HARVARD Kennedy School
ASH CENTER
for Democratic Governance
and Innovation

Case Study: Performance Management and Lean
Process Improvement — Results Washington

An Operational Excellence in Government
Success Story

Jane Wiseman

Ash Center for Democratic Governance and Innovation
Harvard Kennedy School

July 2017

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ACKNOWLEDGEMENTS

EXECUTIVE SUMMARY

In 2016, the Ash Center for Democratic Governance and Innovation at Harvard Kennedy School received funding from the Laura and John Arnold Foundation to launch the *Operational Excellence in Government Project*. The goal of the project is to identify operational efficiency successes across state and local government, and to celebrate and publicize those successes via the project website at https://www.innovations.harvard.edu/opex. The site makes available for the first time from a single searchable portal, 30 existing studies of government efficiency.

This case study is one of three highlighting successes identified as part of the Operational Excellence in Government Project. The purpose of the case studies is to elevate and document the successes, and in doing so to provide a greater amount of detail than is typically available about such efforts. The case studies explain the implementation steps, the key challenges, and the driving factors for success. With this work, we hope to reduce the cost of identifying opportunities for efficiency and cost savings across all layers of government, and to accelerate the transfer and deployment of successful cases.

This case study describes how the state of Washington implemented two key operational efficiency strategies for government — performance management and employee-driven process improvement. The effort, called Results Washington, sets priorities and then focuses on delivery to achieve results that make a difference in the lives of Washingtonians. Results Washington was launched in 2013 by Governor Jay Inslee. He established five top-priority statewide goals and challenged state government leaders to track their progress against these goals and to apply Lean thinking and tools to improve their processes. Highlights of the success of the initiative include:

Performance management. Every activity of state government aligns with one of five priority goals: World-Class Education; Prosperous Economy; Sustainable Energy and a Clean Environment; Healthy and Safe Communities; and Effective, Efficient, and Accountable Government. Indicators of progress toward these goals are tracked on a

public dashboard (www.results.wa.gov), and the underlying data is publicly available too. Success to date includes:

- 50 percent of the nearly 200 Results Washington goals are on track to meet or beat targets
- Many of the indicators tracked are complex challenges that require collaboration across departmental lines, such as homelessness, pollution, offender recidivism, and teen pregnancy. State employees work with private and non-profit partners as well as customers to devise strategies to deliver results.
- Monthly progress meetings are public and are also live-streamed. All data, agendas, and meeting results are published to the Results Washington website.

Process improvement. Lean process improvement empowers employees to remove bottlenecks and unneeded processing steps. This puts problem solving where it is most powerful, in the hands of those who best understand processes- from the front-lines of service delivery to backend administration. This approach has proven success-ful- a study showed that $4.5 in value to taxpayers is returned for every $1 invested in the Lean process improvement program. A total of $33 million in savings and avoided costs have been achieved, as well as countless hours saved via streamlined processes, resulting in improved customer satisfaction. Selected individual project results include:

- One million hours[1] of time saved waiting in Department of Licensing lobbies using process improvements and partnering with private driver-training schools
- 15-percent[2] decrease in speed-related deaths
- 20-percent[3] faster processing of DNA tests at the Crime Lab, reducing the back-log by 10 percent and cutting staff overtime 56 percent
- $6.2 million in recovered overpayments from Department of Labor and Indus-tries, a 28-percent increase in one year
- $2.3 million in savings a year on long-distance phone calls

One key to the success of Results Washington is that it is both top-down and bottom-up. Top-level executive sponsorship has been consistent and high profile — the governor not only presides over monthly meetings, he walks around in state agencies

asking employees for input and holds department heads accountable for delivering results that span the silos of government. Employees are empowered — a third of the workforce has been trained in how to improve processes, and 11 percent of all state employees have participated in a Lean process improvement project — it is becoming part of the organizational culture.

The state employees who have accomplished this did not do it alone — the public and the private sectors both contributed. The public contributes ideas via an interactive survey on the state website and through public results meetings. Private-sector Lean process improvement experts from 130 companies have contributed thousands of hours of expertise teaching, coaching, and mentoring state staff working on process improvement projects.

Other state and local governments do not need to reinvent the wheel but can instead borrow from what Washington has done on both performance measurement and process improvement. As Rich Roesler, former acting director of Results Washington says, "We steal ideas from other states and welcome people to steal our ideas."

The pages that follow describe how Results Washington was implemented and how it operates, and provides resources to help other jurisdictions achieve more efficient operations.

WASHINGTON STATE SNAPSHOT

Population:	7,170,000
State Employees:	100,000
2017–2019 Budget:	$34 billion

CONTEXT: PERFORMANCE MANAGEMENT AND PROCESS IMPROVEMENT IN GOVERNMENT

RESULTS WASHINGTON: AT A GLANCE

- Five priority goal areas set the state's strategy and allow alignment of actions to intended results

- More than 31,000 state employees have been trained in Lean methods and tools

- More than 11,000 state employees have participated in a Lean process improvement project

- More than 50 percent of the nearly 200 Results Washington goals are on track to meet or beat targets

In recent decades, two approaches to operational excellence in government have gained momentum — performance management to help executives focus on achieving results, and Lean process improvement to empower employees to develop more efficient methods of doing their work. The studies of government efficiency compiled by the Operational Excellence in Government Project often reference these approaches either explicitly or by implicitly advocating their effectiveness. This case study describes how performance management and Lean process improvement were applied simultaneously in state government with Results Washington in Washington State.

