

EXECUTIVE SUMMARY



Kern County Administrative Office Executive Summary
LaunchKern: Developing a Culture of Continuous Improvement

Overview:

LaunchKern is a continuous improvement initiative that leverages the knowledge and experience of frontline employees to improve services, save money and improve engagement.

Challenge:

Beginning in fiscal year 2016-17, Kern County was facing a \$44 million structural deficit to its General Fund resulting from a steep drop in oil and gas property tax revenues. This fiscal crisis occurred on the heels of the Great Recession in 2008. Consequently, Kern County departments were in budget reduction mode for nearly a decade, and employees did not receive a cost of living allowance during this same period. Employee morale was low, layoffs were seemingly imminent, and valuable services to the residents of Kern County were threatened.

Innovative Solution:

Beginning in April of 2017, Kern County kicked off LaunchKern, a continuous improvement initiative based on the principles of Lean Six Sigma. LaunchKern is centered around workshops that teach employees how to make self-directed changes that have a positive impact on their daily work environment. The foundation was set for LaunchKern over the summer of 2017 by providing 200 County leaders with two days of training in the principles of Lean Six Sigma and serving as a champion for frontline employees to make positive change.

Beginning in October of 2017 and supported by the recently trained leadership, frontline employees began to receive training on continuous improvement methods and the principles of Lean Six Sigma. As part of this training, employees receive coaching on how to facilitate self-directed improvements, or "quick-wins" to address their individual frustrations with a process at work. Quick-wins are process improvement projects that individuals or small teams of individuals can accomplish in a month or less. The philosophy of empowering employees to have direct control over change is producing a positive impact on turnover rates, employee engagement and staff morale. The intended downstream effect of this approach is achieving cost savings, improving services to residents, avoiding layoffs, and providing better career development opportunities for staff.

This bottom-up approach to giving employees ownership over their work environment has created momentum toward changing the culture of how Kern County government conducts its business. When employees are happier, self-motivated and have more control over change, it is reflected in their jobs and provides greater value to the residents we serve.

Originality:

Although Continuous Improvement initiatives have gained popularity in the public sector, including California, LaunchKern developed an innovative blueprint toward empowering employees to shape continuous improvement. Rather than having highly trained employees or consultants evaluate processes and drive change from the outside, LaunchKern allows individual employees to create their own playbook for achieving quick-wins and boosting morale. LaunchKern is also unique through its dedication to transparency and communication. The launchkern.com website is a comprehensive portal for projects, resources, deployment status and other news for County employees and the public. This model has also served as an example for other public agencies. Local school districts, cities and counties outside of California have reached out to Kern County for guidance on successfully deploying a continuous improvement initiative.

Cost Effectiveness:

Kern County's LaunchKern initiative has experienced a nearly 20 to 1 return on investment (ROI) during its first year of deployment. The County Administrative Office partnered with Kern County's Behavioral Health and Recovery Services Department to spend \$200,000 on training and consulting services during year one of this initiative. The result is \$3,784,024 in combined savings, which includes direct operational costs and soft savings from redirected personnel and administrative costs.

Results:

Since the deployment of LaunchKern workshops began in April of 2017, we have tracked key performance outcomes to assess employee engagement and how we are becoming better and faster at conducting County business. All projects and results are published on launchkern.com and demonstrate great first year success:

- Total number of employee projects: 62
- Total cost savings: \$3,784,024
- Work hours and redirected from wasteful tasks: 7,813 hours
- Total number of employees trained: 579
- Decrease in turnover rate over same time period in 2016: 11.5%

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