



# Public Works and Government Services Canada Real Property Branch

## The Practitioner's Perspective: Sharing our Experience with Process Improvements

*Presented by:*  
**Carol Blotniuk**  
**Director, National Accommodation Management**  
**Real Property Branch**



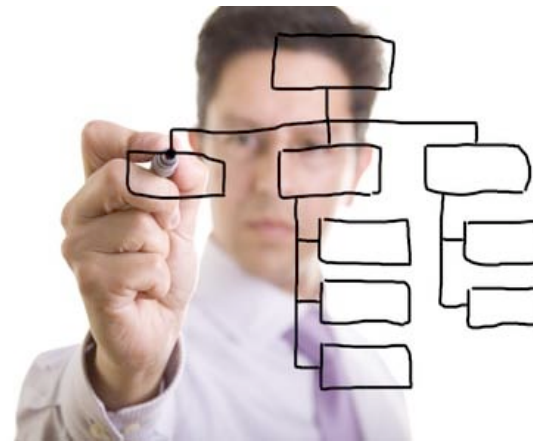
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# Overview

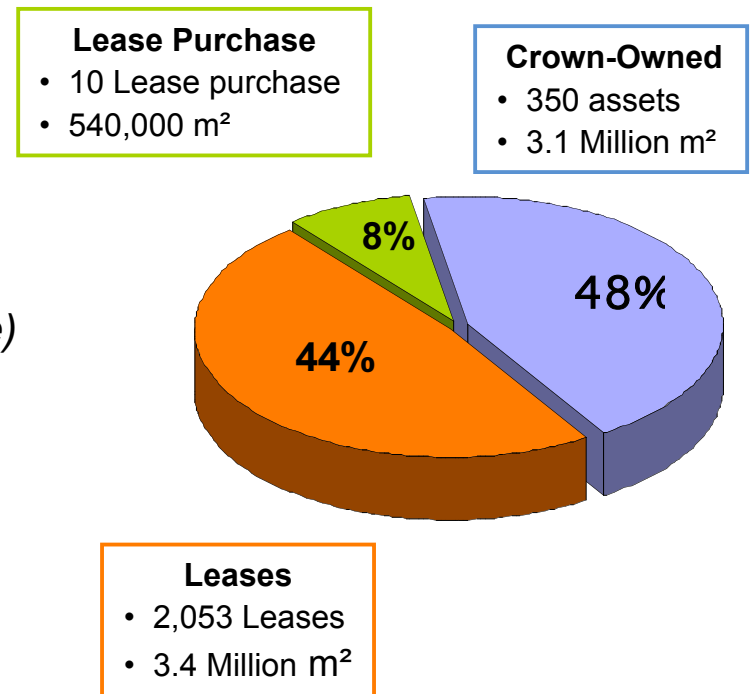
- \* Provide an overview of the process improvement project
- \* Process improvement methodologies, techniques and tools used throughout the project
- \* Expected benefits
- \* Challenges
- \* Our advice



## Who we are...

- \* The Real Property Branch manages one of the largest and most diverse portfolios of real estate in the country and is the Government of Canada's real property expert.

- \* **105** Client departments and agencies
- \* **255,000** Employees accommodated
- \* **1800** Locations across Canada
- \* **7,000,000 m<sup>2</sup>** Rentable space (*87% office space*)
- \* **\$7,900,000,000** Market value of Crown owned
- \* **2000** Leases at a annual cost of **\$920,000,000**



# Background

- \* In April 2007, the Real Property Branch (RPB) adopted a new Corporate Real Estate business model and organizational structure.
- \* The transformation has involved modernizing our services and delivery of those services to clients.
- \* A quality assurance group was established within RPB to look at areas for improvement during the transformation.
- \* One of the key areas identified for possible improvement was the *Occupancy Instrument (OI) Process*.



# Improving the Occupancy Instrument Process

## What is an Occupancy Instrument ?

- \* Formal signed agreement between a client department and RPB for the space they occupy;
- \* It records the terms and conditions that govern the provision and occupancy of accommodation.

