

Government Efficiency and Accountability Review (GEAR)

Board Meeting
March 23rd 2017



Agenda

1. Introductions
2. Governor's Comments
3. Review of Executive Order Number 4
 - Purpose and Scope of Work
 - Membership
 - Deliverables
4. Meeting Schedule
5. Public Comment
6. Other Business
7. Adjourn

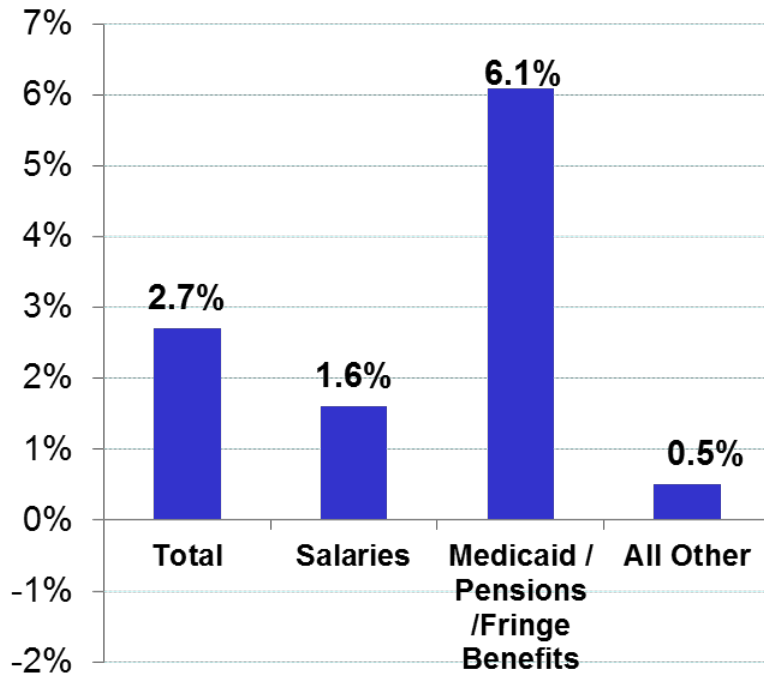


Purpose

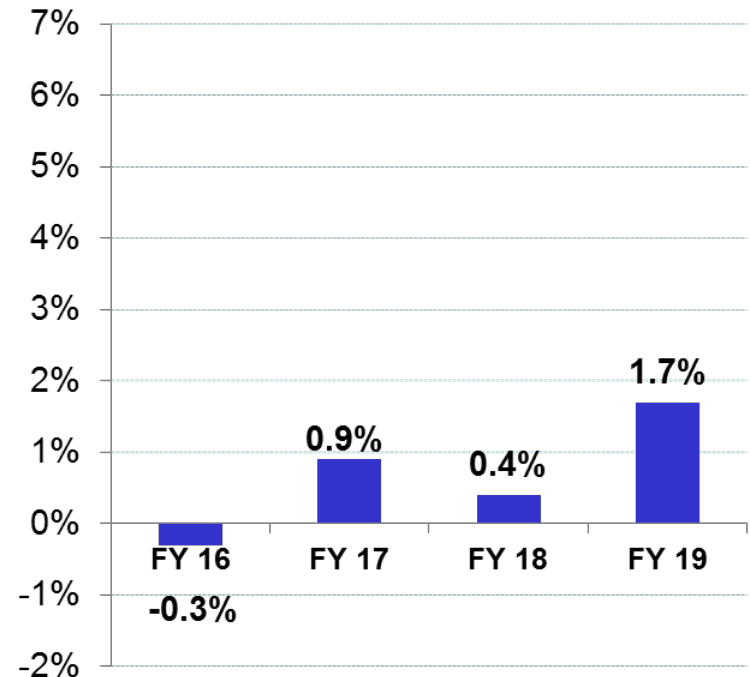
- U.S. and Delaware experiencing sustained but modest economic growth since 2008
 - Decline in labor force due to aging population
 - State's revenue mix
- Forecasted \$350M budget gap for 2018
- Continuing budget gaps thereafter

