



2 0 0 2 MISSOURI TEAM QUALITY AWARD RECIPIENT

PROCUREMENT IMPROVEMENT TEAM

at the Missouri Department of Labor and Industrial Relations in Jefferson City



PROFILE

The Department of Labor and Industrial Relations (DOLIR) is a public entity serving the citizens of Missouri regarding workplace needs of both employers and employees. The Department is made up of 1,100 employees in eight agencies operating across the state. Its mission is to provide safe and healthy workplaces and ensure economic security for all Missourians by promoting equal access to jobs, enforcing anti-discrimination laws and awarding payment of compensation to unemployed, injured workers and victims of crime.

OPPORTUNITY FOR IMPROVEMENT

Everything from essential equipment to the office supplies needed to sustain employee performance funnels through a central procurement system. The Director of Administration, having heard a number of customer complaints, set out to evaluate this process.

Upon confirming massive delays in the requisition of supplies and services, he chartered a team to review the system and make recommendations for improvements.

TEAM ACTIONS

The team began the improvement project by conducting a physical walkthrough of the procurement process.

During the walkthrough the team identified and visited every workstation the order form crossed prior to an order being placed. At each stop the team recorded the activity that was being done, the work time to complete just one, and the elapsed

time between arriving and leaving a workstation with typical workloads.

While data from the walkthrough was evaluated and verified, focus groups with various stakeholders were conducted to identify customer expectations. Attributes of a successful procurement system were agreed to, prioritized, and then defined in measurable terms. The target for placing an order was set at 2 days or less.

After a thorough review of the data and focus group results, the team met at a brainstorming retreat to generate potential solutions. These solutions were evaluated based on their impact to the charter outcomes and the feasibility of implementing them.

Of 125 total, nine of the most promising ideas were assigned to team members to quantify benefits, identify any constraining issues, and rate the feasibility of implementation.

The selected ideas became recommendations to the sponsor. Once approved, an action plan was developed and changes to the process were completed.

RESULTS

The success of the procurement team's recommendations has resulted in:

- 97 percent reduction in cycle time;
- 90 percent of orders are processed within two days;
- 90 percent of orders are completed accurately the first time; and
- Complaints have been eliminated.

These results have been achieved at no additional cost to the Department.

FUTURE PLANS

The team meets with the sponsor on a quarterly basis to share updated measurements, identify potential problem areas, and review customer feedback. Team members use this time to identify if and where problems may be occurring and to develop plans to work in those specific areas. In addition, the success of this team has spurred additional improvement teams with the Department.

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