Innovative Leadership and Decision Making

Creating Organizational Agility
Mission
• Deliver exceptional services and promote a high quality of life for residents, visitors and businesses.

Vision
• Irving will be the model for safe and beautiful neighborhoods, a vibrant economy, and exceptional recreational, cultural and education opportunities.
Values

• We exhibit personal integrity with every decision.
• We serve by leading and lead by serving.
• We show a high level of respect and concern for our coworkers and customers.
• We encourage creativity and innovation to improve our effectiveness.
• We learn and grow in a progressive work environment.
• We excel through desire, determination and dedication.
The Culture

Supports leadership, innovation, development

• Values
• Engaged workforce
• Empowerment
• Incentives
Leadership Development Opportunities

- Cross-Functional Team
- Leadership Training
- Lean Six Sigma Team
- Presentations
- Strategic Briefing Review
Leadership Development Opportunities

- Development Plan
- Mentoring
- Irving University
- Temporary Assignments
- Temporary Promotions
Succession Implementation

Ensuring the availability of experienced and competent employees that are prepared to assume new roles as they become available
Use of Lean Six Sigma to drive workforce innovation and leadership
What is Lean Six Sigma?

Process improvement tool
• Eliminate waste
• Decrease cycle time/variation

Structured Methodology
• Customer focused
• Data collection and analysis
Benefits

• Improve communication and teamwork
  – Common language / tools

• Exceptional service
  – Remove wasteful/non-value added activities
  – Decrease and cycle time

• Develop leaders

• Increase efficiency
  – Cost / resource reallocation
Lean Six Sigma Program

• Fall 2007
• 2nd to fully deploy

Recognition from
• State Representative Linda Harper-Brown
• State Representative Chris Harris
• Congressman Pete Sessions
Training Details

- 60% workforce trained

<table>
<thead>
<tr>
<th>Course</th>
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<tbody>
<tr>
<td>Intro to Lean Six Sigma</td>
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<tr>
<td>Yellow Belt</td>
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<tr>
<td>Green Belt</td>
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<tr>
<td>Black Belt</td>
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<tr>
<td>Leadership/Champions</td>
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</tbody>
</table>
Project Selection Process

- Need top leadership buy-in
- Choose projects that are important
- Choose projects that are visible
- Cross-functional projects (when possible)
Real Results

- Eliminated 30,000+ hours
- Saved $38 million
  - Cost savings and avoidances
- 25% increase in positions filled by internal candidates

Key indicators confirm:
- Improved service levels
- Increased satisfaction from customers and employees
Challenges

• Aging workforce
• 135 vacant positions; additional 111 eliminated
• Down economy
  – Reduced revenues/budget
• Demand for increase service levels
Property Tax Revenue Reduction

![Graph showing Property Tax Revenue Reduction from 2005-06 to 2011-12 with values highlighted at $13.6 Million.](image-url)
Sales Tax Revenue Reduction

$18.6 Million
## FY 2008-09 Budget = $183.3 million

Transfer of Solid Waste Services reduced revenues and expenditures by $7.9 million

<table>
<thead>
<tr>
<th>Revenue Decreases</th>
<th>Expenditure Adjustments</th>
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<tbody>
<tr>
<td>Property Tax ($10.3)</td>
<td>Energy contract savings $7.2</td>
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<tr>
<td>Sales Tax ($5.0)</td>
<td>Position reductions $7.2</td>
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<tr>
<td>Electric Utility Franchise ($2.4)</td>
<td>Other process savings $1.2</td>
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<tr>
<td>Permit and Inspection Fees ($1.5)</td>
<td>Salary and Benefit adj. $3.8</td>
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<tr>
<td>Interest Income ($1.0)</td>
<td>Departmental reductions $0.8</td>
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<tr>
<td><strong>Total Decrease: ($20.2)</strong></td>
<td><strong>Total Expenditure Adjustments $27.4</strong></td>
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<table>
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<tr>
<th>Expenditure Increases</th>
<th>Additional Expenditure Adjustments</th>
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<tr>
<td>Salaries and Benefits ($13.2)</td>
<td>Deferral of capital and maint. $3.4</td>
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<tr>
<td>Market Adjustments ($2.5)</td>
<td>Departmental reductions $3.8 $7.2</td>
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<td>Health Insurance ($1.9)</td>
<td><strong>Total Expenditure Adjustments $27.4</strong></td>
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<td>Incentive Programs ($3.6)</td>
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<td>Supplies, Maint &amp; Contracts ($2.7)</td>
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<td><strong>Total Loss: ($44.1)</strong></td>
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<table>
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<tr>
<th>Revenue Adjustments</th>
<th>Total Savings: $44.1</th>
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<tr>
<td>Other Revenues (2009-2011) $4.9</td>
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<tr>
<td>Transfers from Other Funds $6.8</td>
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<tr>
<td>Property Tax Rate $5.0 $16.7</td>
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<td><strong>Total Savings: $44.1</strong></td>
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## FY 2010-11 Budget = $168.5 million

Budget Gap $0.0
2011 Results
LEAN SIX SIGMA FOR SERVICE

How to Use Lean Speed & Six Sigma Quality to Improve Services and Transactions

MICHAEL L. GEORGE

Conquer complexity and achieve major cost reductions in less than a year

With case studies from Lockheed-Martin, Bank One, Stanford University Hospital, and The City of Fort Wayne, Indiana
Cut waste to avoid tax hike
5:41 PM Thu, Sep 23, 2010

Re: “________ raises taxes, preserves services -- Average hike of $64 will save jobs, fix streets, keep up parks, more,” Thursday news story.

The decision of the _________ City Council to raise property taxes to cover city budget short falls is the wrong move at the wrong time. It perpetuates the false perception that the only way to cover a budget shortfall is to raise taxes.
At least 20 percent of the city’s spending can be eliminated. I say that as an expert in the field of waste elimination, who has written seven books on the subject known as Lean Six Sigma. Irving has implemented the approach with impressive results. Key general fund revenues have declined by over $20 million in the last three years. However, Irving has identified over $12 million in cost savings, cost avoidance, cost recovery and productivity enhancement. Changes can happen rapidly. Irving has reduced the time required to review and inspect a commercial plan by 88 percent and has reduced other internal processing times. _______ should follow Irving’s example. I have no commercial interest in Lean Six Sigma, having sold the George Group in 2007.

*Mike George, Strong America Now, Dallas*
Convention Center
Veterans Memorial Park
West Irving Library
 Crime Reduction

- Homicide
- Rape
- Robbery
- Aggravated Assault
- Burglary
- Theft
- Vehicle Theft

<table>
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<tr>
<th>Year</th>
<th>Homicide</th>
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<th>Robbery</th>
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-7.1% -4.6% -2.9% -8.4%
Questions

TEXAS Award
for Performance Excellence

2011 Recipient
City of Irving