Performance management in government. Using data to manage government operations in performance "stat" programs has gained popularity since CitiStat in Baltimore won the 2004 Harvard Innovations in American Government Award.[4] CitiStat built on and expanded the analytical approach of CompStat, which applied data analysis at the neighborhood level to the deployment of police resources and enabled a new

PERFORMANCE MANAGEMENT DEFINED

According to the Government Finance Officers Association: Performance management comprises the concerted actions an organization takes to apply objective information to management and policy making in order to improve results. Performance management uses evidence from measurement to support governmental planning, funding, and operations. Better information enables elected officials and managers to recognize success, identify problem areas, and respond with appropriate actions — to learn from experience and apply that knowledge to better serve the public.

management approach based on individual manager accountability. CompStat (short for "computer statistics") was the management innovation of William Bratton as police commissioner in the 1990s in New York City, who believed that measuring police efforts was the key to motivation and success. In his words, "Goals become a means not only of measuring success but of replacing unproductive or

counterproductive behaviors with effective, goal-oriented activity."[5] The New York City Police Department won the Innovations in American Government Award[6] in 1996 for this work. While this approach was innovative when Bratton applied it a quarter-century ago to the NYPD, the concept of measurement to drive focus was not entirely new in government. As far back as 1932,[7] the International City/County Management Association published a series of articles on performance management to improve performance in the public sector. Using data to drive performance is a proven approach and Washington State has further demonstrated its efficacy.

Lean process improvement in government. Lean process improvement is a methodology for empowering frontline staff to think like customers and streamline processes by eliminating steps that do not add value or that waste resources. This staff-led innovation methodology became widely known when it was used by Toyota in the 1970s and 80s to reengineer their manufacturing processes. Lean management principles have been applied in the government context to solve problems like a slow process to get a permit or a long line to get a license.

Denver is a pioneer in applying Lean methods to the municipal context, with its process improvement Peak Academy now in its sixth year. Over 5,000 employees have completed the curriculum on process improvement, creating projects that have saved the city $15 million since the project began. While it was initially an experimental pilot, to be discontinued if it did not produce results, it did demonstrate results[8] within the first year, returning $3 for every $1 invested. In the second year, the return on investment was $5 for every dollar of cost.

Now, many other municipalities are following Denver's lead, with San Diego creating an Operational Excellence Academy, and Kansas City, Missouri; San Francisco; and Chattanooga leveraging Denver's content and tools to create their own academies.

ABOUT THE PROJECT

What is Results Washington? Results Washington, an initiative launched by Washington Governor Jay Inslee in 2013, established five top-priority statewide goals, and challenges state government leaders to track their progress against these goals and to apply Lean thinking and tools to improve their processes. The aim of the effort is to hold state government accountable for delivering results for the people of Washington.

The five priority goals can be found on the Results Washington website, www .results.wa.gov, and are outlined in Figure 1 below.

Figure 1: Results Washington Priority Goals

World Class Education

Prosperous Economy

Sustainable Energy and a Clean Environment

Healthy and Safe Communities

Effective, Efficient and Accountable Government

A public dashboard[9] shows progress toward achieving the five goals, as well as progress on contributing indicators tracked within the goals. For each item, the target and current status detail is available by drilling down to the next level of the dashboard, available at www.results.wa.gov.

Many of the indicators tracked are complex challenges, such as homelessness, struggling students, pollution, offender recidivism, traffic fatalities, smoking, teen pregnancy, and loss of critical habitat. Achieving results typically requires multiagency teams, with state government and its private and nonprofit partners and customers collaborating on strategies, targets, timelines, and action plans.

The governor presides over monthly public results meetings, aptly described by Rich Roesler, former acting director of Results Washington, "Get the right people in the room, look at the data, talk about what's working, what's not, and try to move the needle on big picture cross-agency improvement work for the state."

What makes it innovative? While many performance management efforts in state and local government have been successful, Results Washington is the largest, longest-standing effort to integrate both performance management and Lean process improvement in government. It is this combination of data-driven executive attention to results and using performance data to inform the budget process, tied with employee-level input on process improvement via the Lean methodology, that has produced such dramatic results. This culture change is not top-down or bottom-up — it is both simultaneously, and that is what is transformational. As Governor Jay Inslee says, "We're building a culture of continual improvement."

We're building a culture of continual improvement.
— Governor Jay Inslee

Another aspect of this innovation is the desire to go beyond things that are easy to measure, i.e., the data-ready individual initiatives in departments. Instead, in launching Results Washington, the governor chose to be ambitious and to reach across departmental boundaries. He said, "Let's go bold, let's look at poverty, let's look at graduation rates, let's look at clean air. Let's look at the things that Washingtonians care most about."[10]

Results in brief. This relentless focus on delivery has resulted in over half of the nearly 200 goals being at or above their targets — impressive given that so many are ambitious stretch goals. The public has been brought into the conversation in multiple ways, providing real connection for state employees to the results they produce. A 2014 report indicated that the Lean program returned $4.5 for every $1 invested in the program, with $33 million in savings and avoided costs, as well as countless hours saved via streamlined processes, resulting in improved customer satisfaction.

IMPLEMENTATION DETAILS

Context: Starting from a solid foundation. Washington State, with a $34 billion budget and 100,000 state employees, has long been a leader in finding new ways to make government better. In 1983,[11] the state legislature created the Washington State Institute for Public Policy, now a nationally respected source of cost-benefit analysis and nonpartisan research on the effectiveness of government programs. In the 1990s, Washington was a pioneer in implementing "budgeting for outcomes," a method of achieving a higher return on taxpayer funds through a results-oriented budget process. The previous governor, Christine Gregoire, introduced a performance management initiative called the Government Management Accountability and Performance program, which began the official path toward greater measurement and accountability. All of these set the stage for a successful launch of Results Washington.

