



December 2012

Pierce County Procurement Streamlining

Case Study: Using Lean to standardize processes

Before this year, each division of the Public Works & Utilities (PWU) Department used its own contracting and procurement processes. The Department sought to streamline its work, make faster decisions, and standardize how it contracts with businesses.

Using a combination of Lean principles and best practices, a team of Department employees analyzed each process and developed new standard contract management policies and procedures. The team eliminated invoice processing delays of up to six days and cut invoice approval time from a high of 19 days to three days.

The Department established uniform processes for several key practices:

- **One** standard invoicing process replaced **seven** processes.
- **One** standard process for assigning work replaced **eight** processes.
- **One** standard process for procuring and managing small works contracts replaced **eight** processes.

Starting in Spring 2012, the Local Government Performance Center began providing training to help the County achieve its goals. The training approach required County staff to lead and manage all the performance improvement while a Performance Center analyst provided training and support.

Huge time savings

Process	Before	After
Approval of work assignments	5-14 days	2-4 days
• % correct the first time	85%	100%
RFPs & amendments correct the first time	10-50%	90%
Contract signed by vendor	1-5 days	0 days
Execution of contract delays	1-3 days	0 days
Invoice approval	2-19 days	1-3 days
• Approval delays	1-3 days	0 days



Using process improvement techniques

Using techniques such as work flow mapping, root cause analysis, and brainstorming, the team identified and streamlined processes where delays and repeated work were common. For example, the team identified multiple opportunities to replace hard copy reviews with electronic review and approval. Moving to electronic invoice approval will reduce wait time by up to 84 percent.

The team learned how to bring in “the voice of the customer” by holding meetings with their internal customers. Understanding the needs of County attorneys and finance staff, for example, helped identify and prioritize needed improvements.

“I believe that we have made a significant leap in documenting and improving the steps necessary to aid Public Works employees with contracting procedures and responsibilities that will be of benefit for decades,” said Rance Smith, a civil engineer with the Department’s Surface Water Management division who served on the team.

Improving completion rates and reducing errors

The team also reduced the amount of repeated work due to insufficient information or errors. Creating Requests for Proposals and amendments correctly the first time will increase from upwards of 50 percent to 90-95 percent.

Julie Griffin, the county’s project manager for the effort, said the support from the Local Government Performance Center was essential for the team’s success. “It would have been impossible to reach consensus on such a large scale review of contract management practices without receiving the training that showed us how to objectively and methodically analyze existing work flow, identify customer needs and develop improvements,” Griffin said.

The training provided through the Auditor’s Office by FLT Consulting covered both how to manage a process improvement project and techniques for evaluating and improving processes.

Department Director, Brian Ziegler, was very pleased with his team’s results. “The state could invest in nothing better than local government process improvement. It’s where most government services really make a difference for citizens,” Ziegler said. “PWU will be accelerating our continuous improvement journey now, using the success of this project to launch into the implementation phase of the contract management review and other process improvement initiatives.

“We have created a system of process improvement that can be applied to other areas in our department and county,”

Julie Griffin, project manager,
Pierce County Department of
Public Works and Utilities.

Resources for more information

Pierce County Public Works and Utilities website: www.co.pierce.wa.us/Index.aspx?NID=119

Administrative program manager
Julie Griffin, 253-798,4684,
julie.griffin@co.pierce.wa.us

State Auditor’s Office Local
Government Performance Center,
Process Improvement Toolkit:
[http://portal.sao.wa.gov/
PerformanceCenter/#/
address?mid=6&rid=18449](http://portal.sao.wa.gov/PerformanceCenter/#/address?mid=6&rid=18449)