



Lean 6-Sigma Program



Department of General Services

Julie Matthews
(Project Greenbelt)

Eric Mandell
(Project Champion)

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(Executive Sponsor)



Streamlining IT Contract Procurements

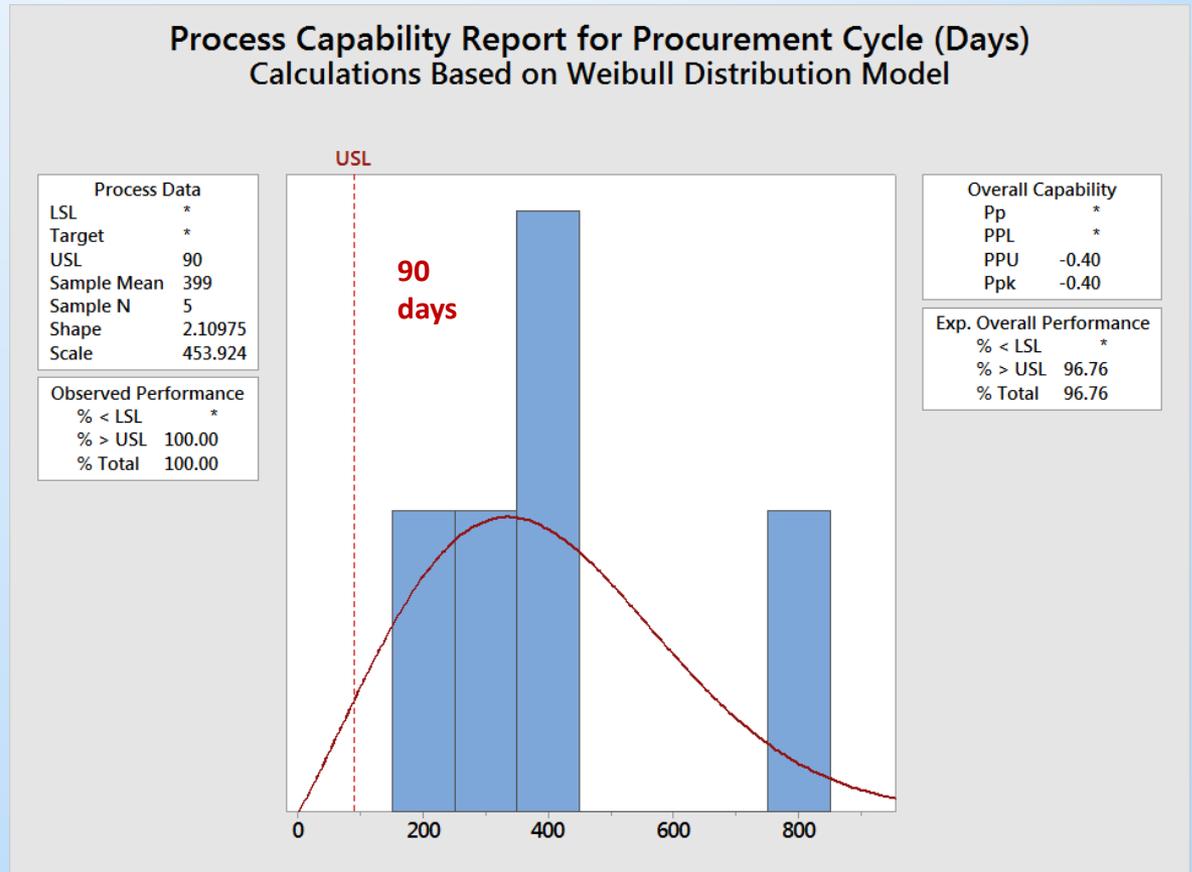
- ❖ **Problem Statement**: Statewide Information Technology (IT) contract procurements take too long to conduct.
- ❖ **Objective**: Reduce the processing cycle time involved in conducting IT procurements (defined as solicitation issuance to notice of intent to award) to 3 months or less.
- ❖ **Project Team**:
 - Eric Mandell, Champion
 - Marc Anderson, Team Member
 - Carol Bangs, Team Member
 - Dion Campos, Team Member
 - Rhonda Smith, Team Member
 - John Mederios, Team Member
 - Charlie Galinato, Team Member
 - Eileen Tardiff, SME
 - Christina Nunez, SME
 - Denelle Scott, SME



