

## KAIZEN RESULTS

# Motor carriers will receive needed credentials from PUCO up to 80% faster

**IN BRIEF:** To ensure road safety, the Public Utilities Commission of Ohio requires annual registration of motor carriers. It's a challenging process, with 24,400 registrants and 53,000 submitted forms at last count. The agency used Kaizen to transform the process, making it easier and faster for customers and staff alike.

**SWIFT SERVICE:** Registrations will be processed in 4½ to 10 days when the improvements are implemented – compared to 19 to 51 days with the original process. So the work will get done in one-fifth the time.

**SIMPLICITY:** The new process has just 26 steps compared to 183 with the previous approach (86% reduction). It has 5 decision points vs. 39 before (87% reduction), 6 handoffs vs. 29 (79% reduction), and 2 loopbacks vs. 10 (80% reduction).

**WORKING SMART:** Gains in efficiency will make it possible for 1,600 work hours to be redirected to other mission-critical activities.

Kaizen Event RESULTS SCORECARD	BASELINE*	PROJECTIONS*	
	Key process measures, gathered at the start of the Kaizen event	Projected measures once all improvements are in place	PROJECTED CHANGE
PROCESS STEPS	183	26	86% reduction
DECISION POINTS	39	5	87% reduction
HANDOFFS	29	6	79% reduction
OVERALL PROCESS TIME	4½ - 10 DAYS	19-51 DAYS	80% reduction

### DETAILS

In Ohio, commercial transportation companies are public utilities under the jurisdiction of the Public Utilities Commission of Ohio. The PUCO registers these companies (which are commonly referred to as “motor carriers”) and ensures that they adhere to state and federal safety standards. The overarching aim is to improve road safety.

Registration is an annual process. It's required of private carriers, for-hire carriers, brokers, leasing companies, and freight forwarders operating in interstate commerce.

There were 24,400 motor carrier registrants at last count – so the volume of work to register all those carriers each year is significant. When motor carriers send in their annual registration form, they have to include insurance forms and other documentation, so the job can get complicated. Last year, some 53,000 forms were processed with registrations, including 32,000 insurance forms.

Determined to simplify and speed up the process, leadership and staff gathered for a week-long Kaizen event. They began with a walk-through at the PUCO office, where all 18 team members saw first hand how the work was done and forms were filed.

During the site visit, team members posed several fact-finding questions to five customers who were on sight for walk-in registration. The customer feedback came through loud and clear: Allow for online processing. Speed up the process so we don't have to wait for credentials. End the requirement that paper credentials have to be kept in my truck.

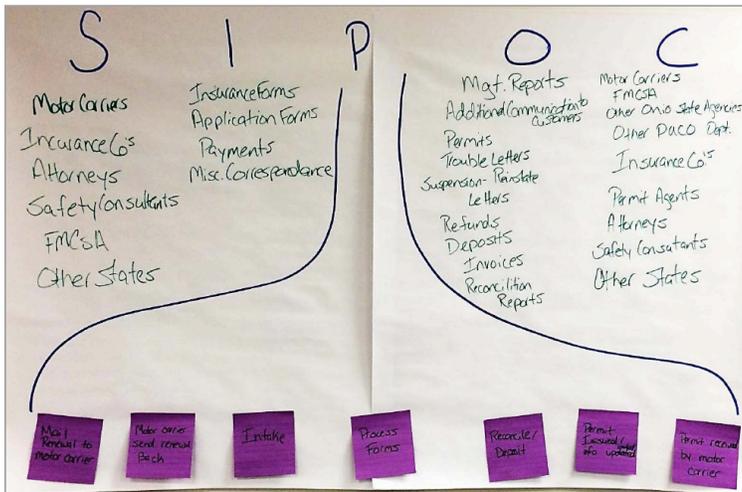
The team created a detailed map of the current registration process. They used the map to pinpoint all occurrences of inefficiency. This set the stage for brainstorming, in which they came up with 111 improvement ideas. Then the team divided into three subgroups, each of which developed a potential redesign of how the process could work better.

