



King County

Metropolitan King County Council Committee of the Whole

STAFF REPORT

Agenda Item:	8	Name:	John Resha
Proposed No.:	2012-B0137	Date:	August 20, 2012
Invited:	Jim Chrisinger, Continuous Improvement Director		

SUBJECT

A briefing on implementation of the Executive's Continuous Improvement Initiative.

BACKGROUND

Performance Management and Accountability System

In July 2008, the Council adopted Ordinance 16202, the Performance and Accountability Act, which established a performance management system that would continuously improve county government management and accountability and help county government respond effectively to community expectations in a time of limited resources.

To implement the Performance Management and Accountability System, the county developed a planning and evaluation model that was based on the well-established Plan-Do-Check-Act (PDCA) cycle:

- **PLAN:** Resources are allocated through the adopted budget and operating plans
- **DO:** Operating plans are executed as county agencies carry out their missions
- **CHECK:** Performance is carefully evaluated through dashboards, AIMS High, or other means of measurement
- **ACT:** Agencies engage in detailed program planning focused around Line of Business plans

The PMAS is guided by the 2010-2014 King County Strategic Plan, which the Council adopted in July 2010. The strategic plan sets a long-term vision for county government and outlines a set of strategies to achieve the county's goals. It drives individual agency strategic and comprehensive plans, which in turn inform cross-agency Line of Business plans.

Accountability for results and continuous improvement to reach established goals are key to the success of the performance management system. It is essential that there are processes in place to ensure that county government is delivering services successfully in the community and improving its performance as needed. A number of

organizations throughout county government play a role in ensuring ongoing accountability. These include the Council, Executive, and King County Auditor, and, at the staff level, directors, managers, and goal teams. In addition, two countywide working groups have been established specifically to track performance management issues:

- The Performance Management Workgroup, a staff group that was established to advise the Council; and
- The Performance and Accountability Group, which is made up of separately elected officials, including two Councilmembers.

Continuous Improvement Initiative

As part of the 2012 approved budget, the Executive proposed a Continuous Improvement Team in the Office of Performance, Strategy and Budget based on the following (from 2012 Executive Proposed Budget supporting materials):

"Building on these positive experiences and need for continued future success, the continuous improvement initiative is meant to create a small, centralized Continuous Improvement Group to promote and help implement the use of the "Lean" management philosophy and process improvement methodology throughout the county. Lean is a management philosophy, set of practices and principles that grew out of Toyota's production system and has since been generalized as an approach and applied widely and successfully in both business and public sectors.

King County is focusing on Lean as the county's process improvement methodology because it:

- *Focuses on creating efficiencies by eliminating unnecessary, non-value-added steps and processes,*
- *Can identify and help rapidly implement changes,*
- *Is customer focused,*
- *Engages all employees to identify areas for improvements."*

While Council approved the proposal, questions regarding the longer-term cost-benefit of this new analytic resource remained. As a result, Council included Proviso P2 in Section 20 of the 2012 adopted budget, Ordinance 17232. This proviso states:

Of this appropriation, \$100,000 may not be expended or encumbered until the executive transmits a report and a motion that acknowledges receipt of the report and references the proviso's ordinance, section and number and the motion is adopted by the council.

The report shall include the annual costs and benefits of continuous improvement initiatives for all county agencies. The report shall provide the basis and methodology for all initiative costs and benefit determinations and shall detail

both departmental and countywide costs by initiative, showing the realized benefits to the county and the public.

This proviso response is not due until September 1, 2012, however, the Continuous Improvement Team has been hired and has begun its work supporting County organizations in their quest for improved efficiency and effectiveness.

The briefing on Monday August 20, 2012 will focus on:

- Why the Continuous Improvement Team has been established
- The role of Lean
- Current work of the Continuous Improvement Team
- The Proviso report due September 1
- Opportunities for Council

ATTACHMENTS

1. Presentation Materials (distributed at the meeting)