

# ***KAIZEN EVENT REPORT-OUT***

# **Ohio Bureau of Motor Vehicles Dealer Licensing Process**

Kaizen Event: October 31 – November 4, 2011

Report-Out Presentation: November 4, 2011



# Automaters



# TEAM MEMBERS

Team Leader: Kathleen Corrigan, Chief of Dealer Section

Kimberly Baker, CSA2

Stacy Capehart, CSA2

Tyanna Collins, CSA2

Brandi Crowley, Asst. Chief

Jerri Fowlkes, CSA3

Donna Howard, CSA2

Takisha Johnson, CSA2

Betty Kraft, Supervisor

Laura Logan, CSA2

Wanda Mullins, CSA2

Steven Pontius, CSA2

Kelly Portis-Brandon, CSA2

Melony Simpson, CSA2

Sarah Stedtefeld, CSA2

Sheree Weaver, CSA2

Patrick Wilson, DPS Training

Ted Wendling, Chief of Investigations

Todd Ballinger, Investigations Supervisor

Jennifer Shaw, Investigations

Terry Maffitt, Investigations

Shiloh Johnson, Investigations

Joe Cannon, OADA Representative

Michelle Primm, Dealer & GSADA & OADA Rep

Zach Ludle, OIADA Rep & Dealer Participant

Carol Schubert, ODOT

**FACILITATORS:** Gloria Calcara, Sue Kirby, Bill Demidovich, Rich Martinski, Steve Wall

# SCOPE OF EVENT

## **Dealer Licensing Process:**

The process begins when the customer submits an application or renewal and ends once the permit or license is sent to the customer.

## **Overarching Theme:**

The purpose of this event is to reduce processing time and improve customer satisfaction.

## **Stakeholders:**

Taxpayers

Dealers

Dealer Associations

Salespeople

BMV Investigators

AG's Office

Deputy Registrars

Staff

Remittance Processing  
Section

Document Management  
Unit (Imaging)

# OUT OF SCOPE

- No one loses their job because of the Kaizen event, but duties may be modified.
- Need for additional staff is not dependent on improvement process
- Need for additional monies is not dependent on improvement of process
- No legislative changes or changes related to collective bargaining.
- No IT solutions until it is determined that an IT solution is needed.

# PROCESS ISSUES

- Length of issuance (delays)
- Complaints from dealers
- Repetition, rework, transitions, handoffs, excess motion
- Batching
- Form language unclear
- Background checks leading to delays
- Inspections: Are initial inspections needed?

# GOALS & OBJECTIVES

- Reduce processing time by 50%
- Develop a data-tracking system
- Create a process and forms that are more user-friendly
- Eliminate over-regulation and bureaucracy
- Increase customer satisfaction

# EVENT MEASURES

**The following came up often during the Kaizen event:**

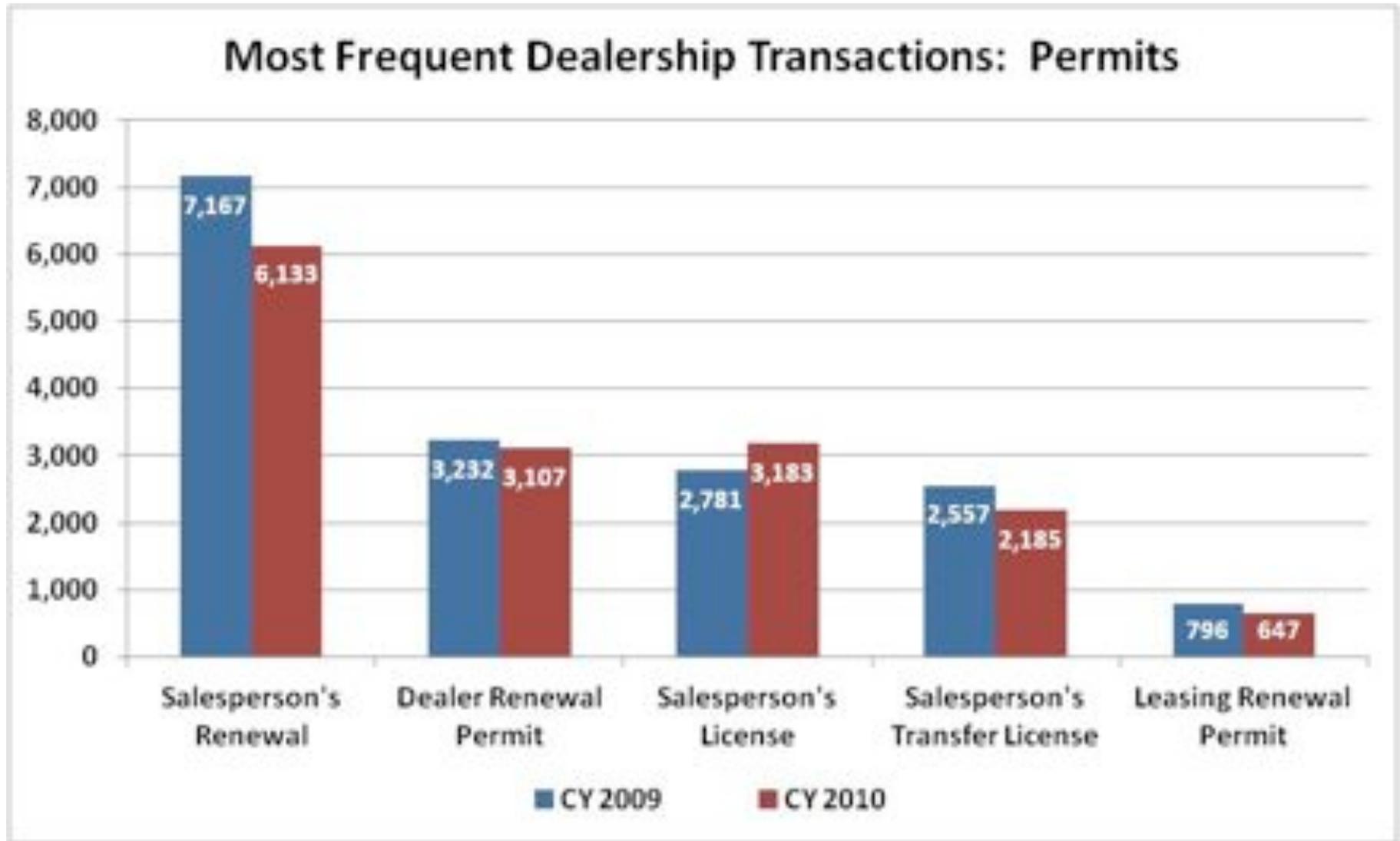
- Processing time
- Countable process metrics (such as the number of handoffs)
- Percentage of applications submitted correctly and completely the first time
- Cost savings
- Violation statistics (such as a percentage breakdown showing the frequency of occurrence for various types of violations)

