



Orientation to the SUCCESSIONS Framework

OBJECTIVES



Key points :

- Overview of the SUCCESS Framework
 - What it is and why it is being implemented
 - How the SUCCESS Framework measures performance
 - Illustrate improvement tools that are currently being used by state agencies
-
- Next steps



SUCCESS FRAMEWORK OVERVIEW



FRAMEWORK OVERVIEW



Set measurable goals and targets

Use thinking tools and principles

Create your strategy

Create your organization

Engage staff at all levels

Synchronize policy and projects

Stay focused





SUCCESS ROADMAP

- *Identify major “systems” comprising majority of agency’s budget*
- *Define performance measures for each system*
- *Complete operating strategy for each system*
- *Apply improvement tools/methods*
- *Report progress/results*





Agency Profile

Agency:	Department of Commerce
Major Systems Within Organization Comprising 80% or More of the Budget:	<ul style="list-style-type: none">● Licensing<ul style="list-style-type: none">○ Occupational Licensing (DOPL)○ Real Estate○ Consumer Protection○ Securities○ Corporation and Commercial Code ● Enforcement<ul style="list-style-type: none">○ Occupational Licensing (DOPL)○ Real Estate○ Consumer Protection○ Securities○ Corporation and Commercial Code



PERFORMANCE MEASUREMENT



TARGET and VISION



“Our obligation to the taxpayer requires that we continue delivering outstanding results

...

[Our] target is to improve government operations and services by at least 25% (a combination of quality, cost, and throughput) by January 2017.”

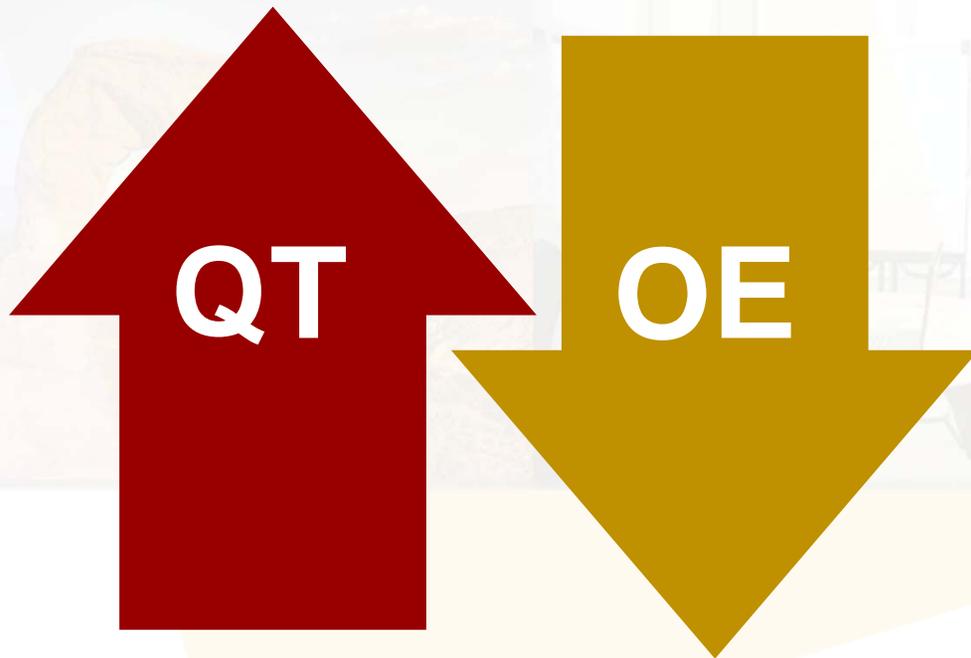


Governor Gary R. Herbert

PERFORMANCE MEASURE



THE TARGET: 25% improvement in the performance ratio -
quality throughput / operating expense.

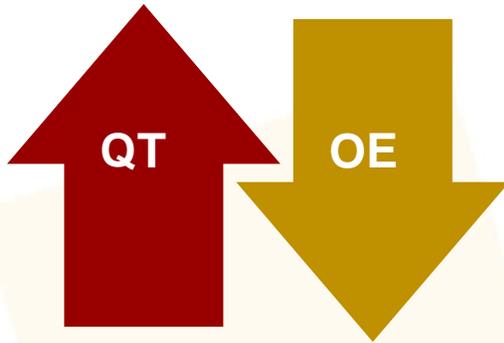


QUALITY *Accuracy, effectiveness, reliability*

THROUGHPUT *Capacity to serve or produce units of work - a measure of system volume*

OPERATING EXPENSE

Measurement profile includes operational indicators. Operational indicators capture performance of specific processes.



WHAT DOES the IMPROVEMENT REPRESENT?