Baseline Capability

Key Findings:

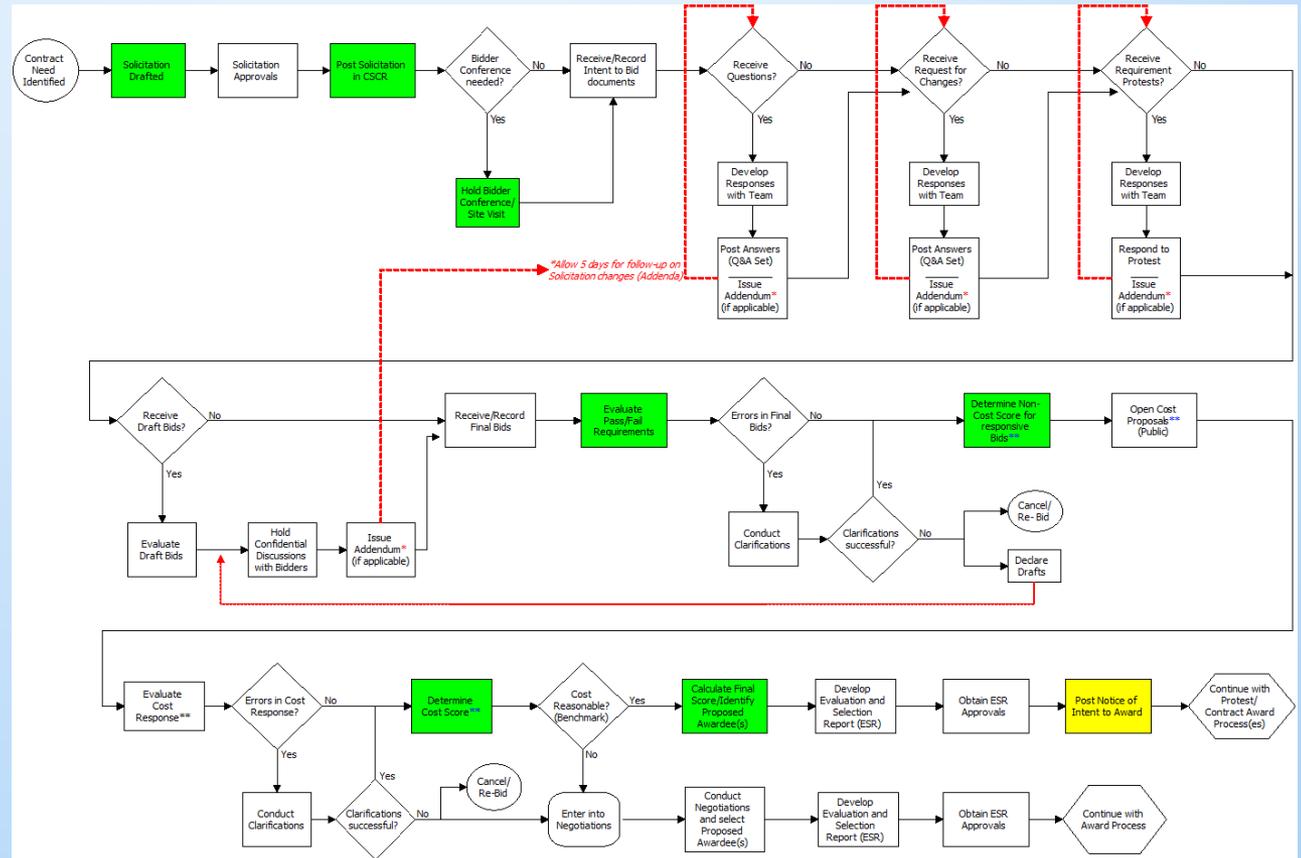
- ❖ *Goal:* 90 days
- ❖ *Observed:* 100% outside of spec (5 data samples)
- ❖ *Average:* 399 days
- ❖ *Max:* 795 days
- ❖ *Expected:* 4% within 90 days



Initial Process Map

Key Findings:

- ❖ Multiple bid submittal phases and opportunities for supplier feedback during procurement cycle
- ❖ Time loops from solicitation re-work (Addenda) and responding to supplier questions