# EVENT BASELINE DATA

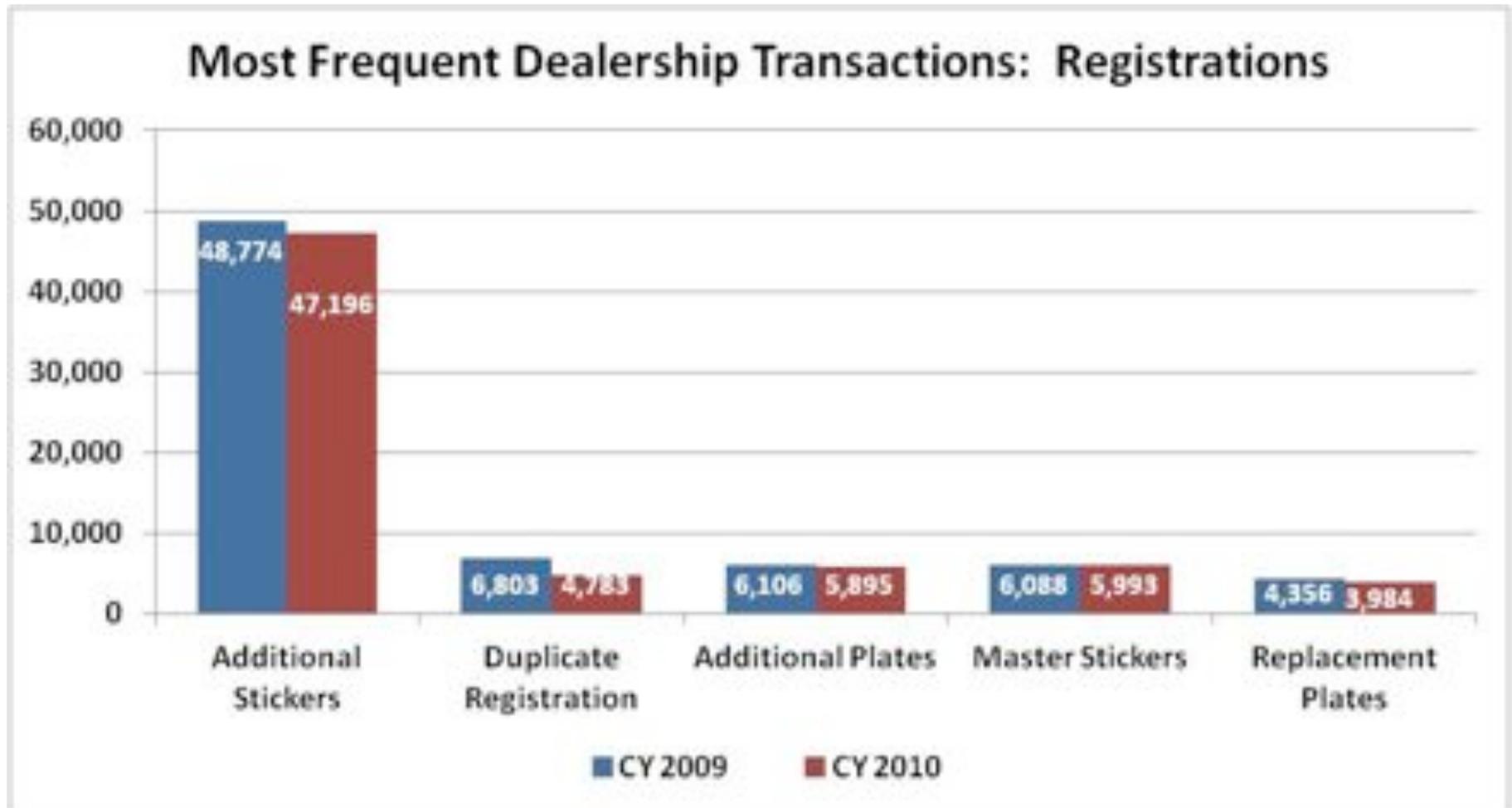
## DEALERSHIP DATA

<b>Dealers</b> New dealers (2010)	<b>11,000</b> 708
<b>Salespersons</b> New, renewed, amended	<b>16,000</b> 11,917
<b>Misc Plates</b>	<b>3,200</b>
<b>Salvage Buyers</b>	<b>400</b>
<b>Incoming Items (2010)</b>	<b>15,223</b>