## Why is it important ?

- \* Key to our inventory data
- \* Assists in the administration and management of our portfolio

## Why does it need improvement ?

- \* Lengthy process
- \* Data integrity
- \* Client satisfaction



# What did we do?

## \* We used elements of two process improvement methodologies:

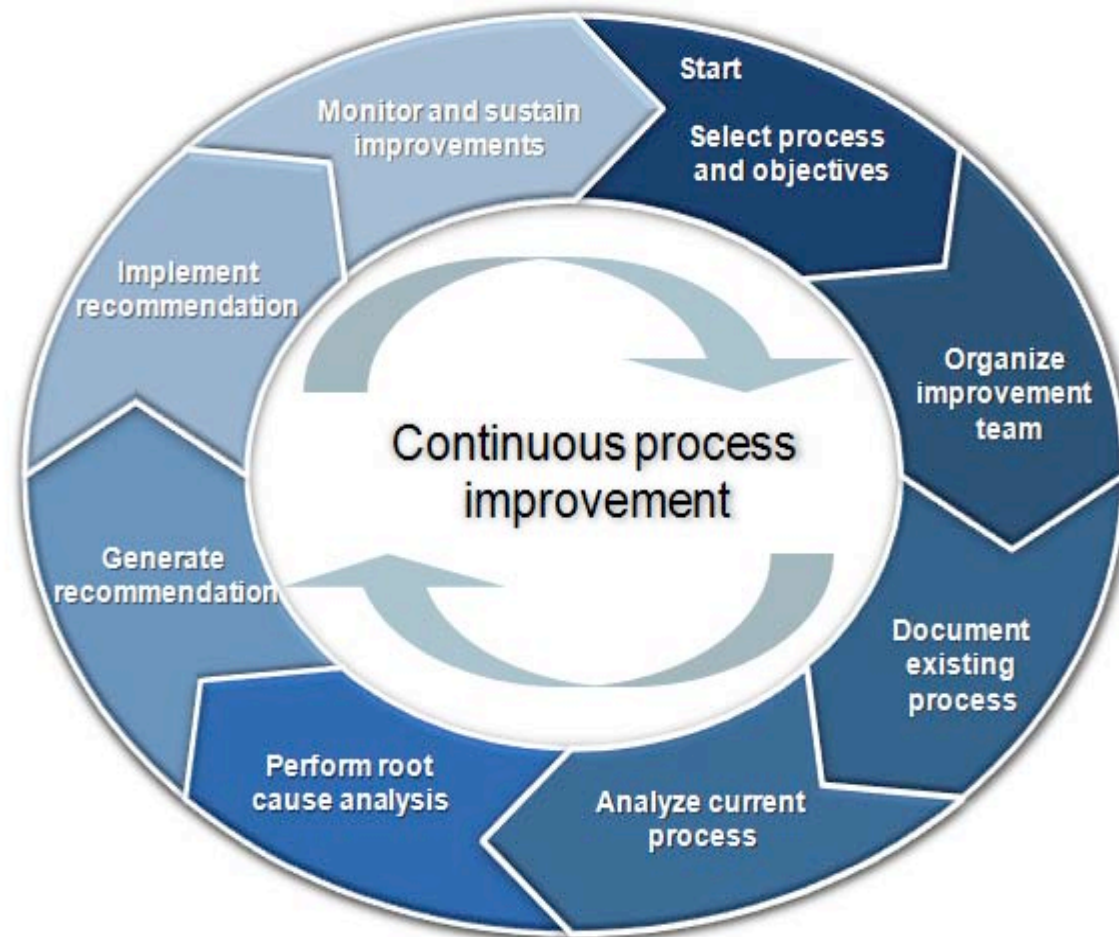
- The Work-Out Model, developed by Jack Welch former CEO of General Electric
- The Lean® Approach developed by the Toyota Corporation

## \* Our approach:

- We followed an 8-step process improvement methodology including:
  - ✓ We got the people closest to the process to generate ideas for improvement;
  - ✓ We documented the process and identified key inefficiencies;
  - ✓ We identified viable recommendations;
  - ✓ We're implementing.



