



ADEQ
Arizona Department
of Environmental Quality

**Building a Change-
Receptive Organization**

GOALS

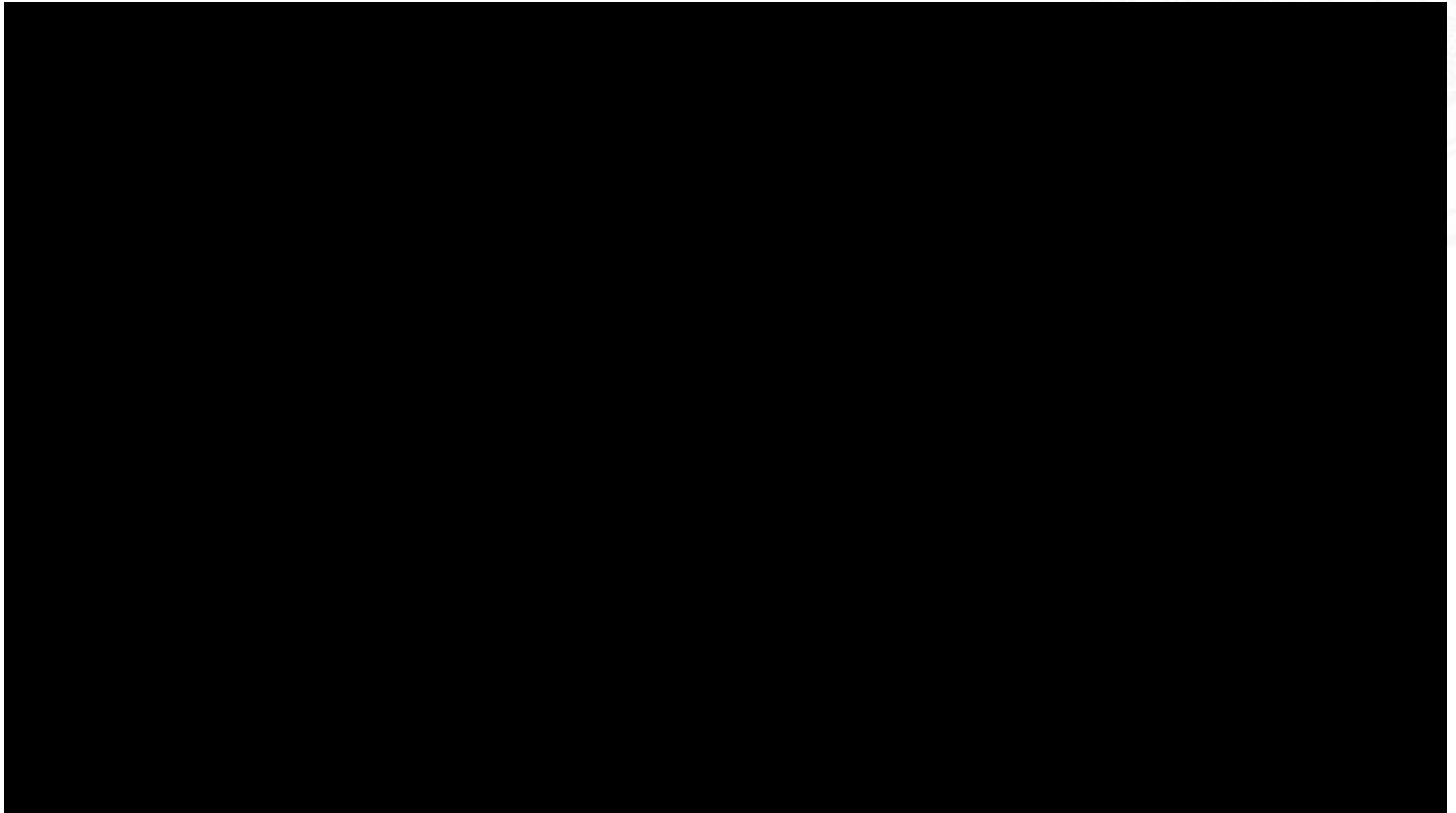
- Support Environmentally Responsible Economic Growth
- Enhance Arizona's Unique Environment
- Accelerate Clean-ups

