

Lean Six Sigma Methodology in Santa Clara County

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EXECUTIVE SUMMARY

The Lean Six Sigma methodology is an innovative way to implement changes in a systematic manner. It involves four core principles that will help improve efficiency and measure results quickly. The methodology not only has client values embedded

in its principles but also adds value to staff members. This methodology has been proven effective as it has improved the CalFresh accuracy rate for the county that adopted this change.

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Introduction

Residing in the heart of Silicon Valley, the Santa Clara County Social Services Agency (SCCSSA) takes pride in its innovative and forward-thinking approach. Implementing unit-based caseloads for a call center environment and pioneering the reintroduction of Able-Bodied Adults Without Dependents (ABAWD) are one of the many initiatives that were successful. Executing these changes required numerous meetings, strategic planning, many adjustments, and a great deal of patience. The same implementation planning processes have been used for all changes because they seem to work. New initiatives are started effectively, no major disasters have occurred, staff are receptive to the changes, and, most of all, clients are being aided accurately and in a timely manner. But, will implementing new business processes and policies the same way it has always been done benefit the SCCSSA in the long run? Does the “don’t fix what’s not broken” principle help or hinder the SCCSSA in a world that has continuous advances in technology, communication, and policies? The answer is that the “don’t fix what’s not broken” principle may hinder upcoming efforts in the SCCSSA. It may be a hindrance because this approach, although effective, is not systematic. Most implementation plans are to create a workgroup, meet, make decisions, adjust, and remember the lessons learned. The SCCSSA will benefit from a methodology that will reduce costs while measuring success in a pragmatic, time-tested, and streamlined manner. The Lean Six Sigma methodology fits perfectly with the demands of the organization because the process is targeted with a simple goal to reduce cost, increase effectiveness, and is measured

to ensure that the goal is met. This methodology will help the SCCSSA meet the demands of an ever-changing environment without losing focus on community needs.

The Lean Six Sigma Methodology

The Lean Six Sigma methodology is a process that builds an organization’s effectiveness by removing waste and improving deficiencies. It has four core principles: Customer Value, Waste, Respect for People, and Continuous Improvement.

Customer value not only means the value of output to the end customer (clients), it also the value of the internal customers (staff). Providing staff an environment where they feel welcomed, important, and valued improves productivity and builds relationships across departments. It also can lead to serving clients more efficiently. Understanding the importance of end customers and how they are affected by the decisions made in the SCCSSA is valuable. Ensuring that the community is served in a respectful, accurate, and timely manner is a common goal. Understanding the value of staff who serve the community should be an organizational goal, too.

Waste, for this methodology, is based on eight factors:

1. Errors – Producing and correcting
2. Overproduction – Too much of a product
3. Waiting/Pending – Idle time, block work, waiting for work
4. Not utilizing knowledge, skills, and abilities of all staff
5. Transportation – Relocating, equipment, supplies, products
6. Motion – Movement of people

7. Inventory – Excessiveness of supplies, product
8. Extra Processing – Unnecessary steps, questions, paperwork, rework

The fact is that no one likes waste, and these eight factors can cost the SCCSSA money, time, and effort. Adopting a methodology that eliminates waste is a smart decision. The goLeanSIX SIGMA website states that “Ventura County Public Works Agency (VCPWA) has saved nearly \$7 million in cost avoidance with Lean Six Sigma efficiency programs.” Therefore, identifying and eliminating waste is essential to success in the Lean process.

Respect for people is another key principle in the Lean methodology. Respecting people, including the people who are doing the work, is critical in developing a healthy system. Respect for people can be defined as providing a safe space for all to share their thoughts, explore creativity, and provide solutions. It will also involve trust, not only in subordinate staff but also in management. Creating a culture of respect and trust will improve productivity and employee well-being.

Continuous improvement can be defined as a process that identifies potential problems and finds solutions quickly and effectively. This improvement process should be embedded in all levels of an organization as a routine process. Implementing a continuous improvement process will help the SCCSSA work in a proactive manner instead of being reactive. Capturing data is an effective way to determine improvement efforts. Leveraging the knowledge, skills, and abilities of staff will directly impact improvements in a positive way. However, this should be done in a structured manner with a root cause analysis, effective planning, and communication across the board.