Establishing Results Washington: Priority setting and an Executive Order. As former Acting Director Rich Roesler says, "Step one is to decide what matters." The priority setting was done by the governor, his cabinet, and his Results Washington team, and they came up with five general goal categories, representing areas Washingtonians cared about and where the team felt they could move the needle and make a difference. With these five priorities in mind, Results Washington was created in 2013 by an Executive Order[12] from Governor Jay Inslee. The governor campaigned on a platform of taking the waste out of government using Lean process improvement.

Step one is to decide what matters.
— Rich Roesler

He had a true focus on the public, asking[13] early on about the existing performance management program, "How many citizens are engaged?" The emphasis on the public as the customer of government was clear from the start. The Executive Order reads, in part:

> Washington State and its public servants are committed to the continuous improvement of services, outcomes, and performance of state government, to realize a safe, beautiful, and healthy place to live and work. In order to achieve these aims, "Results Washington," an innovative, data-driven, performance management initiative, will drive the operations of state government through Lean

thinking. This initiative will aid state leaders in fact-based decision-making, enhancing the breadth of understanding, focus, and commitment to our customers — all Washingtonians.

Expertise from the outside on roadmap and implementation planning. Once the governor and the Results Washington team had established the five priority goals, a consulting firm was engaged to guide some key project start-up tasks. The consulting firm created a "collaborative client value lab"[14] to work in partnership with the Results Washington team from the state. There were two key activities that were a valuable use of the consultants:

- Consultants led a series of workshops and facilitated difficult discussions, mapping each of the strategies to one of the five goals. The result of these facilitated discussions were goal maps that identified the interrelationships among strategies, the relationships between strategies and goals, and the resources required to achieve performance targets. More than 50 agency directors participated in these cross-agency discussions, with one team including 11 agency directors. The discussions continued until there was consensus on the overarching goals that would bring the most value to the public. According to Wendy Korthuis-Smith, director of Results Washington at the time of launch, "There were dozens of iterations of the maps, and when we rolled it out we asked the input of Washingtonians, too."[15] A sample goal map is presented in Figure 2.

Figure 2: Results Washington Sample Goal Map, Goal 4: Healthy & Safe Communities

Goal 4: Healthy & safe communities - Goal map

Click on any numbered box below for more information.

Healthy People | Safe People | Supported People

HEALTHY PEOPLE
Provide access to good medical care to improve people's lives

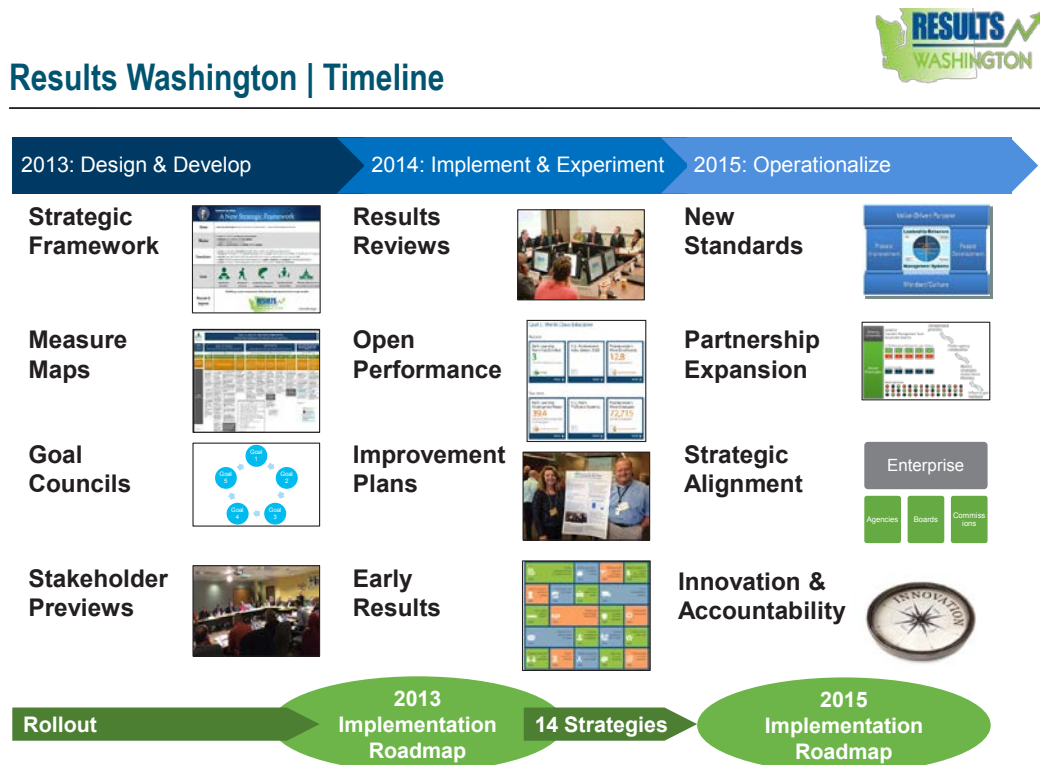| HEALTHY BABIES	HEALTHY YOUTH ᵛ AND ADULTS ᴬ		ACCESS/PAY FOR QUALITY
1.1: Decrease the infant mortality rate for children under 1 year old from 5.1 per 1,000 births in 2012 to 4.4. per 1,000 births by 2020	1.2: Decrease percentage of adults reporting fair or poor health from 15% in 2011 to 14% by 2017		1.3: Decrease rate of uninsured in state from 15% to 6% by 2017
1.1.a: Increase rate of infants whose mothers receive prenatal care in the first trimester from 72.4% in 2011 to 75.5% by 2018	1.2.Y.a: Increase the percent of children (19 to 35 months) receiving all recommended vaccinations from 56.1% in 2014 to 62% in 2018	1.2.A.a: Increase percentage of mental health consumers receiving a service within 7 days after discharge from 53.3% (January 2015 average) to 65% by June 2017	1.3.a: Constrain annual state-purchased health care cost growth to 1% less than national health expenditure trend by 2020
1.1.b.1: Decrease percentage of infants born with low birth weight among Blacks from 9.6% to 6.4% by 2020	1.2.Y.b: Increase percentage of 10ᵗʰ graders with healthy weight from 75% in 2012 to 76% by 2019	1.2.A.b: Maintain the number of adults receiving outpatient mental health services of 67,047 (January 2015 average) through June 2017	1.3.b: Meet or exceed Medicaid expansion enrollment target of 300,000 by 2016
1.1.b.2: Decrease percentage of infants born with low birth weight among American Indian/Alaska Native populations from 8.7% to 6.4% by 2020	1.2.Y.c: Increase the number of Washington schools serving nutritious, Washington grown foods to children by 15% (from 1,734 to 1,994) by 2017	1.2.A.c: Increase percentage of outpatient chemical dependency treatment retention in adults from 67% (January 2015 average) to 70.7% by July 2017	1.3.c: Increase percentage of residents who report they have a personal doctor or health care provider from 75% to 82% by 2018