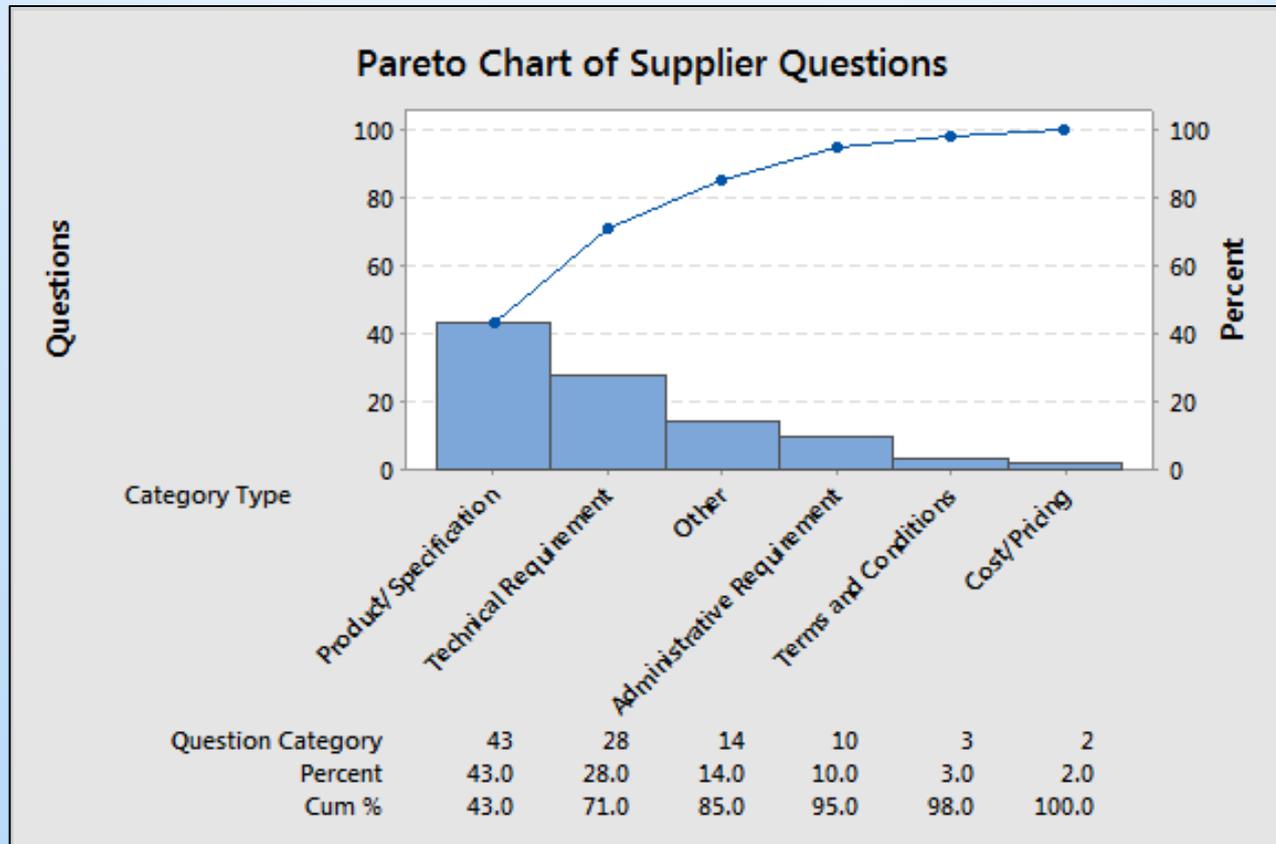


Analysis Tools

- ❖ Fishbone diagram
- ❖ Pareto charts
- ❖ Failure Modes and Effects Analysis (FMEA)
- ❖ Correlation/Regression
- ❖ Lean Analysis Tools (Completion Time)

