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Using LEAN Principles and Practices to Transform the Public Sector

Core Competencies

- Strategy Development and Execution
- Financial Analysis and Alignment
- Funding/Capitalization Strategies
- Supply Chain Optimization
- Lean Process Design and Implementation
- Process Improvement
- Systems Design and Implementation
- Procurement and Bid Process Support
- Organizational and Human Systems

Industries

- Automotive, Aerospace and Transportation
- Chemicals, Polymers and Allied Industries
- Energy and Environment
- Engineering, Procurement and Construction
- Financial and Legal Services
- Food, Beverage, Consumer Products and Retail
- Government
- General Manufacturing, Distribution and Logistics
- Microelectronics and Information Technology
- Pharmaceutical, Medical Device and Equipment
- Printing, Publishing and Broadcast Media
- Training and eLearning

Federal, state and local government agencies face ever-increasing challenges to provide higher levels of service and delivery while increasing productivity and reducing cost. These challenges come at a time when budgetary and funding pressures have never been greater.

Public sector productivity has not kept pace with the private sector, and it has become painfully clear that cost-cutting measures alone will not meet the challenges faced by public sector organizations.

It is a common misconception that a trade-off exists between the quality and cost of public services.

The application of LEAN principles and practices, carefully tailored to the specific needs and challenges of government organizations, can effectively address the “quality/cost fallacy” and transform public sector performance. By applying LEAN principles, public sector organizations can optimize:

- Productivity
- Quality
- Costs
- Delivery
- Customer satisfaction
- Employee engagement and morale

A key to transforming public sector performance is the engaging and equipping of employees to focus on creating and delivering value in the eyes of the user of the products or services produced by them.

LEAN is, at its core, a transformative way of thinking and seeing, NOT a set of tools to be implemented by outside parties.

This is especially critical to public sector transformation, where a deeply-engrained organizational mindset and culture can threaten the successful implementation of LEAN. The public sector presents certain unique execution challenges that demonstrate clearly that LEAN is not a “one size fits all” endeavor. These unique challenges include:

- Understanding who the Customer is and how they define Value
- Understanding that a lack of competitors does not obviate the need to change, especially when quality/delivery and budget imperatives have increased the stakes for virtually all government entities

- Defining and managing end-to-end processes, especially in service delivery environments
- Instilling a continuous improvement mindset that is relentlessly oriented to exposing and solving problems
- Developing a performance culture
- Dealing with the common tendency of bureaucracies to (a) maintain status quo and (b) reduce anxiety by de-emphasizing individual decision-making
- Shifting focus away from policy-making to strategy and operations
- Developing a corresponding management/leadership infrastructure to support and enable change

Each of Criterion's practitioners has at least 25 years of experience delivering real results across a broad spectrum of core competencies and industries. We are operators, not career consultants. And we have a solid reputation for helping drive bottom-line growth. We have a proven track record of successfully applying LEAN principles and practices to the public sector, including LEAN transformations at both the United States Mint and Hill Air Force Base. We understand the unique challenges of public sector implementations and know how to effectively deal with them.

While our specific approach to LEAN implementation in the public sector depends largely on the nature of the service or product provided by the organization being transformed (e.g. benefits, information, administrative and other services, logistics, housing, healthcare, security, repair and maintenance, etc.), there are several key components of public sector transformations that make up our approach, including:

- Understanding who the Customers are
- Determining Value through the Customers' eyes
- Establishing specific constraints, boundaries and factors unique to the public sector entity
- Establishment of performance goals and critical success factors
- Engagement of a diverse group of management and employees in highly experiential and participatory workshops, with a heavy emphasis on culture change
- Identification of internal "LEAN Champions" throughout the organization who can catalyze change and lead by example
- Establishing a change-oriented management mindset and infrastructure
- Clear alignment of individual interests to drive change
- Breaking down bureaucratic silos

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- Inspiring employees to overcome risk aversion
 - Linking process metrics to Value
 - Conducting Current State and Future State Value Stream Mapping and identifying Waste (non-value-adding time, activities and resources)
 - Development of a comprehensive implementation plan, with clearly defined objectives, roles, responsibilities, accountabilities and incentives
 - Full execution of the plan
 - Establishment of a mechanism for, and a culture supporting, continuous improvement

Because we understand that LEAN is a marathon, not a sprint, and that it is fundamentally a transformative way of thinking and seeing, we work diligently to give the members of your organization the perspective, skills, tools and resources to transform their operations and to continue to improve performance long into the future.

Call on us when you need a highly experienced team of experts you can rely on to deliver real results, not just talk. Your success is our only criterion.