A Culture of Innovation:

Focusing on Performance

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Rebuilding capacity. . .

Los Angeles is recovering from a fiscal meltdown which reduced the workforce by more than 5,000 employees and created a chronic annual shortfall between revenues and expenses

4 million people, 469 square miles, 44,000 employees, 7500 miles of water pipes, 6500 miles of streets, 106 fire stations, 72 libraries

Internet time: **20.77 Mbps**

LA City government time: **432 days**

"Back to Basics" Priority Outcomes

1. Make Los Angeles the best run big city in America

2. Promote good jobs for Angelenos all across Los Angeles

3. Create a more livable and sustainable city

4. Ensure our communities are the safest in the nation

5. Partner with residents and civic groups to build a greater city

"A data-driven culture of innovation"

Taking a systematic approach

- Performance Management Metrics

- Innovation Centers

- Performance Budgeting

- Innovation Fund

- Innovation Academy

- Empowering General Managers; empowering the Workforce

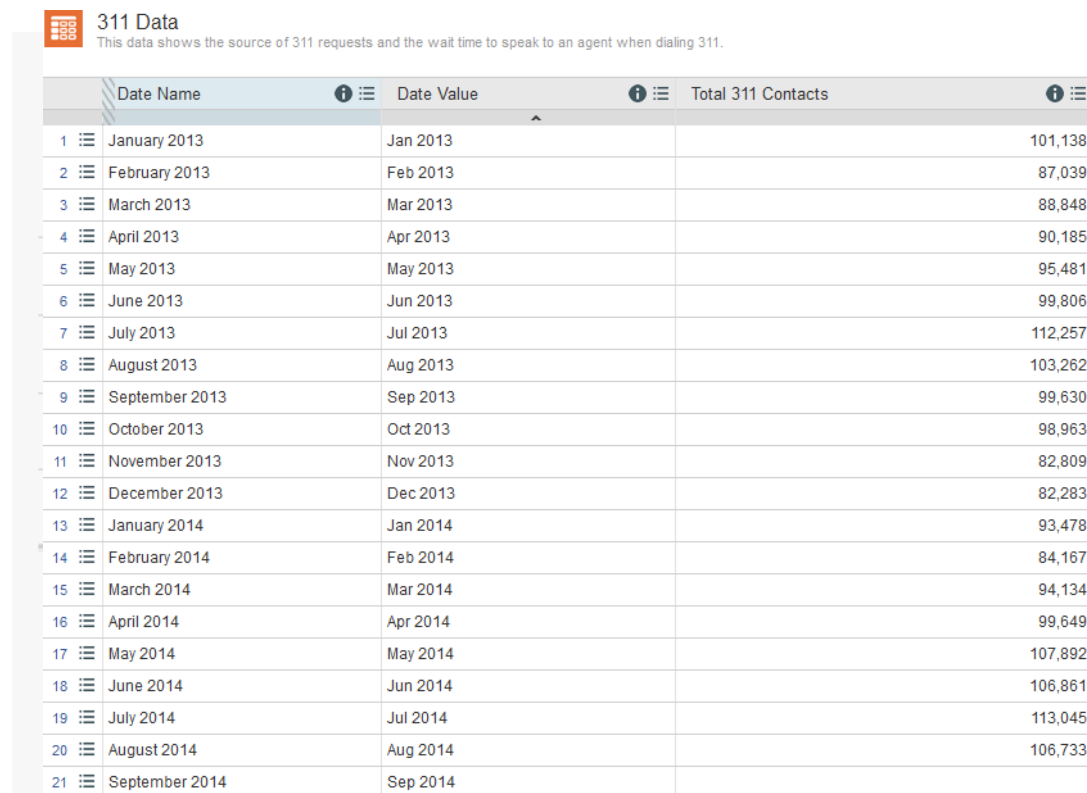- Operations Innovation Teams

- Open Data

