



KING COUNTY AUDITOR'S OFFICE

July 10, 2017

Follow Up on Performance Audit of Lean in King County

TO:

Metropolitan
King County
Councilmembers

FROM:




Kymber WalTMunson,
County Auditor

King County has made significant progress implementing the seven recommendations we made in our 2016 audit examining Lean deployment.

For example, the Continuous Improvement Team (CIT) has developed a maturity model, which it uses to assess overall county progress toward becoming a Lean organization as well as using it to determine where to focus its efforts. It chose to use the Shingo maturity model, which is an internationally recognized model that emphasizes creating a sustainable culture of excellence to achieve positive results. The CIT has also increased the county's capacity to track and measure the results of Lean projects. It has developed a tracking system to comprehensively track the impact of Lean projects as well as conducting trainings for both managers and staff to teach them how to measure results. This strategy provides tools and incentives to the people who actually do the projects and have the greatest insight into the impact of the projects, which also provides greater accountability and likelihood that results will be sustained. The CIT needs to take additional actions to document and provide to the King County Council the purpose of Lean deployment. This purpose should be clear enough that it can be used to make decisions about which areas of county government Lean should be used in and to prioritize potential projects. By providing an unambiguous goal, the CIT can align expectations with other county stakeholders about what Lean can and should accomplish.

Of the 7 audit recommendations:



	4		3		0
DONE		PROGRESS		OPEN	
Fully implemented		Partially implemented		Remain unresolved	
Auditor will no longer monitor.		Auditor will continue to monitor.		Auditor will continue to monitor.	

Please see below for details on the implementation status of these recommendations.

Recommendation 1

PROGRESS 

The County Executive should clearly document, and submit to the County Council for consideration, the purpose of Lean deployment in King County.

STATUS UPDATE: The Executive transmitted a document to the Council on August 15, 2016, which stated that the "purpose of Lean is to create greater value for our customers by continuously expanding our capabilities to provide improved services and products that they care about most." While this is a laudable goal, it does not provide guidance or clarity on how projects will be selected or what metrics stakeholders can use to determine if Lean deployment is meeting its goals. In order to fully implement this recommendation, the Executive should clearly identify and document the goal of Lean deployment so that decision-makers can prioritize potential Lean projects and determine to what extent projects are meeting this goal.

Recommendation 2

PROGRESS 

The County Executive should demonstrate how the purpose of Lean deployment noted in Recommendation 1 is used to prioritize Lean resources.

STATUS UPDATE: Implementing this recommendation is predicated on implementing recommendation 1.

Recommendation 3

DONE 

The County Executive should develop and implement a comprehensive system to track Lean deployment that can inform planning and reporting.

STATUS UPDATE: During the course of our audit, the CIT adopted a system to track and monitor Lean projects. Since the audit, it has continued to refine and populate this tool. The team indicated that it is also working with departments to help train staff on how to track and monitor their own projects. By implementing our recommendation, the team is able to quantify and evaluate the effectiveness of Lean projects, which will help it identify and plan future projects in a comprehensive and objective manner.

Recommendation 4

DONE 

The Continuous Improvement Team should help agencies deploying Lean improve the measurement of results from process improvement efforts.

STATUS UPDATE: According to the CIT, helping agencies measure the results of Lean projects is one of its primary goals. It developed a metrics guide that agencies can use to more effectively measure the impact of Lean projects, and it holds training sessions to help teach staff members and department leadership about both the importance of quantifying impact and how to do it. By implementing this recommendation, King County stakeholders now have a clearer understanding about what Lean is achieving. The CIT has much better data on what is working and what is not, so that stakeholders can make better decisions about where to prioritize Lean resources, and what types of projects have the greatest return on investment.

Recommendation 5

DONE 

The Continuous Improvement Team should develop and implement a strategy to assess the impact of Lean on employee engagement.

STATUS UPDATE: The CIT has identified relevant questions within King County's annual Employee Engagement Survey that it will use to baseline and track changes in employee engagement. Because respect for people and improving culture are two areas that King County's Lean deployment has focused on, it is important for the County to have a means to determine to what extent Lean projects have had an impact. Using the existing survey to measure changes is an efficient and effective means to measure impact without incurring the cost of a new measurement system. Using the survey to measure changes in employee engagement will provide decision-makers an objective tool to determine to what extent Lean projects have been successful in increasing engagement as well as identify areas where more work remains to be done.

Recommendation 6

DONE 

The County Executive, working with the Continuous Improvement Team, should use the auditor's maturity model or another comprehensive maturity model to determine how to prioritize Lean resources and assess progress toward mature Lean deployment.

STATUS UPDATE: The CIT reviewed existing maturity models including the one we used in our report. It chose to develop its own model using concepts and components of several other existing models. Since developing its model, the CIT conducted an assessment of the county's Lean maturity using this model as well as establishing goals for where it plans to focus efforts to improve the maturity level. By using this model to measure its maturity, the team was able to establish a consensus around where it currently is in terms of Lean deployment and where it needs to focus its efforts in order to improve. Using a maturity model provides a clear and objective means to baseline the program, measure progress, and set goals.

Recommendation 7

PROGRESS 

The County Executive should document the alignment of Lean activities with the strategic goals of the County and/or agencies.

STATUS UPDATE: The CIT has committed to aligning Lean activities with the strategic goals of the county; however, this effort has been complicated by delays in approval of the plan. We will evaluate the alignment of Lean activities with the updated King County Strategic Plan, once that plan is finalized and approved.



KING COUNTY AUDITOR'S OFFICE

Ben Thompson, Deputy County Auditor, and Elise Garvey, Management Auditor, conducted this review. Please contact Ben at 206-477-1035 if you have any questions about the issues discussed in this letter.

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