Introducing Peak Academy
Investing in Ourselves

This quarter’s newsletter focuses on investing in our CCD colleagues, empowering ourselves with the tools and methodologies to improve our operations. Specifically, we’ll highlight Lean, a process improvement methodology made famous by Toyota, and how it is already yielding dividends. The City has conducted six Rapid Improvement Events (RIEs), through which we’re learning how to streamline operations and deliver more services at lower costs.

We’re launching Peak Academy because we simply don’t have enough people to lead this important work. We aim to build this expertise throughout the City. Peak Academy provides this valuable skill set, offered at three levels, so that our colleagues can lead the way to a better, faster, and stronger local government. Career Service Authority has partnered with us here, and elsewhere, to ensure we’re developing our colleagues to their maximum potential.

Dear Fellow Employees,

Over the past three months, Peak Performance has been conducting a series of Rapid Improvement Events (RIEs) across city agencies. These RIEs are multi-day efforts designed to empower staff to drive process improvements throughout departments. During these events, skilled facilitators lead teams of subject matter experts – the colleagues who know the process the best – towards eliminating unnecessary work so that resources may be repurposed. Often, this work may seem necessary when viewed in isolation, but can be reduced or eliminated once the entire process is understood.

A RIE is an “event” because, at the end of the week, the teams implement and celebrate their solution – we don’t do these to create a stack of recommendations to gather dust on a shelf. As you read through this newsletter, please take note of the false burglar alarm example and consider similar opportunities in your own department.

Lean is our primary method for continuous improvement – and is at the heart of Peak Performance. However, without the expertise and engagement of our employees, it will accomplish nothing. I hope you’ll get involved.

Sincerely,
David Edinger
Chief Performance Officer
In April 2012, twelve city colleagues representing Denver 911, the Department of Excise and Licenses (EXL), and the Denver Police Department (DPD) convened to determine how to more effectively manage fine collection and data exchange for Burglar Alarm Permits.

These departments participated in a multi-day Rapid Improvement Event (RIE), a Lean process improvement event designed to empower frontline staff and utilize their knowledge to create more effective and efficient processes.

**Reason for Action**

- There are two types of Burglar Alarm fines collected:
  - **Alarm Company Fines** – $25 fine to the alarm monitoring co. for each call to 911 for a location without a valid alarm permit or an incorrect/expired permit number; and
  - **Permit Holder Fines** – $50 fine to the permit holder for each false alarm.

- Since March 2011, nearly $98,600 of alarm company fines have gone uncollected.

- EXL expends nearly 1,000 FTE hours manually pulling permit data from the False Alarms Management System (FAMS) and entering that data into the 911 Computer Aided Dispatch (CAD).

**What did the team do?**

1. Documented the current state of the process, baselines and metrics regarding current management of the process (See table below);
2. Identified revised process goals and barriers to achieving these goals;
3. Created options to collect fines, automate data entry and exchange, and manage permits; and
4. Modified the current revenue collection and permitting systems in order to streamline government functions, reduce excess processes, and create efficiencies within EXL and Denver 911. (See table on subsequent page)

**Quote:**

“The event went extremely well – in fact, it was more valuable than I had expected it to be. We didn’t simply make ‘recommendations;’ we actually changed the way the entire process works.”

– Judy Steele, Deputy Director, EXL

<table>
<thead>
<tr>
<th>Metric</th>
<th>Current Baseline</th>
<th>Target State (Goal)</th>
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<tbody>
<tr>
<td># of False Alarms per Month</td>
<td>823/Month (Nov'10 - Oct’11)</td>
<td>Decrease by 28% per year</td>
</tr>
<tr>
<td>Collect Alarm Company Fines</td>
<td>$7.7k (Jan-Feb 2011)</td>
<td>$73,950</td>
</tr>
<tr>
<td></td>
<td>($98.6k has gone uncollected fines since March 2011)</td>
<td>(75% of $98.6k)</td>
</tr>
<tr>
<td># of Permit Changes Manually Entered from FAMS into CAD</td>
<td>3,000 per month</td>
<td>0 per month</td>
</tr>
<tr>
<td></td>
<td></td>
<td>½ FTE Savings</td>
</tr>
<tr>
<td>Capital Required to Automate Data Entry from FAMS to CAD</td>
<td>$30k to $50k</td>
<td>$0</td>
</tr>
<tr>
<td>Disposition Code Class 1 (Responsible Party on Scene) Fine Billing</td>
<td>$0 since March 2010</td>
<td>$57k/yr</td>
</tr>
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FAMS/CAD Interface Before RIE