- With the goal maps in place, the consultants helped officials develop a plan for implementing Results Washington across all participating agencies, phasing in the work over time. They also helped develop a strategic framework,[16] as shown in Figure 3, describing how the goals fit into the governor's vision and mission for the state as well as the foundational operating principles of Washington State government. The consultant helped develop detailed processes and maps that identified for each of the 200 indicators which agencies were responsible, how the data would be collected, and how it would be managed and updated. The roadmap identified all necessary stakeholders and helped define the goal councils of cross-agency leaders who would be held accountable for each goal.

Figure 3: Results Washington Strategic Framework

	Governor Jay Inslee **A New Strategic Framework**
Vision	A **Working Washington** built on education and innovation … where all Washingtonians thrive.
Mission	➢ **Foster** the spirit of **continuous improvement** ➢ **Enhance** the conditions for **job creation** ➢ **Prepare students** for the future ➢ **Value** our **environment**, our **health** and our **people**
Foundation	➢ **Create** a responsive, **innovative** and data driven culture of continuous improvement. ➢ **Recognize** Washington's rich **natural resources**, diverse **people** and entrepreneurial **drive**, and build upon our legacy. ➢ **Operate** state government with the expectation that success is dependent on the success of **all**. ➢ **Create** effective communication and transparency on **goals, measures** and **progress** in meeting expectations. ➢ **Deepen** our focus, understanding and commitment to our citizens: **Know our customers**.
Goals	**World-Class Education** **Prosperous Economy** **Sustainable Energy and a Clean Environment** **Healthy and Safe Communities** **Efficient, Effective and Accountable Government**
Measure & Improve	Building a more responsive, data-driven state government to get results: RESULTS WASHINGTON www.results.wa.gov

Implementation timeline. This ambitious effort began quickly with the Executive Order, but the rollout was gradual enough to assure ease of adoption. Rich Roesler noted that "Organizational change takes time, and we were very much learning our way into this. It was crucial to have solid goals, committed leaders and teams willing to learn and adapt." Figure 4 describes the implementation timeline.

Figure 4: Results Washington Timeline

Results Washington | Timeline

2013: Design & Develop	2014: Implement & Experiment	2015: Operationalize
Strategic Framework	Results Reviews	New Standards
Measure Maps	Open Performance	Partnership Expansion
Goal Councils	Improvement Plans	Strategic Alignment
Stakeholder Previews	Early Results	Innovation & Accountability

Rollout → 2013 Implementation Roadmap → 14 Strategies → 2015 Implementation Roadmap

Progress was incremental. Beginning in 2013, while the team conducted background research on best practices, Governor Inslee drafted the Executive Order that would mandate Results Washington. Shortly thereafter the team designed the goal maps and implementation processes. In 2014, the governor began to conduct results reviews, and goal councils met and began to develop improvement plans for their goals. To accomplish ongoing data tracking, the team experimented with various approaches for tracking performance, simultaneously increasing the use of Lean for agency process improvements. By the following year, Results Washington had not only established routinized data-tracking and results reviews, but expanded the use of Lean, reaching over 50 agencies, boards, and commissions. By 2016, the continued expansion of Lean programming included an annual conference and additional resources and training. Beyond an improved quality of data for reporting, Washington State saw an increased achievement of results.

The team. The Results Washington team is comprised of 16 staff members and is part of the Office of the Governor. Staff generally have strong data skills, as well as project and people management skills, as they need to be able to bring together multiagency teams to work collaboratively on data-driven strategies.

The team includes a director, four senior performance advisors who cover the five goal areas, a leader for the Lean efforts, and a communications director. Performance advisors work closely with agency directors in their goal areas, building relationships of trust and collaboration — the measurement of performance is done with the intent of getting good results, not as a "gotcha" exercise. The core team is joined by a liaison for the state's separate performance audit program, an outreach coordinator, digital media specialist, administrative staff, and five members of a one-year Lean fellowship program hosted by Results Washington.

Goal councils and results meetings. For each of the five goals, the Results Washington team created a "goal council"[17] whose job was to set performance targets, and then to come up with strategies to achieve their goal and to devise ways to measure progress towards targets. Goal councils consist of 12–15 agency directors from across state government. After an initial intensive period of deliberations to develop their strategies, goal councils meet monthly to assess progress and discuss strategies. These meetings sometimes include partner organizations from outside state government that deliver the services being discussed or the customers who receive the services.

