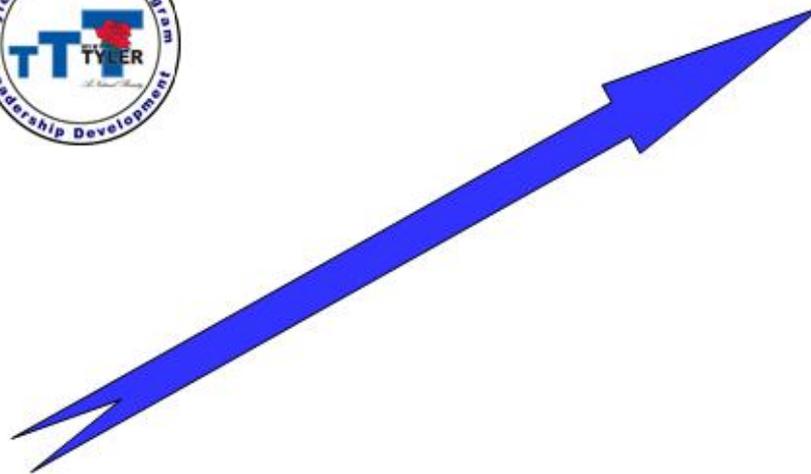
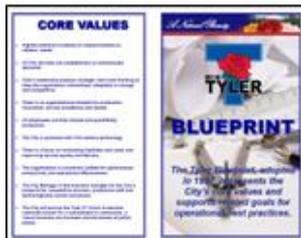


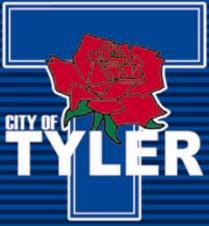


# Continuous Improvement



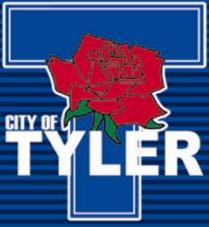
**TYLER21**





# City University



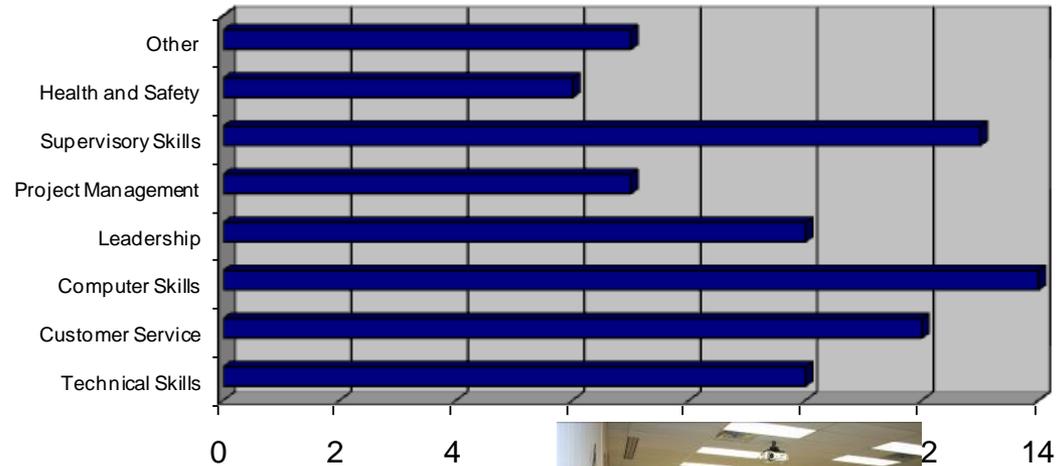


# City U



- Launched in 2008.
- Dedicated classroom and training coordinator.
- Board of regents established to help develop the program.
- Goal: create an environment of continuous, lifelong learning; investing in our employees.
- Needs analysis survey conducted.
  - *What training do we need?*

What skills and competencies do you need training to address for your Department?





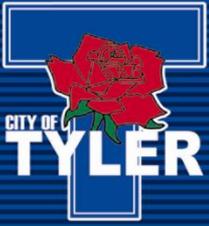
# City U



## Structure

- Year one: four tracks
  - *Core competency*
  - *Innovation*
  - *Professional Development*
  - *Leadership*
- Year two: four tracks plus
  - *Toastmasters*
  - *Leadership Academy*
  - *Lean Sigma*
- Year three: four tracks plus
  - *Called to SERVE Difference training*





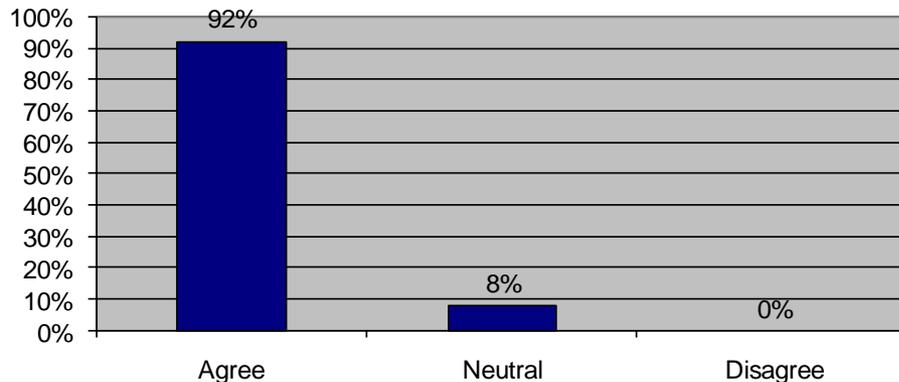
# City U



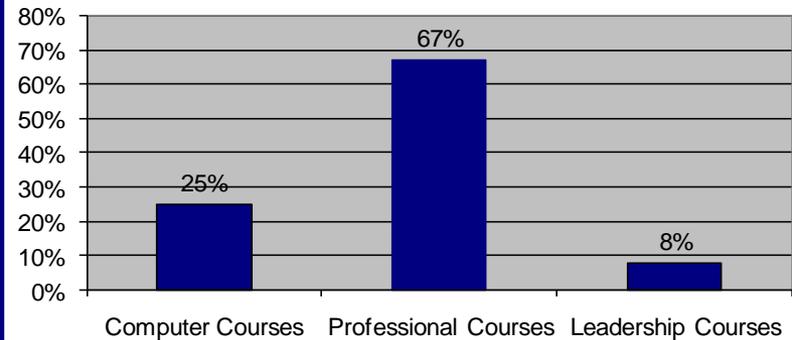
## Outcomes

Year One – 3 graduates  
Year Two – 44 graduates  
Year Three - ?

