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SENATE BILL 6006

State of Washington 64th Legislature 2015 Regular Session

By Senators Jayapal, Miloscia, Fraser, Padden, and Conway

Read first time 02/16/15. Referred to Committee on Accountability and Reform.

AN ACT Relating to increasing the capability of state agencies to develop lean cultures and implement lean performance management strategies through the development of lean curricula and pilot programs administered by the department of enterprise services; adding a new section to chapter 43.19 RCW; and creating new sections.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. The legislature finds that several state NEW SECTION. agencies have embraced lean thinking, tools, and culture and are achieving important initial successes in the form of demonstrated improvement results. The legislature also finds that further lean and lean culture development are needed to fully operationalize lean as the way of working in state agencies, and to achieve and sustain continuous improvements. The legislature further finds that agencies need expanded access to affordable training opportunities relevant to their respective core functions and missions. The legislature finds also that the department services is charged with providing enterprise-level services throughout state government, has significant expertise and experiences with lean subject matter, houses the statewide training center, and is therefore well-positioned to develop and provide

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- 1 resources and support to state agencies seeking to develop and expand
- 2 lean culture and performance capability.

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- 3 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 43.19 4 RCW to read as follows:
- 5 (1) Within amounts appropriated for these specific purposes, the department shall:
 - (a) Develop a suite of lean training modules for employees, middle managers, supervisors, and leaders. The training modules shall be designed to build the fundamental knowledge and applied skills for active contribution to a lean culture for the purpose of achieving measurable improvement results throughout Washington's governmental agencies. The development of training modules shall be completed by June 30, 2016;
 - (b) Develop a pilot program for a cohort of up to eight small state agencies to build and advance lean culture for the purpose of achieving measurable improvement results within the participating agencies. When selecting the cohort agencies, the department shall consider training needs, agency interest and readiness, and the potential impact and value to Washingtonians. The small agency cohort pilot shall commence August 1, 2015, and be completed by December 31, 2016; and
 - (c) Conduct a pilot program, to commence August 1, 2015, and be completed by October 31, 2017, for the purpose of promoting lean culture and achieving measurable improvement results within an individual agency or within a specific program in an agency of medium or large size. The department shall consult with Results Washington when selecting the agency or program for this pilot. The pilot must be designed to:
- 29 (i) Advance the agency's daily practice and use of lean culture 30 processes;
- 31 (ii) Achieve substantial and measurable improvement results 32 within one or more agency programs that have a direct impact on 33 Washingtonians; and
- 34 (iii) Produce a case study and roadmap for accelerating the 35 implementation of lean culture throughout additional state agencies.
- 36 (2) For the purposes of this section, "measurable improvement 37 results" can include, but is not limited to, cost reductions, cost 38 avoidance, improved safety, decreased time, increased quality,

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accuracy, effectiveness, improved customer satisfaction, and enhanced employee engagement and satisfaction.

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- (3) When deploying the training curriculum developed pursuant to subsection (1) of this section at the statewide training center or as part of other fee-for-service consulting assignments, the department may charge a small fee from each training participant for the purpose of creating a sustainable statewide training system. Training fees collected under this section shall be deposited into the enterprise services account created in RCW 43.19.025, and may be used only for the ongoing development and updating of curricula and for training scholarships to be made available to state agencies with limited resources.
- (4) The department shall conduct a prepilot assessment and a postpilot assessment of each participating agency using performance metrics in the domains of leadership, workforce, management systems, planning, customer focus, process management, and measurable improvement results.
- 18 (5) The department shall submit, in compliance with RCW 19 43.01.036, the following reports to the governor and the legislature:
- 20 (a) By January 30, 2016, a brief progress report describing the 21 status of implementation of the pilot programs described in 22 subsection (1) of this section;
- 23 (b) By December 15, 2017, a final report describing the results 24 of the pilot programs, including:
- 25 (i) The measurable improvement results achieved within each 26 participating agency;
 - (ii) For each participating agency, the prepilot and postpilot assessments described in subsection (4) of this section, as well as an overall description of the agency's progress toward lean culture maturity; and
- 31 (iii) Recommended strategies for accelerating the implementation 32 of lean culture throughout additional state agencies.
- NEW SECTION. **Sec. 3.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2015, in the omnibus appropriations act, this act is null and void.

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