




OREGON YOUTH AUTHORITY
Policy Statement
Part I – Administrative Services



Subject:

OYA Performance Management System and Process Improvement

<i>Section – Policy Number:</i>		<i>Supersedes:</i>	<i>Effective Date:</i>	<i>Date of Last Review:</i>
A: General Administration – 7.0		I-A-7.0 (7/12) I-A-7.0 (12/09) I-A-7.0 (10/05)	07/28/2014	07/28/2020
Related Standards and References:	<ul style="list-style-type: none"> ▪ ORS 291.217 (Outcomes-based budget) ▪ OYA forms: YA 1801 (Action Plan) YA 1920 (Improvement Project Proposal) ▪ Process Improvement Site 			
Related Procedures:	<ul style="list-style-type: none"> ▪ None 			
Policy Owner:		Approved:		
Deputy Director		 <hr/> Fariborz Pakseresht, Director		

I. PURPOSE:

This policy describes the OYA performance management and process improvement system that supports the agency's mission, vision, values and goals.

II. POLICY DEFINITIONS:

Action plan: A written document that outlines an implementation plan for improving quality of services or operations.

Breakthrough initiative: A methodology for change that addresses the performance of existing agency processes, or introduces new agency capabilities to the organization. Breakthrough types include:

1. Capability breakthrough: A major initiative that introduces new agency capabilities; and
2. Performance breakthrough: A major initiative that improves the performance of a major agency process.

Breakthrough plan: An operational plan used to execute a breakthrough initiative.

Executive Team: An executive staff group that provides oversight of agency operations.

Daily Process Improvement: A set of tools based on Lean management principles that helps work teams improve their processes.

Fundamentals map: A systems map outlining agency key goals, core processes, subprocesses, process measures, and outcome measures.

Outcome measures: Overall measurable indicators of the agency's performance relative to its key goals. Outcome measures answer the question: How will we know we are progressing toward meeting our agency goals? These measures focus on results.

OYA Performance Management System (OPMS): A comprehensive system that supports OYA's mission, vision, and values by monitoring activities, outcomes, and processes, structuring new initiatives, and solving problems.

Process Improvement (PI) Specialists: Staff members who are appointed to facilitate process improvement activities in their facilities, field offices or central office work units.

Process Improvement Team (PIT): A team of staff trained in proven process improvement methods and techniques who support OYA process improvement activities to help reduce process waste (e.g., wait time, duplication, travel) and increase value-added work. Membership is decided by the OYA Director.

Process measures: Quantifiable indicators of how effectively a given work process is functioning (e.g., cost, quality, and time). Process measures answer the question: What will show us that we are doing the routine work well?

Process owner: An executive staff member or senior management staff member responsible for defining, monitoring and improving an identified agency or local process.

Quarterly Target Reviews (QTRs): Meetings during which agency or local measures are formally reviewed.

Scorecard: A document that defines measures and indicates how well agency or local process measures are meeting established targets.

7-Step Problem-solving: A problem-solving method that identifies a problem, maps the current process, uses data to find the problem's root cause, develops and implements solutions, and sustains the gain through control systems.

III. POLICY:

The OYA Performance Management System focuses the agency on data-driven decision making, continuous process improvement and purposeful strategic planning. It is designed to identify and mitigate high-risk areas, recognize staff expertise, improve the quality of agency operations and service delivery, and improve customer and staff satisfaction.

Key elements of the OYA Performance Management System are reflected on the OYA fundamentals map. The fundamentals map outlines key goals, core

processes, subprocesses, process measures and outcome measures to present a global view of agency processes and their interrelationships. The map is a dynamic tool that evolves with staff input. It is accessible to all staff on OYANet.

OYA staff may identify their roles in processes and subprocesses on the fundamentals map and see how their work helps achieve OYA's key goals. OYA staff collaborate in systematic activities to improve agency and local performance, and they are encouraged to contribute ideas to improve work processes. Additionally, the agency recognizes that staff are authorities in their work and empowers them to solve problems within policy and their spans of control.

OYA uses outcome and process measures displayed on scorecards to make agency and local performance expectations meaningful and concrete. A scorecard details whether an outcome or process is performing on target. When an outcome or process is not on target, action may be taken to get the process back on track. The process owner may allocate resources to address process performance.

The OYA executive team continually works "on the business" through annual strategic planning that projects major initiatives three years in advance. Breakthrough planning is a methodology that is used to introduce new capabilities or improve the performance of major processes.

IV. Performance Management System

A. Agency fundamentals map

Agency executive and senior management are responsible for approving changes to OYA's Performance Management System fundamentals map. The fundamentals map defines and includes OYA's:

1. Foundations (mission, vision, values);
2. Key goals;
3. Core processes;
4. Subprocesses;
5. Process measures;
6. Process owners; and
7. Outcome measures.

B. Agency Scorecards

Scorecards are created at least quarterly and are accessible to all staff on OYANet. Except for pilot measures, executive team must approve of all measures' changes, definitions, or deletions.

Scorecards display definitions, ranges of performance and targets for each outcome and process measure, and each measure's target status.

The status of outcome and process measures is color-coded as –

1. Green: Within performance range;
2. Yellow: Behind performance range; or
3. Red: Below performance range.

C. Local Scorecards

1. Facility superintendents, camp directors, field supervisors, central office work unit managers and other local scorecard owners must ensure their local scorecards include, at a minimum, relevant agency outcome and process measures. Local scorecards may also contain local measures at the discretion of the scorecard owner.
2. The local scorecard owner is responsible for appointing a staff member (local data steward) to update the local scorecards every quarter.