Labor Commission Example (one month data):

(T) Throughput = Workers' Compensation Investigations (**558**)

(Q) Quality = Investigations resulting in compliance (**45.87%**)

(OE) Operating Expense = all direct/indirect costs to produce QT (**\$21,646**)

$QT/OE = .0119$

25% Improvement Target = .0148

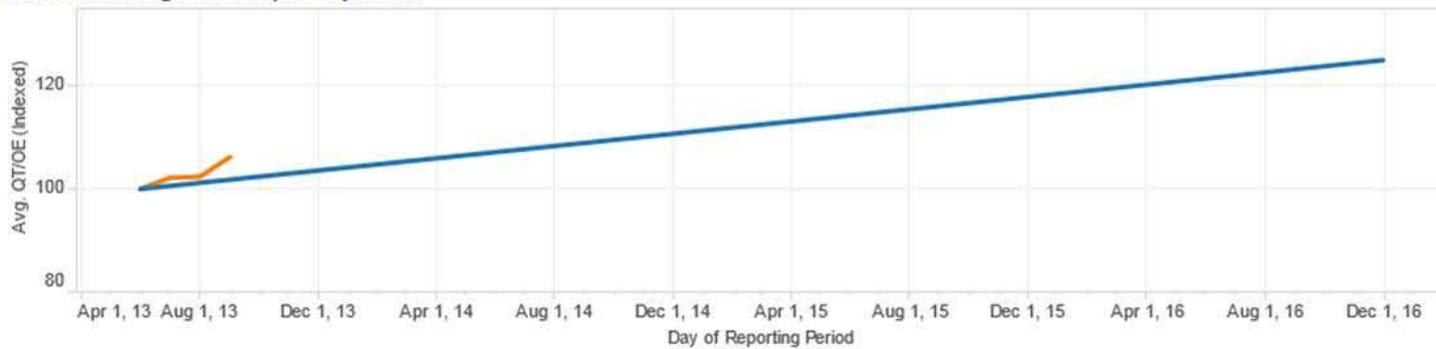
To achieve target, throughput and/or quality need to increase or there needs to be a reduction in operating expense (or a combination of all three). All improvements result in increased value to the state per dollar invested.

REPORTING



SUCCESS Management Information - System Agency and Program Progress Dashboard

SUCCESS Progress Graph - System



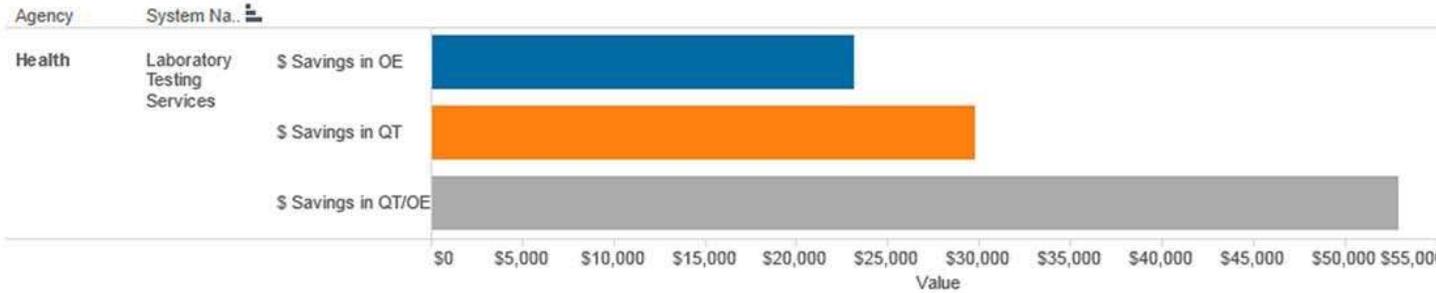
Agency
 Health

System Name
 25% Target
 All Payer Claims Database
 Baby Watch, Early Interventi...
 Laboratory Testing Services
 Medicaid

Reporting Period
 6/1/2013 12:00:00 AM
 7/1/2013 12:00:00 AM
 8/1/2013 12:00:00 AM
 9/1/2013 12:00:00 AM

System Na... ■ 25% Target ■ Laboratory Testin...