The Problem

Los Angeles had no dashboard to track performance, no Open Data policy and no Open Data portal
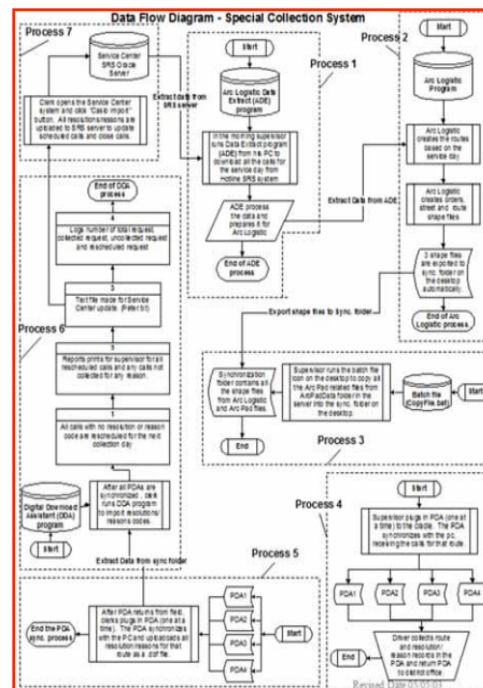
The Solution

Today, LA's Open Data portal has more than 350 data sets with detailed performance metrics and is #3 in the nation in the ranking by the United States Census

311 Data
This data shows the source of 311 requests and the wait time to speak to an agent when dialing 311.

	Date Name	Date Value	Total 311 Contacts
1	January 2013	Jan 2013	101,138
2	February 2013	Feb 2013	87,039
3	March 2013	Mar 2013	88,848
4	April 2013	Apr 2013	90,185
5	May 2013	May 2013	95,481
6	June 2013	Jun 2013	99,806
7	July 2013	Jul 2013	112,257
8	August 2013	Aug 2013	103,262
9	September 2013	Sep 2013	99,630
10	October 2013	Oct 2013	98,963
11	November 2013	Nov 2013	82,809
12	December 2013	Dec 2013	82,283
13	January 2014	Jan 2014	93,478
14	February 2014	Feb 2014	84,167
15	March 2014	Mar 2014	94,134
16	April 2014	Apr 2014	99,649
17	May 2014	May 2014	107,892
18	June 2014	Jun 2014	106,861
19	July 2014	Jul 2014	113,045
20	August 2014	Aug 2014	106,733
21	September 2014	Sep 2014	

"It's not the numbers, it's what you do with the numbers"