**City University has improved the overall employee satisfaction and fostered a culture of learning.**



**Which area of training has been most beneficial to your employees?**





# City U



***City U has saved the City \$77,520 annually in training costs in addition to enhancing the quality of the workforce and increasing productivity and job satisfaction.***

***\*\*This estimate does not figure in the cost of lost time from work, travel and lodging expenses that would have been incurred to access this assortment of coursework.***



*A culture of life-long learning*



*A commitment to invest in our employees*



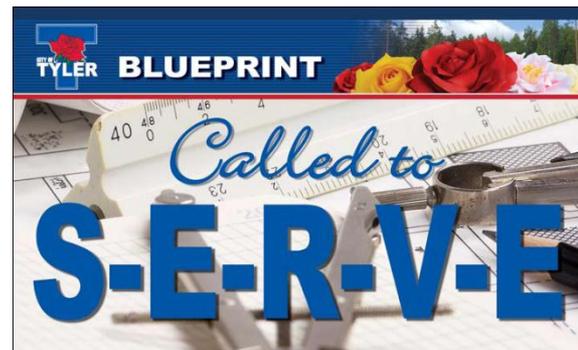
*Enhancing job satisfaction*

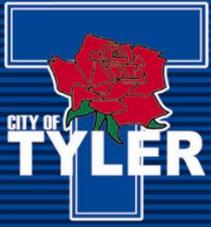


*Called to* **S-E-R-V-E...**

Called to  
S-E-R-V-E

*An investment in  
internal communications.*





*Called to* **S-E-R-V-E**



## Our people ARE our brand

- The organization is only as good as those who work for us.
- Citizen interactions with staff form our brand.
- Employees are an invaluable communication vehicle.





*Called to* **S-E-R-V-E**



# Enhancing employee communications is critical

- What is the vision, mission, brand and heart of the organization?
- Not only what is going on...but why?
- Does every single employee know about it?





*Called to* **S-E-R-V-E**



# Getting started

- The most important thing to know is your message.
- Define your message.
- Make it CLEAR, CONCISE, and EASY TO UNDERSTAND.



Called to **S-E-R-V-E**



# Tyler's Blueprint

- Mission
- Vision
- Goals
- Core Values

**TYLER BLUEPRINT**

**VISION**  
The City of Tyler vision is a local city government environment supported by innovative service techniques; a well trained and productive workforce; and a service delivery system that seeks to provide the best-responses to the needs of its citizens and business community.

**MISSION**  
Tyler's mission is to create a citizen sensitive and customer oriented environment where all City services are quality-driven in the most appropriate cost-conscious manner.

*The Tyler Blueprint, adopted in 1997, represents the City's core values and goals for operational best practices.*

**S** **STREAMLINE** - To improve the efficiency of; modernize, to contour economically or efficiently.

**E** **EMPOWER** - To equip with an ability, enable; to give or delegate power or authority to; commission or make accountable.

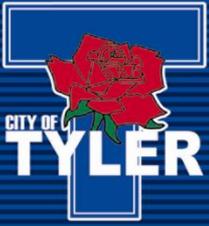
**R** **RESPOND** - To react positively or favorably; to render satisfaction; to be answerable with a sense of urgency.

**V** **VENTURE** - To have the courage or presumption to do; a business enterprise.

**E** **EVALUATE** - To rate; examine or judge carefully; ascertain or fix the value or worth of, appraise.

**CORE VALUES**

- ✓ Highest premium is placed on responsiveness to citizens' needs.
- ✓ All City services are competitively or contractually delivered.
- ✓ Tyler's leadership employs strategic, fast track thinking to keep the organization streamlined, adaptable to change and competitive.
- ✓ There is an organizational mindset for production, innovation, service excellence and results.
- ✓ All employees are fully trained and quantitatively productive.
- ✓ The City is postured with 21st century technology.
- ✓ There is a focus on minimizing liabilities and costs and improving service quality and delivery.
- ✓ The organization is constantly audited for performance productivity and operational effectiveness.
- ✓ The City Manager is the business manager for the City's blueprint for competitive services, productive staff and technologically correct processes.
- ✓ The City will pursue the Tyler 21 Vision to become nationally known for a commitment to community, a robust business environment and the beauty of public places.



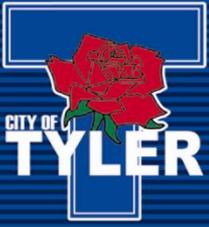
*Called to* **S-E-R-V-E**



## Brand the initiative

- Think of the internal communications plan as a marketing campaign.
- How would Coca Cola get the word out about the new beverage? (Get your mind around the “point of sale”).
- Get the employees involved:
  - Motto survey
  - Called to S-E-R-V-E





*Called to* **S-E-R-V-E**



# Communications Plan Development

- Develop a plan to roll out aspects of the effort over several months.
- Build on the BRAND.
- Determine what is working as you roll out each item.
- Focus on sustainability. Don't launch more than you can maintain.





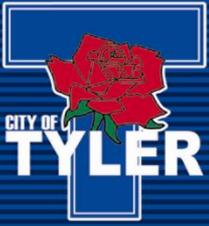
# Called to S-E-R-V-E



## Specific actions

- Motto - *Called to S-E-R-V-E*
- Promotional Materials
  - Brochures
  - Banners
  - Cards
  - T-Shirts
  - Bookmarks
- Employee Communications
  - Personal Visits
  - Monthly Newsletters
  - Emails, Intranet
  - Press Releases
  - Called to SERVE Training
- Events/Recognition
  - Blueprint Bravos

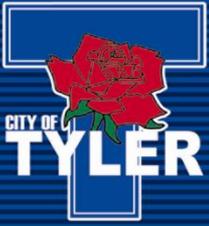




# Lean Sigma

Lean  
Sigma





# Lean Sigma

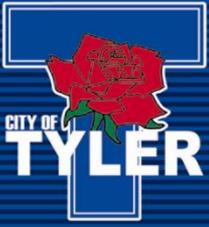


- Methodology focused on reducing variation and waste in business processes.