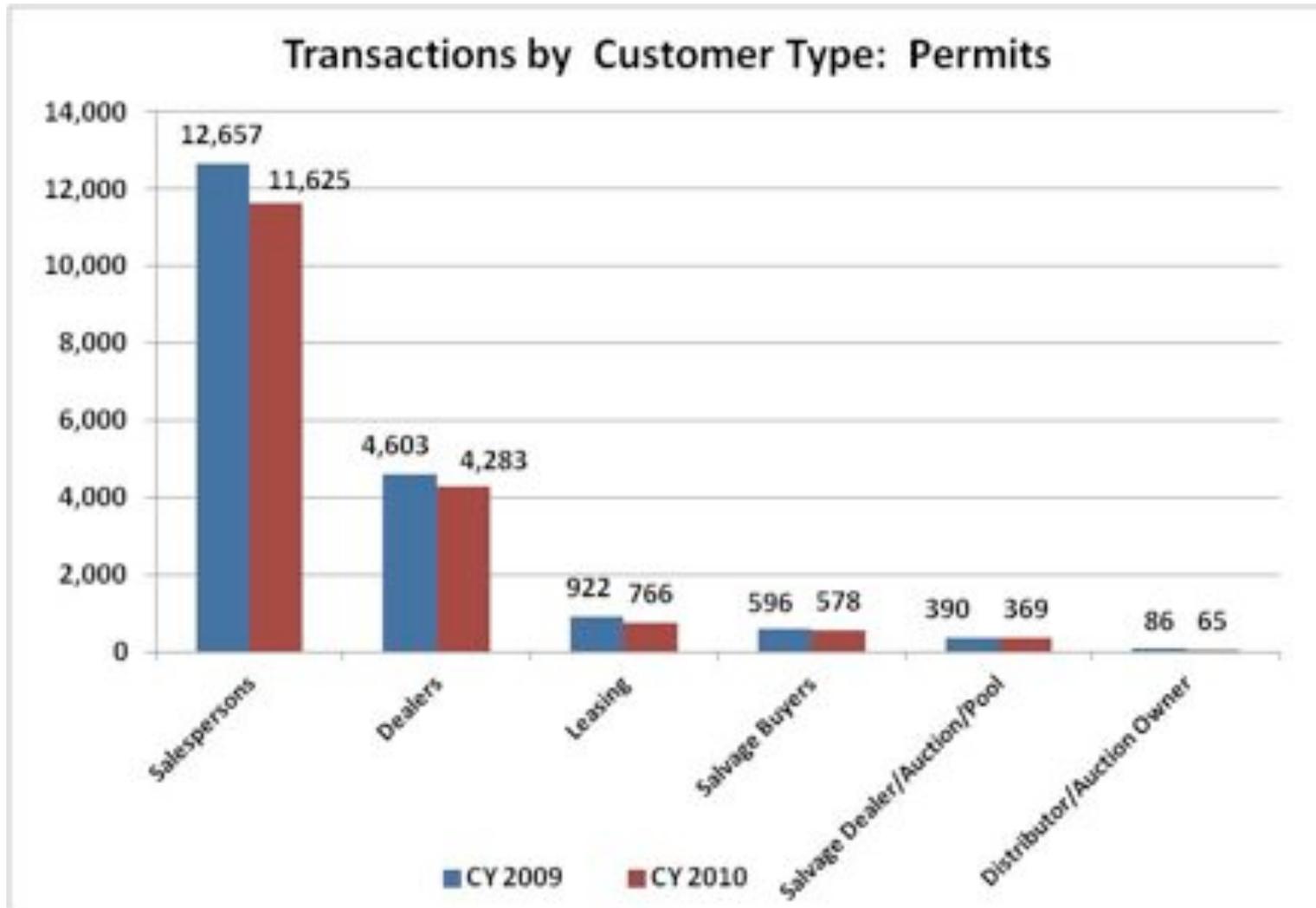
# EVENT BASELINE DATA



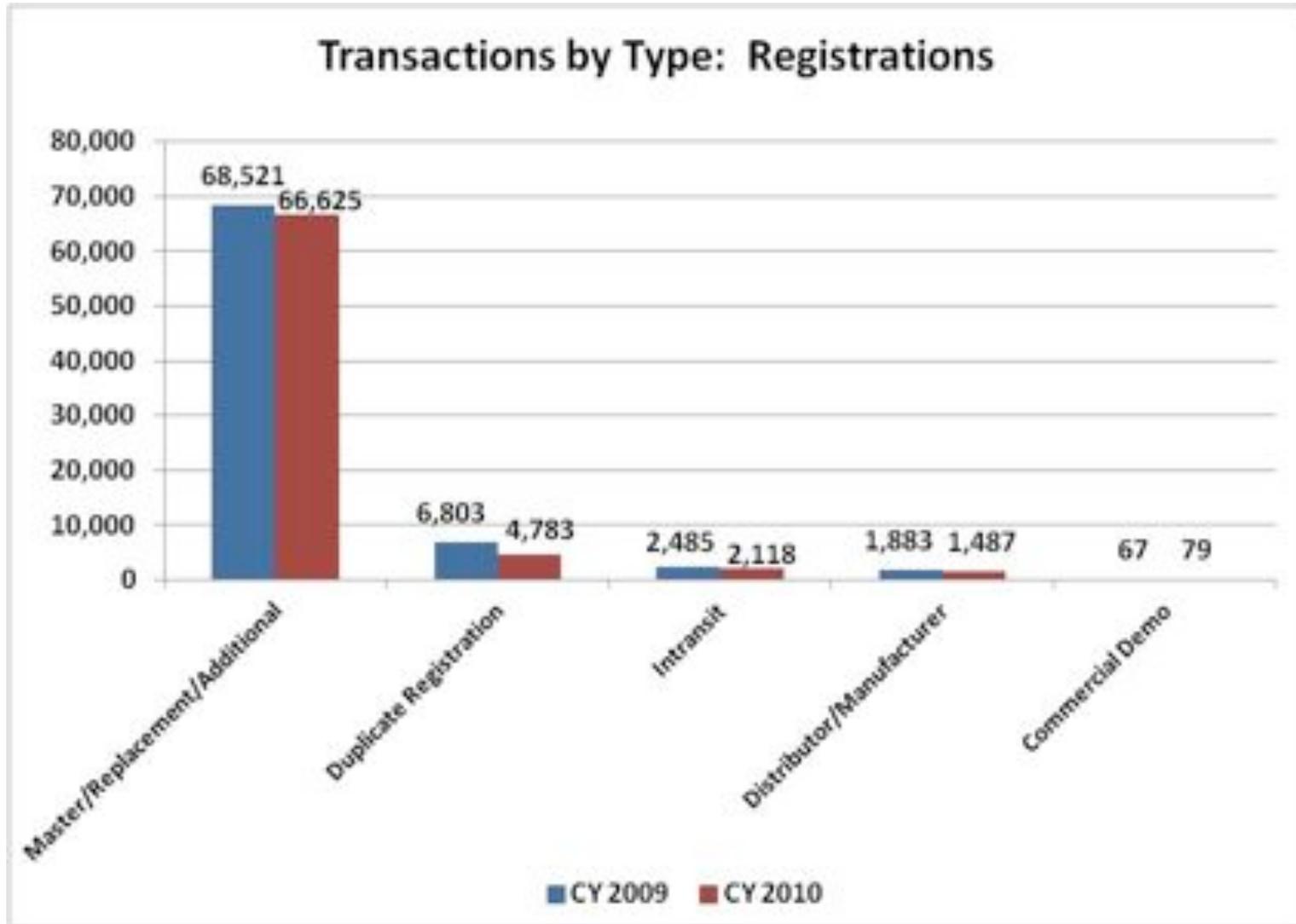
# EVENT BASELINE DATA



# EVENT BASELINE DATA



# EVENT BASELINE DATA



# EVENT BASELINE DATA

## 2010 RENEWALS

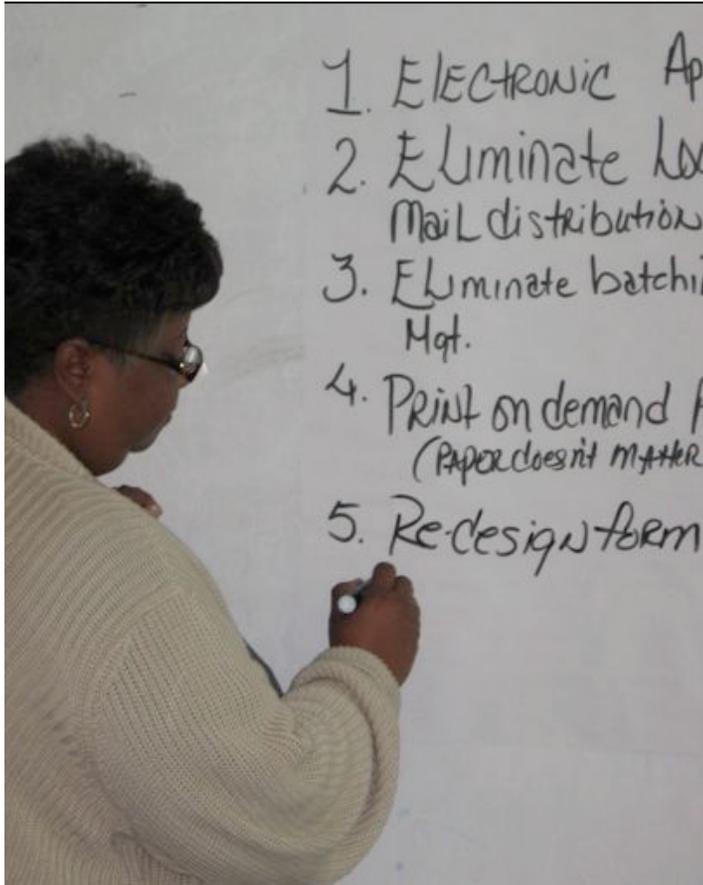
<b>DEALER</b>	55.7% Remittance 12.2% Paper by CSA-2's 32.1% Online
<b>SPECIAL PLATES</b>	71.5% Remittance 8.0% Paper by CSA-2's 20.5% Online
<b>SALESPERSONS</b>	37.9% Remittance 1.5% Paper by CSA-2's 60.5% Online
<b>SALVAGE</b>	70.4% Remittance No statistics available 29.5% Online

# THE KAIZEN APPROACH

<b>DAY 1</b> LEARNING	<b>DAY 2</b> DISCOVERY	<b>DAY 3</b> IMPROVEMENT	<b>DAY 4</b> IMPLEMENTATION	<b>DAY 5</b> RESULTS
Learn Kaizen methodology Begin mapping current process	Finish mapping current process Develop ideas for improvement	Design new process Calculate measurable impact	Review and refine changes Develop implementation plans	Present results and changes Schedule follow-up meetings

**By the end of the week, the Kaizen team has designed dramatic operational improvements**

# KAIZEN: To break apart for the better



- Clear objectives
- Team process
- Tight focus on time (one week)
- Quick and simple, action first
- Necessary resources available right away
- Immediate results (new process functioning by end of week)



