SENATE FILE BY COMMITTEE ON STATE GOVERNMENT

(SUCCESSOR TO SSB 1060)

Passed Senate, Date _____ Passed House, Date _____ Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

A BILL FOR

1 An Act establishing a lean enterprise office within the 2 department of management. 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA: 4 TLSB 1129SV 83 5 ec/rj/8

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Section 1. <u>NEW SECTION</u>. 8.70 LEAN ENTERPRISE OFFICE. 1 1 2 1. For purposes of this section, "lean" means a 1 3 business=oriented system for organizing and managing product 4 development, operations, suppliers, and customer relations to 1 1 5 create precise customer value, expressed as providing goods 1 6 and services with higher quality and fewer defects and errors, 7 with less human effort, less space, less capital, and less 1 1 1 8 time than more traditional systems. 2. The office of lean enterprise is established in the 1 9 1 10 department of management. The function of the office is to 1 11 ensure implementation of lean tools and enterprises as a 1 12 component of a performance management system for all executive 1 13 branch agencies. Staffing for the office of lean enterprise 1 14 shall be provided by an administrator appointed by the 1 15 director of the department of management. Additional staff 1 16 may be hired, subject to the availability of funding. 1 17 3. The duties of the office of lean enterprise may include 1 18 the following: 1 19 a. Create strategic and tactical approaches for lean 1 20 implementation, including integration into state governance 1 21 and operational systems. b. Lead and develop state government's capacity to 1 22 23 implement lean tools and enterprises, including design and 24 development of instructional materials as needed with the goal 1 1 1 25 of integrating continuous improvement into the organizational 1 26 culture. 1 27 c. (1) Create demand for lean tools and enterprises in 1 28 departments. 1 29 (2) Communicate with agency directors, boards, 1 30 commissions, and senior management to create interest and 1 31 organizational will to implement lean tools and enterprises to 1 32 improve agency results. 33 (3) Provide direction and advice to department heads and 34 senior management to plan and implement departmental lean 1 1 1 35 programs. 1 (4) Direct and review plans for requesting and a 2 the selection of process improvement projects of key 2 (4) Direct and review plans for leadership and assist with 2 2 3 importance to agency goals, programs, and missions. 2 4 d. (1) Identify and assist departments in identifying 2 5 potential lean projects. 2 (2) Continuously evaluate organizational performance in 6 7 meeting objectives, identify and structure the direction the 8 lean implementation should take to provide greatest 9 effectiveness, and justify critical and far=reaching changes. 2 2 2 2 10 e. (1) Lead the collection and reporting of data and 2 11 learning related to lean accomplishments. 2 12 (2) Widely disseminate lean results a 2 12 (2) Widely disseminate lean results and learning with 2 13 Iowans, stakeholders, and other members of the public to 2 14 demonstrate the benefits and return on investment. 2 15 f. (1) Evaluate the effect of unforeseen developments on

2 16 plans and programs and present to agency directors, boards, 2 17 commissions, and senior management suggested changes in 2 18 overall direction. 2 19 Provide input related to proposals regarding new or (2)2 20 revised legislation, regulations, and related changes which 2 21 have a direct impact over the implementation. 2 22 g. Lead the development of alliances and partnerships with 2 23 the business community, associations, consultants, and other 2 24 stakeholders to enhance external support and advance the 2 2 2 25 implementation of lean tools and enterprises in state 26 government. 2 27 h. Lead relations with the general assembly and staff to 2 28 build support for and understanding of lean work in state 2 2 2 29 government. 30 EXPLANATION 2 31 This bill creates in the department of management the lean 2 2 32 enterprise office to ensure implementation of lean tools and 33 enterprises as a component of a performance management system 2 34 for all executive branch agencies. The bill provides that the 2 35 administrator of the office shall be appointed by the director 3 of the department of management. The bill defines "lean" as a 1 2 business=oriented system for organizing and managing, designed 3 3 to create precise customer value, expressed as providing goods 4 and services with higher quality and fewer defects and errors, 3 3 3 5 with less time and effort. 3 The duties of the lean enterprise office may include 6 3 7 creating strategic and tactical approaches for lean 3 8 implementation, developing state government's capacity to 9 implement lean tools and enterprises, creating demand for lean 3 3 10 tools and enterprises in state departments, identifying and 3 11 assisting departments in identifying potential lean projects, 3 12 leading the collection and reporting of data and learning 3 13 related to lean accomplishments, evaluating the effect of 14 unforeseen developments on plans and programs, presenting to 3 3 15 agency directors, boards, commissions, and senior management 3 16 suggested changes in overall direction, leading the 3 17 development of alliances and partnerships with the business 3 18 community, associations, consultants, and other stakeholders 3 19 to enhance external support and advance the implementation of 3 20 lean tools and enterprises in state government, and leading 3 21 relations with the general assembly to build support for and 3 22 understanding of lean work in state government. 3 23 LSB 1129SV 83 3 24 ec/rj/8.1