Implementing the Lean Methodology at Staff Development and Training

The County of San Mateo Human Services Agency implemented the Lean Six Sigma methodology in October 2015 and established a Lean Design Team in

April of 2017. The results of implementing this methodology have been impressive. The backlog in processing renewal applications has been reduced from over forty thousand in 2013 to less than five thousand in 2017. The CalFresh payment accuracy rate increased from 73% in 2015 to 95% in June of 2018. Considering these improvements, it is recommended that the SCCSSA implement this methodology.

Implementing the Lean Six Sigma methodology will require additional costs and time.

Although there are six different certifications that one can acquire – Lean Management, White Belt, Yellow Belt, Green Belt, Black Belt, and Master Black Belt – the white belt certification is the best fit for the initial implementation. The most cost-effective Lean Six Sigma methodology training facility is in San Diego, so there will be additional costs such as flights, car rentals, and lodging. It is recommended that three Staff Development Specialists attend an eight-hour training to obtain the white belt certification; the training has a cost of three hundred and fifty dollars per person. These three trainers will learn and practice the basic methodologies and obtain the tools needed. By the end of the training, they will have the skills and knowledge necessary to demonstrate team leadership, define and execute small Lean Six Sigma projects, and implement practical tools using the methodology. After practicing the methodology for six months, they will attend a forty-hour Black Belt training that has a cost of one thousand two hundred dollars per person. A person certified as a Lean Six Sigma Black Belt is trained in advanced methodologies and will learn the skills to train and mentor staff on the methodologies. Upon becoming certified, these trainers will plan and deliver the Lean Six Sigma methodology training to staff in leadership roles and staff that are part of workflow committees throughout the SCCSSA. Training SCCSSA staff will take approximately six months of initial training and, upon implementation, should continue to meet on a quarterly basis. The chart in *Figure 1* provides a snapshot of the costs and time it will take to implement the Lean Six

FIGURE 1
Costs and Time to Implement the Lean Six Sigma Methodology in the SCCSSA

1.	COST	TIME
White Belt Certification	\$350 x 3 = \$1,050	8 hours
~ White Belt Trip Expenses	\$1,000 x 3 = \$3,000	0
White Belt County Practice	\$0	6 months
Black Belt Certification	\$1,200 x 3 = \$3,600	40 hours
~ Black Belt Trip Expenses	\$1,600 x 3 = \$4,800	0
Training SCCSSA Staff	\$0	6 months
~ Total	\$12,450	1 year and 6 days

Sigma methodology in the SCCSSA. Upon looking at the chart one can clearly identify that the cost is low and the implementation will not take too long.

Overcoming Implementation Challenges

There will be challenges faced during the implementation process. Some of the challenges that can be anticipated based on other county experiences are synchronizing efforts, setting initial goals and targets, and bridging departmental silos. Yet experiencing these challenges can be another opportunity to practice the Lean Six Sigma methodology.

Getting everyone to be on the same page in a large organization will be difficult to achieve. However, with continuous communication and support it can be achieved. Providing a safe space to talk about the challenges of trying to get everyone on the same page can lead to effective synchronization.

Establishing goals and targets can also have challenges. The differences in how one sets and measures goals vary. Not everyone will agree on how long a change in process should take. It is important that goals, targets, and timing are agreed upon by everyone. Understanding and agreeing to the set parameters will make the implementation process smoother.

Additionally, bridging departmental silos will be extremely difficult but is necessary for success. Overcoming this challenge will require the leadership team to start working together more and

communicate more often. An initiative that is started in one department can easily be adapted in another. The SCCSSA has clients that are seen across departments and efforts to streamline the referral process is vital to the community. New initiatives should be communicated amongst the different departments to invoke partnership and collaboration. Communicating new efforts will not only help bridge the departmental silos but will also help serve the community in a quicker more efficient manner.

Conclusion

The Lean Six Sigma methodology is recommended to the SCCSSA because it is a methodology that is low in cost, saves time, and can be effective amid different departments. Based on successes in other counties, this methodology has improved accuracy in providing benefits and improved the client experience. Establishing a systematic approach when implementing change in the SCCSSA will benefit clients and staff.

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References

n.d., *goLeanSIX SIGMA*, accessed May 1, 2019, <https://goleansixsigma.com/ventura-county-attributes-4-million-of-its-savings-to-lean-six-sigma/>.