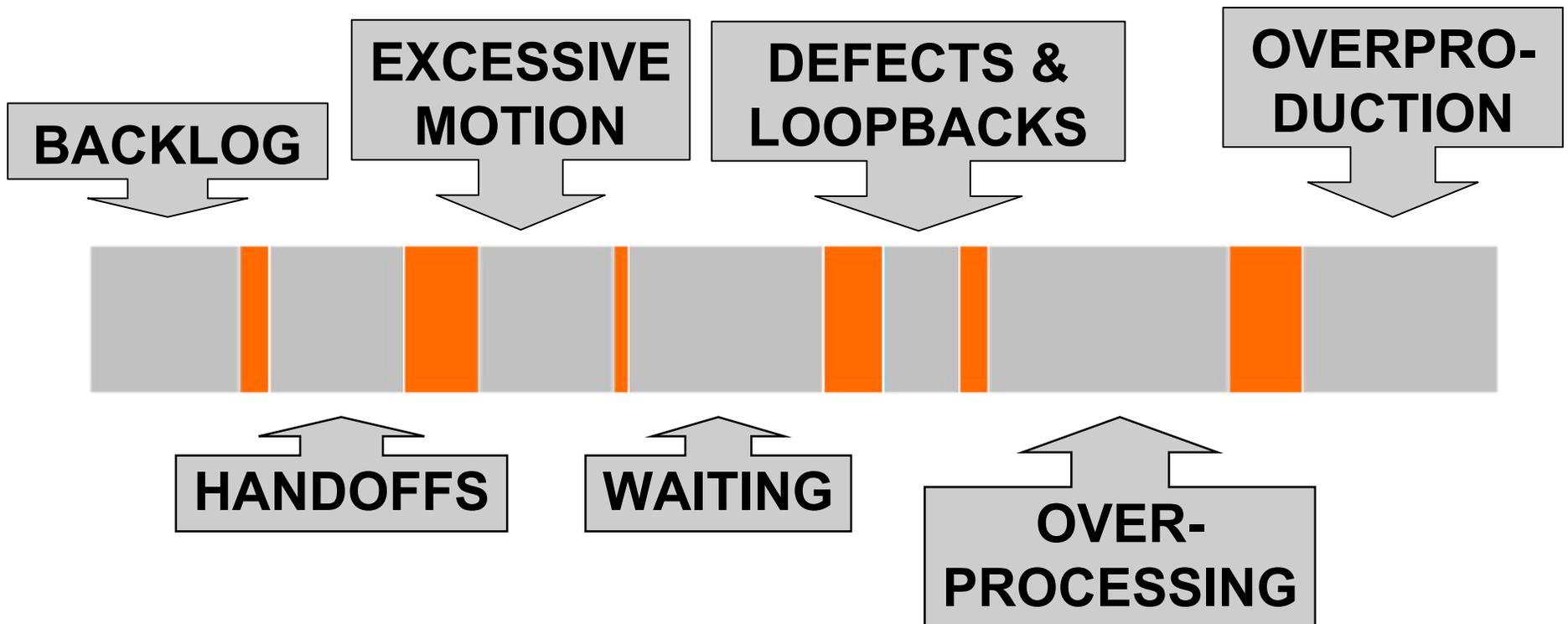
# LEAD-TIME REDUCTION



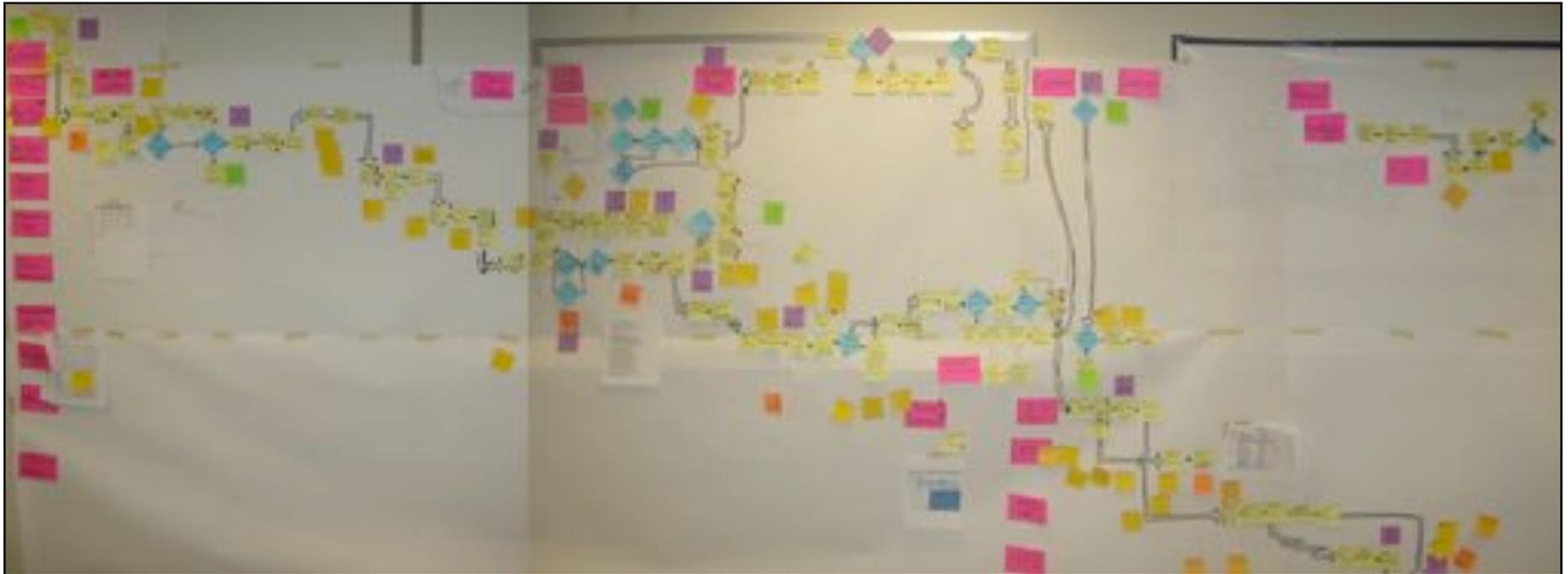
**Core Process – Value-Added**



**Wasted Time and Activity**



# CURRENT STATE OF PROCESS



# IDENTIFYING THE ISSUES

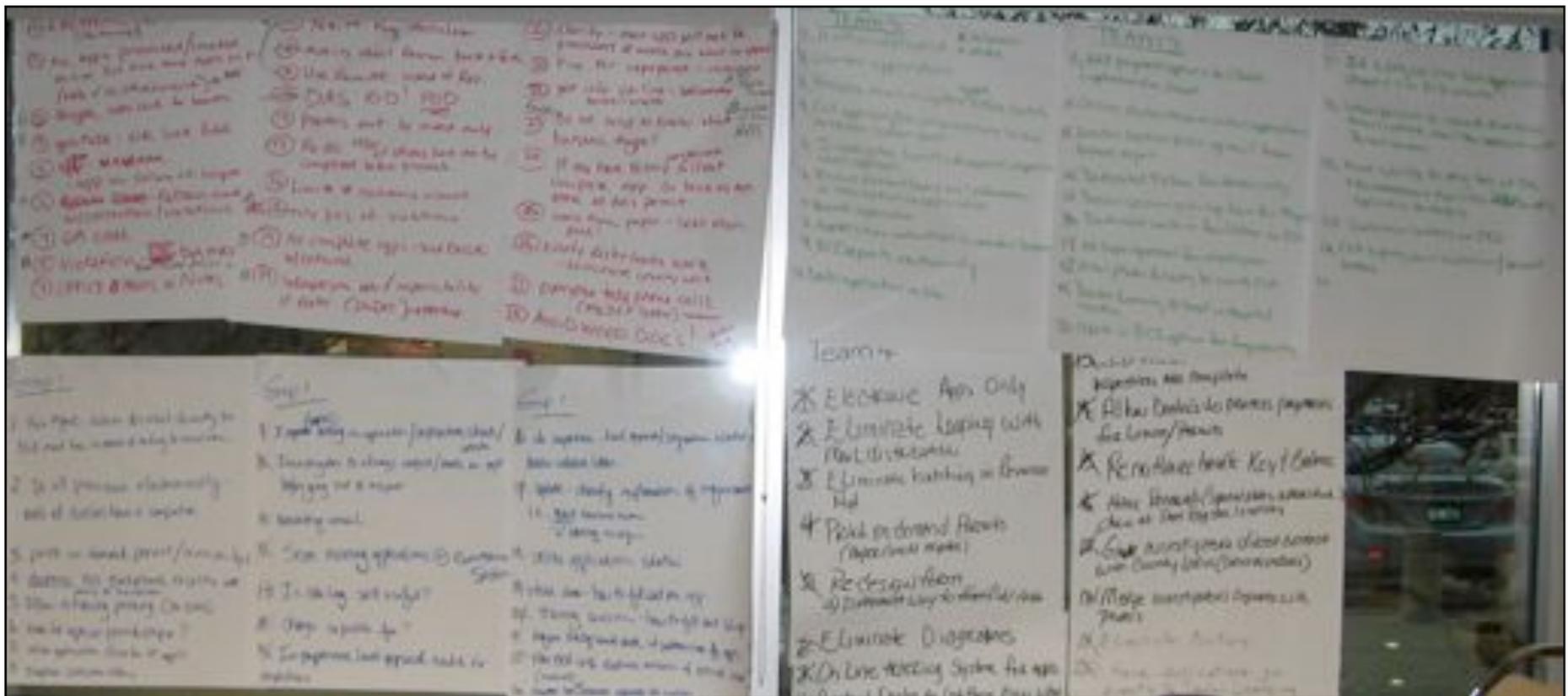
The process has **TOO MANY...**

- Too many steps
- Too many decisions
- Too many handoffs
- Too many bridges
- Lack of standardization

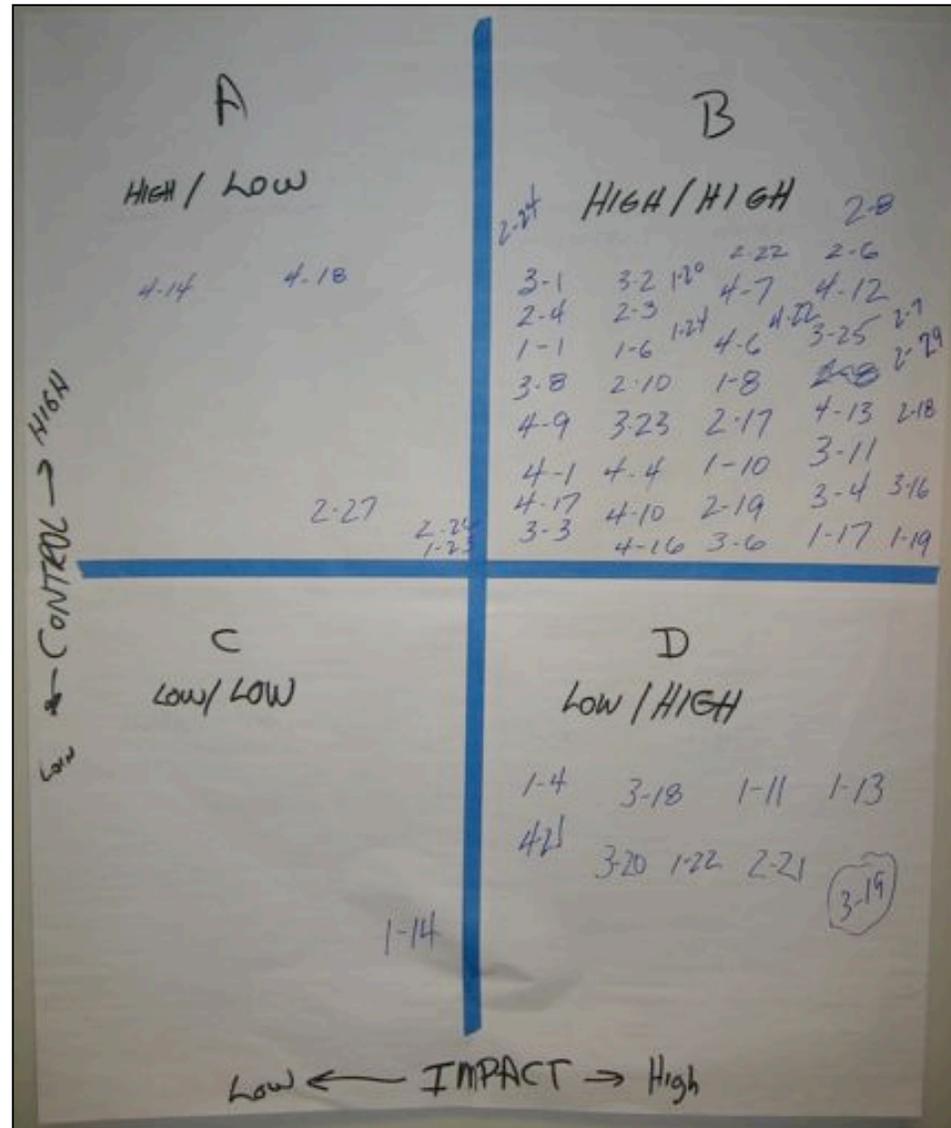


# IMPROVEMENT IDEAS

The team brainstormed 100 improvement ideas



# EVALUATING THE IDEAS





# COMMON GROUND

Clean  
sheet:

## Common Ground

- One-on-One Service - Education
- On-Line
- No Manual Batching
- Receive Electronic BEI Results
- Print on Demand
- All Inclusive.
- Handoffs Reduced....
- Payment Locations - Increased.
- Faxed / Paid Applications
- Streamline Inv. e.g. Paperwork  
Curtain Preserve Due Process.