A Clear Understanding of the Challenge

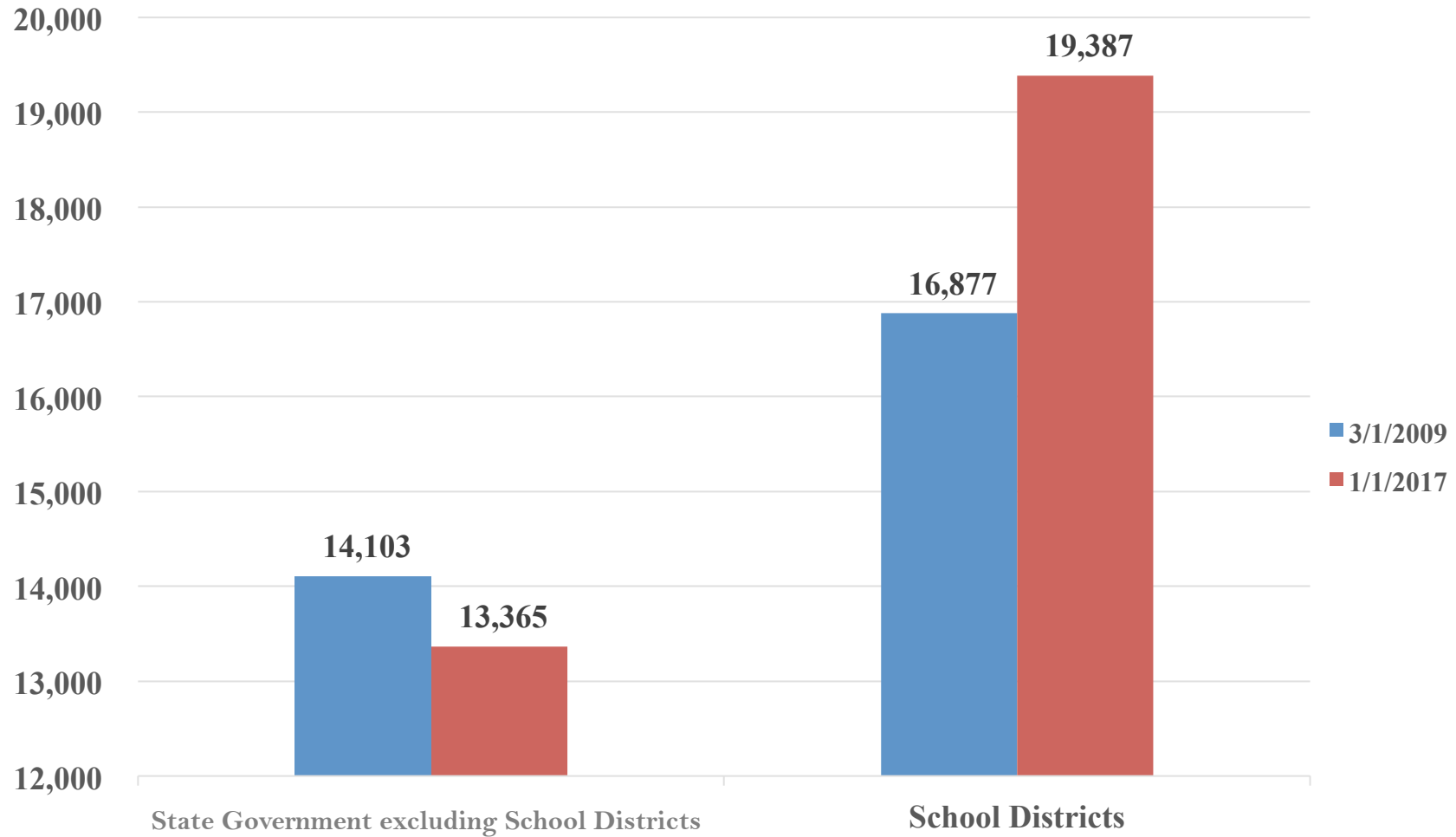
Annual Growth in General Fund Spending FY09-FY17 (Est)



General Fund Revenue Outlook FY16-19



What's Been Driving Growth: Employee Count



*Non-Cabinet Agencies Except School Districts went from 3,710 to 3,862.