# 8 Step Process Improvement Methodology



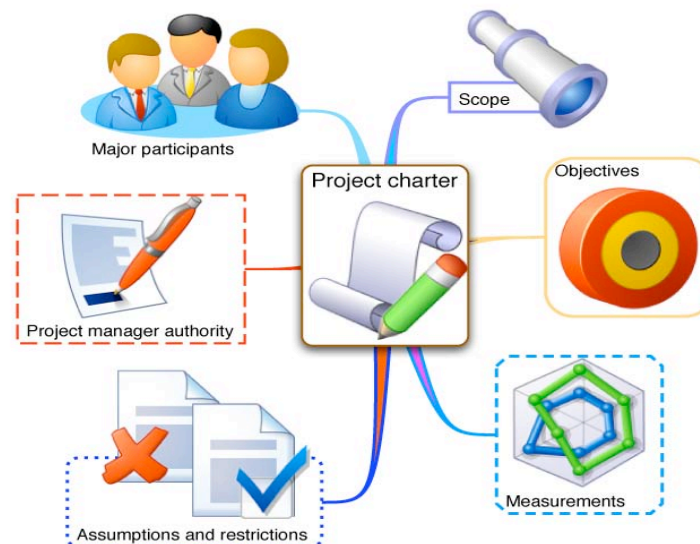
## Step 1: Select the Process

- \* The Occupancy Instrument (OI) process was identified as an integral part of our business that required efficiency improvements;
- \* The Process Owner and Office of Primary Interest (OPI) were identified;
- \* Received commitment from senior management to proceed;
- \* The process improvement objectives were to:
  - ✓ **Identify activities that take too long or involve too many man-hours;**
  - ✓ **Eliminate redundant or unnecessary steps;**
  - ✓ **Ensure consistent national standardized processes;**
  - ✓ **Meet established standards;**
  - ✓ **Comply with legislative, regulatory and policy requirements;**
  - ✓ **Reduce or mitigate exposures to risks.**



## Step 2: Organize process improvement team

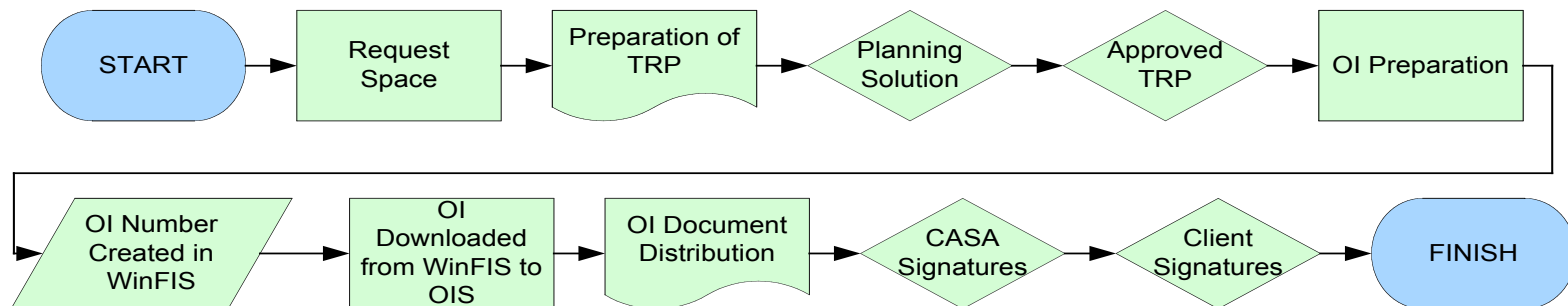
- \* Process Owner selected team members from each regional office across Canada.
- \* Selected employees closest to the process who had an expertise to identify process deficiencies.
- \* A Project Charter was developed to establish project governance:



## Step 3: Document existing process

- \* Identified “As-is” steps in the OI process used in each Region.
- \* Documented those steps using a process flow chart to develop a national generic process including:
  - OI process sequence from start to finish;
  - Steps involved to complete each task;
  - Clarification of how each stakeholder is involved.

**Generic National Occupancy Instrument Map**

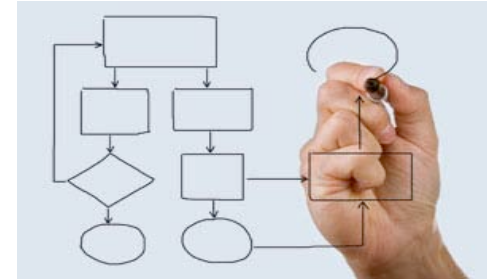


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## Step 4: Analyze current process for inefficiencies

- \* Validated the national OI process map with the process improvement team.
- \* Performed a gap analysis to identify regional variations
- \* Held work-out sessions with process team and other experts



- \* Identified key inefficiencies.

## Step 5: Perform root cause analysis and risk assessment

- \* Brainstormed possible causes of inefficiencies
- \* Conducted an environmental scan to assess the issues impacting the process.
- \* Performed a “status quo” risk assessment.
- \* Developed possible solutions.



"To address this mistake we must use root-cause analysis. I'll begin by saying it's not my fault."



"We've considered every potential risk except the risks of avoiding all risks."

## Step 6: Generate recommendations

- \* Selected recommendations that had a high degree of consensus.
- \* Grouped recommendations into 3 main areas requiring improvement:
  - Business processes, practices and procedures
  - System limitations and data integrity
  - Ongoing communications and training
- \* Developed specific recommendations and identified the key owners responsible for implementation.