- Manually pull permit numbers from FAMS
- EXL manually pulls burglar alarm info from FAMS & enters into CAD
- 911 Agent can see permit data in CAD because permit data is tied to an address

FAMS/CAD Interface After RIE

- 911 Agent logs directly into FAMS to get burglar alarm permit data. 911 is willing to lookup permit data in FAMS w/o adding additional time to calls for service (tracked in CAD)

Peak Academy | Overview and Schedule

The journey to delivering a world-class city where everyone matters starts by enabling employees to reshape their business processes. Employees and management need tools, training, and support. Peak Academy is a training program taught by the City’s Business Process Improvement team that:

- Trains our colleagues on best practice tools and methodologies to improve processes;
- Provides hands on experience with Lean process improvement;
- Integrates that experience back in their home agency through Peak Performance; and
- Embeds the culture of ongoing process improvement in a simple and understandable way.

FAMS = False Alarm Management System
CAD = Computer Aided Dispatch system
## Executive Leadership
Leading Lean transformation

- **Duration**
  - 2 Days
  - Intro to Lean
  - What it takes to lead a Lean improvement effort
  - Lessons from other leaders who are implementing Lean

## Peak Performers
Fellows | Facilitating Lean

- **Duration**
  - 12 Month fellowship
  - First 3 Months: 5-day training, facilitation of Rapid Improvement Events (RIEs) in other agencies/dept’s
  - Last 9 Months: Set up Lean/Peak Performance in home agency

## Denver Black Belts
Learning/applying Lean tools

- **Duration**
  - 5 day intensive, hands-on training. Intro to Lean, analysis techniques, learn about RIEs, how to facilitate events, and case studies of lean in government

## Denver Green Belts
Enculturating Lean

- **Duration**
  - Participation in a 3-to-5 day Rapid Improvement Event (RIE) or complete the Lean 101 overview training (2 hours)

### What’s Expected after?

**Executive Leadership**
- Identify and submit your candidates for Peak Performer / Black Belt Training
- Set a date to ID, prioritize your value streams
- Create a Lean roll-out calendar/approach and communicate to your org

**Peak Performers**
- Perform 3-to-4 improve initiatives using the tools they’ve acquired (annually)
- Improvements should be aligned to their agency’s mission-level metrics

**Denver Black Belts**
- Document 3-to-4 ideas annually including ties to strategic plan, scope of initiative and improvements that will result
- Deliver 2-to-3 project ideas as approved by the agency/dept manager.

**Denver Green Belts**
- Document improvement ideas and submit them to Peak Performance

### Benefits for the Colleague

- Hands-on training
- Experience in facilitating improvements
- Creating Peak framework within their agency/dept.
- Career enhancing experience in Lean improvement methodology
- Address their sense of civic duty

### Benefits for the Agency

- Building a cadre of colleagues within the agency with the skills & experience to measurably improve processes
- Several process improvement “consultants” who are encouraged to seek out and make improvements
- Improve service delivery and improve the customer’s experience with the City
- Address overall financial sustainability
- Citywide structure to track improvements employees make so the agency and the employee can be formally recognized

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### Peak Academy | Information Sessions

Learn more about the Academy, the different certifications, and how applications will be handled. Join us in one of the following information sessions to learn more (50 seats available at each session).

- **Fri 6/15/2012, 8:30-9:30am** (Webb 4.G.2)
- **Wed 6/20/2012, 10am-11am** (Webb 4.F.6)
- **Mon 7/16/2012, 10am-11am** (Webb 4.F.6)

To attend a Peak Academy information session please RSVP:

Scotty.Martin@denvergov.org

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**Peak Performance Website:**
www.denvergov.org/peakperformance

**General ideas, feedback, questions?**
david.edinger@denvergov.org

**Process Improvement**
scotty.martin@denvergov.org

**Strategic Planning**
stephanie.adams@denvergov.org

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**DENVER**
**THE MILE HIGH CITY**