GEAR Objectives

- Executive Order #4 has been established to:
 - Develop recommendations for increasing efficiency and effectiveness across State government
 - Improve the State’s strategic planning process
 - Improve the use of metrics in resource allocation decisions
 - Develop continuous improvement practices
- Additionally GEAR will work to:
 - Challenge assumptions and patterns of management and service delivery, and innovate new ways of doing business
 - Find opportunities to improve customer service and experience
 - Provide common measurements and communication mechanisms to highlight cooperation and successful efficiency gains across agencies
 - Identify non-tax revenue sources tied to service delivery

Efficiency and Effectiveness

Strategic Planning Process

Metrics and Measurement

Continuous Improvement



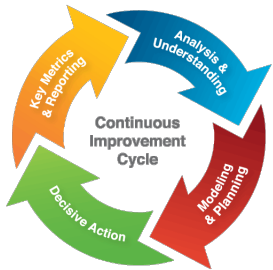
GEAR Scope of Work

- Find cost saving opportunities through **shared services**
 - Public Education
 - Human Resources
 - Information Technology
 - Accounting and Financial management
 - Management of State assets
 - Professional development and use of admin support positions



- Establish statewide continuous improvement programs

- Task existing quality improvement initiatives to find ways to work together
- Expand partnerships with:
 - Delaware Manufacturing Extension Partnership
 - Delaware Quality Partnership
 - Delaware's higher education network



GEAR Scope of Work

- Recommend changes to the Delaware Government Accountability Act to:
 - Better drive strategic planning
 - Develop meaningful performance metrics
 - Monitor performance and allocation of scarce resources as part of the budget process
 - Promote continuous improvement programs across the state
- Identify changes to the State personnel system to:
 - Foster a culture of continuous improvement
 - Improve recruitment, development, and retention of employees



Deliverables

- May 1st 2017
 - Director of OMB and Secretary of Finance report recommendations to Governor and General Assembly Joint Finance Committee
 - Input to finalize fiscal 2018 budget
- December 1st report
 - First issuance of annual GEAR report
 - Standing requirement to provide continuous improvement recommendations for inclusion in state budget to include:
 - Shared service opportunities
 - Methods to improve recruitment, development, retention of employees

GEAR Board

- **Executive Branch**

- State Treasurer
- Director of the Office of Management and Budget
- Secretary of Finance
- CIO, Secretary of Technology & Information
- Secretary of Health and Social Services
- Secretary of Education

- **Legislative**

- Controller General

- **Judicial**

- Chief Justice of the Supreme Court

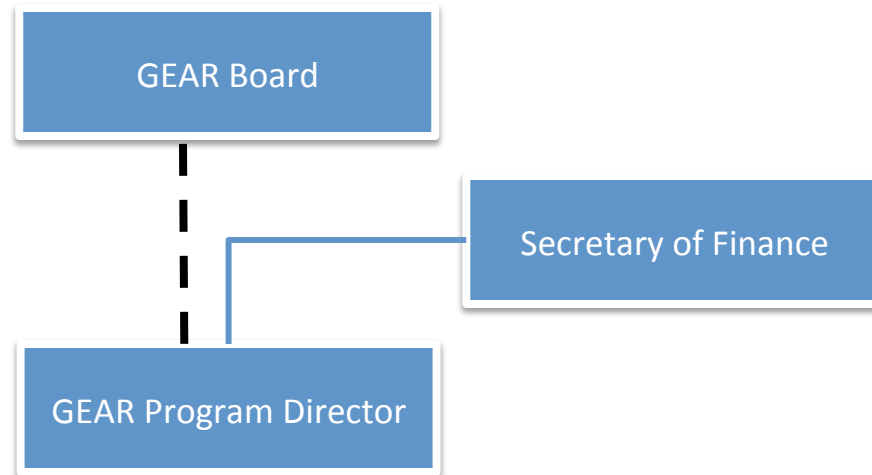
- **Business**

- DE Business Community Representative

- **Labor**

- AFSCME representative

Proposed Structure and Resources



- Board Designees
- Key Policy/Programmatic staff
- Key Financial staff
- Key Quality and Performance staff