Each month, the governor meets with one of the five goal councils to discuss progress in a "results review" that is grounded in data. The meetings are televised on the state's public affairs TV network and live-streamed, and are open to the public. The discussions are driven by the data that show what is working and what is not so that the discussion can focus on the actions that need to be taken to address areas for improvement. All agendas, presentations, and video recordings and the underlying data for these meetings are available on the Results Washington website.

The discussions are driven by the data that show what is working and what is not so that the discussion can focus on the actions that need to be taken to address areas for improvement.

The results review includes all leaders responsible for delivering on that goal. For example, if the discussion is about reducing traffic fatalities, then the related issues of drinking, drug use, speeding, driver age, and distracted driving will all be discussed. As a result, voices at the table will include the Washington State Patrol, the state Traffic Safety Commission, the Department of Licensing, the Department of Health, the Superintendent of Public Instruction, the Department of Social and Health Services, the Department of Corrections, the Department of Transportation, and Washington's Liquor and Cannabis Board.

The goals and public sharing of data: Success with performance management. Each of the five goal areas breaks down into sub-goals; for example, the Healthy and Safe Communities goal breaks out into three areas: Healthy People, Safe People, and Supported People. For each sub-goal there is a map of each indicator that tracks progress toward that goal. There are nearly 200 individual indicators being tracked to achieve these goals.

For example, in the Healthy People goal, as shown in Figure 5, the Healthy Babies sub-goal has a performance target, "Decrease the infant mortality rate for children under 1 year old to 4.4 per 1,000 births by 2020." Progress in achieving this result, and all other results, are provided by drilling down[18] on the website. Data is also provided for indicators that are tracked as positively or negatively contributing to the goal, for example, prenatal care, unintended pregnancy, low birth weight, etc. Drilling down enables exploration of the underlying data, and the dashboard has excellent explanatory information that makes it easier to understand the data.

Figure 5: Results Washington Healthy & Safe Communities Goal: Healthy People: Healthy Babies

Every dashboard has an easy-to-understand visual of progress — a green checkmark for those results that are on track and a red x mark for those that are not meeting targets.

For every goal and performance target on the public dashboard, the information is organized in the same way, answering four key questions:

1. Why is this a priority? Explains how residents in the state benefit from achieving this metric.
2. How are we doing? Provides a quick summary of the progress.
3. What are we working on? Describes the initiatives that are underway to continue improvement or address shortfalls in achievement.
4. How can you help? Provides the public with ideas on how they can help contribute to the goal or target's success.

Success with Lean process improvement. Since the 2013 Executive Order creating Results Washington, Lean process improvement has become widespread across Washington State government. More than 31,000 of the state's 100,000 employees have had Lean training and over 11,000 state employees have participated in a Lean improvement project.

Lean emphasizes employee-driven cycles of customer-focused improvements to reduce non-value-added steps in a process. Lean problem solving seeks to address root causes rather than treating symptoms. Lean is very customer-focused, as it often involves taking the time to carefully document a process, talking to everyone who touches a process, finding the problems and non-value-added steps, and then proposing a viable solution. In setting up the Lean program, Results Washington has defined value broadly, including improved quality, safety, timeliness, simplicity, cost avoidance, and customer satisfaction — not simply cost savings.

> *Lean problem solving seeks to address root causes rather than treating symptoms. Lean is very customer-focused, as it often involves taking the time to carefully document a process, talking to everyone who touches a process, finding the problems and non-value-added steps, and then proposing a viable solution.*

Tapping pro bono partners. At the start of the Lean initiative, the team did not have a lot of resources, and was seeking low-cost options. Fortuitously, the state of Washington has a wealth of Lean experts in its own backyard. In its first three years, the Washington Lean program recruited 200 Lean experts from 130 local companies and nonprofits to serve, pro bono, as coaches and expert advisors to state efforts. Companies like Boeing, Starbucks, Alaska Airlines, and Nordstrom have lent employees and expertise, as well as provided the opportunity for onsite visits to see Lean in action and to participate in large-scale seminars on Lean. These partnerships did not just bring expertise, they loaned credibility to the process as state employees saw how the private sector has used Lean to achieve results.

Training employees in Lean. The State Department of Enterprise Services (DES) delivers a wide range of professional development supports to advance the Lean agenda, ranging from half-day overview sessions to a five-day Lean immersion session. DES offers instructor-led courses, Lean skills-coaching, and facilitated team Lean learning options. DES has also made an arrangement with online learning platform lynda.com so that state employees can access that content at reduced costs.

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DES has also created an online tool[19] to walk practitioners through each step of Lean problem solving, with tips and prompts for the questions to ask at each stage. Steps have drilldowns for additional detail as needed. The DES website[20] has a wealth of additional reading materials about Lean and related topics drawing from the public and private sectors. Figure 6 provides a snapshot of the services offered by DES.

Figure 6: Washington State Department of Enterprise Services Lean Transformation Services

Lean agency advisors. The Results Washington team created the Lean Agency Advisor Community of Practice, a network of 54 advisors appointed by agency directors that work with Results Washington staff to provide training, information, and coaching. The group also helps provide agency perspectives on strategies for continuing to advance state government's Lean transformation.

Lean fellowship. On a rotating basis, state agencies loan five Lean fellows to Results Washington for intensive one-year fellowships where they gain a deeper understanding

of Lean and develop skills in facilitation, leadership, and problem solving. Each fellow puts those skills to practical use on key goals.