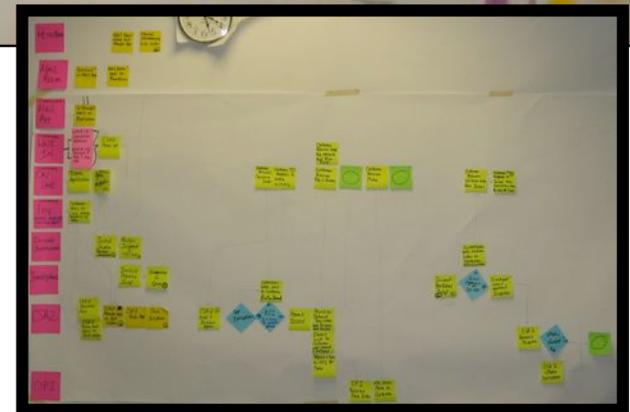




# BEFORE & AFTER



The new process is simpler, faster, and better



# THE RESULTS

Measure	Before	Projected After	Measurable Improvement
Overall Lead Time	<p>First Time Issuance: 39 → 221 days</p> <p>Renewals: 2 -- 185 days</p>	<p>First Time Issuance: 2 - 37 days</p> <p>Renewals: 2 - 37 days</p>	<p>First Time Issuance: Up to 184 fewer days <b>Reduction up to 83%</b></p> <p>Renewals: Up to 148 fewer days <b>Reduction up to 80%</b></p>
Steps	102	34	<b>Reduction up to 67%</b>
Delays	29	7	<b>Reduction up to 76%</b>
Handoffs	32	14	<b>Reduction up to 56%</b>

# BENEFITS

- Improved customer service
- Faster process gets permits to people more quickly
- Efficient
- Cost-effective
- Happy customers
- Increased morale among staff



# PROJECTED SAVINGS

## SAVINGS:

### Postage:

New Cancel Dealers: \$1,144  
Salvage Buyers: \$2,808  
POD Violation Corrections: \$10,296

Printing Costs: \$39,520

Streamlining/Revising Forms: \$3,120

Eliminating batching: \$4,433

Paper cost (blue card stock): \$461

Paper cost (parchment): \$698

Eliminating BCI Phone calls: \$169

**TOTAL: \$62,649**

Cost Savings / Cost Avoidance

- Paperless Process - Application On
- Printing Costs - Including DAS <sup>Product</sup>
- Postage Saved by Print-On-Demand
- Investigator Time + Fuel - No Pre
- Postage - Due to BCI Electronic for
- Streamlining + Revising forms
  - Saves Postage, Time + Paper
- Online Payments
- Eliminating Batching: Mailroom, Doc Management, Revenue Management
- Start-up Cost Savings for Customer, w/ on approvals from us.

# PROJECTED SAVINGS

## REDIRECTED STAFF TIME

**Phone:** 2 hours x 3 staff

**Mail:** 3 hours x 1 staff

**Utilities:** 3 hours x 2 staff

**CSAs** 1 hour x 5 staff

**TOTAL = 5,200 hours freed up**

**= 2.5 staff**

# PROJECTED SAVINGS

## FROM A CUSTOMER'S PERSPECTIVE

Cost of doing business while waiting 3 months for a license:

	SMALL	LARGE
Rent:	\$1,000	\$5,000
Utilities:	\$300	\$1,000
Insurance:	\$300	\$4,000
TOTAL =	\$4,800	\$30,000 <i>Cash out the door</i>
Lost profit:	\$30,000	\$150,000
Plus staff costs at \$3,000 per month per staff person		

# ACTION PLANS

**DATA COLLECTION ACTION REGISTER**

WHAT	WHO	BY WHEN
Create data collection form for investigations	Sarah + Investigator + Jennifer	2 wks
Create the process for data collection	Ted / Jennifer	2 wks
Deploy	Ted	30 days + 1 wk
Results	Sarah / Jennifer	6 mos

**IT ACTION REGISTER**

WHAT	WHO	BY WHEN
complete electronic process proposal with BCI	Kenny	
get on priority list	RAMON + KEITH ALBERT, IT	
Development, testing, production	IT	
BASS entries to receipt money - BASS user acceptance	Dealer - Brandi	ASAP
Request move to BASS release	Brandi / RAMON	next TUES NOV 8
Production	IT	Jan 9, 2012

1. Do prelim planning... develop idea of this... document... identify key issues, needs, questions  
*then...*
2. Meet with key people from all areas/functions that impact the service.  
*then...*
3. Take all the input and develop a plan that spells out the details and includes an implementation plan.  
*then...*
4. Final the plan to decision-makers for fine-tuning + approval.  
*then...*
5. Begin implementation...

**ACTION REGISTER APPLICATION PROCESS**

WHAT?	WHO?	BY WHEN?
1 Dealer / Salvage Application - finalize Restructured form	The Six County CSA2's	Nov 18, 2011 <i>existing Process</i>
2 Salesperson Application - Finalize Restructured of Form	The Six County CSA2's	Nov 18, 2011 <i>existing Process</i>
3 Request Form for possible changes Application for Address, Name/DOB - Dealer License Type Change	The 6 County CSA2's	Nov 30, 2011
4 Application for Special Child Registration	All 6 CSA2's + 2 Investigator per District	Dec 31, 2011
5 Application for 2+ Transit Permit By Drive-Away Operator	All 6 CSA2's + 2 Investigator per District	Dec 31, 2011
6 Implement New Online Application	Dealer Management IT Dept	Beginning Apr 1, 2012 Completion Date TBD
7 ORGANIZE BASS APPLICATION (DEALER AND PLATE) FOR IMPLEMENTATION OF ONLINE PROCESS / FORM REVIEW	Dealer Management County CSA2's IT	March 1, 2012
8 Revision of Current Outside Agency Phone Numbers	Phone and Utility CSA2's	Dec 31, 2011
9 Develop Annual Application Form Followup for Review	Active Dealer Licensing Section	Sept. 1, 2012 + Annually thereafter
10 Revise and Update Correction Codes	The 6 County CSA2's	Dec 31, 2011
11 Make up Officer Awards Form	The 6 County CSA2's	Dec 31, 2011