After adopting CompStat in 2002, Los Angeles reduced both violent crime and overall crime for 11 straight years. Now Los Angeles is adopting a similar approach to improve results in every department.
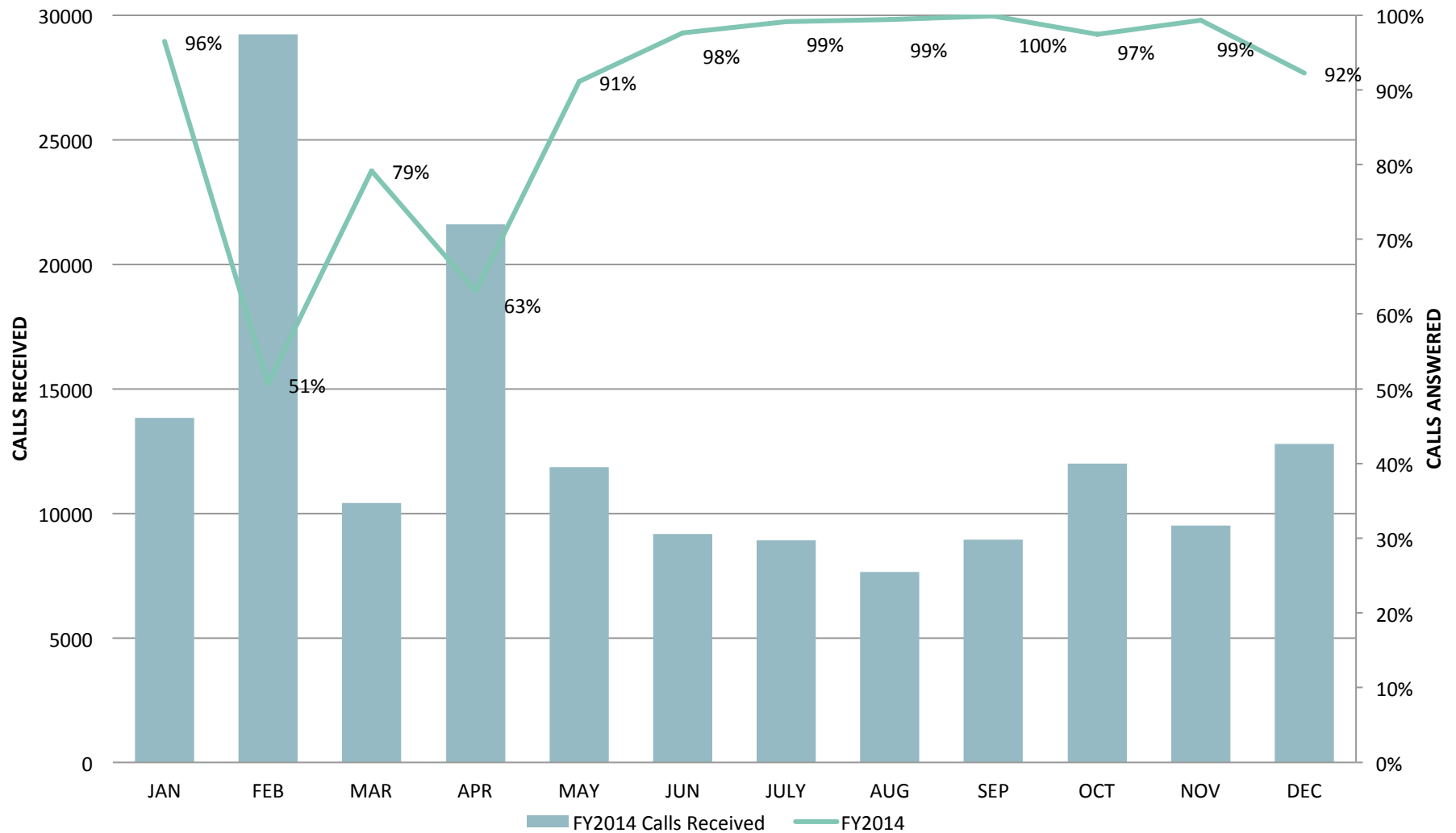
The Problem

During the month of February, the Finance Department was unable to answer taxpayer calls 49% of the time and it took two weeks to respond to voice mail messages.

The annual surges in call volume swamped available staff

Implemented FinStat ("What's your analysis?" "What's your strategy?")

