Lean Six Sigma Project Report Out

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Ohio Department of Medicaid

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ODM Onboarding

LEANOhio

Background- Scope

ODM wishes to employ a seamless and supportive on-boarding process that will help the agency retain good employees.

- On-boarding refers to the system though which new employees acquire the necessary knowledge, skills, and behaviors to become effective organizational members.
- The on-boarding process will support and assist a new employee in understanding expectations related to the specific tasks and activities they are assigned
- Allow the new employee to understand how their assignments fit into the larger goals and objectives of the department
- Provide a venue for the new employee to meet and greet their peers
- Allow the new employee to become comfortable and familiar with the department's environment and organizational culture

Applicant has accepted position

New Hire is fully integrated, happy and retained by the agency

Project Charter

Problem Statement: The current employee onboarding process does not provide a seamless, and supportive new hire experience creating a risk to ODM retention rates.

SCOPE

FIRST STEP: Applicant has accepted position with the Ohio Department of Medicaid
LAST STEP: New hire has received 6 months personnel review

GOALS

Provide a seamless and supportive new hire experience that feels welcoming and encouraging while maintaining timely administrative tasks as prescribed by the agency. The onboarding process will focus on the following 4 Cs:

1. Compliance
2. Connection
3. Clarification
4. Culture

BOUNDARIES

Includes: New employee orientation, 30,60,90 days manager touch-base meetings, surveys to determine new hire understanding of assignments and comfort within the new workspace, incorporate a Medicaid 101 video, establish hiring manager checklist that includes a formal meet and greet gathering within the new hire's business area, establishment of peer support program for all new ODM hires
Excludes: Recruitment activities regulated by external state entities, Processes utilized for access to specialized IT systems

Project CTQ

Customer: Improved Retention Rates

Needs:

- Knowledge of the organization's overall purpose and goals
- Support to assist them with acclimating into the current agency environment
- Critical information related to manager and agency expectations of position
- Knowledge of how their work fits into the overall "bigger picture"

Voice of The Customer

"Orientation is not long enough and too compliance driven"

"Give folks a good understanding of mission and who we serve. Show them how their work relates to the overall mission and acclimate them into the organization's culture on the first day"

"Training is needed for hiring managers related to new hiring practices and policies"

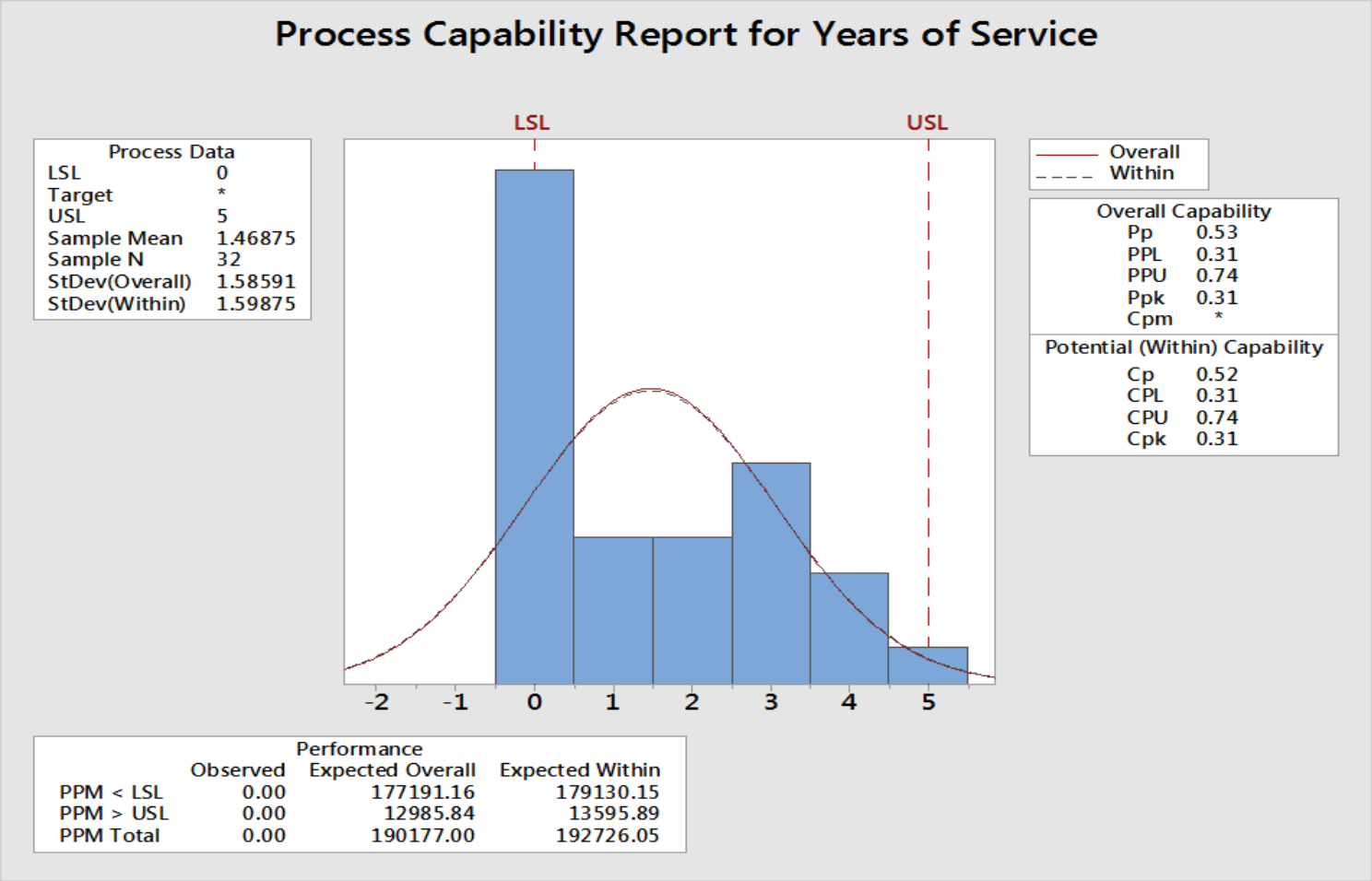
"My experience was unwelcoming"