OE Value Graphs



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Share your perspective





IMPROVEMENT TOOLS and PRINCIPLES



THROUGHPUT OPERATING STRATEGY (TOS)



WHAT a TOS IS

- A one page document identifying critical system elements: process flow, inputs, outputs and measures
- A simple picture of how a system *should* operate
- A macro view that captures the purpose of the system

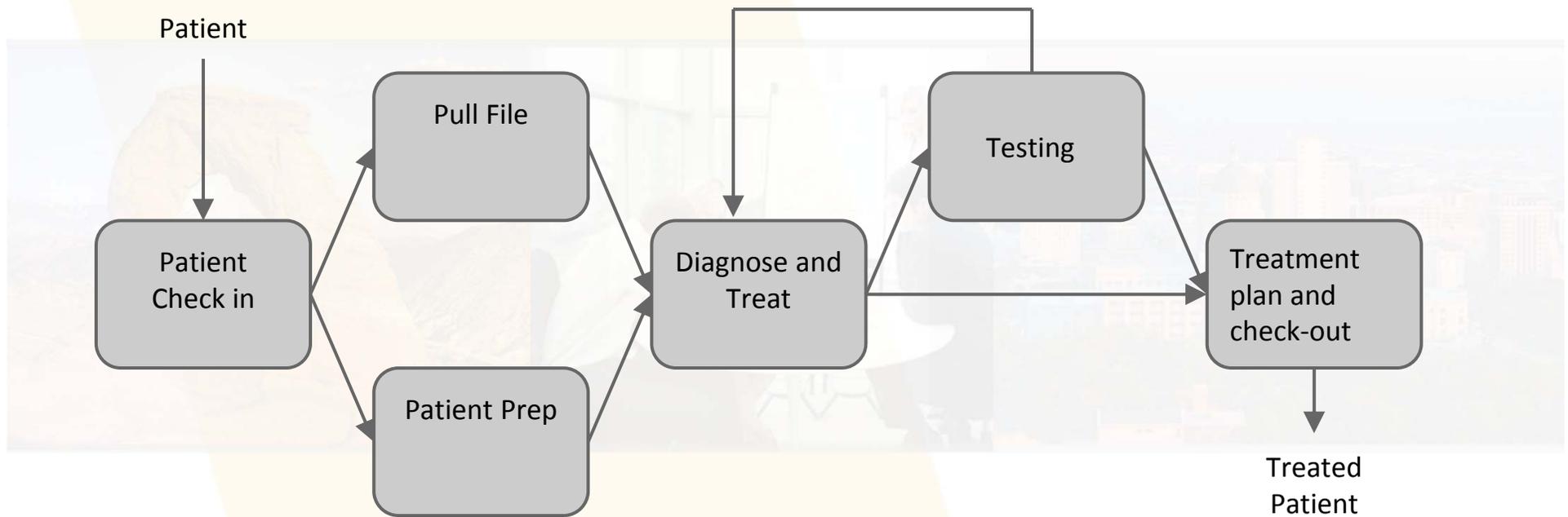
WHAT a TOS IS NOT

- A complex portrayal of a system or a process
- An intricate, detail-oriented as-is map
- A map that requires elaborate explanation

EXAMPLE: Doctor's Office TOS



STEP ONE: Develop a high level picture of the flow of work for the system



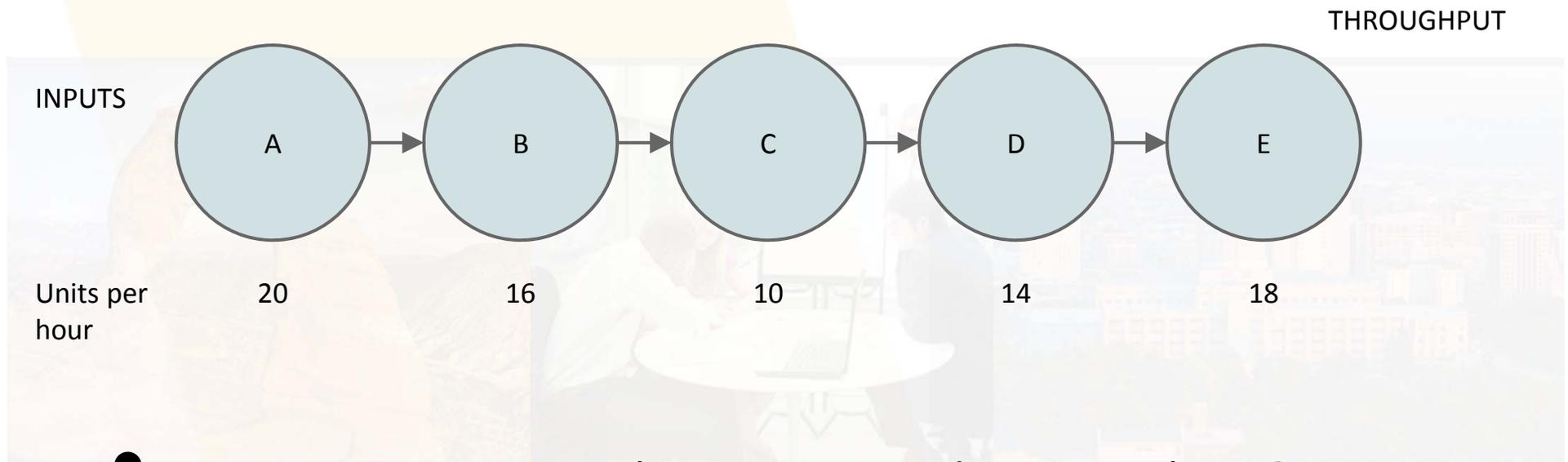
CONSTRAINTS BASICS



- View the work of a system in terms of flow throughput or volume
- Constraints limit the overall amount of throughput that the system could otherwise produce
- Constraints can be centered around:
 - Bottlenecks
 - Highly-skilled resources