- Identified most frequent call subjects
- Stepped up outreach to businesses and improved website
- Improved the Finance Web Site
  - Implemented e-filing in Spanish
  - Developed informational tax webinar videos
  - Improved LATAX software
- Moved unrelated mass mailing from tax renewal season back to December
- Ceased collecting credit card payments over the phone and steered taxpayers to online systems
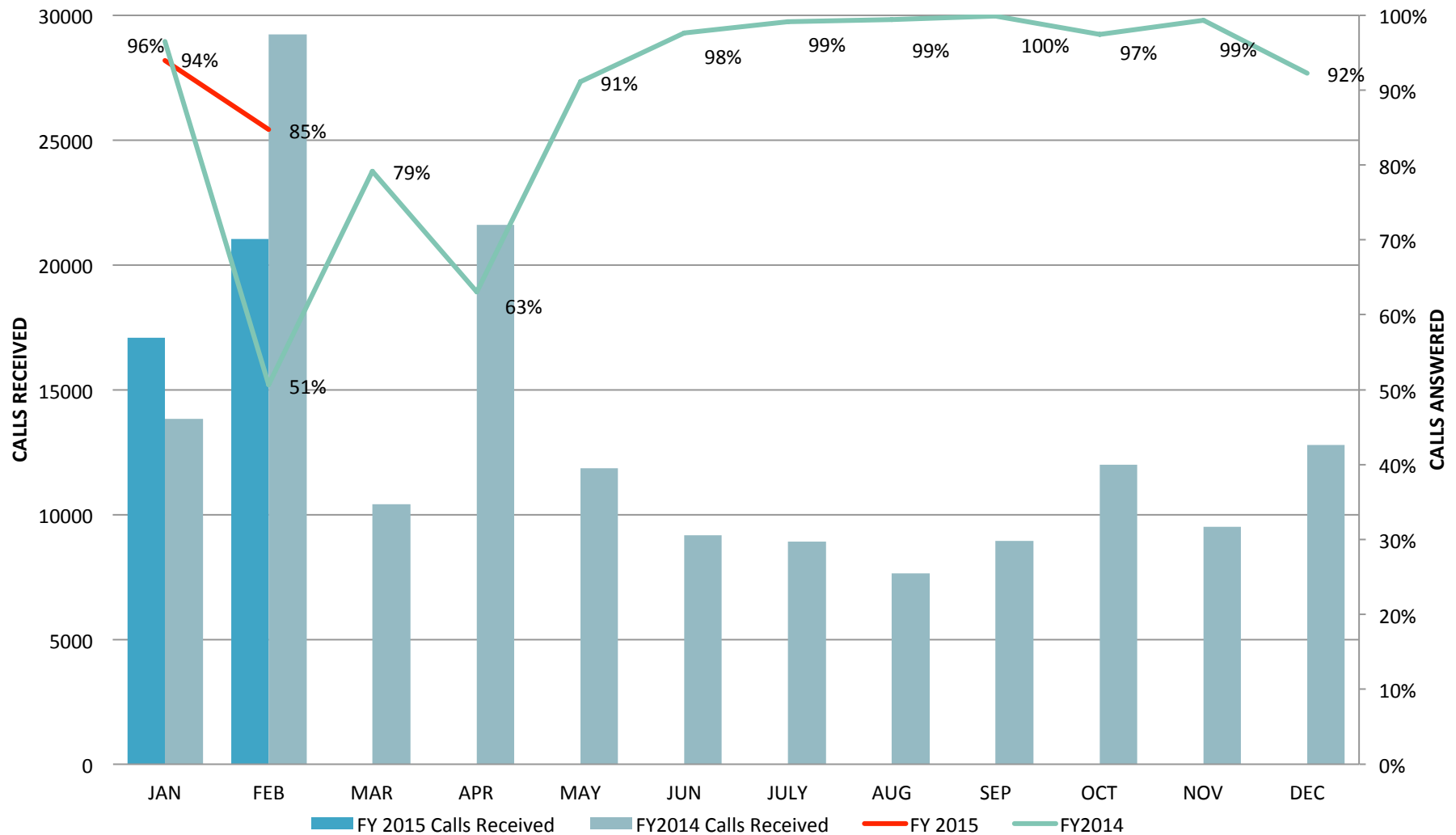
A CULTURE OF INNOVATION — Focusing on Performance

DEMAND – February call volume reduced by 28%
OUTPUT – February percentage of calls answered improved by 60%

Strategies to Improve Call Center Efficiency

INPUT

1. Deployed Tax Compliance Officers from the field to support Call Center and public counter

2. Assigned Senior Tax Auditors to respond to e-mails

3. Monitored service provided by Call Center agents

4. Established online Customer Satisfaction Survey

RESULTS

1. **Improved average productivity** from 58 to 74 calls per shift

2. **Reduced voicemails** by 70% from 6485 to 1929

3. **Shortened voicemail call back time** from two weeks to one day

4. **Used less staff** to answer calls

5. **Achieved 91% customer satisfaction** for web based services

"Empower and reward innovation to produce better, faster, safer and cheaper results"

