

ITEM NO. 7c Supp

DATE OF

MEETING October 9, 2012

Leading for Performance

Metrics and CPI Implementation

Briefing to the Port of Seattle Commission

October 9, 2012



Port Challenges and Opportunities

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□ Challenges

- Diverse business lines, customers, stakeholders
- Competing and conflicting priorities
- Limited time and resources versus demands

□ Opportunities

- 1,666 employees focused on the vital priorities
- Common language for strategy and one port alignment
- Creative tools that leverage one another's learning & experience

Metrics and CPI

- These two initiatives are inter-related.
 - ▣ Metrics will help align Port internal activities to help us all pull forward in the same direction.
 - ▣ CPI improves work efficiency and strengthens internal capability for better performance on key metrics.
- Both support Century Agenda and Port Strategies
- Both are making meaningful progress
- Today's Briefing Objectives:
 - ▣ Increase awareness
 - ▣ Reinforce Commission support

Metrics – Progress to Date

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- Benchmarked with UW, King County, PDX
- Top Tier Metrics for divisions are defined
- Good progress to date in defining Second Tier metrics within Departments
- Dashboard for metrics is operating and continues to be populated by departments & functional teams
- Common definitions and language are in place for clarity of understanding
- Starting to incorporate into annual budget work

Metrics – current activities

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- Improving ties to budget process including quarterly financials
- Improving ties to divisions strategies with 2013 budget cycle
- Departments assessing and improving 2nd and 3rd tier metrics
- Cascading metrics will ensure more employees are pulling in the same direction and better connected to Century Agenda and various Port strategies

Metrics – Cascade Example

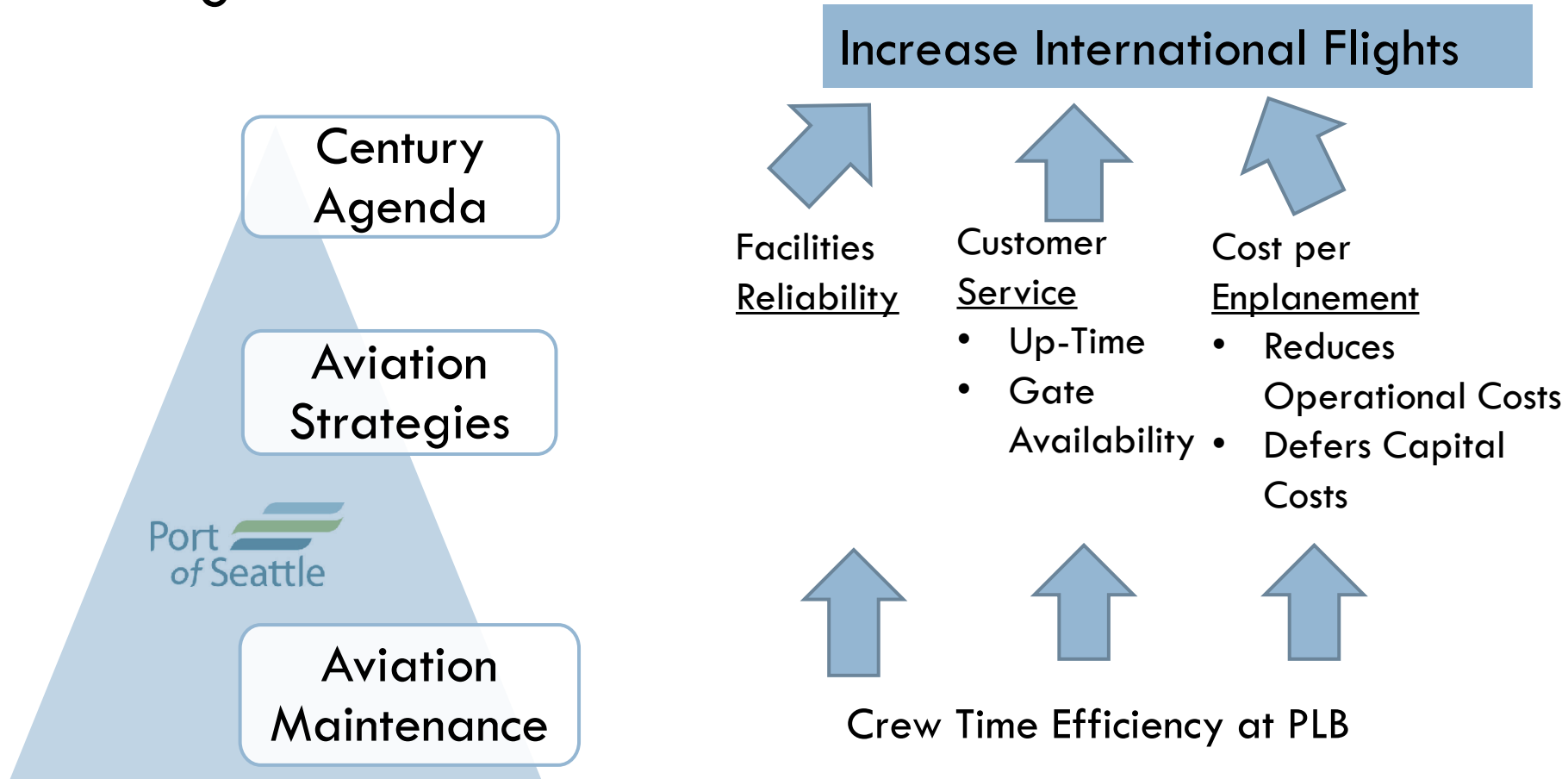
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Metrics – Benefits to Strategies

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- Many small metric improvements can provide tangible Port benefits:



Metrics Dashboard Site

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<http://collab.portseattle.org/sites/metrics/default.aspx>

CPI - Improve the Process ! ! !

