

Getting Results

DHS Managers Newsletter

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Focus

Leaning toward more efficient processes



Linda Lamb, left, and Beverlee Linn, both of Financial Services general accounting, review a small section of the DHS financial management “brown paper.”

How many rolls of brown paper does it take to make DHS fiscal processes more efficient? So far it has taken several hundred feet of paper and we’re just getting started.

If you haven’t seen it, you’ve probably heard about it – all those long strips of brown paper attached to cubicle and hallway walls on the fourth floor of the Barbara Roberts Human Services Building. No, it’s not modern art; it’s all about making processes more streamlined and efficient.

Since early this year the Administrative Services Division has been engaged in a pilot project with Kaufman Global, an internationally known consulting firm that specializes in helping organizations be more efficient using a method called “Lean” to ensure that every step in a process adds value.

“Lean” doesn’t imply staffing or budgetary reductions. It is a management philosophy that focuses on reducing waste, and being flexible and open to change. It grew out of management practices pioneered by the Toyota Corp., which used them to become the world’s leading automaker.

Before we can improve our processes we have to fully understand them, and that’s where all the brown paper comes in. Staff who work with those processes every day have been closely examining every aspect of several key – and complex – payment and distribution processes to learn where there are redundancies and inefficiencies. Employees draw flowcharts on long sheets of brown paper and display the sheets on walls where reviewers can add notes about problem areas and get a complete picture of just how complex, and sometimes redundant, our fiscal processes are.

Once a process is fully understood, the managers and staff who work with it can determine ways to streamline it. That’s already happened to several key processes and is set to happen to more as the pilot project expands beyond ASD to the department’s Financial Management functions. Eventually the Lean process will roll out throughout DHS, along with the sheets of brown paper for which it rapidly is becoming famous.

The end result will be faster, more accurate processes – both fiscal and other types of processes – throughout the department that require less rework, provide better customer service, and are more transparent and accountable. In the long run, everyone will benefit by these improvements – customers and employees alike.

As processes are reviewed and streamlined in the months ahead, we’ll keep you informed of successes and changes. And we’ll let you know when it’s going to be your turn to unroll some strips of that long, brown paper.

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Edge: Hire good people, let them do their jobs

Jim Edge is hopeful about the future of the Oregon Health Plan and health care services for low-income Oregonians in general.



Jim Edge

Edge was named interim administrator the Division of Medical Assistance Programs in March, to succeed Allen Douma. He brings plenty of experience in public health administration to the job.

Jim Edge graduated in pharmacy from the University of Washington in 1971, and worked for the federal Indian Health Service for nearly 30 years before beginning a second career with Oregon DHS in 2000. With Indian Health Service he worked on reservations in Montana, New Mexico and Washington, doing pharmacy and a variety of other jobs.

“In these isolated areas with very small clinics and small staffs, I was doing pharmacy, lab, x-ray and administration all at once,” he says. He decided to focus on administration, and was accepted for training toward a master’s in public health administration at the University of Hawaii. His thesis, which he worked on from 1978 to 1980, compared health care services for rural indigenous populations on U.S. Indian reservations, in Micronesia, the Northern Territory of Australia, and American and Western Samoa.

His final posting with IHS was in Oregon, where he split his time between the Chemawa Indian School and the regional office in Portland, serving Oregon, Washington and Idaho.

He was hired as manager of what was then OMAP’s policy unit in November 2000. During the 2001 legislative session, he took on two special projects in succession. The first was a new preferred drug list for the Oregon Health Plan; then-administrator Hersh Crawford then asked him to direct the creation of what was called “OHP 2,” the two-tiered approach to OHP that created the OHP Standard and OHP Plus benefit packages.

“That was a busy time, for about a year-and-a-half or so,” he says. It involved a revision of the state’s Medicaid demonstration project, a new set of waivers, restructured computer systems and new staffing.

When Crawford retired, Edge was named acting deputy, then deputy administrator by administrator Lynn Read. Since then, under two succeeding administrators, he and Read have both been deputy administrators. DHS will conduct a nationwide search for a new DMAP Administrator (which is also a DHS assistant director-level position) .

Most of the time since Edge arrived at DHS, the state has been in the midst of a recession, requiring cuts in DHS budgets and services. He anticipates a change in that outlook in 2007, he told his staff in a recent all-staff message.

“The governor’s Healthy Kids program, if it passes, will extend health care insurance to our Oregon children,” he said. “Various forms of universal health care are being discussed, and even if Oregon doesn’t get universal health care out of this session, the groundwork is being laid for future movement in that direction. A number of other bills are being considered that, for the most part, will improve health care, including bills that will improve services provided through the Oregon Health Plan.”

Internally, he plans to build morale among DMAP staff and improve communications with partners -- provider groups, managed care plans and legislators.

DMAP is a critical part of the department’s mission of helping people be independent, healthy and safe, Edge says. And his philosophy incorporates the DHS core values of respect and professionalism.

“My management philosophy is to surround myself with good people, and give them their heads and let them do their work,” he says. “If you give them the conditions and the support they need to do good work, they’ll do it.”