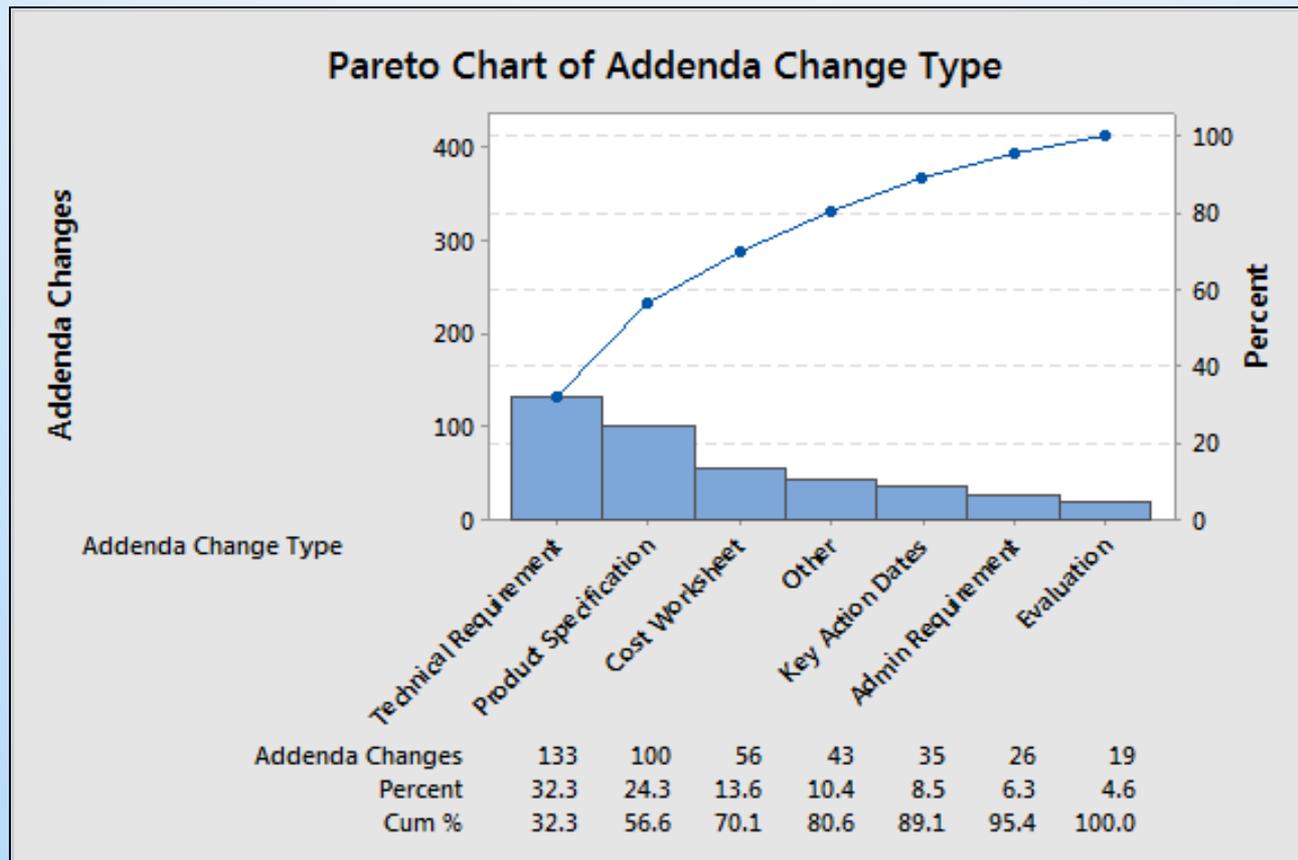


Key Analytical Finding – Supplier Questions



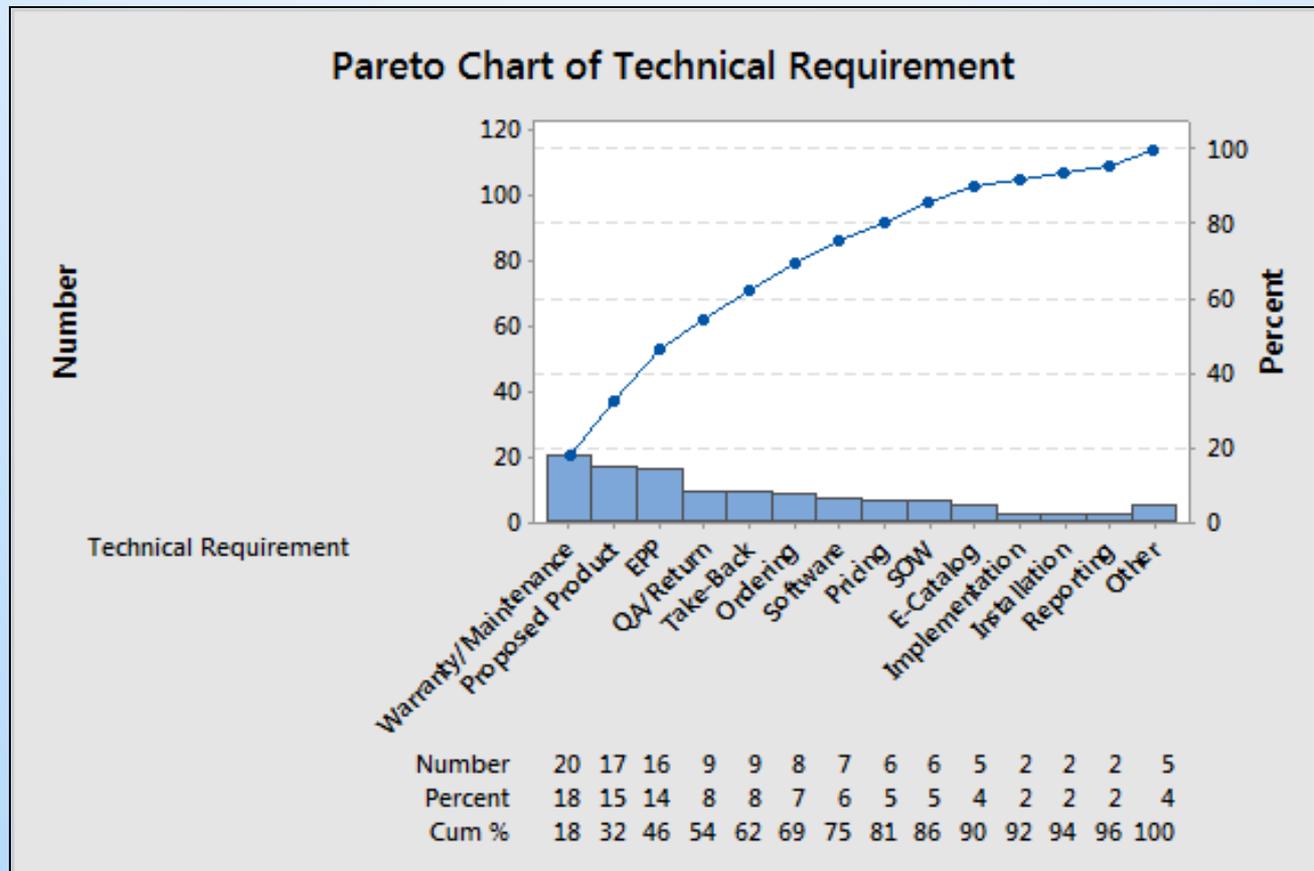
- ❖ **Supplier questions** – Higher values for questions related to Product/Specifications and Technical Requirements (SOW).

Key Analytical Finding – Solicitation Changes



- ❖ **Solicitation changes (Addenda)** – Higher values for changes to product/specifications, technical requirements, and cost worksheets.