"I was just thrown out into the environment, I didn't know who to talk to"

"ODM can be clicky and unwelcoming"

Retention Rates

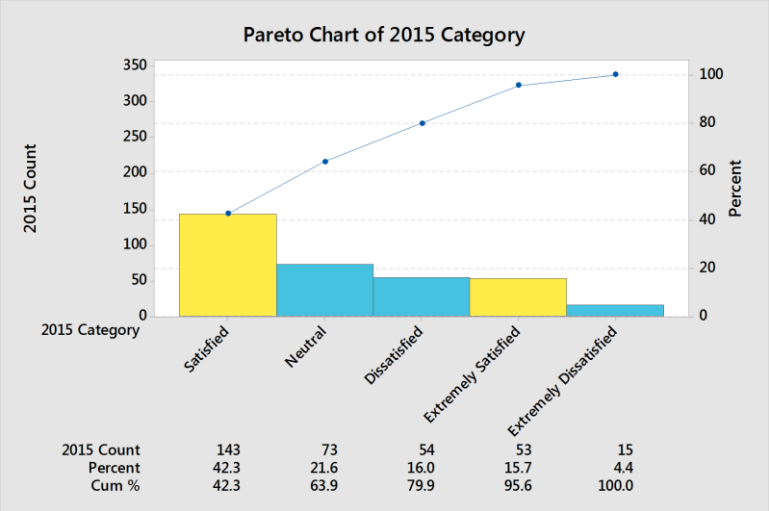
How long are folks staying with us ??