IDENTIFYING CONSTRAINTS



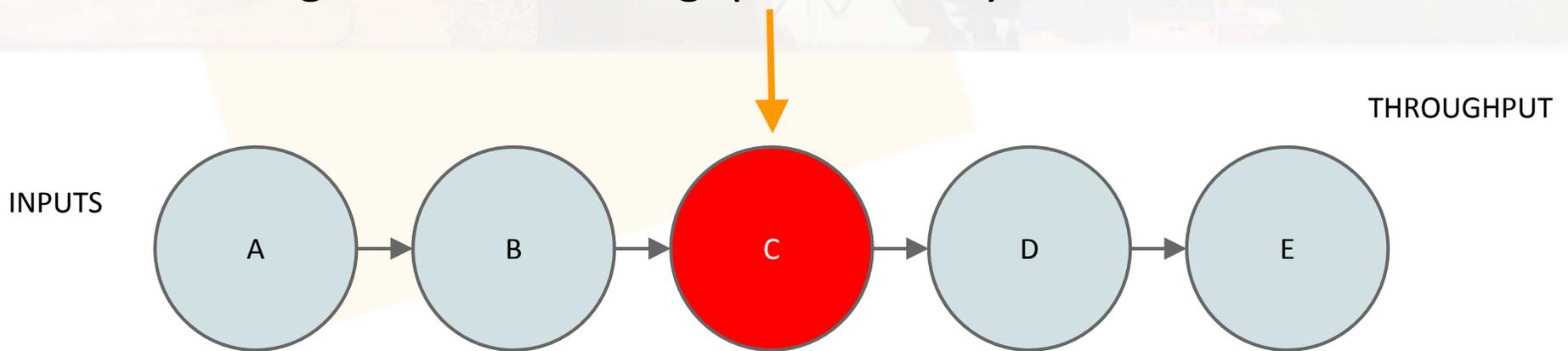
- How many units can this system produce in an hour?
- Where is the system constraint?
- What would happen if you increased capacity at B?
- What would happen if you increased capacity at C?

THE CONTROL POINT



A system map and understanding of constraints enables us to look at our operation in a more strategic way. Our improvement efforts gain focus when we select a **control point**.

The control point is where we choose to place the constraint that regulates the throughput of the system.

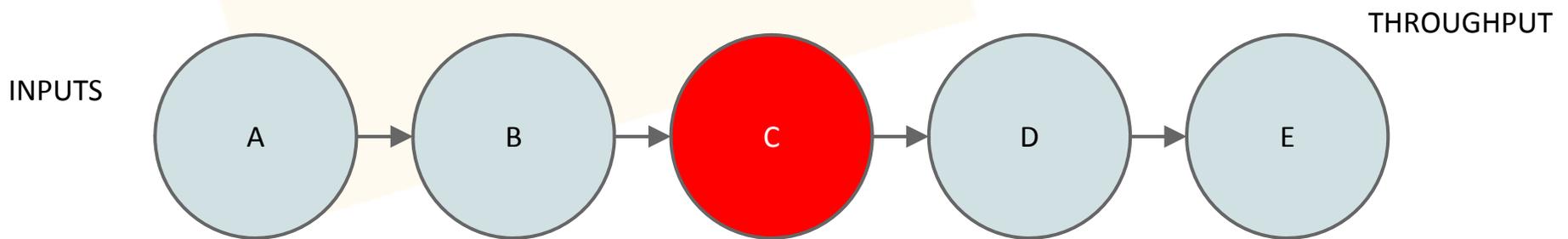


THE CONTROL POINT



The control point may be determined by:

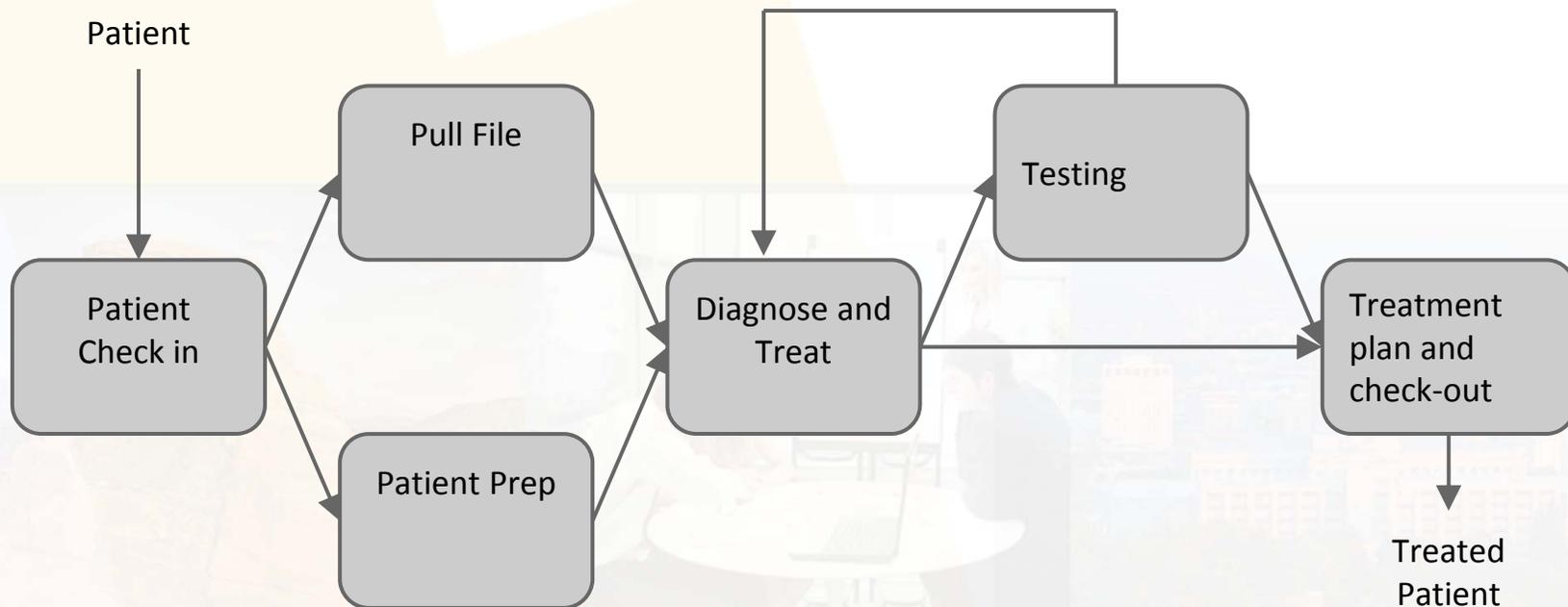
- Highest skilled resource
- Highest valued resource
- Resource that requires the most investment to find or train
- Most value added process step