- ***Why Lean Sigma for Tyler?***

- Tyler has a long history of continuous improvement.
- Tyler Blueprint adopted in 1997.
  - Defines our organizational culture.
  - Represents the City's core values and supports related goals for operational best practices.

*...to create a citizen sensitive and customer oriented environment where all City services are quality-driven in the most appropriate cost-conscious manner.*

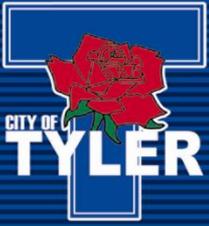


# Lean Sigma



## Key decision points

- Pilot or complete roll out?
- Entire organization or single department?
- Outsource training or hire Black Belt?
- Champion (reporting lines)?
  - Communications Department/City University
- How to fund?
  - Shifted funding from retiring employee
- How to deploy?

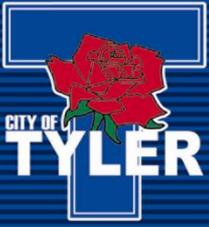


# Lean Sigma



## Deployment Plan

Date	Action	Status	Jan	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
January	Overview - Attend Blue Belt Training	Complete	█												
April	Name Six Sigma Champion	Complete		█											
	Develop Lean Sigma Proposed Launch	Complete		█											
	Develop Proposed Master Black Belt (MBB) Description	Complete		█											
	Post for MBB	Complete		█											
	Advertise for candidates	Complete		█	█										
May	Begin Screening MBB - Develop ranking system and phone interview questionnaire	Complete			█										
	Do phone screenings - and rack and stack	In progress			█	█									
June	Interviews for MBB	Complete				█	█								
	Hire MBB	Complete				█	█								
August	Conduct Blue Belt Training with Key Leader Team							█							
	Refine Launch Plan with Key Leaders Team							█							
	<i>Confirm: Schedule, Schedule, Gap Analysis, "Burning Platform", Stretch Goals</i>							█							
	Do presentation for Lean Consortium							█							
	Develop Training Programs/Schedules for BB and GB							█							
September	Lean Sigma Blue Belt Training for Dept. and Dev. Leaders							█							
	Finalize curriculum							█	█						
	Identify, Interview and Appoint Green Belts							█	█						
	Have activity at City U Graduation/Open House							█	█						
	Do presentation at TAP Transition Event							█	█						
October	Implement Lean Sigma Element Into City U Orientation									█					
	Begin GB Training									█					
November	Launch Initial GB Lean Sigma Projects										█	█	█	█	█



# Lean Sigma



## Wave I

- Blue Belt (one-day) training for all leadership.
- Recruit and train eight green belts from throughout the organization.
- Complete eight Lean Sigma training projects.
- Offer Blue Belt classes through City U for other employees.





# Lean Sigma



## Wave II

- Recruit and train 18 additional green belts from throughout the organization.
- Train two black belts.
- Complete 18 Lean Sigma training projects.
- Enhance communications about successes.





# Lean Sigma



## Outcomes

- An evolution of Tyler's lean, quality-driven culture.
- Reaching all levels of the organization through project teams.
- Solutions are driven by the people involved in the process.





# Lean Sigma



## LEAN SIGMA DASHBOARD REPORT

### OBJECTIVE

The implementation of Lean Sigma throughout the City of Tyler, FY 2009 - 2010

### METRICS

#### FINANCIAL CHARTS

Chart 1: Expenses

Chart 2: Return on Investment

#### Lean Sigma Budget - Fiscal 2010

#### Chart 2: Pareto of Expense Items

### PROCESS/BUSINESS CHARTS

Chart 3: Projects

Completed Works

Accepted Counts

Account	Quantity	Current	Actual	Standard	Unit	Current	Actual	Standard	Unit	Current	Actual	Standard	Unit
...	...	...	...	...	...	...	...	...	...	...	...	...	...

### LEARNING AND GROWTH CHARTS

Chart 1: Learning & Growth

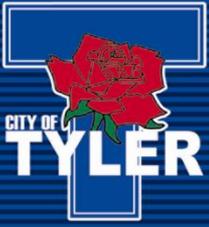
Timeline: Jan 09 to Dec 10

Timeline: Jan 09 to Dec 10

DATE	ACTION	STATUS
Sept	Blue Belt training	Complete
Sept	ID GB projects	In Progress
Sept	City U graduation	Complete
Oct	Week 1 GB training	Complete
Nov	Week 2 GB training	Pending
Nov	Basic Lean Sigma Course	Pending
Dec	Week 3 GB training	Pending
Jan	Week 4 GB training	Pending

#### CUSTOMER CHARTS

Hours Spent

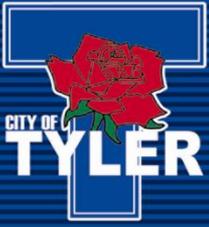


# Lean Sigma



## Project Outcomes

- Year I – 179% ROI.
  - 9 projects closed.
- Year II
  - 19 new Greenbelts.
  - 14 total projects completed; 21 underway.
- Nearly \$400,000 saved (hard and soft savings).

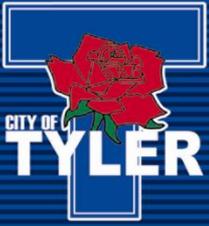


# Lean Sigma



## Project outcome examples:

- **Municipal Courts** – Improved warrant process (from 70 to 10 days).
- **Police** - Reduced “error” rate in evidence processing (10% defect to 2%).
- **Water** – Improved variation of response time for customer call outs (variation of 30-60 min to less than 20 min) .
- **Fire** – Implementation of TPM program (estimated annual savings of \$220,000).
- **Legal** – Took document review from 16 days to 8 days.



# Lean Sigma



## Wave II project examples

- Improve urgent repair process (Nhb. Services).
- Improve time needed to get officers on the street (PD).
- Reduce cost of chemicals in water treatment process (Water).
- Reduce parts inventory on hand (Vehicle Services).