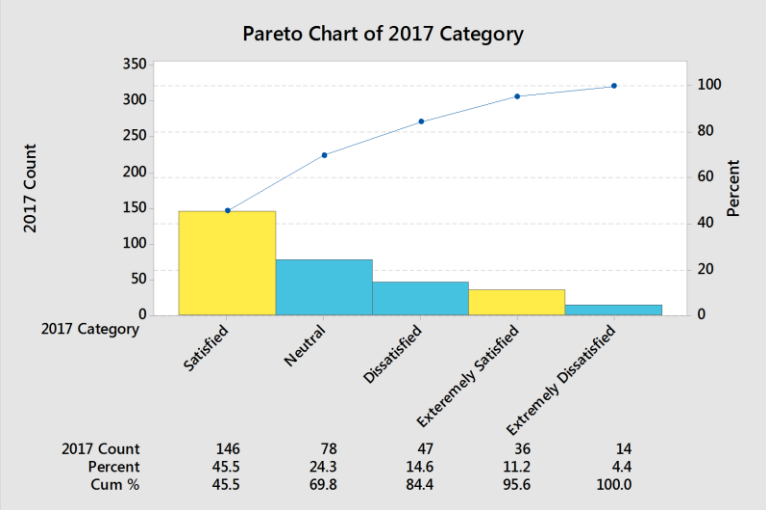


Data Collection Plan

Data Collection Plan										
Data Collection Objective: Understand the Waste: Whats in it? How big? How much? How much time it takes?										
WHAT TO MEASURE				COLLECTING THE DATA		HOW TO MEASURE			WHO IS MEASURING?	
Measure Operational Definition	How big? How much? How much time? How much pressure?	Type of Measure Output Y or Input X or Process Stratification X	Type of data Continuous or Discreted	How will Collector Obtain Samples?	Location Sample is Taken?	Measurement Tool?	Measurement Resolution?	Sampling Scheme: Systematic Random Stratified Random?	Who is collecting data?	Who is Analyzing data?
ODM Retention Rates	Permeant employees hired from 2011 to present and terminated between 2011 and the present	Annual	Continuous	Request Data from ODM HR	ODM HR systems and OAKS	HR Employee Retention Report, Excel, Mini-Tab	% ODM Employee Retention Rates 2011-2017	Stratified/Annual	Lean Ohio Blackbelt Candidate	Lean Ohio Blackbelt Candidate

ODM Employee Satisfaction

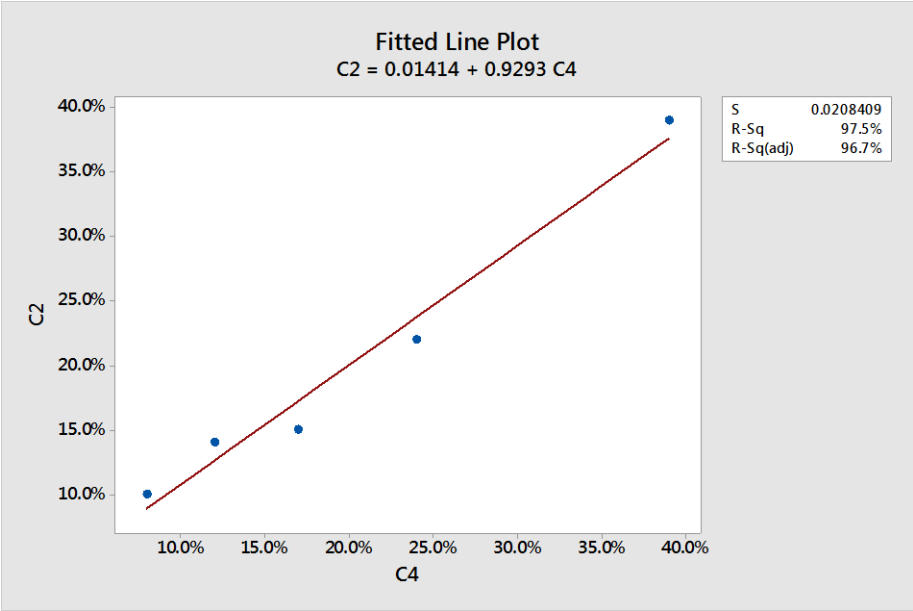




Measure Survey Question:

I regularly receive positive recognition for my work

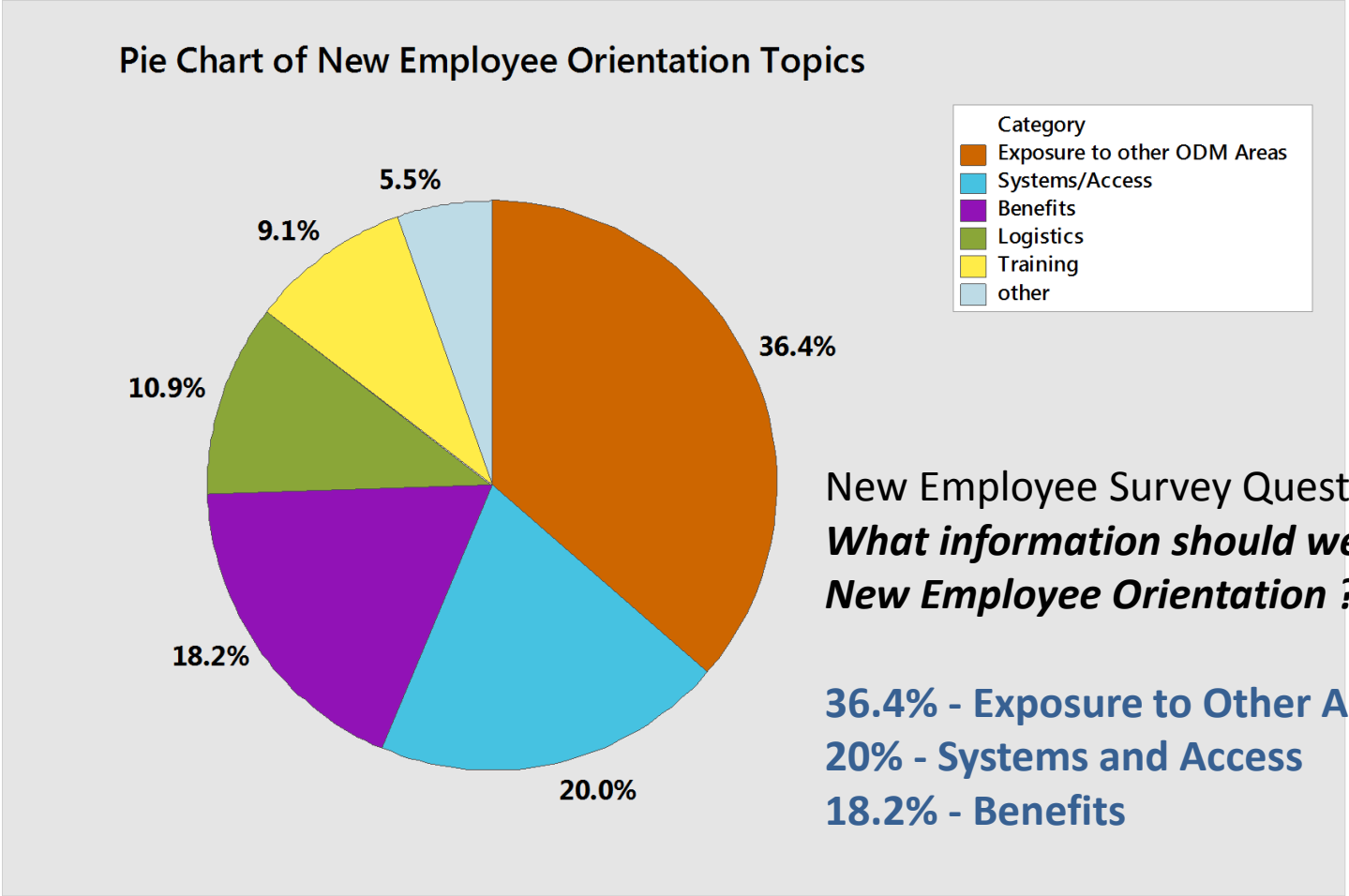
2015 Survey Results	2017 Survey Results
Strongly Disagree 10%	Strongly Disagree 8%
Disagree 14%	Disagree 12%
Neutral 22%	Neutral 24%
Agree 39%	Agree 39%
Strongly Agree 15%	Strongly Agree 17%



The R-Sq is above 80% (97.5%)
This tells me that #s from 2015 to 2017 are similar

There has not been an increase or decrease in the percentage of ODM employees receiving regular positive recognition for their work.

Is exposure to other ODM areas a big deal to new employees?



New Employee Survey Question:
What information should we add to the New Employee Orientation ??

36.4% - Exposure to Other Areas
20% - Systems and Access
18.2% - Benefits

SIPOC

Suppliers
ODM Human Resources
ODM Information Services
ODM Hiring Manager
DAS/ODJFS
ODM Business Services
External Vendors

Inputs
Recruiting
Request for IT equipment and system access
Hiring packet and selection
Access to state systems
Position requests
Request for employee workspace
Schedule background check
Schedule drug testing
Schedule orientation