Continue for details



# ACTION PLANS

## **DATA PLAN** to track data going forward

- Create data collection form for investigators (Sara and investigator, Jennifer) (2 weeks)
- Create the process for data collection (Ted/Jennifer) (2 weeks)
- Deploy (Ted) (30 days)
- Results (Sarah/Jennifer) (6 months)

# ACTION PLANS continued

## IT Action Register

- Complete electronic process proposal with BCI (Kathy)
  - Get on priority list (Mike Rankin to Keith, Albert)
  - Development, testing, production (IT)
- 
- BASS entitles to receipt money – BASS user acceptance (Dealer - Brandi (ASAP))
  - Request move to BASS release (Brandi/Kathy) (November 8)
  - Production (IT) (Jan 30, 2012)

# ACTION PLANS continued

## Code Team Action Register

- Complete Forms to go to application committee (see flipchart sheet)
- INTERNAL: Send list of new licensees to investigations, etc.
- Request changes to requirements. Work with Board, Dealers, investigators, legal, industry, HR (as needed), Union (as needed) – to meet every 2 weeks starting November 17.

# ACTION PLANS continued

## Forms Action Register

- Complete Dealer/Salvage Application, finalize restructuring of form (November 18)
- Salesperson Application – finalize (November 18)
- Revisit forms for possible changes
- Application for special Ohio registration (December 31, 2011)
- Application for in-transit permit by drive-away operation

A photograph of a handwritten form, likely a Dealer/Salvage Application, with various fields and checkboxes filled out. The form is titled "DEALER/SALVAGE APPLICATION" and contains several sections with headings like "GENERAL INFORMATION", "VEHICLE INFORMATION", and "SALES INFORMATION". There are numerous checkboxes and handwritten entries throughout the document.

Continued on the next slide



# ACTION PLANS continued

## Forms Action Register

ACTION REGISTER:		APPLICATION PROCESS	
WHAT?	WHO?	BY WHEN?	
1. Dealer / Salvage Application - Finalize Restructure of form	The Six County CSA2's	Nov. 18, 2011	One-Day Process
2. Salesperson Application - Finalize Restructure of Form	The Six County CSA2's	Nov. 18, 2011	One-Day Process
3. Revisit Forms for Possible changes: Application for Address, Name/DBA or Dealer License Type Change	The 6 County CSA2's	Nov. 30, 2011	
4. Application for Special Ohio Registration	All 6 CSA2's + 1 Investigator Per District	Dec. 31, 2011	
5. Application for In-Transit Permit By Drive-Away Operator	All 6 CSA2's + 1 Investigator Per District	Dec. 31, 2011	
6. Implement New Online Application	Dealer Management IT Legal	Beginning Apr. 1, 2012 Completion Date T.B.D.	
7. ORGANIZE EACH APPLICATION (DEALER AND PLATE) FOR IMPLEMENTATION OF ONLINE PROCESS / FORM REVIEW	Dealer Management County CSA2's IT	March 1, 2012	
8. Revision of Current Outside Agency Phone Numbers	Phone and Utility CSA2's	Dec. 31, 2011	
9. Develop Annual Application Form Follow-up for Revision	Entire Dealer Licensing Section	Sept. 1, 2012 + Annually Thereafter	
10. Revise and Update Correction Codes	The 6 County CSA2's	Dec. 31, 2011	
11. Make up Officer Affidets Form	The 6 County CSA2's	Dec. 31, 2011	

# ACTION PLANS continued

## Training Action Register

- Biweekly meetings
- Phase 1, 30 days – Meet with impacted customers
- Phase 2, 60-90 days – Implement training on improved forms
- Phase 3, 6 months to 1 year – Fully functional online, Twitter updates, possible Facebook presence, outreach effort to communicate improvements

# ACTION PLANS continued

## Concierge Action Register

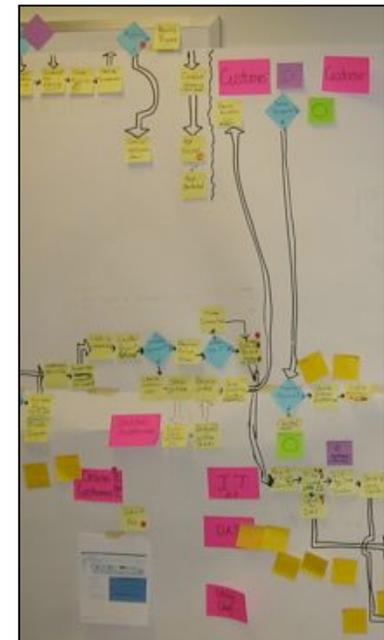
- Develop a preliminary plan on vision: Identify and document key issues, questions, ideas (30 days)
- Then meet with key people in mid-December (legal, facilities, Director, management, IT, phone, purchasing, CSA2s, and possibly others) (issues to resolve include location, layout, equipment, legal boundaries)
- Use input to fully develop plan (30 days)
- Circulate detailed plan to Director's Office for fine-tuning (as necessary) and approval (14 days)
- Upon approval, begin implementation (target = mid-April)

# PERSONAL LESSONS LEARNED

- All voices count
- Change is good
- Patience is a virtue
- Persistence make a difference
- It takes a team
- It takes a week-long Kaizen event to get it done!
- No silent disagreement
- Buy-in from the brain trust was crucial – they were at the table
- Everyone has a genuine interest in making the process better
- Someone here is partial to retro cologne – we have no idea who this is



# Life as a Kaizen team member



# SPECIAL THANKS TO...

## **Senior Leadership:**

Tom Charles, Director, Ohio Department of Public Safety

Craig Mayton, Assistant Director

Mike Rankin, Registrar, Ohio Bureau of Motor Vehicles (Sponsor)

## **Team Leader:**

Kathleen Corrigan, Chief of Dealer Licensing & Specialty Plate Services

## **Subject Matter Experts:**

Winston Ford, Legal

Mike Eckstien, IT

Marcy Fried-Hayes, IT Project Manager

Rich Driscoll, IT

Lori Osborn, Representative of BCII/AG's Office

