



Event: Lean in Government

Speaker(s): Eric DeLong, Jeremy Stephens, John Gnodtke, Lt. Governor Brian Calley, Jan Winters, Amy Baumer, Jeremy Slavish, and Nancy Meyer

Date: March 16, 2012

Location: Lansing, MI



Background

This four and one-half hour event provided participants with an overview of how lean is being used to improve government in the city of Grand Rapids and in the State of Michigan. An address by Lt. Governor Brian Calley demonstrated the commitment of the State of Michigan to use lean thinking and principles as part of Michigan's Reinvention and Good Government efforts.

Lean in the City of Grand Rapids

- Presented by Eric DeLong, Deputy City Manager
 - Faced with declining tax revenues, the city looked for ways transform government for a sustainable future.
 - The transformational model used Plan-Do-Check-Act as a means of continuous improvement thinking throughout the process
 - Leadership commitment included the Mayor, City Manager and Deputy City Manager
- o Professional assistance helped guide their journey of using lean tools and thinking
- There was a 25% reduction in staff (through attrition – not layoff) with the same demands
- o Value stream mapping and other lean tools were used as appropriate



- Real Results:
 - o Business fire inspections increased from 500 to 1300 / year
 - o Time for parking refunds reduced from 7-67 days down to 12 minutes
 - o The wait time for housing rehab loan approvals reduced from 9 – 72 days and first time accuracy went from 60 – 95.2%
- “Act your way to a new way of thinking....”
- Check <http://grcity.us/search/Pages/Results.aspx?sq=1&k=lean%20thinking> for information on lean in Grand Rapids

Civil Service Lean Journey

- Jeremy Stephens, State Personnel Director, provided detailed examples of how lean thinking has improved performance without layoffs.
 - o Worked with MSU and UM to concentrate on lean office methods
 - o Focused on lean culture:
 - Measuring
 - Strategic planning
 - Developing others / Supplementing current staff
 - o Results:
 - Headcount reduced from 537 to 408 through attrition
 - Savings of millions of dollars
 - Improved client satisfaction (clients are taxpayers and anyone whom Civil Service deals with)
- John Gnodtke, Office of General Counsel, cited improved operational efficiencies, including:
 - o The Appellate process used to have 4 steps and took 4-8 months; the new process has 2 steps and takes 2-4 weeks
 - o Grievance process had 41 decision points and up to 28 hand-offs; it now has 29 decision points and up to 19 hand-offs
 - o Continuing to question paper reports and need for reports Panel
- Lt. Governor Brian Calley discussed Good Government in Michigan, noting that incremental continuous improvement is necessary but not sufficient.
 - o Transformational management moved Michigan from being 49th out of 50 for business friendly tax code to 7th out of 50
 - o Careful analysis identified that employment growth in good and bad times has come primarily from existing companies, not startups or companies moving here – need to build on this strength
- Other panelists, including Jan Winters, Jeremy Slavish, Eric DeLong and Nancy Meyers provided more information on how lean thinking and culture is improving government in the State and Grand Rapids,
- Jeremy Slavish, Michigan State Police, noted that closing approximately 150 State



Police posts put 150 desk sergeants back on patrol, a 13% increase in police coverage for no additional cost

o Commander Todd Bettison, a participant in the event, offered that lean thinking is helping the performance of Detroit City Police. 90% of the 1200 + calls responding to a home alarm being tripped were false alarms. Alarm companies now verify before calling police, and calls are about 130+ / week.

- Amy Baumer, State of Michigan, and Debra Levantrosser Setman, MLC Board Chair, discussed MLC's role in Good Government and next steps

[View photos from the event on Facebook.](#)

The mission of the MLC is to offer a diverse network of knowledgeable lean professionals who come together to share innovative practices. The organization aims to create a lean culture in Michigan to ensure sustainable competitive advantage, which could translate into healthier businesses that offer more job opportunities leading to economic growth in the state.

The charter members of the MLC include: Amway, Blue Cross Blue Shield of Michigan, DTE Energy, Johnson & Johnson, The Lean Learning Center, Northwestern Michigan College, the Oakland University Pawley Lean Institute and the Michigan Shingo Prize through The Right Place. For more information, visit www.michiganlean.org.