Process

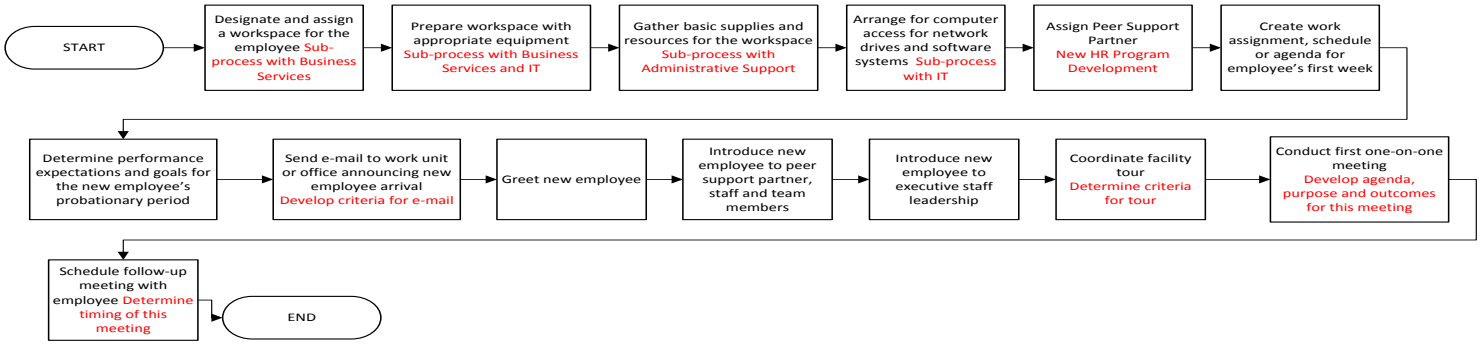
Outcomes
Position approval
New position posting
Employee start date
New employee orientation
workspace assignment
Updated TO
Updated employee location system
IT equipment
System access
Meet and Greet meeting
Work assignment
Completed manager's checklist
Probationary period
Annual performance review

Customers
ODM Hiring Manager
New Hire
ODM Human Resources

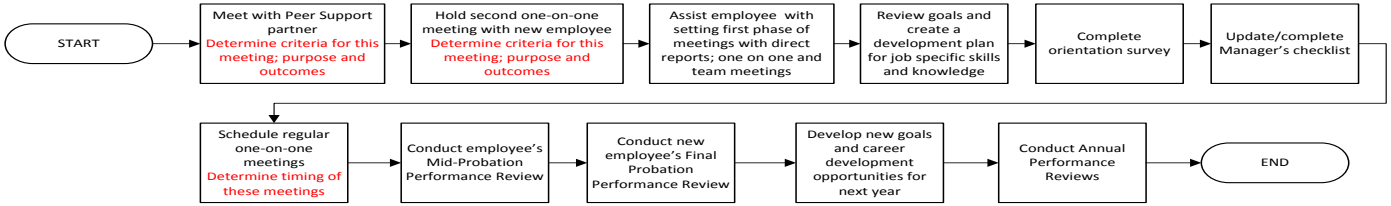
Applicant accepts position → New employee goes through background check and completes new hire paperwork with HR → New employee goes through orientation → New employee begins work assignment → Manager completes 6 month personnel review for new employee

High Level Process Map

WEEK ONE



WEEK TWO

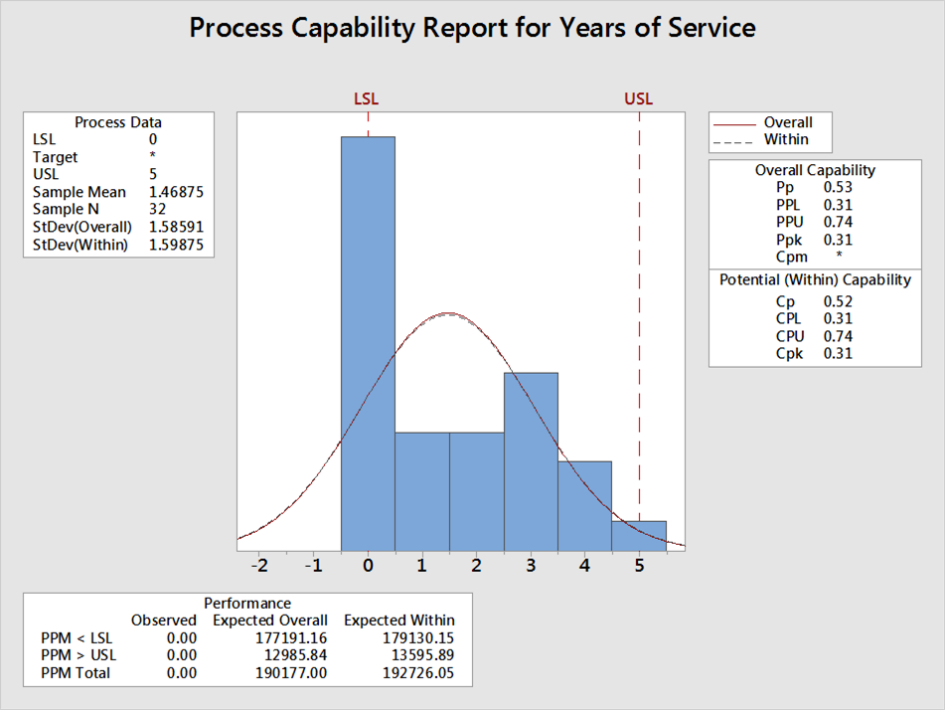


Other Tools

- FMEA
- **Control Charts**
- **C&E Matrix**
- **Operational Definitions**
- Brainstorming
- **Ishikawa**
- Root Cause Analysis
- Graphical Displays
  - **Pareto Chart**
  - Run Chart
  - Control Chart
  - **Pie Chart**
  - **Histogram**
  - **Box Plots**

