

**Program # 10052 - Productivity Improvement Process**

**Version 4/24/2005 s**

**Priority:** Accountability

**Lead Agency:** District 2

**Program Offer Type:** New Program

**Program Contact:** Serena Cruz

**Related Programs:** 10053

**Frameworks:**

**Executive Summary**

The Productivity Improvement Process (PIP) is an innovative framework geared towards continuous improvement, so that Multnomah County can work smarter, save money and increase employee morale. This program offer is an in-house, scaled down version to the Strategic Improvement Partnership program offer.

**Program Description**

The purpose of the PIP is to:

- \*Maximize use of existing resources to increase or maintain services.
  - \*Create effective employee forums that draw out the best thinking from staff at all levels.
  - \*Identify and capture savings at all levels across the enterprise.
  - \*Leverage and capitalize on new technologies.
  - \*Work in full partnership with the Unions to implement system efficiencies.
  - \*Manage proposals for investment fund: find ways to use savings and efficiencies generated in FY06 to help offset revenues lost by the sunset of the ITAX in FY07, thereby reducing the amount of services needed to cut.
- The PIP leader will report directly to Dave Boyer.

**Program Justification**

PIP will contribute to the Accountability Priority by allowing employees to identify process and system improvements and bring solutions and report directly to Executive Committee and Design Team, bypassing often time consuming chains of command. Worthy ideas are brought forward and when possible quickly implemented. Saving in both staff time and real dollars in the short term will be directed towards reducing the estimated \$30M GF shortfall in FY07. Either the Guidance Team or another citizen advisory body will provide citizen input and review of our strategies.

The six priorities, their strategies and indicators will guide the long-term efforts of this program. Ultimately this program will identify, and develop recommendations to redesign organizational structure to improve customer services and streamline business processes.

**Performance Measures**

Return on investment - ROI is calculated by considering the annual benefit divided by the investment amount. This is also a common measure of managerial effectiveness. Performance goals and measures will be established when a project is initiated.

**Summary of last year's program results and this year's expected results**

This is a new program, thus no data is available for this category.

**Program Mandate: 4 Program and Funding Level Choice**

This is a discretionary program with no mandated funding levels.

**Revenue/Expense Detail**

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
	2005	2005	2006	2006
<b>Program Expenses</b>				
Personnel	\$0	\$0	\$132,180	\$0
Materials & Supplies	\$0	\$0	\$1,600	\$0
Internal Services	\$0	\$0	\$13,600	\$0
Subtotal: Direct Exps:	<b>\$0</b>	<b>\$0</b>	<b>\$147,380</b>	<b>\$0</b>
Administration	\$0	\$0	\$0	\$0
Program Support	\$0	\$0	\$0	\$0
Subtotal: Other Exps:	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Total GF/non-GF:	<b>\$0</b>	<b>\$0</b>	<b>\$147,380</b>	<b>\$0</b>
Program Total:	<b>\$0</b>		<b>\$147,380</b>	
Program FTE	0.00	0.00	1.00	0.00
<b>Program Revenues</b>				
Program Revenue for Admin	\$0	\$0	\$0	\$0
<b>Total Revenue:</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Explanation of Revenues**

The Board is attempting to spend less money this year than we have available in order to reduce the level of cuts the County will need to take next year. These savings are estimated increase the County's contingency funds by nearly \$10 million. Since the PIP is about investing in efforts that will save resources, this program should be funded out of the contingency created.

**Significant Program Changes**

This is a new program designed to align with the Priority Based Budgeting process to help Multnomah county create sustainable management practices to help us live within our resources.