D. Quarterly Target Reviews (QTR)

1. Local QTR

Facility superintendents, camp directors, field supervisors, and other local scorecard owners must meet with their teams at least quarterly to review local scorecards. The meeting must be prior to the Agency QTR. The date of the meeting must be reported to the OYA agency OPMS coordinator or data steward at least three weeks before the Agency QTR.

- a) An action plan is required to address a measure in red or yellow status with an undesirable trend;
- b) Teams must present any action plans they are responsible for during the Local QTR meeting;
- c) Facility superintendents, camp directors, field supervisors, and other scorecard owners must consolidate this team-level input onto one action plan to be presented at their division QTRs; and

- d) Superintendents, camp directors, field supervisors and other scorecard owners must forward their action plans using a YA 1801 (OYA Action Plan) to the process owner at least seven business days prior to the Agency QTR.

2. Division QTR

Each assistant director must hold a Division QTR prior to the Agency QTR. The division's scorecard must be reviewed, and results of Local QTRs must be reported and discussed by the group.

- a) A measure in red or yellow status with an undesirable trend requires formal action plan;
- b) Local process owners must present any action plans they are responsible for during the Division QTR meeting; and
- c) The assistant director will use the information presented to prepare his/her presentation at the Agency QTR.

3. Agency QTR

Agency process owners and breakthrough plan owners must meet quarterly to review agency scorecard measures and breakthrough plan progress.

- a) A measure in red or yellow status with an undesirable trend requires a formal action plan;
- b) Process owners must present any action plans they are responsible for during the Agency QTR; and
- c) At the discretion of the director or his designee, post-QTR meetings may be held with process owners to review targets and ranges, action plans, and process measures.

E. Action plans

As mentioned in section D, an underperforming outcome or process measure will prompt a formal action plan when the owner of that measure determines a need for significant intervention to support improved process performance.

- 1. Once a process or outcome measure has been identified as needing corrective action, the process owner must:
 - a) Initiate an action plan within 10 working days. They may use a YA 1801 (OYA Action Plan) within 10 working days; and
 - b) Establish a goal to complete the steps of the action plan.

2. The OYA Action Plan must include data to help demonstrate that the owner has a grasp of the potential root causes and can address the problem(s) using sound problem-solving methods.

V. Breakthrough Initiatives

Breakthrough planning is generally initiated during the agency's annual strategic planning process. Breakthroughs are appropriate when existing processes cannot support a strategy.

- A. OYA recognizes two kinds of breakthrough initiatives: capability and performance.
- B. The OYA executive team identifies and defines the need and type of breakthrough initiatives the agency can and should pursue, and assigns a breakthrough owner and facilitator.
- C. The breakthrough owner must designate a breakthrough leader. Together they appoint a breakthrough team.
- D. The owner, facilitator and leader must create a breakthrough plan.

More information about the roles and responsibilities of the sponsor, facilitator, leader and team members is available on OYANet.

- E. The executive team may close a breakthrough when:
 1. The breakthrough is completed; or
 2. The breakthrough is cancelled.

The breakthrough owner may make a recommendation to the executive team to terminate a breakthrough initiative because of changing priorities, resources, or other extenuating circumstances.

VI. 7-Step and other Process Improvement Projects

- A. OYA staff systematically solve problems using proven methods and tools that ensure a problem's root cause(s) is eliminated. When data indicates a problem exists, OYA primarily uses the 7-Step Problem-Solving method to improve processes.
- B. Data to prove there is a problem may come from process measures in yellow or red that are not meeting targets, an increase in incidents, or an increase in time that it takes to do a particular task.
 1. Local 7-step and other process improvement projects.

Local 7-step projects are appropriate when the verified problem scope is contained within a single facility, field office, or Central Office work unit. The procedure for initiating a local 7-step is located on [OYANet's Process Improvement](#) site.

The Process Improvement Team is available to consult and help determine the best type of process improvement methodology to use.

2. Agency 7-step projects and agency process improvement projects.

Agencywide improvement projects are appropriate when a verified problem scope reaches beyond a single facility, field office, or Central Office work unit.

A “how to” guide on initiating an agency 7-step or agency process improvement project is located on [OYANet’s Process Improvement page](#).

VII. Daily Process Improvement (Daily PI)

Daily PI supports the identification and implementation of efficiencies and a culture of continuous improvement led by the people who do the work. Use of Daily PI by an intact work team is voluntary, but individuals may not opt out if it is adopted by their teams.

- A. The purpose of Daily PI includes:

1. Communication among team members;
2. Staff involvement and teamwork;
3. Empowering staff;
4. Constant incremental improvements;
5. Aligning team activities with OYA goals and priorities;
6. Measuring progress; and
7. Positive human development.

- B. Daily PI tools include:

1. Gemba Walk: Regular contact by a supervisor with each employee to learn about the employee’s work and hear suggestions for change;
2. Huddles: Brief 10-15 minute meetings, often held daily, to discuss work at hand, progress toward goals, and ideas for process improvement;
3. Huddle Boards: A visual information center for a work team;
4. Process Improvement Action Sheets: A way to capture practical improvement ideas within each team; and

5. Skills Matrix: Displays the skills needed for a team's work and the members who can be a resource to others in developing those skills.
- C. Members of the Process Improvement Team may help work teams implement Daily PI.

VIII. Process Improvement (PI) Specialists

The agency may appoint staff members as PI specialists to help with local process improvement efforts

- A. PI specialists are representatives from field offices, facility units, and other operational areas who may locally:
1. Provide support to ensure consistent implementation of process improvements;
 2. Participate in local QTRs; and
 3. Communicate process improvement activities and findings to peers and staff.
- B. PI specialists may meet as a group to discuss improvement activities, raise concerns regarding problem-prone issues, and share solutions for existing system gaps.

IX. LOCAL OPERATING PROTOCOL REQUIRED: NO