Conference. Results Washington hosts an annual conference[21] to continue to build excitement and learning around Lean implementation. Admission to the conference is free and it is typically attended by 2,000 practitioners from around the state, mostly from the public sector. Conference materials are made available[22] to all in the form of slides, video of the presentations, or both. Presenters include state agency and Result Washington staff as well as private-sector Lean experts.

Additional Lean resources. A wealth of resources,[23] including videos and presentations and curated links to other sources on Lean, is provided on the Results Washington website, as well as connection to other states doing work on Lean. In addition, the site provides a history of Lean, a glossary of Lean terms, and templates for various steps in the process. The Results Washington team has created much of the content, but also links to other existing content in an effort to not "reinvent the wheel" where other resources are sufficient. There is a Lean Café blog[24] on the Results Washington website, with helpful posts sharing insights and encouragement. Case studies[25] of success in the state include videos to explain how projects were developed and the results achieved. Problem-solving tools and practical templates are also available.

RESULTS ACHIEVED

By monitoring and managing results and implementing the Lean methodology for process improvement, the state has achieved results in each of the five goal areas, and more than half of the nearly 200 Results Washington indicators are on track to meet or beat targets. This is impressive as many are stretch goals and ambitious long-term targets. Through the consistent attention to delivery of results, the cross-agency problem solving, and celebration of early successes, the performance management effort is changing the culture of how leaders and their teams operate in Washington State government. The multifaceted approach of Results Washington has led to a greater understanding of the impact of Lean methodology. "We've built great momentum and

We've built great momentum and shown how transformative a data-driven approach to solving problems and serving our customers can be.

— Governor Jay Inslee

shown how transformative a data-driven approach to solving problems and serving our customers can be,"[26] Governor Inslee said.

Figure 7 highlights the progress on customer satisfaction and employee engagement, from goal 5: Efficient, Effective, and Accountable Government, as it appears on the public dashboard on the Results Washington website. Two of the indicators are on track, one has been achieved, and one is still in the process of being achieved.

Figure 7: Customer Satisfaction and Employee Engagement Public Dashboard
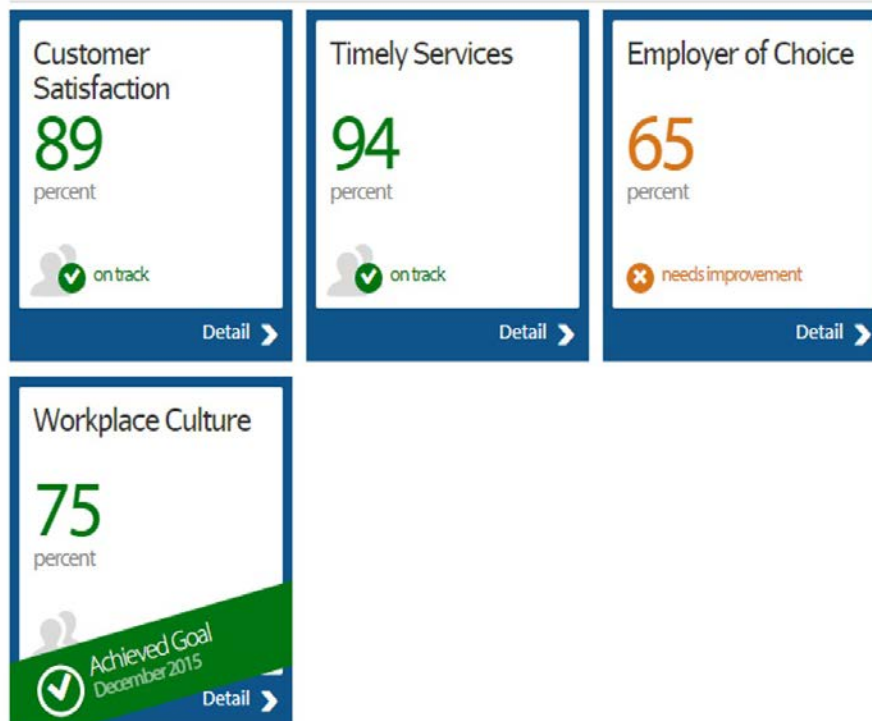
Drilling down to the individual indicator level, Figure 8 illustrates the "on track" outcome measure for customer satisfaction, a subtopic of the goal topic customer satisfaction and employee engagement.

Figure 8: Customer Satisfaction Public Dashboard
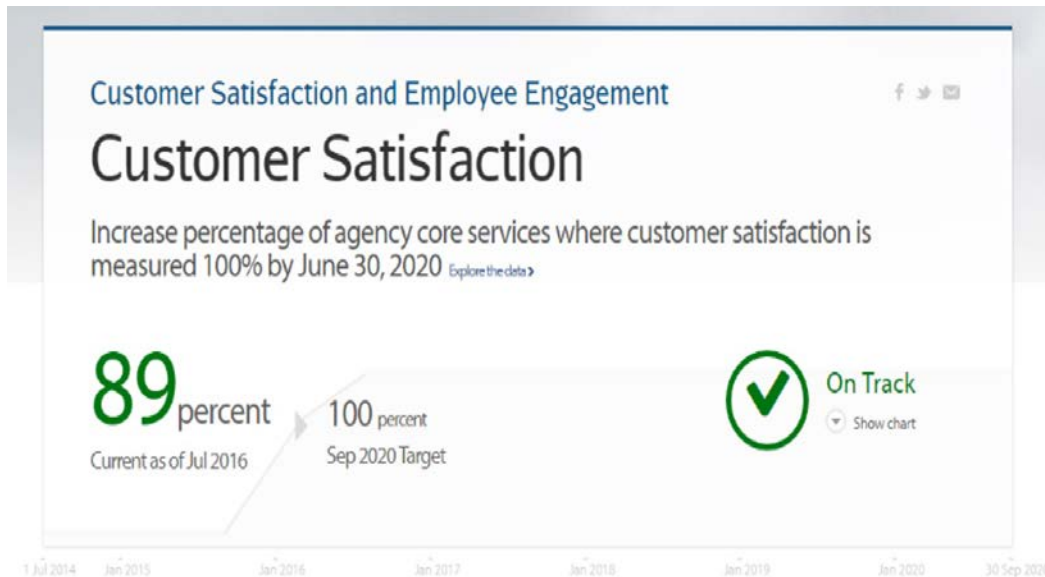
Hundreds of agency-level Lean process improvement efforts are resulting in streamlined processes, faster service delivery, easier-to-understand forms, reduced public paperwork burdens, dollar savings, and other benefits. Selected results achieved include:

