

KAIZEN RESULTS

Minority businesses will get faster access to state procurement opportunities

IN BRIEF: By increasing opportunities for minority businesses to do business with the State, the Minority Business Enterprise Certification Program facilitates economic growth and development within the minority business community. This has always been the aim – and it was the driving force for a Kaizen event that made a good program even better.

FASTER CERTIFICATION: Approved applicants will receive certification in 10-20 days instead of the current 14-38 days once all the improvements are in place. On average, the process will take just half the time.

SIMPLICITY IN ACTION: The faster service is driven by simplicity. The newly designed process has 27 steps compared to 84 steps with the previous process. That's a 68% reduction.

BOTTOM-LINE SAVINGS: Cost savings are projected at \$156,592 per year, mostly from reductions in printing, mailing, and phone expense.

TIME SAVINGS: Once it is fully implemented, the improved process will require 4,491 fewer work hours per year, for a 30% overall time savings.



Team members: Front row, left to right: David Wood, MBAC; RoShawn Winburn, MBAC; Felicia Sherman, Aging; Todd McGonigle, DAS/EOD; Jennifer Averl Frost, MBAC; Darlene Chukes, DSA; Richard Scott, DAS/EOD. Back row, left to right: Theo Efobi, MBAC; Jay Easterling, JFS; Gayle Blankenship, DAS/GSD; David Payne, DAS; Stacy Cornett, DAS/EOD; Orvell Johns, DAS/CSA; Casey Cannon, Taxation; Michael Davis, MBAC; Rand Howard, DAS; Charlotte Harris, MBAC; David Zak, DSA; Jackie Gonzalez, DSA; Joe Brooks, DSA. Not in photo: Michael Bridges, Business Owner; Paul Holliman, DAS/EOD.

DETAILS

The State of Ohio's Minority Business Enterprise (MBE) program is designed to assist minority businesses in obtaining state government contracts through a set aside procurement program for goods and services.

In order to be certified as an MBE, the business owner(s) must be members of one or more of the following groups: Blacks, American Indians, Hispanics, and Asians.

There are approximately 1,500 MBEs who are certified through the state program. About 1,000 new applications arrive each year from companies that are seeking certification, and there are potentially thousands of others that could qualify and participate. These big numbers underscore the magnitude and potential of the program, and there was a strong consensus that a Kaizen event would be time well spent for everyone, including for those prospective businesses that will be applying in the future.

A Kaizen team of 22 people spent five straight days scrutinizing every step of the MBE certification process and every aspect of the program. As the week unfolded, team members went on to develop a series of improvements that will generate results right away.

For one, the team developed a simpler and faster application and



Like all Kaizen events, this one included plenty of small-group dialogue. Many of these discussions got into necessary detail in order to resolve issues and clear the way toward an improvement plan. (Left to right: Orvell Johns, DAS/CSA; Darlene Chukes, DSA; David Wood, MBAC; Theo Efobi, MBAC; and Joe Brooks, DSA.)

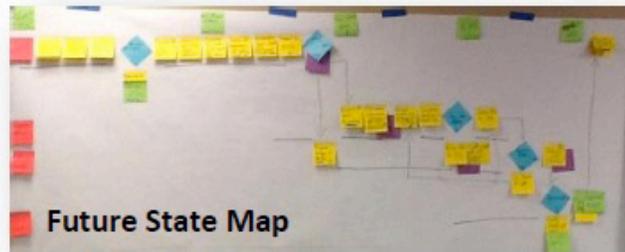
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BEFORE & AFTER

The team-created map shown above is how the process looked *before* the Kaizen event.

The team went on to make the process far simpler, faster, and better – as you can see on the right.



review process. When the new process is fully implemented, the average time from application to decision will be 11 days – compared to the current average of 26 days.

One of the biggest process changes has to do with front-end pre-qualification. Applicant organizations that have their application ready to go will speed along on one track, while other businesses that are earlier in the process will get added guidance on a separate track.

Many of the other improvements relate to internal and external communication.

For example, the team eliminated multiple reviews, standardized forms and checklists, and developed preliminary plans for an applicant-friendly website to serve as a one-stop application location. The team also began work on an MBE dashboard designed to keep eyes on key measures that affect and reflect the impact of the overall MBE effort.

The team had more than the usual number of people for a Kaizen event. Included were people from the Department of Administrative Services (which is the home agency of the MBE program), staff from three other state agencies, plus a minority-owned business leader who brought the customer voice to the table.

The wide involvement proved to be a strength. Throughout the report-out presentation at week's end, it was clear that commitment and unity of purpose had kept everyone working closely together. ●



The Kaizen event was a team effort from start to finish. Every step – from analysis to idea generation to consensus-building to final planning – involved everyone in the group.