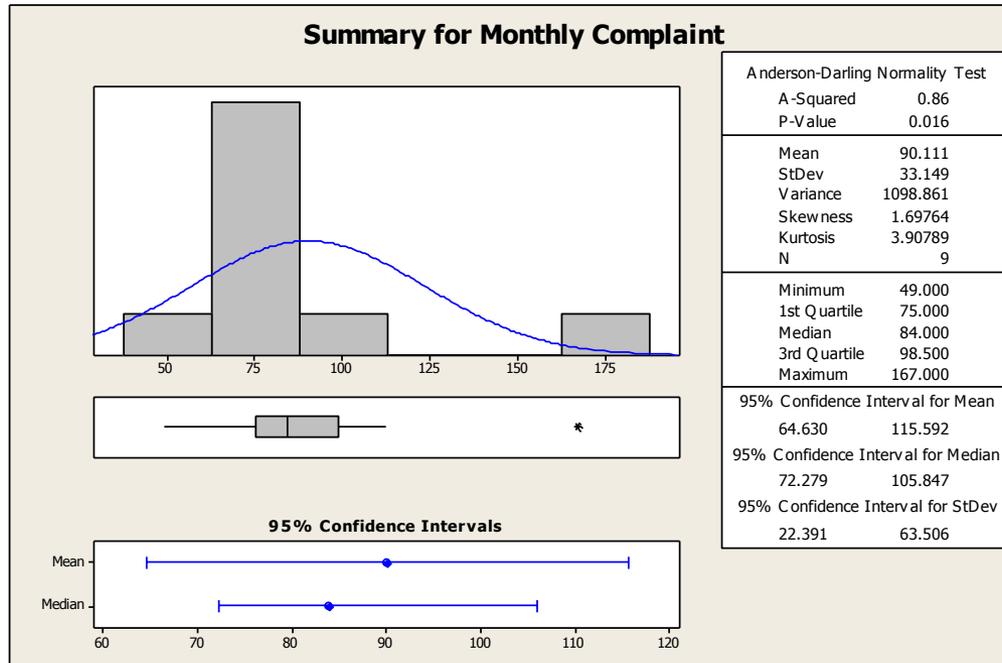


# Lean Sigma



## Tools

### Descriptive Statistics



## Project Charter

### Project Charter

#### Project Authorization

Organization:	Champion:	Process Owner:
Police	Dianna Jackson	Steve Sharron
Project:	Project #:	
Improve Initial Processing of Property		

#### Problem Statement:

Since 11/02/2009, the initial data reveals that 18.961% of submitted items has a defect. The defect rate includes documentation and packaging errors associated with items submitted to the property unit of the Tyler Police Department.

#### Project Objective:

Our objective is to improve the initial documentation, handling and processing of property by reducing the number of defects (documentation and packaging) by 75 % from 18.961% to 4.74%.

Estimated Defect Level:	Initial Goal:	Estimated Benefits:
20%	5%	
Approval Date:	Champion Signature:	Process Owner Signature:
Estimated Completion Date:	Project Leader:	Financial Analyst:
	Jimmy Toler	

#### Project Team

Name	Role	Comments	Phone

#### Project Definition and Scoping

Metrics (unit of measure):

- Inventory Accuracy
- Defect Rate of Processing
- Sigma Level

Critical to Satisfaction (Linkage to customer):

- Accuracy of Information
- Proper Packaging
- Inventory Processing

Defect Definition (include opportunity):

Incorrect documentation of property items to include packaging.

Scope of Project:

Initial processing of property into the property area.

#### Goals and Benefits

##### Defect Levels/Goals

Date	DPMO(LT)	Zbench(ST)	Cpk	
Baseline	2/3/2010	720400	0.92	0.31
Goal	2/3/2010	180100	1.61	0.84
Stretch Goal	2/3/2010	72040	1.78	0.89

##### Estimated Financial Benefits:

Important information

Hard Savings	\$0
Soft Savings	\$10,904
Implementation Costs	\$631

Based on how many months: 12

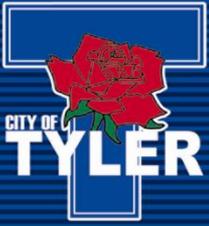
**Note:** Improvement goals, estimated financial benefits, actual baseline DPMO, and Zbench should be reviewed and revised as needed after the end of the Measure phase when you have established a solid baseline for the project.

Measure phase completed on:

Were goals revised after completion of Measure phase?

Were financial benefits revised after completion of Measure phase?

Approved by Finance Representative: \_\_\_\_\_ Date of Finance Approval: \_\_\_\_\_



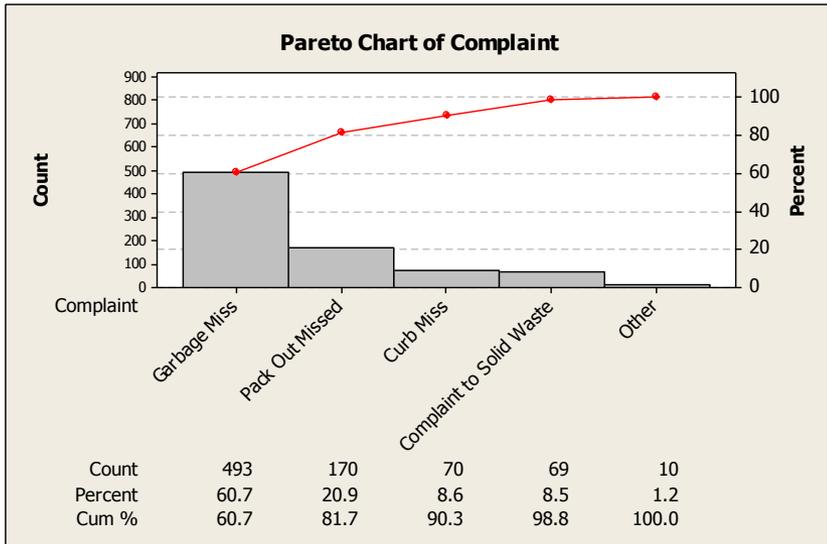
# Lean Sigma



## Tools

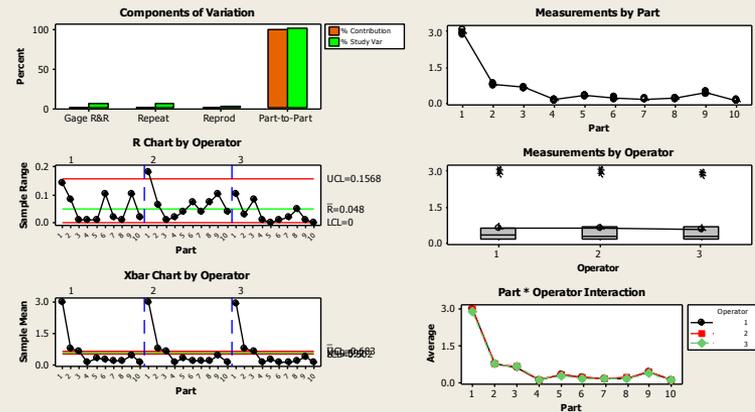
## Graphing

### Pareto Charts



### Gage R&R (ANOVA) for Measurements

Reported by: Sherry Pettit  
 Gage name: Improve Chemical Dosage Process Test Sample Tolerance: .300  
 Date of study: September 16, 2010 Misc: SOP Written, Improve Test