Some Lean process improvements have tangible value to life and safety. For example:
- 15-percent[27] decrease in speed-related deaths
- 57-percent reduction number of Child Protective Services cases open more than 90 days
- 44-percent decrease in injuries[28] to custodians, and zero serious injuries with improved safety
- 20-percent[29] faster processing of DNA tests at the Crime Lab, reducing the backlog by 10 percent and cutting staff overtime 56 percent

Many of the process improvements save time. For example:
- Saved more than 1 million hours[30] of time spent waiting in Department of Licensing lobbies using process improvements and partnering with private driver-training schools

- Eliminated a 123-day delay in retention bonuses being paid to soldiers
- Cut wait time in half[31] for processing certain public records requests
- Cut a backlog of water permits by 17 percent[32]
- Made it 90-percent faster (from 291 hours to 32 hours) to prepare certain federal reports, while cutting the error rate to zero, when the Office of Administrative Hearings automated a manual process

A number of improvements save the state money or increase revenue. For example:

- $2.3 million[33] in savings a year on long-distance phone calls
- $6.2 million in recovered overpayments from Department of Labor and Industries, a 28-percent increase in one year
- Avoided a $20.8 million federal penalty by raising the work participation rate for families on the Temporary Assistance for Needy Families program
- $500,000 savings and time savings for staff and customers when Technology Services automated a painstaking monthly manual billing process involving more than 300 organizations. They also streamlined the work to dramatically decrease errors, and improved customer satisfaction and redirected staff hours saved into financial analysis and frontline customer support.

PUBLIC ENGAGEMENT

One key element of Results Washington is the importance of delivering value to Washingtonians. This is expressed as listening to the voice of the customer, or "VOC." There are numerous ways that this is accomplished. All results meetings with the governor are open to the public, streamed live over the internet, and all data is shared on the website. The website employs user-centric design to make it easy for the public to find what they need. The site is also optimized for mobile devices. In addition, there is a simple nine-question survey on the Results Washington website so that users can share feedback, followed by an open-ended question that allows for recommendations across topics.

In addition to this passive outreach to the public, there is also frequent active outreach. For example, when discussing the goal World Class Education, the Results Washington team brought students to the table to offer their insights and perspective. Hearing from students with special needs, such as English-language learners, students with disabilities, and homeless students, helped to create responsive programs for inclusive success. Virtually every meeting includes customers and clients. Results Washington also launches a statewide survey every two years, asking the public for opinions about goals and priorities.

Outreach has also included local government leaders, and this has been a slow and steady path to success. Rich Roesler recalled[34] a comment he got from a school superintendent, "Until you show me some results . . . I'm just going to keep pressing the delete button when I get your emails." This and other similar comments demonstrated the need to be proactive in not just achieving results but sharing them publicly in ways that are easy for the public to understand as success.

TECHNOLOGY AS AN ENABLER

While data is the language used in goal council and results meetings, it is technology that allows the data to be shared easily across groups. Rich Roesler says, "Data drives the conversation. If you came to a meeting you'd see a large, square table and data screens in front of everyone."[35] He notes that at goal council meetings, the ability to collaborate and collectively devise solutions to problems is driven by shared access to data enabled by technology. The current technology platform allows goal council members to create reports and share data, text, charts, and graphs with each other, and then as well with the public.

Data drives the conversation. If you came to a meeting you'd see a large, square table and data screens in front of everyone.
— Rich Roesler

WHAT'S NEXT: FURTHER INNOVATION IN MEASUREMENT

With Results Washington in its fourth year, the team continues to push for ways to deliver valuable outcomes for Washingtonians. To this end, Washington has joined a multistate effort to come up with a meaningful metric to assess quality of life for its residents. They recognized that typical measures of economic output, such as gross domestic product, fail to account for the tradeoff between prosperity and the social and environmental costs that can accompany it (pollution, income inequality, etc.). The goal is to develop a "genuine progress indicator" that will answer the fundamental question: "What if we define economic success not by the money we spend and the goods we consume but by the quality of life we create?"

KEYS TO SUCCESS

Looking back at implementation, the observations of the author and the reflections of Rich Roesler include the following lessons about the experience:

- **Senior leadership matters.** The visible commitment of Governor Inslee has been a key part of the success of Results Washington. He presides over monthly results meetings and talks about the program consistently in his public appearances. As a strong advocate, he engages actively with senior executives. He also makes surprise visits to individual agencies, letting state employees see firsthand his level of engagement with the work to drive results.
- **Create a safe climate for people to surface problems.** At the start, the team realized that it can be challenging for staff to surface problems in government, partly because risk-taking invites the possibility of failure and also due to the negative publicity it can invite. Status quo bias was something the team wanted to take on and so they tackled head-on the fear of a "gotcha" mentality. They promoted a culture of celebrating those who surfaced problems and solved them, rather than trying to ignore them. One key lesson is that you cannot solve what you do not know about.