- CPI is about the processes:
 - The Port uses thousands of processes to transact its business. Many processes have not been reviewed and improved for years.
- CPI will:
 - Improve our processes by removing wasteful steps
 - Simplify processes and make them more efficient
 - Examine processes from the customer's perspective
 - Utilize employees knowledge to improve work flow

CPI - Who is Successfully Using it ?

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CPI - The 'What' and 'How'

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- ❑ Waste: Waiting, Motion, Overprocessing, etc.
- ❑ Voice of the Customer
- ❑ Teamwork
- ❑ Workshops and employee engagement
- ❑ Walk the process and map it
- ❑ Current state measurements, then future state
- ❑ Team report outs and celebration

CPI - Universal Principles

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- Waste exists within processes
- Processes apply to all organizations
 - Service and Manufacturing
 - Private and public
 - Salaried and represented
 - Hybrid Enterprises like Port



CPI - Trial Success #1

PLB Preventative Maintenance Process

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CPI - Trial Success #1

PLB Waste of Motion

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Process Name: <u>PLB Weekly</u>		Standard Work Sheet		Date: <u>7-28-2011</u>	
Model Number: <u>Jetway LBR</u>	Scope of Operations	From: <u>PLB Shop</u>	Dept. Head	Supervisor	
Model Name:		To: <u>Final step of PLB Weekly</u>		<u>Bret Baird</u>	

The diagram illustrates a waste of motion. A blue line shows a path starting from a box labeled 'Shop' at the bottom left, moving to a box labeled 'TRUCK' in the center, and then looping back to the 'Shop'. The path is inefficient, with multiple loops and unnecessary movements. There are also red and black scribbles and lines in the upper right area of the grid, possibly representing other parts of the process or a different path.

Quality Check	Safety Precaution	# of pieces of standard WIP	TAKT Time	Operator Number
◆	+	●		

CPI - Trial Success #1

Estimated PLB Results

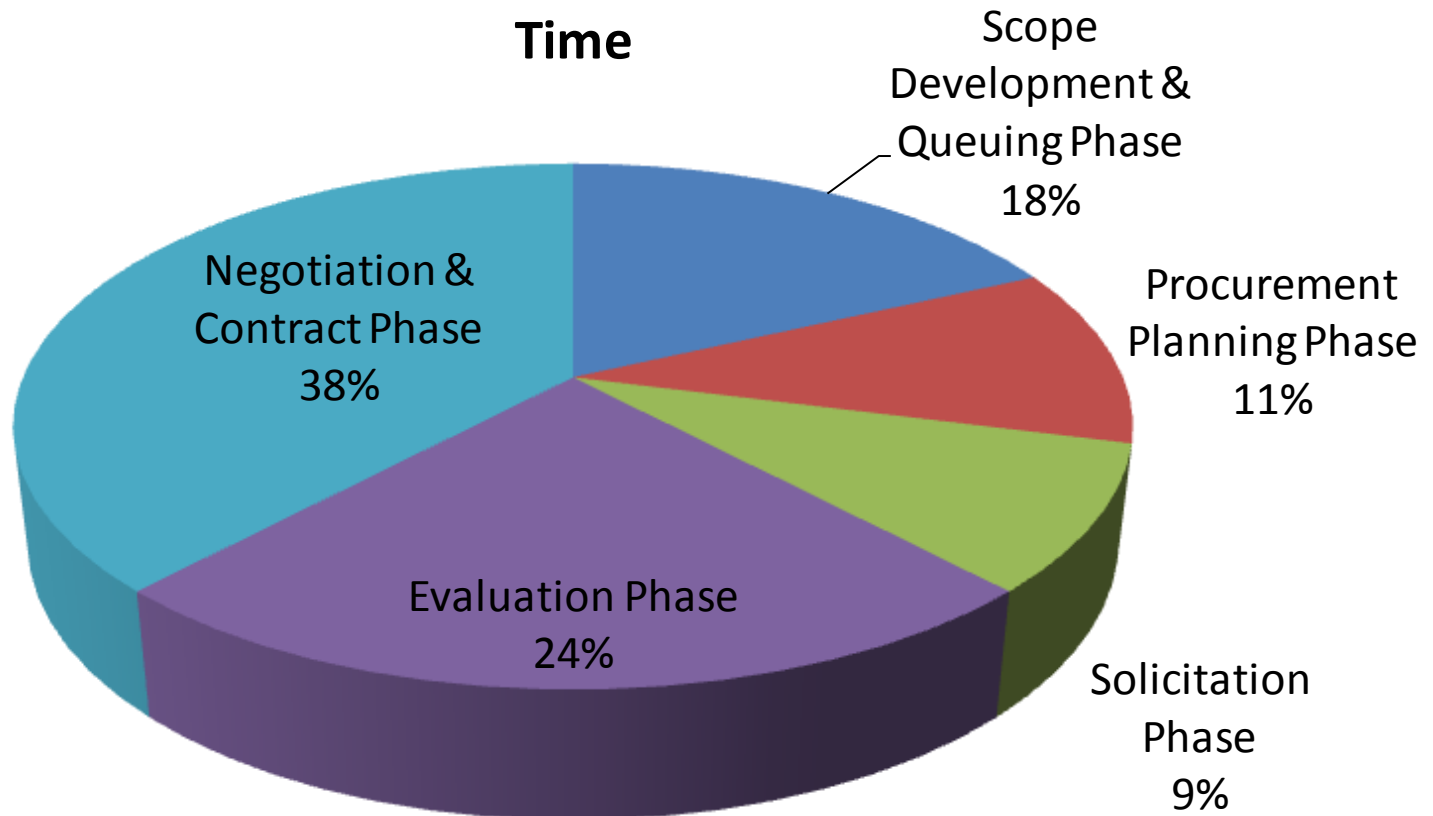
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- Estimated increase in overall PLB capacity of 3%
 - ▣ Reduced process time by 15 minutes per bridge
 - ▣ From 51 to 12 Work Orders per week
 - ▣ From 102 to 24 pieces of paper per week
 - ▣ Reduced Foreman administration time by 3 hrs./week
 - ▣ Less walking distance, fuel usage, mileage on truck