An opportunity to model stewardship

By Lisa Harnisch



By now, everyone in the department should have been informed of a department-wide effort to defer or eliminate expenditures for the remainder of this biennium. We can view this as a department-wide effort to model stewardship.

Effective March 7, all divisions were requested to:

- defer all hiring (with a few certain exceptions) until July 1;
- eliminate all non-essential travel; and
- eliminate all non-essential purchasing.

These fiscal measures are a result of our desire to have a balanced budget and a transparent and accountable budgeting process. Under the leadership of Jim Scherzinger, John Swanson and Shawn Jacobsen, staff have been diligently reviewing every aspect of the budget and expenditures. As a public agency, DHS has a responsibility to use citizens’ tax dollars wisely and well, and to uphold the highest standards of fiscal integrity.

This presents all of us with an opportunity to exercise the values of stewardship and integrity. We should constantly be asking ourselves if what we are doing is necessary to the department’s mission, and if we can do things in a different way that will yield the same results for our clients -- or better.

Financial Services, Finance and Policy Analysis, and the Office of Payment Accuracy and Recovery are using “lean thinking” to identify waste and inefficient procedures and to streamline processes. The focus is on making improvements so that managers will have high-quality information with which to make decisions. It will take time to adjust the highly complex system of DHS budget and finance. However, the long-term goal is to have a system that gives managers the information they need to do their job and be even better stewards of the resources we have at DHS.

One part of stewardship is being accountable in action and attitude. We should avoid “the mindset of scarcity,” which allows us to blame budget restrictions for not being able to do the work or do previously scheduled activities. As good stewards we recognize that we must use all the resources we have been entrusted with to meet the DHS mission, and must constantly challenge ourselves to ensure that the resources are used wisely and in a way that makes the most of all of our assets.

Speaking of the DHS mission, even in tight budgetary times we are still stewards of the mission. Our public must be able to count on us to do our job, assisting people to become independent, healthy and safe.

Lisa Harnisch, DHS core values manager, 503-945-6304; lisa.s.harnisch@state.or.us

SPD, SOCP managers lead by example

By Lisa Harnisch

The field managers of Seniors and People with Disabilities Division are taking the lead in addressing the department’s Core Values.

On March 8 all of SPD’s field managers participated as a team in the Core Values training with consultant and former department director Bryan Johnston, one of the chief architects of the Core Values. They not only engaged in the training, but they also worked to build their own capacity to deliver the training to their own staffs. They walked away with a stronger understanding of the Core Values and their importance to DHS, and with tools needed to deliver the training, which is packaged in a way that provides delivery options to meet time demands of each office.

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Core values, cont.

Carolyn Ross, SPD field services manager, says, “as a Division, we enthusiastically support these values and agree that the message needs to come from us as managers.” Carolyn has set the expectation that her staff will deliver this training within six months.

SPD leadership understands what research supports:

- Training is not the driver of an initiative.
- Training is but one of many tools to support the socialization of the Core Values.
- In order to successfully get the message to staff, leaders must set the example and be committed to the initiative.

A recent business survey showed that 77% of respondents say CEO support is the most effective way of reinforcing an organization’s values. Performance appraisals were the next most effective tool, followed by corporate values statements, training and internal communications.

Also at the training table were six trainers from the State Operated Community Program. Because SOCP operates 24/7 direct care facilities, training employees presents scheduling challenges and can be costly in terms of overtime. Now SOCP has six trainers who can work with managers and the individual homes to deliver the training in the least costly manner and with the least disruption to the clients.

Anne Augsburger, SOCP quality assurance and training manager, said, “what was most exciting about the Core Values and the resulting conversations is that it is applicable to the everyday work life and is meaningful to our direct care staff.”

The SOCP managers also attended the Core Values staff training in January and are committed to leading by example and using the Core Values as expectations in the workplace.

Upcoming Training Classes for April and May 2007

During the rollout of the Learning Center, the following training is available, although on a reduced schedule. Space is available at the time of this publication. Employees should work with their managers to determine if participation in training is approved. Each division has its own criteria for these decisions. Some managers may have unique needs for team development or change management resources; to see if services may be brought to your work unit, contact Judy Gerrard, judy.l.gerrard@state.or.us 503-945-6436.

New Information ➔ **To Register for the classes below, log in to the DHS Learning Center and go to Courses & Registration/Find A Course and type in the course title in the keyword search. If you need help with registration, please contact DHS Training & Development at (503) 947-5457 or DHS.Training@state.or.us**

Required new manager training

- DHS New Manager Orientation , April 4
- VCON: Creating a Legal Work Environment (Managers only) , April 26
- Essentials of Human Resource Management (Managers only), May 15–16
- Managing Resources: Budgets, Contracts, Risks, May 24

General employee training

- New Employee Orientation, Once a month
- Facilitating Effective Meetings , April 5
- Dealing With Hostile Situations, May 2
- Diversity: Disability Culture & Awareness, May 22
- Introduction to Project Management, May 23
- NetLink: NEO Responsibilities and Resources For Managers, April 11