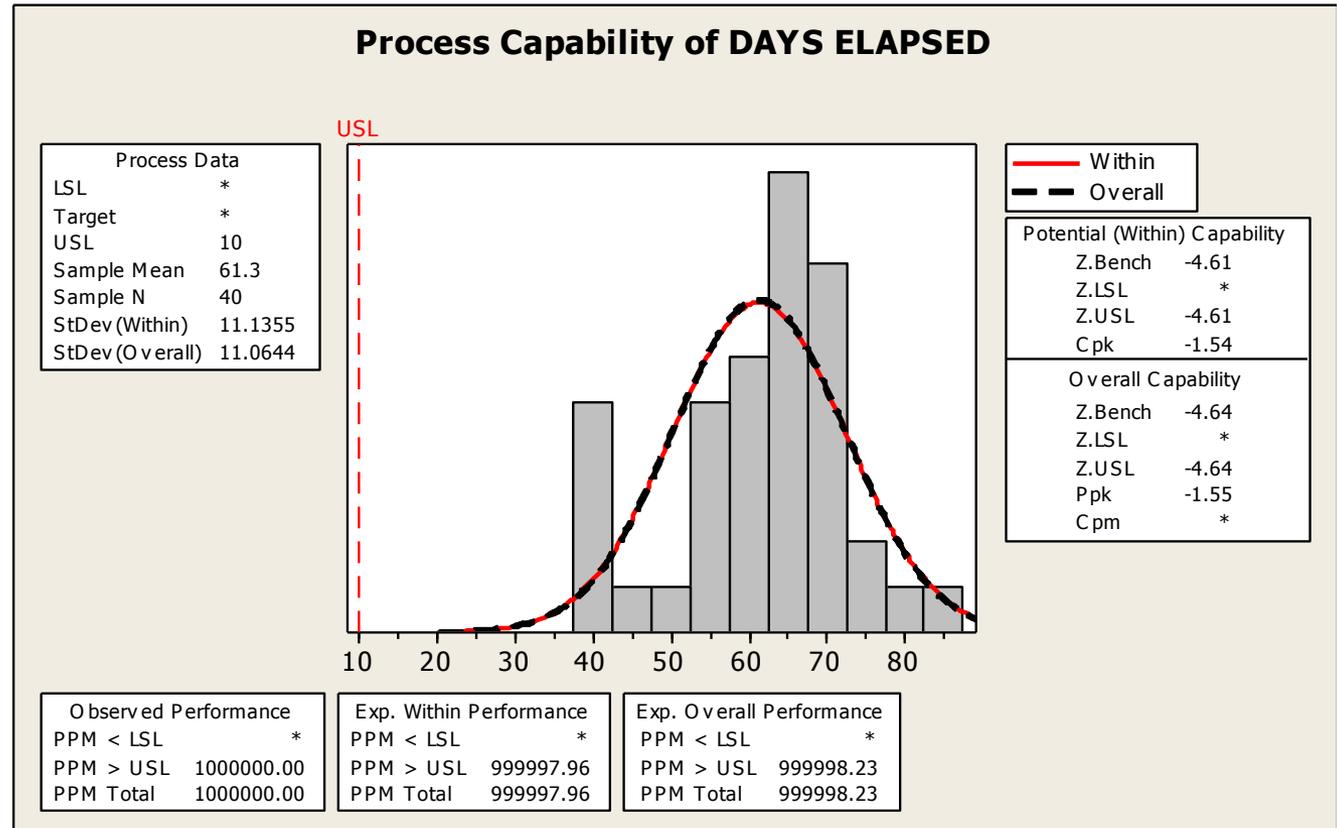


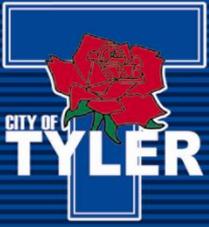
# Lean Sigma



## Tools

### Capability Analysis



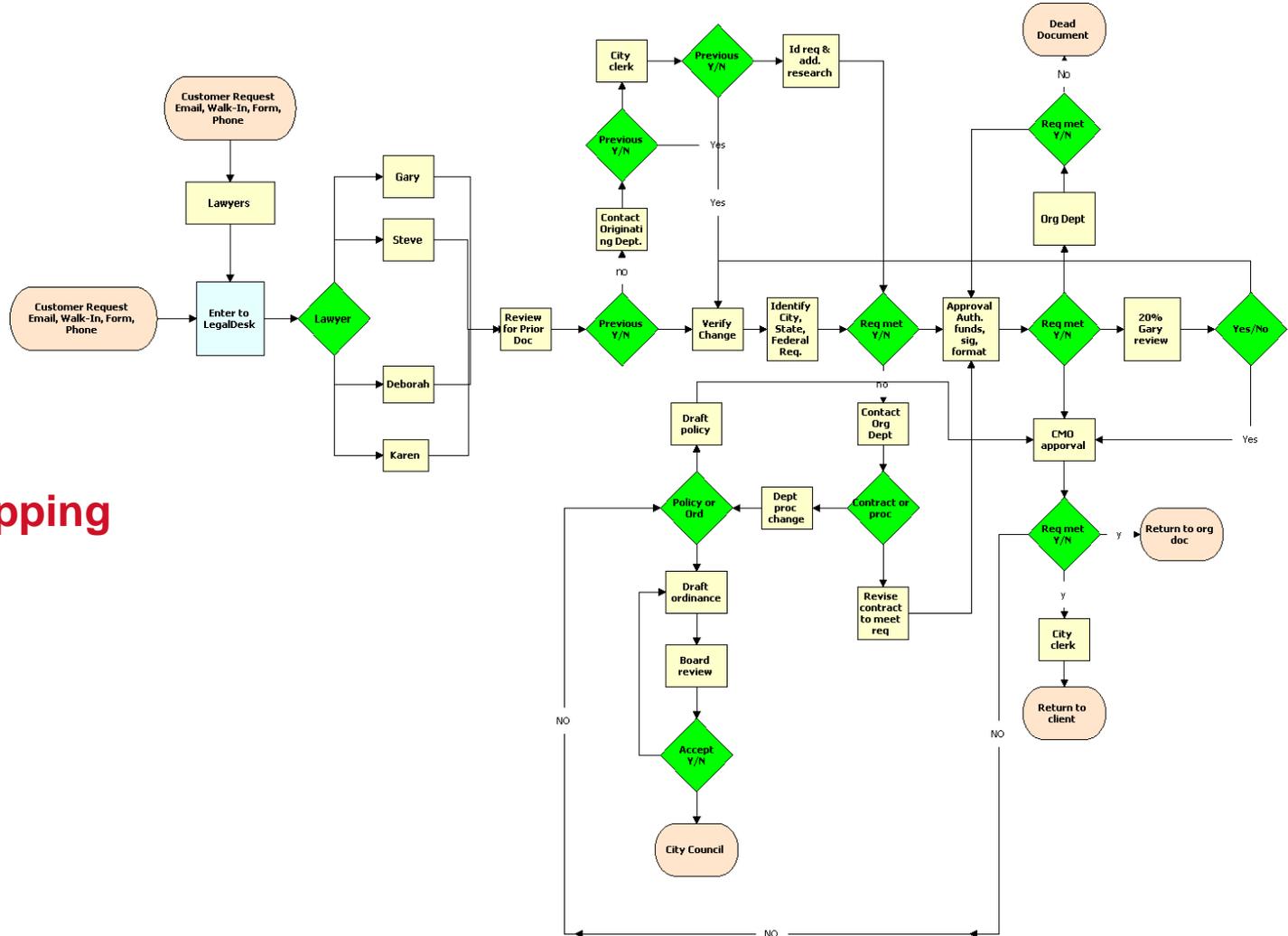


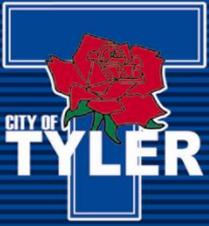