EXAMPLE: Doctor's Office TOS

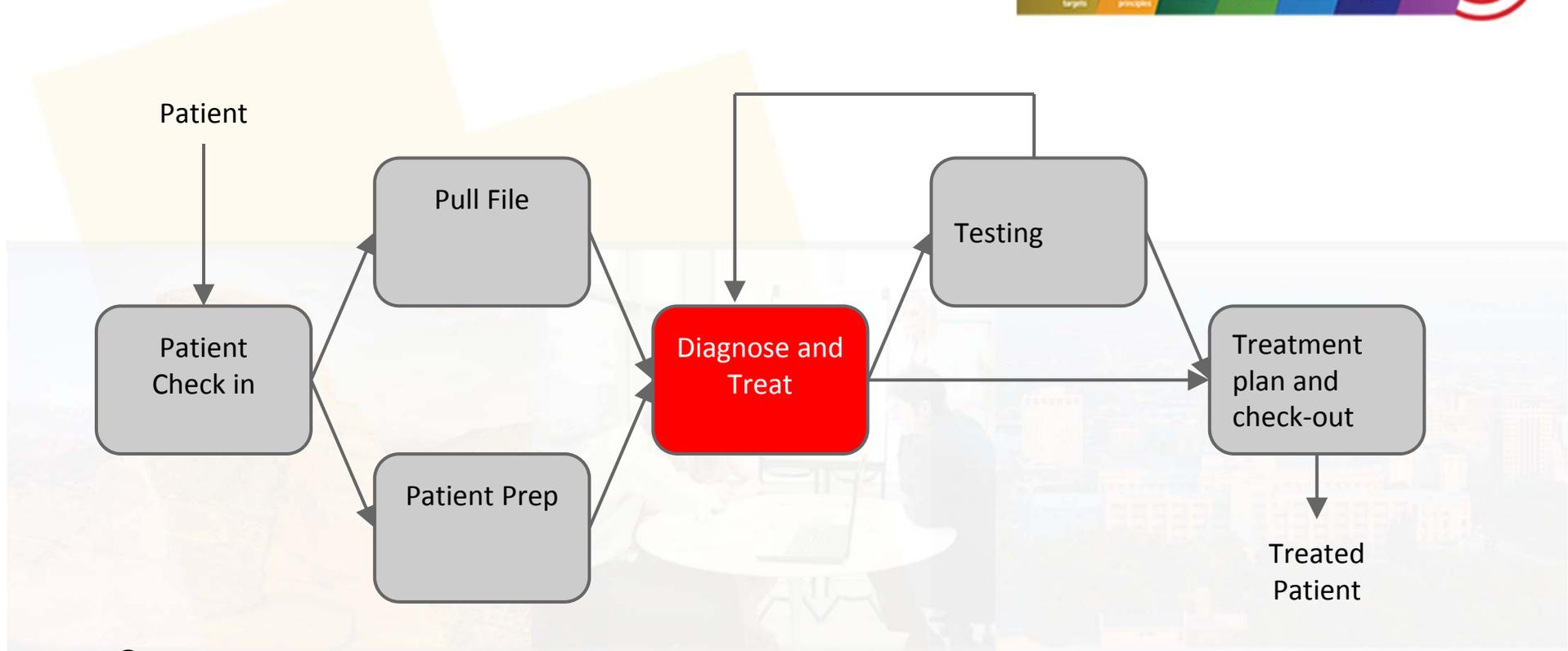


STEP TWO: Identify the control point



- **What should be the control point?**
 - What resource do you want to maximize?
 - What is strategically desirable to regulate the throughput of the system?

EXAMPLE: Dr. Office TOS



- **CONTROL POINT: Diagnose and Treat**
 - The doctor's time and skill are the most rare and therefore, would provide the biggest gain for squeezing the most out of it
 - In this system, clearly all functions are meant to support this activity--it is the anchor of value to the system

MAXIMIZING BLUE LIGHT



Blue Light: A system-critical resource performing its unique value-added activity (e.g. a welder welding)



FOCUSING STEPS



- Select the control point
- Decide how to **MAXIMIZE** the control point
 - Produce more of what it should produce (blue light)
- Ensure that everything else can always support the control point
- Elevate the control point or other specific parts of the system
 - Add resources to it

CONTROL POINT



How to maximize capacity at the control point:

- Make certain it is doing what it should be doing
- Make certain it stops doing what it should not be doing
- Make certain it has the right amount of work to be effective
- Make certain it has what is needed to do the job

TOP 10 WASTES of CAPACITY



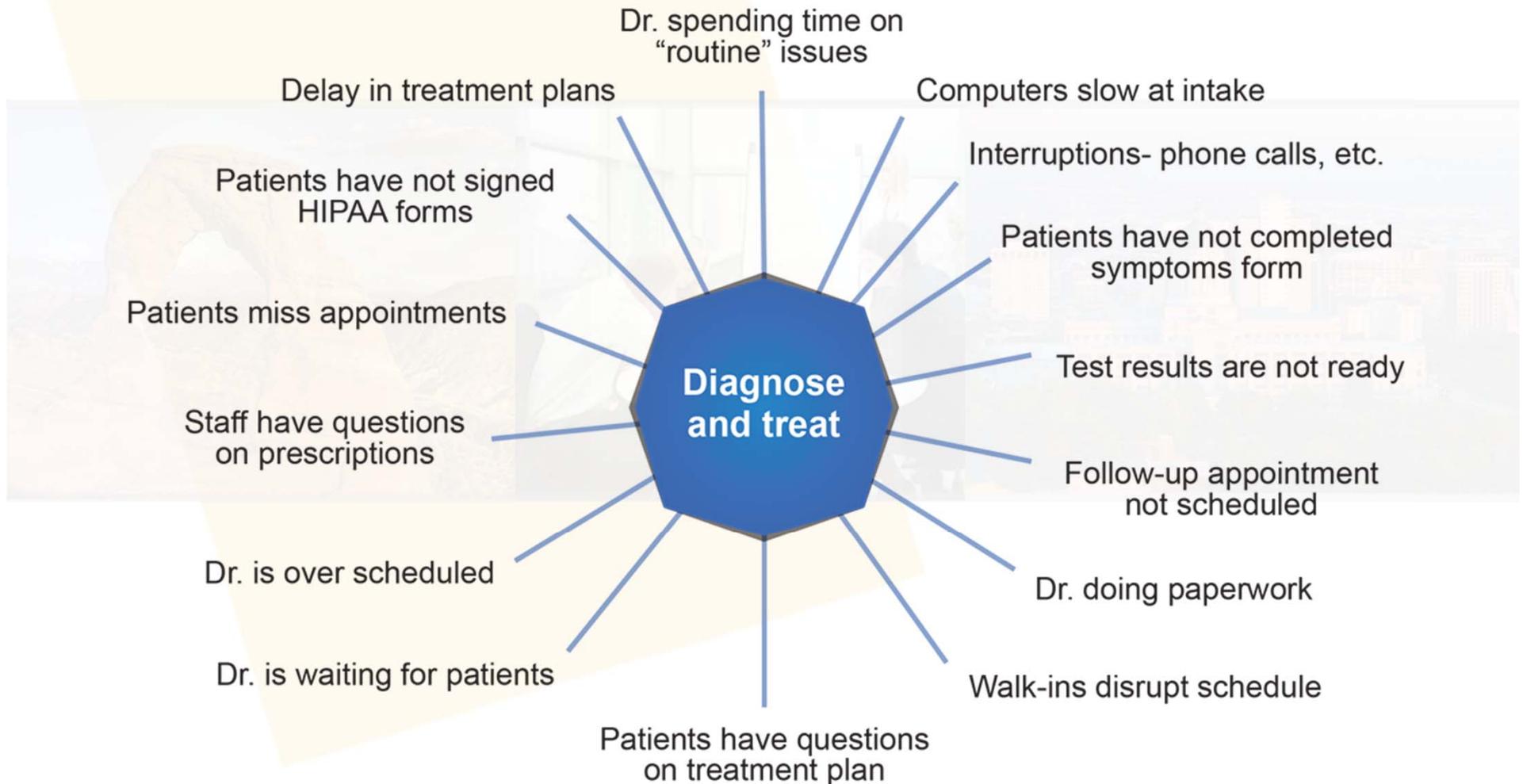
1. Lack of a full kit
2. Bad multi-tasking--pushing too much into the control point
3. Starving the control point
4. Non blue-light activities
5. Poor prioritization
6. Control point burn out--not enough excess capacity (should have 20%)
7. Waiting
8. Lack of skill set in the blue light
9. Rework(s)
10. Bottlenecks