CPI - Trial Success #2

CPO Consultant Evaluation Phase

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CPI - Trail Success #2

Procurement Mapping – Future States

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CPI - Trial Success #2

Procurement Mapping – Results


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- Estimated reduction in days from 62 to 34 days.
 - ▣ Reduced documentation requirements
 - ▣ Elimination of rework - eliminated the “do-loops”
 - ▣ Addition of Team Consensus Meetings – now being tested for added time savings

CPI - Trial Success #3

Employee Time Tracking

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REQUEST FOR LEAVE FOR SALARIED OR WAGE EMPLOYEES				DATE OF APPLICATION
INSTRUCTIONS: THIS APPLICATION SHOULD BE COMPLETED AT LEAST 5 WORKING DAYS PRIOR TO REQUESTED LEAVE. VACATION HOURS OR FLOATING HOLIDAY(S) REQUESTED WILL BE PAID ONLY IF EMPLOYEE HAS SUFFICIENT HOURS ACCRUED, OR HAS NOT USED THE FLOATING HOLIDAY(S).				
1. EMPLOYEE COMPLETES APPLICATION		4. APPLICATION IS SUBMITTED TO DEPARTMENT HEAD FOR APPROVAL		
2. EMPLOYEE SUBMITS APPLICATION TO LOCATION SUPERVISOR		5. WHITE COPY IS RETURNED TO DEPT. TIMEKEEPER		
3. APPLICATION IS SUBMITTED TO TIMEKEEPER TO DETERMINE IF EMPLOYEE HAS ENOUGH VACATION HOURS, OR IS ELIGIBLE FOR REQUESTED LEAVE.		6. YELLOW COPY IS RETURNED TO EMPLOYEE		
EMPLOYEE NAME (PRINT)		DEPARTMENT		LOCATION
DATE(S) REQUESTED				
TYPE OF LEAVE	FROM	THROUGH	HOURS	
EMPLOYEE'S SIGNATURE		TIMEKEEPER'S VERIFICATION OF LEAVE HOURS AVAILABLE	TOTAL NUMBER OF HOURS OF REQUESTED LEAVE	HRS
** APPROVAL OF THIS REQUEST FOR LEAVE ASSUMES THAT THIS REQUEST IS IN ACCORDANCE WITH THE CONTRACT, AGREEMENT, POLICIES, OR RESOLUTION GOVERNING THE CONDITIONS OF EMPLOYMENT FOR THE EMPLOYEE MAKING THIS REQUEST.				
LOCATION SUPERVISOR APPROVAL		DEPARTMENT HEAD APPROVAL		
** X _____		** X _____		

CPI - Trial Success #3

Employee Time Tracking

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- Estimated savings of over \$6,000 in material and labor in the first year.
 - ▣ Reduced the number of steps in the process from 13 down to 7.
 - ▣ Reduced paper and walking distance to 0.
 - ▣ Pilot process being tested in Aviation Facilities and Infrastructure group.

Most Important Part of CPI & Metrics

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Moving Forward

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- The port's senior leaders have given us the go-ahead
 - ▣ CPI aligns with port-wide metrics, airport strategies, employee development and engagement, etc.
- Tay has announced the program via email to employees
- Topic of discussion at Port Retreat
- Next 12 months are planned
 - ▣ Each division's first workshop event
 - ▣ CPI Specialists
 - ▣ CPI Information Sessions

CPI – Employee Reactions

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- Placeholder for CPI Video

Questions ?