15 departments or divisions have volunteered to become Innovation Centers

The Problem

Sanitation crews used photocopies of pages from old Thomas Guide mapbooks to chart routes -- and spiral notebooks to handwrite notes for later transcribing into the department's computer tracking system – which did not connect to the City's citywide 311 system
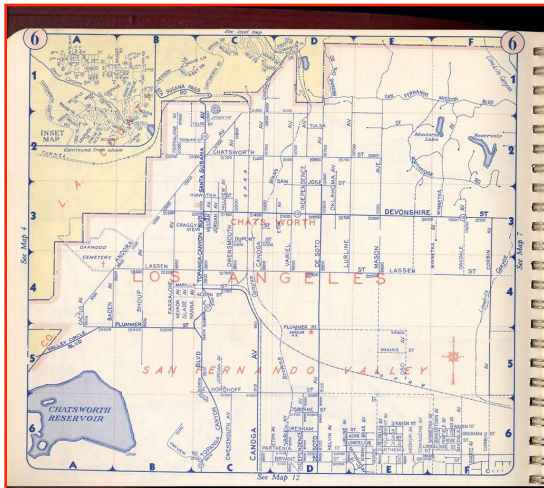
Solution?

Front-line workers and Sanitation IT staff wanted to implement free software that would automate every step in the process and allow for eventual integration into the citywide 311 system
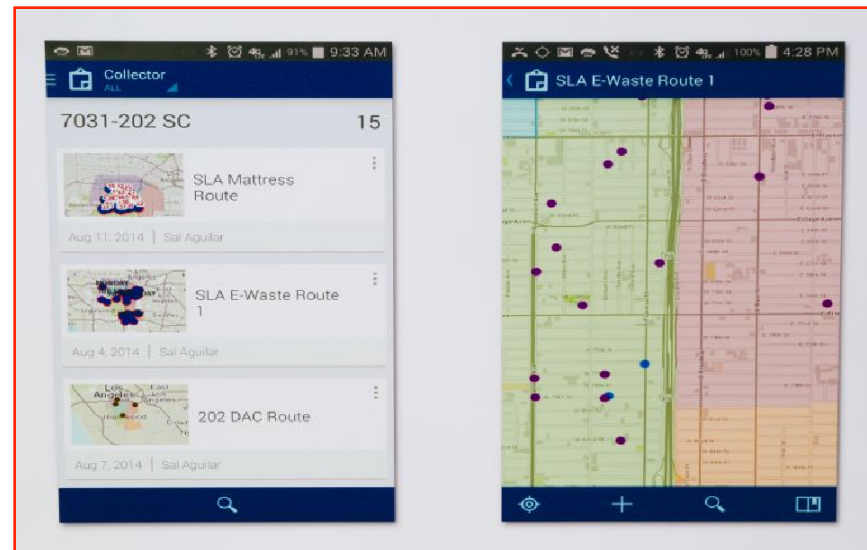
Empowerment

Mayor's first Innovation Award presented to Sanitation crews and IT support staff who pioneered and implemented the change-over

PERFORMANCE BUDGETING:
A Better Way to Build a Budget

"The usual political way to handle a deficit is to take last year's budget and cut. It is like taking a Lexus and reducing its weight with a blowtorch and shears. But cutting from this Lexus does not make an Accord; it makes a wreck."

Performance Budgeting: Investing in Results

- Increased street repairs from 2200 lane miles to 2400 lane miles at no additional cost – a savings of $16 million

- Revamped WorkSource Center program to increase annual number of clients served from 4200 to 45,000

- Created a $1 million Innovation Fund generating more than 300 proposals for new approaches to improve services and save money

Headed in the right direction

1. Credit rating upgraded from 'stable' to 'positive'

2. Projected budget shortfall cut from $245m for FY14-15 to $165m for FY 15-16

3. Budget reserves at an all-time high

It's a Marathon, Not a Sprint

Innovation is not an event. It's a process.

Changing a culture takes time. Change has to be systematic.

Two models of change