MULTITASKING EXERCISE

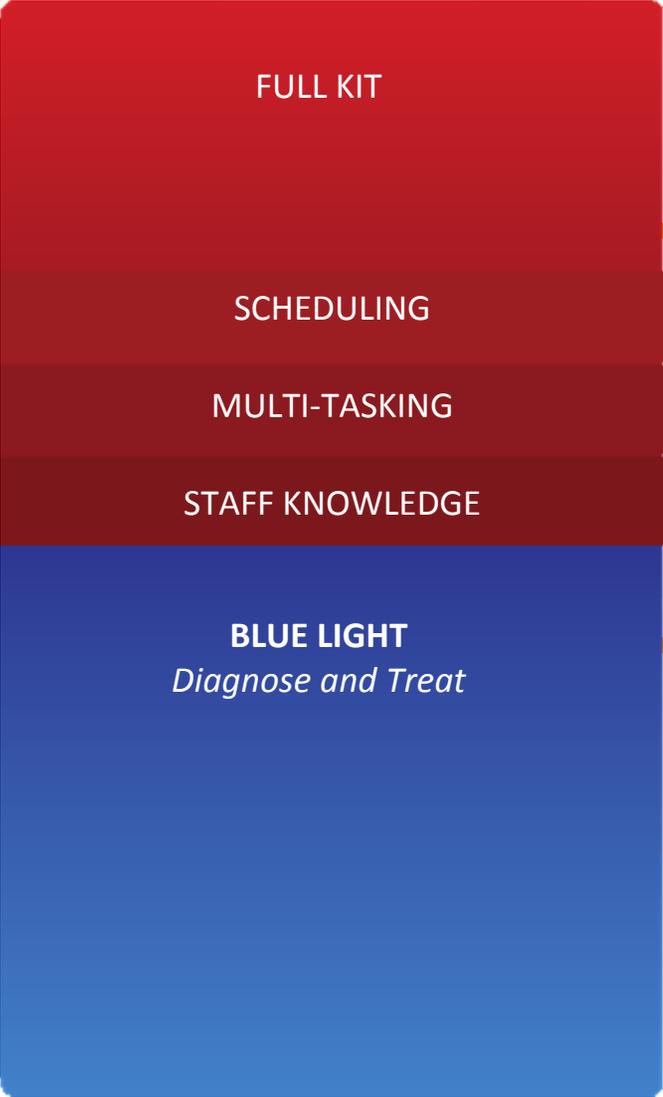


NUMBER	LETTER	SHAPE
1	A	□
2	B	○
3	C	△
4	D	▭
5	E	○
6	F	△

EXAMPLE INTERFERENCE DIAGRAM



EXAMPLE GAP ANALYSIS



→ %?

→ %?