The team used the best ideas from all three subgroups to come up with a final redesign. The transformed process maintains the integrity

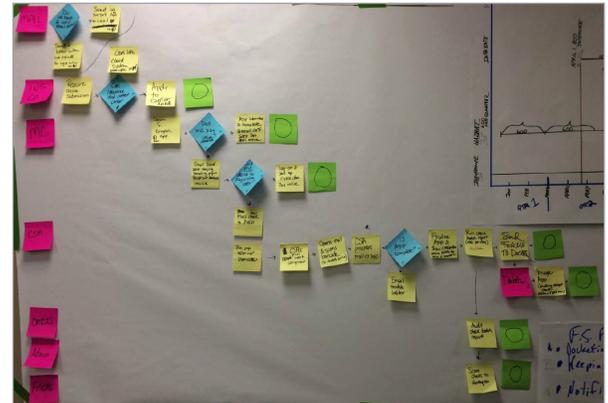


**Team members:** Back row from left: Don Erby, Kelly Selzer, Joe Turek, Martin Boratyn, Megan Gump (ODOT), Len Shenk, Valerie Poindexter, Brian Barringer, Shawn Smith, Milan Orbovich (Team Leader), Gina Mee (ODJFS). Front row from left: Christie Edwards, Kathy Gales, Kendra Rogiers, Daneiaka Howard, Priscilla Smith. Not pictured: Larry Woolum (Ohio Trucking Association).

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**Left:** SIPOC stands for *suppliers, inputs, process, outputs, and customers*. In one of the first steps of every Kaizen event, the team develops a SIPOC in order to establish a common understanding of the big picture. The SIPOC at left was created on the first day of PUCO’s Kaizen event.



**Above, the story in a picture:** This map of the new process shows simplicity in action. When implemented, the new approach will process registrations in one-fifth the time.

**Below, the story in numbers:** This scorecard compares key measures of the current process and the new process. The team developed this scorecard toward the end of its Kaizen event, using their detailed “before” and “after” process maps to make the calculations.

SCORECARD	Current	NEW	%Δ
Process Steps	183	26	86%
LOOP BACKS	10	2	80%
HAND-OFFS	29	6	79%
DECISION POINTS	39	5	87%
WASTE	54	5	91%
PROCESS LEAD TIME	19-51 DAYS	4.5-10 DAYS	76-80%

of thorough registration while making it a model of efficiency. The new process has just 26 steps, compared to 183 with the previous approach. It has 5 decision points (compared to 39 before), 6 handoffs (compared to 29), and 2 loopbacks (compared to 10).

Perhaps most important of all, the team estimates that when all the improvements are implemented, it will take 4½ to 10 days to process a registration – compared to 19 to 51 days with the original process. The job will get done in just one-fifth the time it used to take.

Several major team-designed changes are driving these projections. One of them has to do with work flow. Previously, work typically followed four workflows, with multiple people working on one registration at different stages of the process. The team created and clearly documented one standard workflow, with one person handling everything from beginning to end. This will put an end to batching, which was contributing to delays.

The new process will use barcodes to track checks and move them through more efficiently. This will clear the way for motor-carrier credentials to be issued more quickly.

Also, many functions that have been done manually will be moved online. One of these has to do with insurance, which is important because insurance forms are such a high-volume input into the process. PUCO plans to develop online functions for insurance companies enabling them to designate that a carrier is insured – and to apply this confirmation to the carrier record online so the registration application can proceed.

Over time, more functions will be made electronic, including the full application. This will ensure a single point of entry for registration information while sharply reducing the hard-copy paper and files. Emails will replace manual letters, including the paper credentials that have traditionally been mailed to motor carriers.

The Kaizen event has begun a major transformation of the process, but the experience had an individual impact as well. “This week transformed me personally,” a team member said during the team’s presentation. It showed that higher levels of teamwork and improvement can be achieved, even in a time frame as short as one week. “Just getting those ideas out on the table is going to make a big difference.” ●