Key Analytical Finding – Technical Requirements

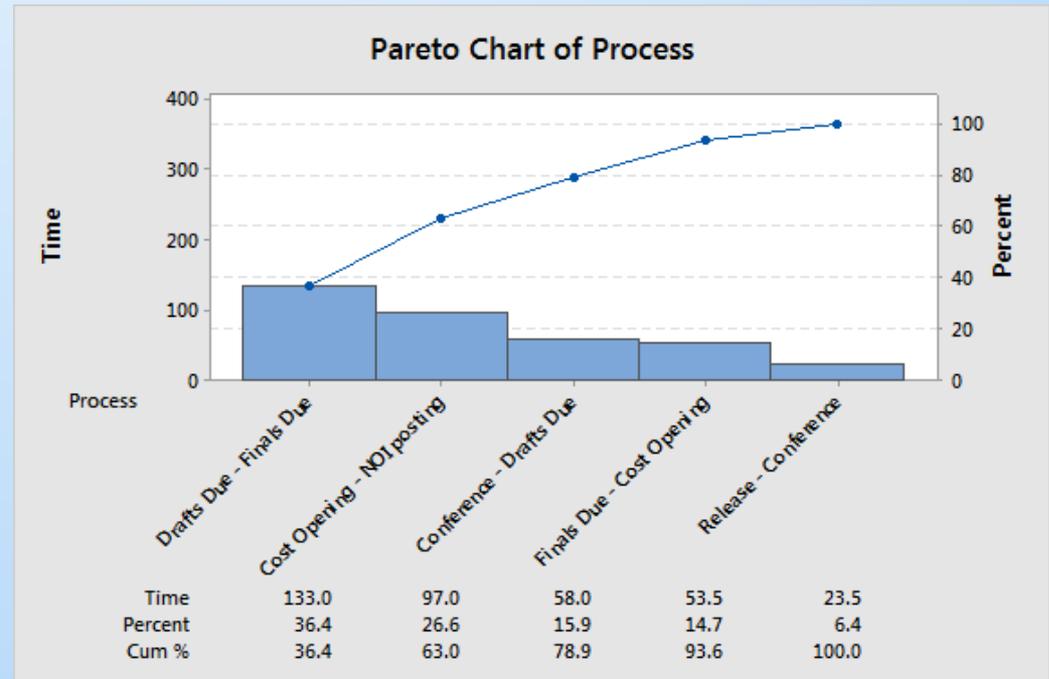


- ❖ **Technical Requirements** - Higher values for changes to Warranty/Maintenance, Proposed Product, and EPP requirements

Key Analytical Finding – Completion Time



- ❖ Process steps combined to review completion time
- ❖ Highest values for:
 - Draft Bids to Final Bids Due
 - Cost Opening to Posting Notice of Intent to Award



Critical X's

- ❖ Solicitation Document (key input for process)
 - Development decisions (approach)
 - Scope/Requirements (administrative, technical, specifications)
 - Standard Template (format)
 - Bid Response format

- ❖ Standard operating procedures
 - Expectations
 - Buyer Training



Improvement Techniques

- ❖ Establish Standard Work (Process/Forms)
 - Development Checklist
 - Contract Acquisition Plan
 - Evaluation Checklist
 - Evaluation Report Template
 - Solicitation Template (including streamlined Bid Response Packet)

- ❖ Increase Market/Supplier research activities during solicitation development (i.e. Supplier specification review, RFI)

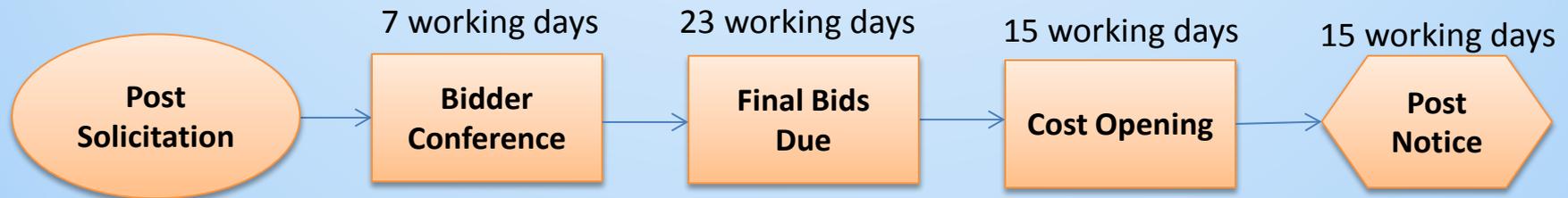
- ❖ Conduct Buyer Training and assign procurement team back-ups

- ❖ Pilot New Solicitation Timeline (standard timeframes between actions)



New Process and Completion Timeframes

- ❖ Pilot Solicitation Timeline (Expected 60 working days/90 calendar days)
- ❖ Established standard timeframes between individual key actions
- ❖ Key action dates and completion times tracked throughout process



Control Plan

- ❖ Tracking Procurement Data
 - ❖ Collect key data (related to questions, changes, timeframes)
 - ❖ Monitor cycle time data as it becomes available (I Chart)

- ❖ Conducting Quarterly Review meetings
 - ❖ Templates/Forms Feedback
 - ❖ Procurement cycle time and actual completion times
 - ❖ Lessons Learned
 - ❖ Additional process improvements

- ❖ Monitoring Desk Manual updates



Additional Benefits

- ❖ Improved staff training and standard operating procedures throughout unit
- ❖ Customer agencies receive timely and effective contract solutions
- ❖ Lessons learned can be applied to additional procurement types and continual process improvement efforts



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