STRATEGY and TACTICS



STRATEGY

A plan to bring about a desired goal such as a solution to a problem

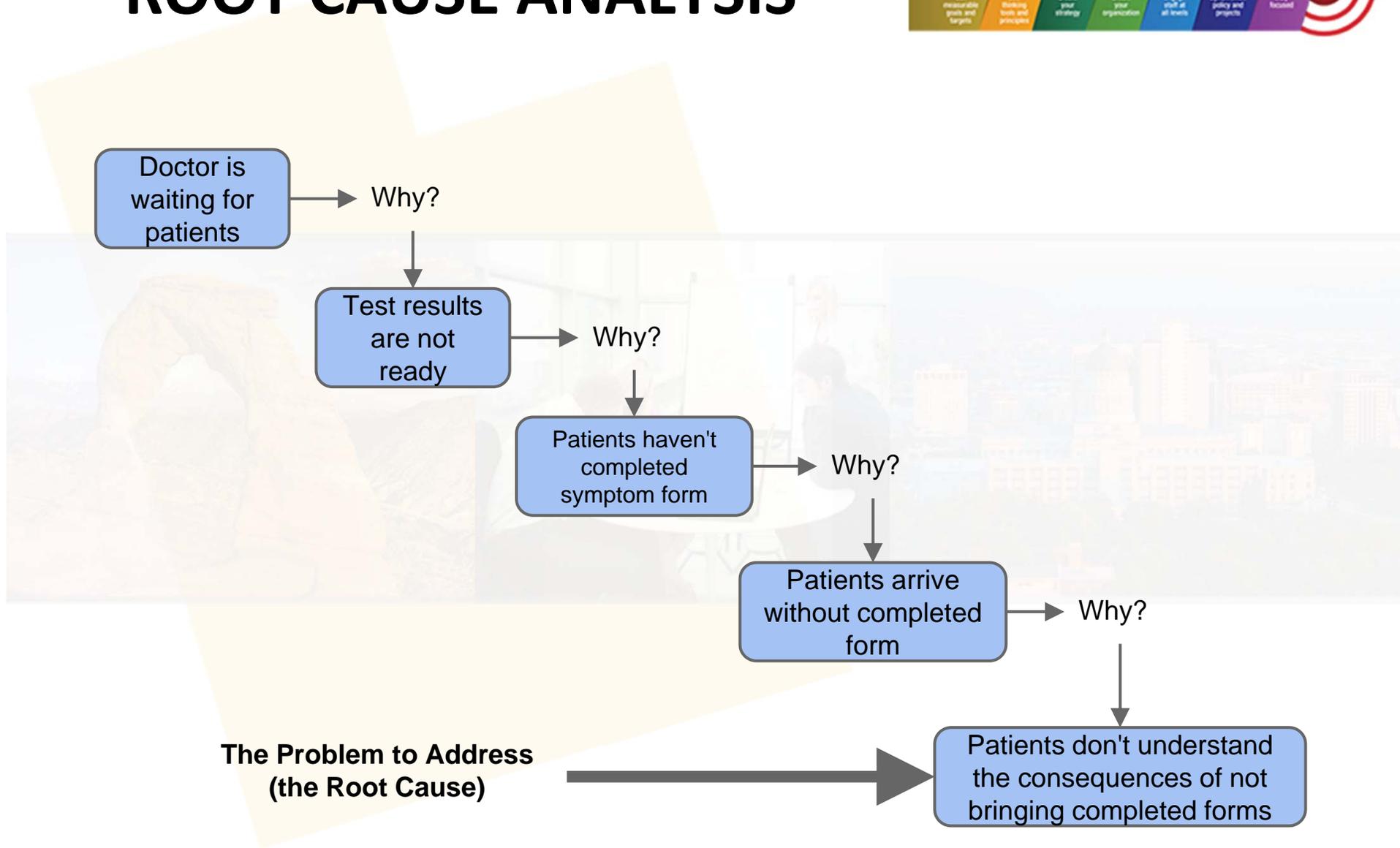
TACTICS

Specific action items to produce improvement according to the strategy

The results of the Gap Analysis help us to identify our **Strategy**. Start with the biggest gap and then move to the next biggest gap until at least 80% blue light is achieved.

The strategy is what we are going to do to mitigate the impact of the bundle.

ROOT CAUSE ANALYSIS





NEXT STEPS



CONNECTING OPERATIONS & THE BUDGET PROCESS



- Ensure investments in budgets result in measurable improvements
- Provide sound data for budget decisions
- Create capacity in operations to:
 - Reduce need for additional budget requests
 - Maintain adequate buffer for workload fluctuations
 - Reinvest resources as appropriate

PROCESS OF ON-GOING IMPROVEMENT



While Governor Herbert has set a 25 percent improvement target, the process of improving is never complete. With never-ending changes in policy, technology, demand and even our own knowledge, the opportunity to improve ***ALWAYS EXISTS.***



For more information, refer to the GOMB website at: gomb.utah.gov

or contact Phil Dean at phildean@utah.gov