# Lean Sigma



## Tools

### Process Mapping



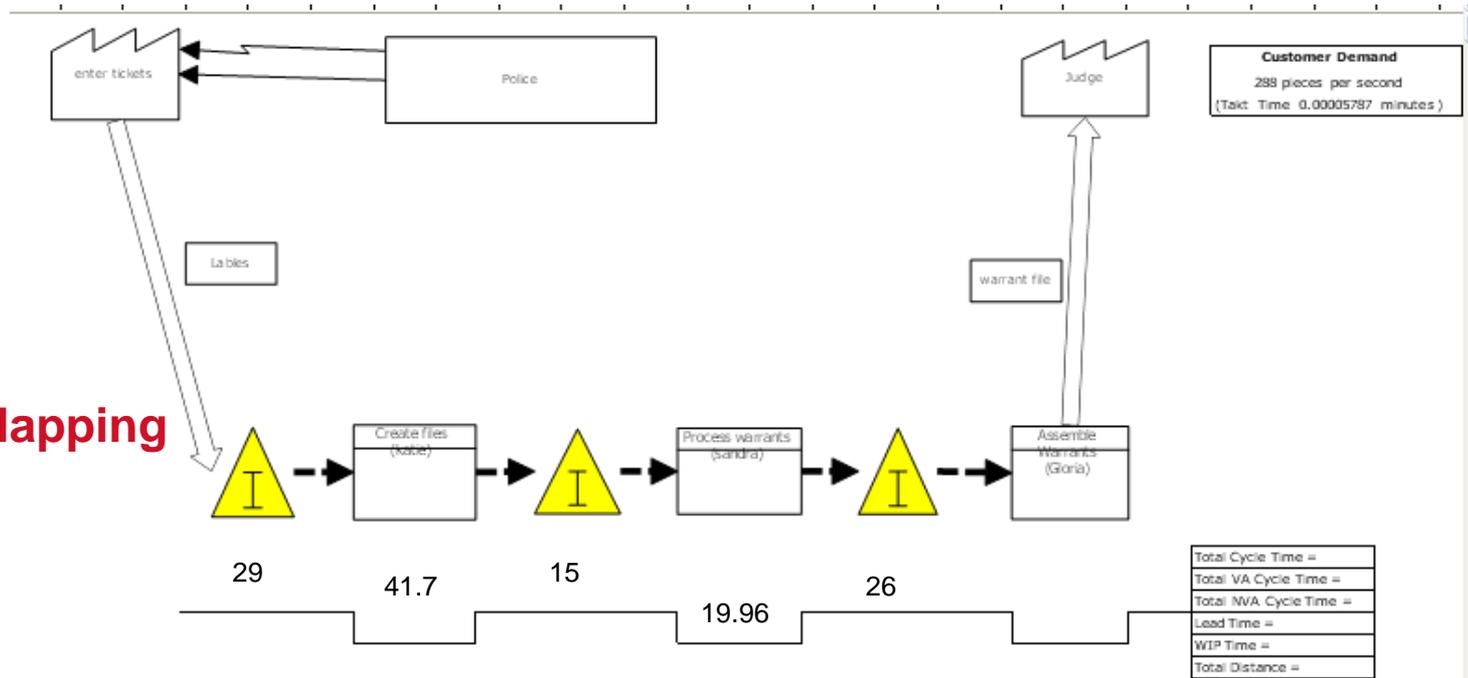


# Lean Sigma



## Tools

### Value Stream Mapping



•Our lead time is 70 days.  
 •Our cycle time is 132.40 seconds.