- **Collaboration is key.** According to Rich Roesler, "The real secret sauce in Lean is collaboration."[36] Working across agencies broadens perspectives and opens up a diversity of ideas.

- **Focus on outcomes not outputs.** In government, it can be easier to count outputs instead of true outcomes. But it is better to focus on effective outcomes rather than simple headcount measures such as how many people were trained, how many kids are in the foster system, how many seniors get services, etc. What is harder to do but more important is to measure the results achieved by these actions, such as did people use the training to make positive change, did foster care kids make meaningful and positive attachments in their placements, and did seniors achieve greater quality of life because of their hot meal and connection to a volunteer.

- **Do not measure success purely in dollars.** The state of Washington has broadened the vision of what effectiveness and efficiency mean, so as not to pigeonhole the effort. People also care about saving a "century in wait time," or reducing a four-page tax form to only three lines, i.e., improving timeliness, culture, and customer services. This approach has gained a great deal of buy-in from state employees and has helped to achieve efficiencies with broad-based appeal.

- **Work with middle managers.** In many cases, the process improvements that are designed must be implemented by middle managers, so cultivating a culture in which they are valued as coaches of their teams is important. Also, for achieving results on performance goals, it may be the senior executive who marshals the resources, but it will ultimately be the middle managers who make it happen. Celebrating successful teams and acknowledging early adopters goes a long way toward creating goodwill among middle managers.

- **Be patient.** Patience is important as large-scale transformation takes time. Now, four years into the implementation, there are still many goals to be achieved and plenty of additional opportunities for process efficiencies. Expecting it to all happen overnight is not only unrealistic, it can be discouraging.

- **Do not use jargon.** The Lean program in Washington intentionally uses as little jargon as possible so that employees are not turned off to the effort before they even know enough to assess it.

- **Consistency of messaging matters.** Given that Results Washington continues the performance management effort of the prior governor, there can be a tendency among some staff to view Results Washington as a "flavor of the month." To combat this, the team has educated staff about the fact that Lean thinking has been around for a long time, that there are decades of examples from the private sector.

- **Do not reinvent the wheel.** Governor Inslee did not abolish the prior governor's performance management program, he improved upon it. And for the Lean process improvement program, he also borrowed from successes elsewhere including in the private sector. Innovation does not necessarily have to be about inventing something new, it can be about taking the best of existing ideas and applying them in your context. As Rich Roesler says, "We steal ideas from other states and welcome people to steal our ideas."

- **One size does not fit all.** Results Washington is working well. But what is working in Washington might not work in other state and local government contexts with different capacities, different external environments, and different organizational cultures in government. Other jurisdictions should take from this model and adapt to their local environment.

CONCLUSION

What is the secret to Washington's success? Is it that the governor holds monthly meetings in which he pays attention to the data and expresses genuine interest in learning how to improve results? Is it that their participation in results meetings keeps leaders focused on the bigger-picture goals rather than their daily management tasks? Is it that the information is all made public on the state's website both from the meetings and the underlying data? Is it that the governor expects leaders to work across departments to achieve results? Or is it that the state has empowered employees at all levels to identify and implement efficiencies through the Lean process training? It would be hard to know which of these elements is the most powerful in achieving results, but surely in combination these are more powerful approaches than they could be alone.

HELPFUL REFERENCE SOURCES

Resources for applying performance management in government

Chapter 7 of *The Reinventor's Fieldbook: Tools for Transforming Your Government*, David Osborne and Peter Plastrik, 2000, Jossey-Bass. This book presents 24 concrete lessons learned about performance measurement. It also provides a helpful matrix for categorizing measures according to what is being measured (outcomes, outputs, process, inputs, etc.) as well as the type of measurement involved (quantity, efficiency, effectiveness, quality, cost-effectiveness).

The city of San Francisco comptroller and the chief data officer have jointly created the SF Data Academy. They have developed a Starter Kit for creating a "stat program" to help city departments interested in creating their own such programs. It can be found here: https://datasf.org/statstarterkit/.

The Center for Government Excellence at Johns Hopkins University, as part of its work to support cities in the Bloomberg Philanthropies What Works Cities Initiative, has created a guide to getting started with performance management for cities, which can be found here: https://govex.jhu.edu/performance-management-getting-started/.

The National League of Cities created a guide for city leaders for performance management that can be found here: http://www.nlc.org/resource/performance-management-a-guide-for-city-leaders.

Harvard Kennedy School Senior Lecturer Robert D. Behn, who has studied the "stat" model deeply for years, has written a book, *The PerformanceStat Potential: a Leadership Strategy for Producing Results*, which describes the management practice for implementing "stat" programs.

The Government Finance Officers Association led a coalition of 10 other national organizations to found the National Performance Management Advisory Commission. This group published "A Performance Management Framework for State and Local Government: From Measurement and Reporting to Management and Improving," which can be found here: http://www.gfoa.org/sites/default/files/APerformanceManagementFramework.pdf.

Resources for applying Lean methods in government

Denver Peak Academy teaches employees in the city and county of Denver how to apply Lean principles to their work. All curriculum materials from the Peak Academy are available online and accessible here: https://www.denvergov.org/content/denvergov/en/mayors-office/programs-initiatives/peak-performance/peak-academy.html.

A book about the process of creating the Denver Peak Academy and lessons learned about applying Lean in government, *Peak Performance: How Denver's Peak Academy is Saving Money, Boosting Morale and Just Maybe Changing the World. (And How You Can, Too!),* is available from *Governing* magazine here: http://www.governing.com/books/Peak-Performance.html.

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