
Business Process Improvement Model Update

Briefing to the Finance, Audit & Accountability
Committee

April 24, 2006

Purpose

- Provide additional information
- Answer specific questions on improvements in the Street Services Department
- Recap the funding considerations

What other methods or models were considered?

- ❑ ***Six Sigma***
 - Data driven
 - Difficult to apply at all levels
 - Rigid in its approach
- ❑ ***Lean Manufacturing***
 - Narrowly focused on cost cutting vs. efficiency
 - Lacks the customer service component
- ❑ ***Total Quality Management (TQM)***
 - Requires quality circles/work groups to leave the workplace for meetings
 - Lacks customer focus
 - Lacks global perspective

Why the ISO Model over other business process tools?

- ❑ ISO certification is a coveted international recognition for quality assurance
- ❑ ISO requires a third party to come in and evaluate us against a standard set of requirements, thus assuring a high level of quality
- ❑ Environmental Management System (EMS) was mandated by the City Manager's Office in 11 City Departments
- ❑ Many EMS and QMS functions overlap
- ❑ QMS Allows
 - Input at all levels
 - Supply chain/vendor relations
 - Weekly production meetings (compare goals to results)
 - Focus on customer service
 - Management review of measurable objectives
 - Standard operating procedures to be a part of the work

Can you give examples of quantifiable improvements using ISO 9001?

Supply Chain and Vendor Relations

- QMS requires examination of the supply chain and vendor relations function
- QMS caused us to examine the preventive maintenance (PM) history of our fleet
 - We conducted a fleet utilization review and as a result we were able to reduce the fleet with a corresponding savings of \$75,000

Weekly Production Meetings

- For the first time Street Services began to conduct weekly meetings to compare goals to actual
 - Scheduling improvements resulted in an additional 80 lane miles of preventive maintenance in FY 2005

Can you give examples of quantifiable improvements using ISO 9001?

Focus on Customer Service

- Previously only hazardous potholes were radio dispatched to a pothole patch truck (SLA 24 hours)
 - Non-hazardous potholes were not radio dispatched (SLA 120 days)
- We experienced a number of overdue requests for non-hazardous potholes
- ISO 9001 requires us to examine areas where we can improve customer service
 - We mapped the process for 3-1-1 pothole calls
- As a result, all pothole repairs began to be radio dispatched

Can you give examples of quantifiable improvements using ISO 9001?

Focus on Customer Service...

- The pothole patching crew began making repairs to all potholes when possible
 - If not, they assessed what was needed and assigned it to the appropriate crew
- We continued to repair hazardous potholes within 24 hours
 - The non-hazardous potholes SLA improved from a maximum of 120 days to 5 days
- This was done by eliminating the need for a service agent to go and evaluate non-hazardous potholes
 - This is now done by the crew of the pothole patching truck

Are there any other cities ISO certified level?

- ❑ The following cities have ISO certification for one or more departments:
 - New York City Port Authority
 - City of Charleston, South Carolina
 - City of Edmonton, Alberta, Canada
 - City of Tokyo, Japan
- ❑ There are some U. S. cities that have ISO 9001 or 14001 for divisions within a department
- ❑ Dallas would be the first major U.S. city to achieve this certification

Texas Nameplate, a Dallas-based company, Malcolm Baldrige Award
Winner 1998, 2002 and Registered ISO 9001, 14001

- ❑ “ISO certification has brought us the following benefits:
 - helps our people have a better idea of what they’re expected to do;
 - creates an atmosphere of accountability;
 - offers a systems perspective of running an organization;
 - minimizes or eliminates ad hoc procedures, resulting in us becoming less reactive and more proactive;
 - provides the opportunity to document and improve our processes; and
 - indicates to customers that we’re truly interested in providing the best value to the end user”

Dale Crownover, President & CEO

Can we pay for this out of anticipated savings/improvements?

- Previously we recommended contingency reserves as the funding source
- Council Committee members expressed a concern to see a return on their investment
- Recommendation:
 - Fund first year implementation costs out of existing department budgets from efficiency improvements

Next Steps

- Prepare Agenda Item for Council Approval on May 10, 2006
- Execute a Contract with UTA-TMAC
- Implementation