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## Step 7: Implement selected recommendations

- \* Developed a wave approach for implementation based on:
  - Short term or quick hits
  - Medium term
  - Long term
- \* Developed a risk management plan for implementation;
- \* Developed a risk mitigation plan to manage each risk;
- \* Obtained approval from senior management to proceed with implementing recommendations;
- \* Engaged stakeholders.



# Step 8: Monitor and sustain improvements (In progress)

- \* Form part of performance management agreements;
- \* Included in the RPB Business Plan;
- \* Part of our Branch key performance indicators;

Quality Management Initiative - 2009				
APMRES Monitoring Status Report - Wave 1 Project				
September 30,				
PROJECT (WAVE 1)	OPI	DESCRIPTION	QUALITY EXPECTATIONS	
Occupancy Instruments (OI)	National Accommodation Management Directorate (NAMD)	An OI is a formal agreement between a department or agency and PWGSC, which records the specific details of an individual occupancy, and the terms and conditions that govern the provision and occupancy of the accommodation.	Recommendations will be developed to improve the process in terms of reducing or eliminating redundancies, quicker turnaround times for clients (increased client satisfaction), more knowledgeable clients and better integration of information within system	
2009/2010 BUSINESS PLAN MILESTONE		COMPLETION	OVERALL STATUS	
Proceed to Phase II - multi-year (2009 to 2012) implementation of recommendations to improve the Occupancy Instrument (OI) process. The goal for 2009/2010 is to complete implementation of all short-term recommendations.		March-10	Overall, NAMD is currently on track with meeting the year-end milestones and complete all short-term recommendations. However, risks outlined in the final report, including lack of capacity, budget constraints, and other government priorities continue to	50%
WORK PLAN	TARGET	COMMENTS	NEXT STEPS	%
1. Begin implementation - Process Owner (Champion) approval of recommendations	May-09	In May 2009, the Director General of APMRES approved the final report on recommendations of the OI process. Recommendations were based on a multi-year implementation plan, as some will require further assessment by the OPVOSI. Key risks to implementation	Completed	100%
2. Engage the OPIs/OSIs with identified inefficiencies and proposed recommendations	Sep-09	We have engaged OPVOSI for 4 out of the 5 short-term recommendations. We are engaging the OSI related to the last short-term recommendation in October 2009. We have engaged OPVOSI for 2 of 7 medium-term and 2 of 3 long-term recommendations where APMRES	Not all OPVOSI have yet been engaged. We are meeting with SPAR (OPI) for the majority of medium to long-term recommendations in October/09.	60%
3. Obtain OPI concurrence on recommendations - OPI to develop implementation strategy and timelines	Nov-09	NAMD has developed and agreed to a proposed implementation strategy for 3 short-term recommendations with the OPI/OSI. We continue to experience implementation issues due to other competing government priorities, such as the NOVUS project, AIP, and fundi	Identified risks are becoming an issue with OPI/OSIs. We continue to engage OPVOSI and provide timely updates to PO. Will adjust timelines accordingly.	30%
4. Complete implementation of short-term recommendations	Mar-10	We are currently moving forward with implementing 2 additional short-term recommendations. We have completed implementation of one (1) short-term recommendation to date. (1/5 = 20%)	Finalize implementation plan for 3 short term recommendations. Continuing with OSI engagement for remaining recommendation.	20%



## Expected Benefits

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- \* Strengthen use and application of policy, standards and procedures;
- \* Engage other areas of the organization with solutions;
- \* Increase understanding of internal processes ;
- \* Involves staff in change management activities and culture change;
- \* Establish best practices;
- \* Ensure quality assurance and control ;
- \* Improve client service.



# Challenges

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- \* Lack of internal expertise and tools
- \* Budget constraints
- \* HR capacity
- \* Competing priorities/ Changing priorities
- \* Timelines
- \* Lack of Buy-in
- \* Maintain momentum



## Our advice to you...

### General advise to you.....

- ✓ Don't take on more than you can chew
- ✓ Ensure sustained commitment from senior management
- ✓ Ensure resources dedicated solely to the initiative
- ✓ Recognition and acknowledgement of team members
- ✓ Build off ramps

### Process Improvement advise to you.....

- ✓ Get the right people at the table from the start
- ✓ Start with eliminating obvious inefficiencies
- ✓ Don't take on enormous organizational change
- ✓ Rapid Implementation – start with quick hits NOW!

Think **BIG**

Test **small**

Learn **Quickly**

Start **NOW !!!**



# Thank you!



*The federal government administers a variety of real property in Canada and abroad (see paragraph 12.1).*