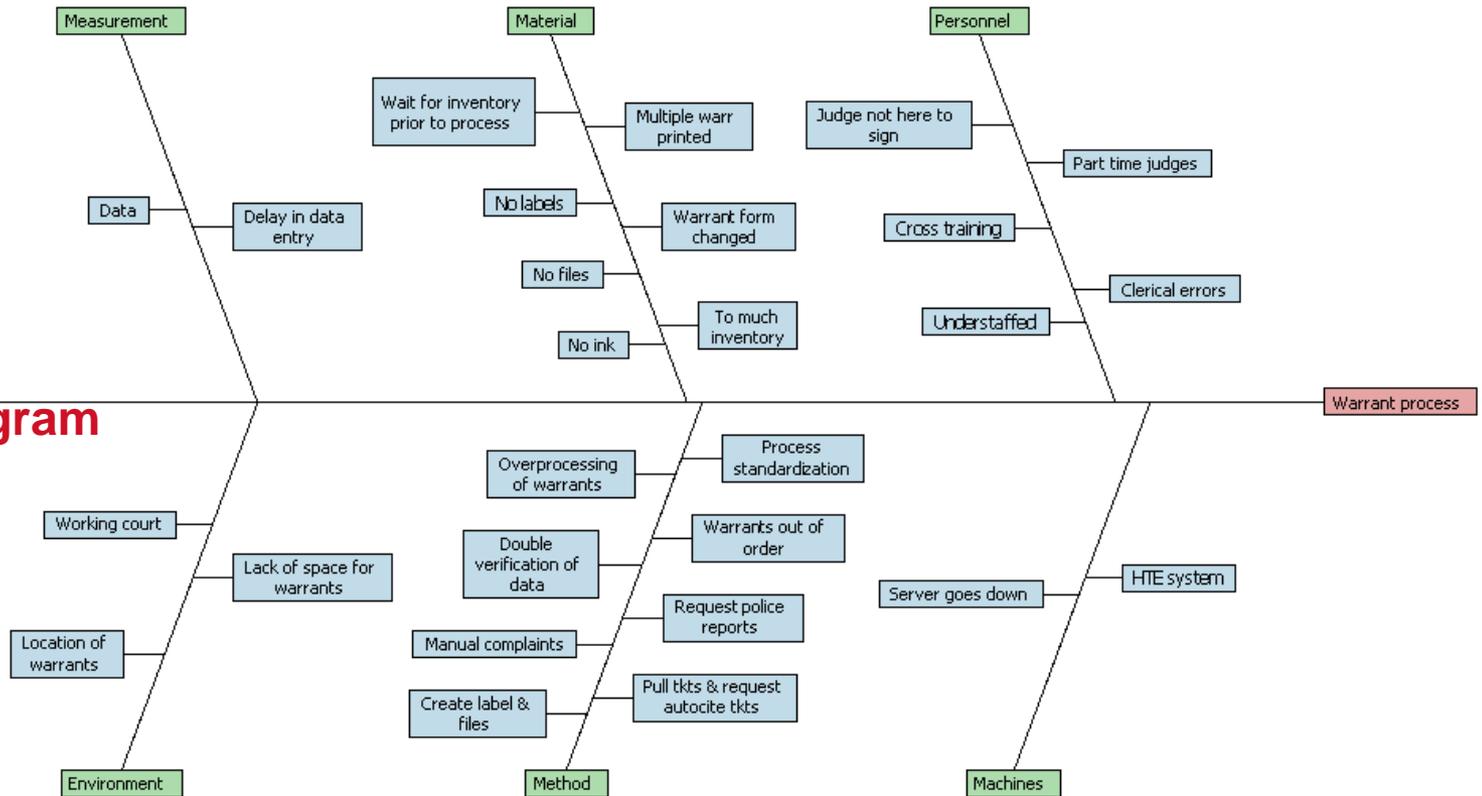


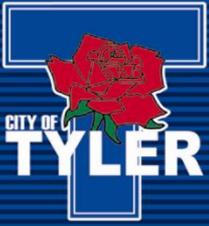
# Lean Sigma



## Tools

### Fish Bone Diagram



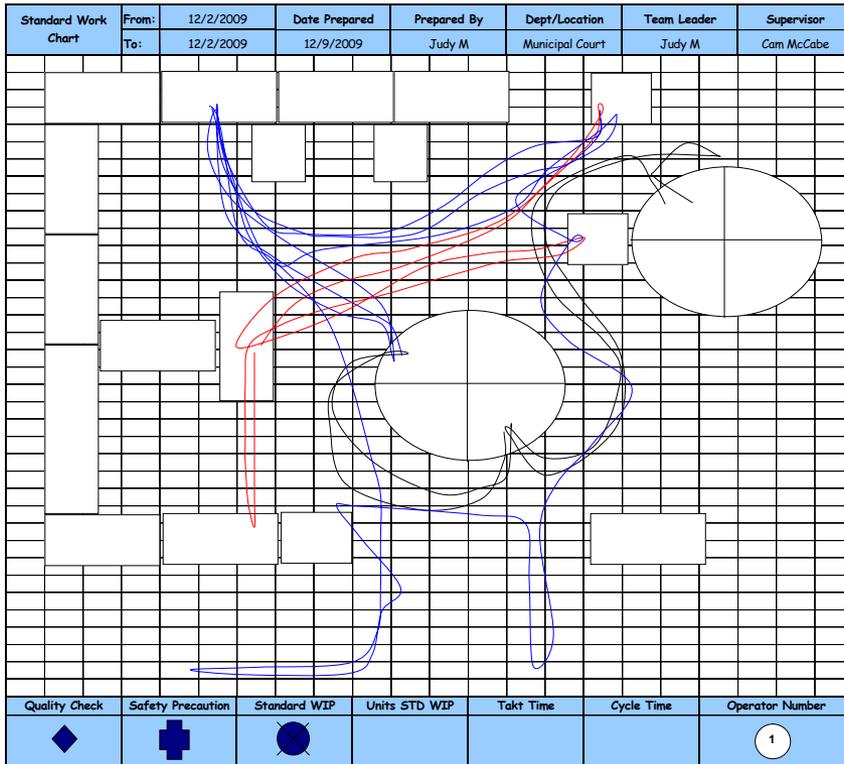


# Lean Sigma



## Tools

### Spaghetti Diagram



### YX Summary

Process:	Improve Warrant Process
Date:	11/4/2009

Output Variables	
Description	Weight
On Time Warrants	9

Input Variables	
Description	Ranking
Process Flow	81
Waiting for Inventory Prior to Process	81
Create Lable Files	81
Manual Complaints	81
THE System (Program)	81
Understaff	81
Double Verification of Data	63
Over Process of Warrants	63
Part time Judge	45
Absent Judge	45
Training/Cross Training	45
Clerical Error	45
Process Standardization	45
Working Court	45
Warrant Form	45
Location of Warrant	45
PD Reports	45
Pull Tickets	45
Autosite	45
Multiple Warrants	32
Server Out of Order	27
Delay in Data Entry	27
No Files	9
No Ink	9
No Labels	9
Incorrect Data	9
Lack of Space	27





