

### **New Local Government Efficiency Program Springs from State Government's *Lean Six Sigma* Success**

Today, Lt. Governor Mary Taylor announced a new program to help local governments become more efficient and save money. The new Local Government Efficiency Program will provide resources to help local governments learn and apply *Lean Six Sigma* strategies.

As Ohio faced a historic \$8 billion budget hole in 2011, state government tightened its belt and re-engineered its operations in order to control spending at the state level and helps protect local governments and schools from the full effects of the recession. These actions included the use of proven best practices from the private sector – including the *Lean Six Sigma* program – which are helping state government eliminate waste, provide more-responsive government services and make government agencies more efficient.

*Lean Six Sigma* Is Helping State Government Save Money and Improve Efficiency: Since 2011, Ohio's state government has successfully conducted nearly 200 process-improvement projects using *Lean Six Sigma* tools and strategies. The program has helped the state save \$150 million annually and reduce wait time for services by an average of nearly 70 percent.

For example, the Ohio Bureau of Motor Vehicles was able to streamline their operations and cut enough red tape to eliminate up to 184 days from the process for licensing new car dealerships. According to members of the Greater Cleveland Automobile Dealers Association, that new efficiency will save each new car dealership between \$200,000 and \$300,000 in start-up costs – the potential edge that can mean success for a new small business.

A New *Lean Six Sigma* Training Program for Local Governments: Governor Kasich understands the value of the *Lean Six Sigma* process and believes that the state can further help local government entities by supporting a *Lean Six Sigma* training program that's focused specially on local government. The state budget signed by the Governor in June 2013 added \$4.6 million in FY2014 and \$5.9 million in FY2015 to the Local Government Innovation Fund for this effort, offering local political sub-divisions the necessary training, funding and support needed to learn and apply *Lean Six Sigma* strategies to innovate, provide better service and save local government funds.

Sponsored by the Development Services Agency, the new Local Government Efficiency Program will fund scholarships for local government leaders to attend a public-sector training program at local colleges, universities and other certified partners throughout Ohio. The first offering will be the week of January 27, 2014 at Cleveland State University.

In addition, grant funding will be provided to local governments to learn and use *Lean Six Sigma* to improve processes. Additional information and on-line applications will be available soon through [www.development.ohio.gov](http://www.development.ohio.gov).

New Local Government Efficiency Program Compliments Existing State Programs to Help Local Governments: This new grant program compliments the Local Government Innovation Fund that has distributed more than \$15 million of its original \$45 million allocation to provide communities with financial assistance to create more efficient and effective service delivery. The Ohio Department of Transportation recently announced a plan targeting \$120 million to repair or replace hundreds of locally owned deteriorating bridges across the state.

Bottom Line: Ohio has become a national leader in adapting *Lean Six Sigma* to make state government more efficient, more responsive and less costly. Now for local governments, these methods can provide an additional path to navigate challenging budget pressures and improve customer service to Ohio's businesses and citizens.