Board Responsibilities

- I. Ensure GEAR functions in accordance with the objectives defined by Executive Order #4
- II. Certify all GEAR processes are executed effectively and efficiently
- III. Promote government-wide support for GEAR
- IV. Prioritize and approve slate of opportunities presented by Agencies and interagency teams
- V. Allocate funding for, and ensure fiscal responsibility of, all interagency projects
- VI. Set direction in the event of conflicting strategic imperatives

Objectives
Delivered

Effective
Processes

Promote
and
Support

Funding

Set Strategic
Direction



GEAR Responsibilities

- I. Discover all viable shared service opportunities across Agencies
- II. Oversee execution of key shared service initiatives
- III. Engage State quality programs and partners to create statewide continuous improvement program(s)
- IV. Oversee team to recommend changes to Government Accountability Act
- V. Oversee team to recommend changes to State personnel system
- VI. Inform board of all significant continuous improvement opportunities requiring prioritization
- VII. Regularly communicate state of all GEAR processes, teams, and efficiency initiatives in flight

Discover Opportunities

Shared Service Initiatives

Engage Experts and Partners

Recommend GAA Update(s)

Drive Continuous Improvement Culture

Inform Board

Communicate

Next Steps

- **Set GEAR Board meeting schedule**
- **OMB/Finance preliminary recommendations (May 1st)**
- **GEAR/Agency Lightning Rounds (Mar 15th – April 15th):**
 - Meet with agency Leadership and/or Designee to discuss GEAR in depth
 - Confirm Designees
 - Identify additional resources needed by GEAR
 - Identify highest priority opportunities for each agency
 - Identify potential shared/leveraged interagency opportunities
 - Summarize and communicate findings to GEAR board
- **GEAR/Agency Planning Rounds (April 2nd – May 1st):**
 - Implement key performance metrics (KPIs) for reporting Agency and interagency project progress to GEAR board
 - Implement GEAR project pipeline dashboard
- **Document and publish GEAR core processes**
- **Implement GEAR communications platform (Mar 15th-May 15th)**

Timing

- Kickoff GEAR Board March 14th
- GEAR Board to meet bimonthly
- Rotate meeting location – Dover / Buena Vista
 - Tuesday, May 16th or Thursday, May 18th Buena Vista
 - Tuesday, July 10th or Thursday, July 12th Dover
 - Tuesday, Sept 12th or Thursday, Sept 14th Buena Vista
 - Tuesday, Nov 13th or Thursday, Nov 15th Dover

Ideas

1. Centralized Procurement
2. Leverage the Internet for public information dissemination
3. Increase use of electronic communications (video, online presentations, etc.)
4. Consolidate back office services across Agencies
5. Consolidate back office services in Education
6. Increase use of electronic documents and workflow
7. Share business centers across Agencies
8. Aggregate energy usage across facilities/agencies to negotiate for lowest cost
9. Combine overlapping Agency functions
10. Leverage the Internet for online transactions
11. Create centralized Grants Management office
12. Consolidate backroom functions into Shared Service and Personnel groups
13. Consolidate Education central services personnel
14. Consolidate HR into Center of Excellence Service Center
15. Increase self-service options for state employees
16. Implement standardized statewide shared Absence Management Program and system
17. Consolidate multiple instances of functionally similar IT applications
18. Enhance e-government services and expand use
19. Consolidate IT data centers
20. Reduce Printing Costs
21. Identify employee benefit plan design changes

- Identify opportunities
- Prioritize
- Focus
- Commit

Public Comment