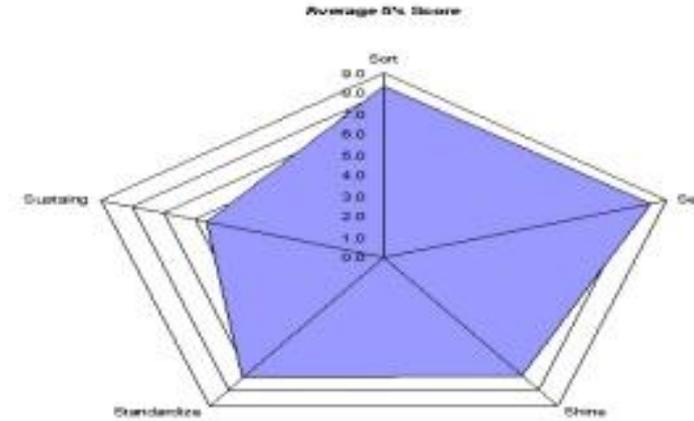
# Lean Sigma



## Tools

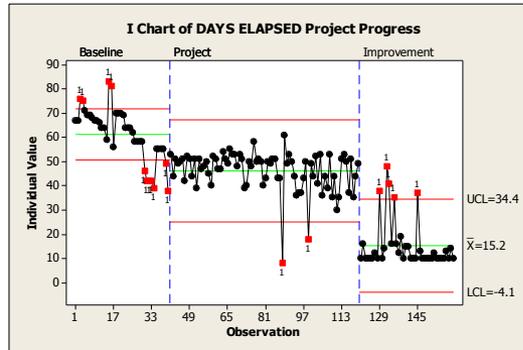
Six Sigma Process Control Plan											
Process Name: <u>Improve Dispatch Process</u>			Prepared By: <u>Sherry Pugh</u>			Page: <u>1</u> of <u>1</u>					
Customer: <u>Citizens of Tyler</u>			Initiated: _____			Document No: _____					
Location: <u>Water Utilities Service Center</u>			Approved By: _____			Revision Date: _____					
Area: <u>City of Tyler</u>			Approved By: _____			Supervisor: _____					
Process	Sub Process Step	CSO	Specification Characteristics	Special-Characteristics	Measurement Method	Length (ft)	Frequency	Who Measures	When Measured	Decision/Non-Conformance Action	Self-Inspection
Customer call	Customer information	100%	Maximum information from customer	Correct address for driver	Log sheets	100%	Every call	Administrative Assistant	Log sheets	Log customer's correct address. Remove call to crew.	
	Emergency	100%	Accurate information from customer	Correct address location	Log sheets	100%	Every call	Administrative Assistant	Log sheets	Call customer for correct address. Remove call to crew.	
Dispatch	Availability	100%	Distance time	20 minutes	Log sheets	100%	Every call	Administrative Assistant	Log sheets	Assign call to crew that is within 20 minutes of location if crew is available.	
	Call on radio	100%	Timely response	Maximum 1 radio calls	Discretionary method	100%	Every call	Administrative Assistant	Log sheets	Call crew on cell phone or pager.	
Crew crew status	Availability	100%	Available	Available	Log sheets	100%	Every call	Administrative Assistant	Log sheets	Communicate to crew available crew or dispatch center.	
	Dispatch	100%	Timely response	Maximum 20 minutes	Log sheets	100%	Every call	Administrative Assistant	Log sheets	Communicate to crew available crew or dispatch center.	

## Process Control Plan



5S

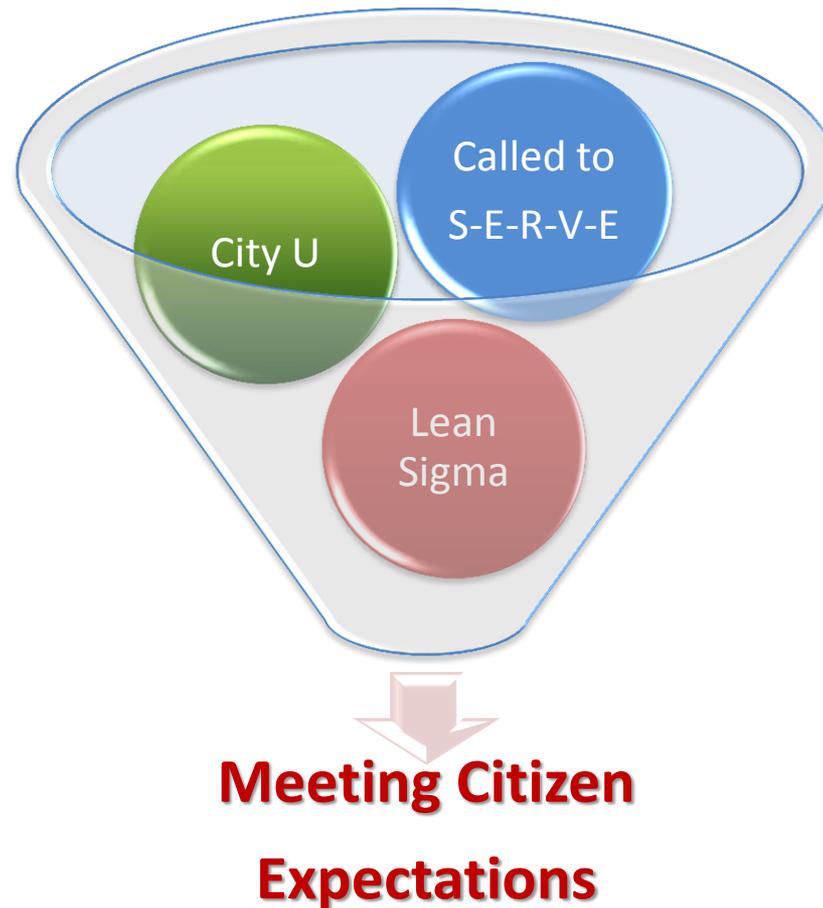
## Visual Management

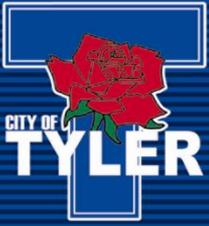


## Statistical Process Control



# When it all comes together...





# Questions and Answers