

Lean Government Case Study: Executive of Erie County, NY Running County Government Like a Business

Chris Collins was elected Executive of Erie County in November of 2007. A businessman with 35 years of private sector experience, Collins became the first county executive in the nation to implement lean in a government setting.

Collins' approach to government is straightforward, based on what he calls "The 3 R's": Reforming Erie County government, Rebuilding the local economy, and ultimately, Reducing taxes. He used his private sector experience to bring Lean Six Sigma to Erie County government. It's a proven business method to increase efficiency and eliminate waste. It is also designed to empower employees to suggest and implement changes to their work process.

The first wave of Lean Six Sigma projects saved taxpayers millions of dollars. More projects are started every quarter. Just a few of the examples of benefits include:

- Streamlining social services application workflow helped the county save nearly \$144,000.
- The county reduced the cost of park equipment repairs by \$95,000 annually.
- The backlog of child support enforcement cases dropped from 7,281 to 103 in less than a year.

In 2009, after the first two years of deployment, County Executive Collins discussed the county's progress with Quality Digest Daily. Highlights of the discussion are reprinted below.



Quality Digest Daily: How much do you think a methodology like this can help the county save?

Collins: Lean Six Sigma has already saved Erie County millions of dollars. The first set of Lean Six Sigma projects completed in 2008 will have saved taxpayers approximately \$4 million by the end of this year. Additional county employees are being trained each year with new project opportunities being realized. We expect the savings to grow by the millions per year as additional projects are completed.

QDD: Do you have practical examples of how the federal government could make good use of Lean Six Sigma?

Collins: Lean Six Sigma can be applied virtually everywhere. We've used Lean Six Sigma to reduce overtime in our public works department, we've reduced a backlog of child support enforcement cases, reduced the number of children placed in residential treatment centers, and increased reservations at our county parks shelters, just to name a few projects. Each Lean Six Sigma project team looks at a process in county government and outlines ways to increase efficiency and eliminate waste. The same process could work at any level of government. As one example, I think Lean Six Sigma could work wonders when it comes to processes like investigating Medicaid fraud at the state and federal level. The U.S. Army is already using Lean Six Sigma. The town of Clarence in Erie County is also implementing a Lean Six Sigma program based on the county model.

QDD: How do you promote buy in among the county officials?

Collins: We've held Lean Six Sigma training sessions for more than 300 county employees. Seeing positive results so quickly helps them buy into the process. We're also implementing a culture change initiative to enhance how we manage county operations as a business and empower employees. My administration is looking to enable employees to provide better service through enhanced training, improved information circulation, and more opportunities like Lean Six Sigma reform to ensure our taxpayers receive value from our county services. Our deployment model ensures that all county departments are included in training and project opportunities. In fact, our commissioners and department heads are instrumental in identifying and selecting both training candidates and project opportunities. The energy and passion of our Deputy County Executive and Director of Lean Six Sigma ensure that our overall deployment is well executed and sustainable as we continue this journey.

QDD: You have 35 years of business experience in the private sector. Is the application of Lean Six Sigma the same in a governmental environment? What are some of the adjustments you had to make to successfully apply Lean Six Sigma?

Collins: Lean Six Sigma is a defined process improvement method for reducing inefficiency and eliminating waste. The process itself does not vary whether in a business or government setting. I believe the savings achieved by Lean Six Sigma at the government level are extraordinary. In both the public and private sector, Lean Six Sigma is a continuous improvement program.

QDD: How much does the county spend on training, consulting, salaries and wages of county employees trained in Lean Six Sigma?

Collins: For the first two years, 2008 and 2009, we will have expended approximately \$700,000 for the director of Lean Six Sigma position, training, software, and project support. With accumulated savings of more than \$5 million for the same period, this represents a tremendous return only two years into our program. The entire \$700,000 Lean Six Sigma program has been funded through a New York State Efficiency Grant secured by the ECFSA.

For more information, see Erie County's Lean Six Sigma web page:

<http://www.erie.gov/exec/?reform-government/lean-six-sigma-initiative.html>

To Learn More About Lean Government:

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