



# Lean Metrics Guide

| <u>Time</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <u>Cost</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <u>Quality</u>                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| <p>How long does it take to deliver a service/respond to a request? How much of that time is “value-added”?</p> <ul style="list-style-type: none"> <li>• Lead time for the process (total time from start to finish with project scope)</li> <li>• Percent on-time (based on goals set by statute or by agency/department leadership)</li> <li>• Processing time (excludes wait time)</li> <li>• Activity Ratio (% = Processing time/Lead time)</li> <li>• Value added time</li> <li>• Percent value added time</li> <li>• Non-value added time</li> <li>• Non-value added but necessary time (statutory or regulatory obligation)</li> </ul> | <p>How much does the process cost to operate? Is there a savings or a revenue impact associated with the proposed changes?</p> <ul style="list-style-type: none"> <li>• Cost avoidance savings</li> <li>• Resources spent on mission-critical activity (pre and post implementing changes)</li> <li>• Cost per service or process (including direct and indirect costs)</li> <li>• Revenue impact</li> </ul>                                                                                                                                                                                                         | <p>How often does the current process lead to rework, dissatisfaction, recidivism, etc.?</p> <ul style="list-style-type: none"> <li>• Customer satisfaction – surveys or complaint data</li> <li>• Percent of process that requires rework/Total number of reworked steps</li> <li>• Percent complete and accurate (does not require corrections or rework)</li> <li>• Recidivism rate</li> <li>• Frequency of similar issues reoccurring</li> </ul> |
| <u>Productivity/Output</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <u>Organization/Workforce</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <u>Process/Takt</u>                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>How much was produced (daily, weekly, monthly, or annually)? Will this quantity increase or decrease with the proposed changes?</p> <ul style="list-style-type: none"> <li>• Backlog</li> <li>• Excess inventory</li> <li>• Amount of output produced (e.g. applications) in a given period of time</li> <li>• Effectiveness (actual output/planned output)</li> <li>• Amount of output produced (e.g. applications) by staffing level</li> <li>• Number of databases/systems</li> </ul>                                                                                                                                                   | <p>How can we create a workforce that is safe, skilled and satisfied within a culture of continuous improvement?</p> <ul style="list-style-type: none"> <li>• Safety/Workers’ Compensation (claims/100 FTEs)</li> <li>• Retention rate</li> <li>• Percent of staff trained in core competency areas (job or classification specific)</li> <li>• Percent of staff trained in Lean tools or principles</li> <li>• Status of Continuous Improvement Strategic Plan</li> <li>• Number of Kaizen events conducted</li> <li>• Percent of staff exposed to “Lean thinking” (Number of project ideas/total staff)</li> </ul> | <p>These metrics will likely occur during the analysis, but should continue to be measured as part of P-D-C-A.</p> <ul style="list-style-type: none"> <li>• Total process steps</li> <li>• Value added process steps</li> <li>• Non-value added process steps</li> <li>• Transport time</li> <li>• Wait time</li> <li>• Rework/Loop backs</li> <li>• Barriers</li> </ul>                                                                             |