

## Lean Process Improvement Plan Guidance

### Purpose and Scope

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The purpose of this document is to advise agencies of Lean Process Improvement Plan requirements. These plans will ensure consistency with both a statewide performance management strategy and the budget process. Lean process improvement projects should set out to transform and improve the services provided to New York citizens, businesses, and other consumers.

### Lean Program in New York State

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Building on the successes achieved by the NYS Lean Program, DOB and the Executive Chamber are moving forward with integrated performance management and planning methods that focus on strategic priorities which support agency missions. As part of the agency Strategic Planning process, agencies are required to identify strategic Lean process improvement projects for the upcoming fiscal year that enable successful achievement of the goals and objectives identified in the agency Strategic and Annual Performance Plans.

### What is Lean?

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Lean is a philosophy that focuses on customer value through a systematic method for eliminating waste. To learn more about Lean, contact the NYS Lean Office or the Lean contact designated by your agency.

### Lean Process Improvement Plan Required Elements

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Agency Lean Process Improvement Plans for the 2018 fiscal year (Template C, “Upcoming Fiscal Year” tab) consist of the following:

- A list of Lean projects for the upcoming fiscal year, including a brief description of each project;
- Estimated completion timeframe for each project by fiscal year quarter;
- Identification of Lean projects which have a direct correlation to the agency Strategic and Annual Performance Plan goals;
- Project Type for each project (mission critical, customer service, support service-related, new legislation-related, and/or a Governor’s initiative); and
- Impacts for each project (anticipating costs saved or avoided, revenue potential, cycle time or response time improvements, and/or process efficiency).

In addition, agencies are asked to submit a list of Lean projects that are currently underway in the current fiscal year (Template C, “Current Fiscal Year” tab), which

includes the following: i) Lean projects for the current fiscal year, including a brief description of each project, ii) estimated completion date for each project, iii) project type for each project, and iv) impacts for each project.

## New York State Lean Model

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Lean projects should be identified and developed in accordance with the New York State Lean Model. It is expected that the Lean efforts are distributed across all divisions of an agency and are aligned with the goals and objectives defined in the agency's Strategic Plan. A visualization of the integration between agency Strategic Plans and Lean process improvement projects is depicted by the diagram below.



Agencies should focus their effort and resources on Lean projects that deliver high value to the organization. In project identification and priority setting, agencies are encouraged to work closely with, and leverage synergies between, cross-cutting agency initiatives including: performance management, ethics, risk and compliance, and internal controls. Factors agencies should consider when selecting projects include: improving customer service, reducing staffing levels and backlogs, automating processes through the use of technology, increasing revenue potential, addressing new legislation, and reducing overtime/outsourcing.

## Project Types and Identification of Projects

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The number of projects submitted should be commensurate with the agency size, number of full-time employees dedicated to Lean, and number of active Empire Belts. Your plans will be reviewed for adequacy by DOB, the Executive Chamber and NYS Lean Office.

Lean process improvement projects should be categorized into several primary types:

- **Mission critical:** projects that improve services critical to the constituents of a particular program (e.g. mental health hospital admission processes, housing assistance support, veterans' services).
- **Customer service:** projects that focus on key customer-provider interactions (e.g. call center operations, permit and license applications).
- **Support service:** projects that address processes for key support services (e.g. grant management, purchasing activities).
- **Governor's initiative:** projects that support the successful execution of a Governor's initiative.

## **Project Impact**

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A carefully selected project should aim to accomplish at least one of the following:

- **Costs saved or avoided:** reductions in existing costs or a measure of financial benefit related to reduced spending resulting directly from a process improvement project;
- **Cycle time or process time improvements:** time efficiencies resulting directly from a process improvement project; and
- **Process efficiency:** elimination of unnecessary steps, improvement of quality rate with the same or fewer resources required, with an emphasis on improved service levels.