Project Metrics

Project Y: ODM Retention Rates



Will Review Retention Rates in 2018

Cost of Turn-over

The cost of turnover adds hundreds of thousands of dollars to a company's expenses. While it is difficult to fully calculate the cost of turnover (including hiring costs, training costs, productivity loss), industry experts often quote 25% of the average employee salary as a conservative estimate. For example, if the average salary is $20,000/yr the cost of one employee turnover is $5,000. If you have 30 employees terminating per month, the cost to the organization equals $150,000/month. Multiply that by 12 months and you have $1,800,000 in added annual expense.

Organization Knowledge Loss

- When an employee leaves, they take with them valuable knowledge about our agency, its stakeholders and constituents. Time and money has been spent on the employee and when they leave any expectation of a future return on investment is not realized.

Relationships are risked

- Relationships are developed that encourage continued service and program compliance and improvement. When a trusted employee leaves, the relationship that employee built for the agency is affected causing new relationships and trust to be have to be built again. Rebuilding an established trust take a lot of time and effort.

Turnover spirals into more turnover

- When an employee terminates, the effect is felt throughout the organization. Coworkers are often required to pick up the slack. The unspoken negativity often intensifies for the remaining staff.

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Value Added for ODM Stakeholders

- Decrease costs associated with employee turn-over
- A professional first impression of the agency that will allow ODM to recruit, attract and maintain a motivated, highly skilled workforce.
- A buddy system that provides new employees with a reliable, motivated, on going, single point of contact for questions regarding work processes. This socialization and support can make an enormous, positive difference in early performance, social integration, and long-term retention.
- Existing employees who participate in the buddy system can develop their existing skills, learn new tools and techniques, develop mentoring skills and improve leadership know-how that improves moral, supports innovation and helps to create an organizational culture that is diverse and inviting to all employees as interpersonal relationships are developed through peer to peer support and mentorship.
- Early exposure to all areas within the agency can increase productivity, shorten the learning curve, save time in learning program policy that allows new employees to make better decisions and support innovation that may contribute to added program efficiencies.

Implementation Plan

Xs	Identified Solution /Improvement	Implementation
1X	Employee Acclimation	Develop Peer Support Group
2X	Add additional exposure to all ODM areas to new employees during orientation	Provide robust Medicaid staff and program information Develop Medicaid 101 training Develop orientation topic specific to ODM mission, goals and culture
3X	Efficient/Effective Business Services/IT Workflow for new employee equipment and system access	Survey new employees to determine if they had all system access and equipment available on first day
4X	Just do it !	Develop professional, standardized materials during new employee orientation

Project Documentation/Control Plan

Improvement	Specification	Measure technique	Sample size	Responsible	Control Method	Reaction Plan
Employee Acclimation into Agency	25% increase in employee satisfaction 25% increase in employee acclimation 25% increase in 0-1 year retention rates	Survey	All new employees	HR	Quarterly survey for all new hires – annual after first year Track retention rates	If satisfaction does not increase reanalyze to determine reason
Additional Exposure to Agency	25% increase in employee knowledge of all Medicaid program areas	Survey	All new employees	HR	Quarterly survey for all new hires- annual survey after first year Track retention rates	Survey employees to determine greatest training need within agency
Efficient/Effective Business Services and IT workflow process	> 1% defects	Defect collection	All new employees	HR/Business Services/IT	Track defects	If defects remain constant, work with business areas to review and improve workflows
Employee First Impression of agency	25% increase in positive new employee impressions of agency	Survey	All new employees	HR	New employee survey	Add suggestion field in survey for employees to present ideas for improvements

As A Result

- Updated New Employee materials
- Peer Support program (Buddy system)
- Expansion of New Employee Orientation to include additional exposure to all ODM areas
- Measure and track Business Services and IT workflow defects for improvement opportunities
- Added item to hiring manger checklist to meet with new hires to measure their acclimation and understanding of agency culture and environment

Special *thanks* to…

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Questions/comments