STRATEGIES

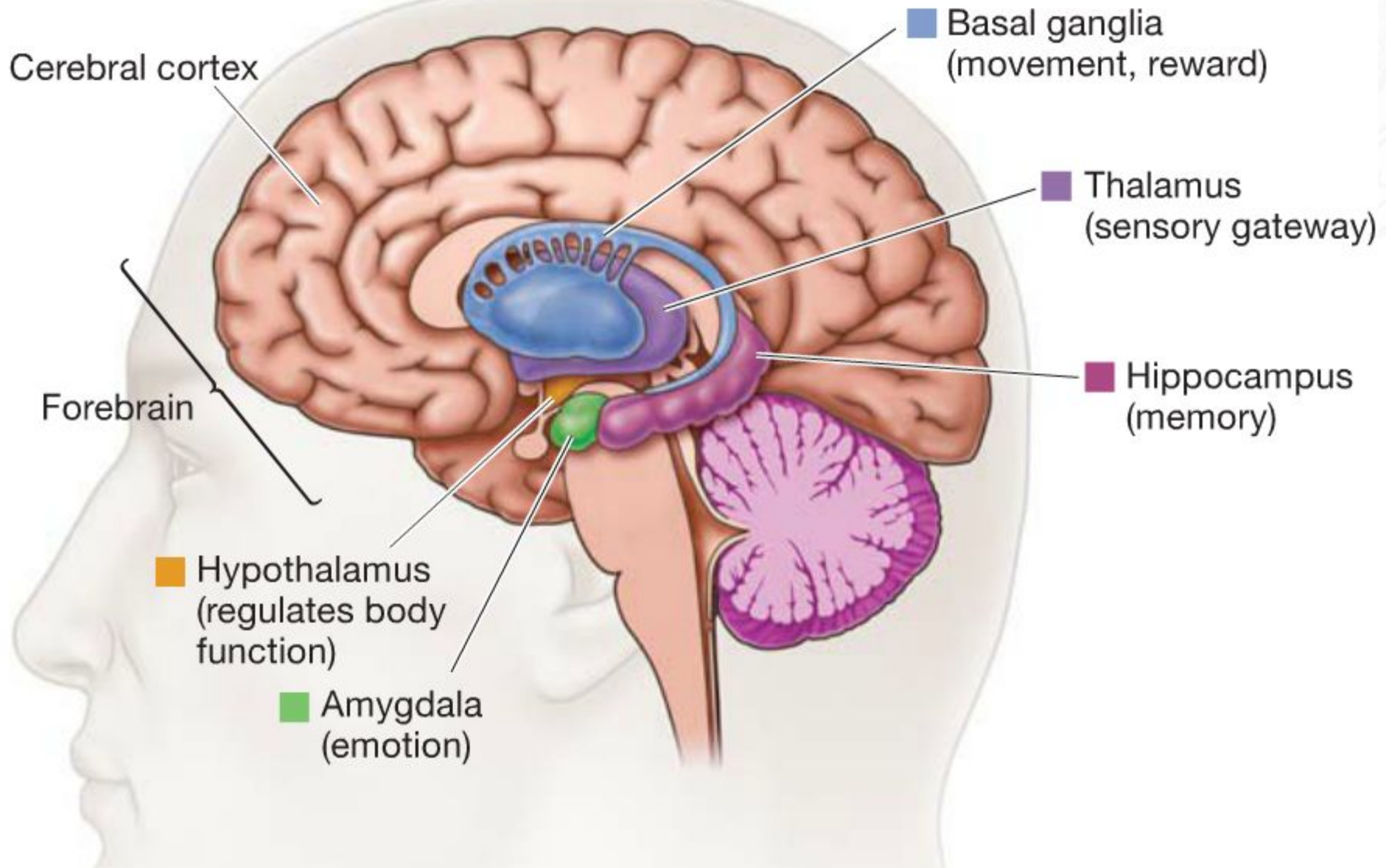
- Unleash Human Potential
- Deploy Lean
- Leverage E-Technology
- Increase Outreach
- Strengthen Core Programs



Arizona Management System



Why do we resist? Neuroscience



UTAH GAVE HOUSING TO THEIR HOMELESS AND **SAVED MONEY**

\$20,000/person



due to chronic use
of emergency services

\$7,800/person



"housing first" model,
with no pre-conditions

AND CHRONIC HOMELESSNESS WENT DOWN 72%

SOURCE: [ATTN.COM/STORIES/348](https://attn.com/stories/348)

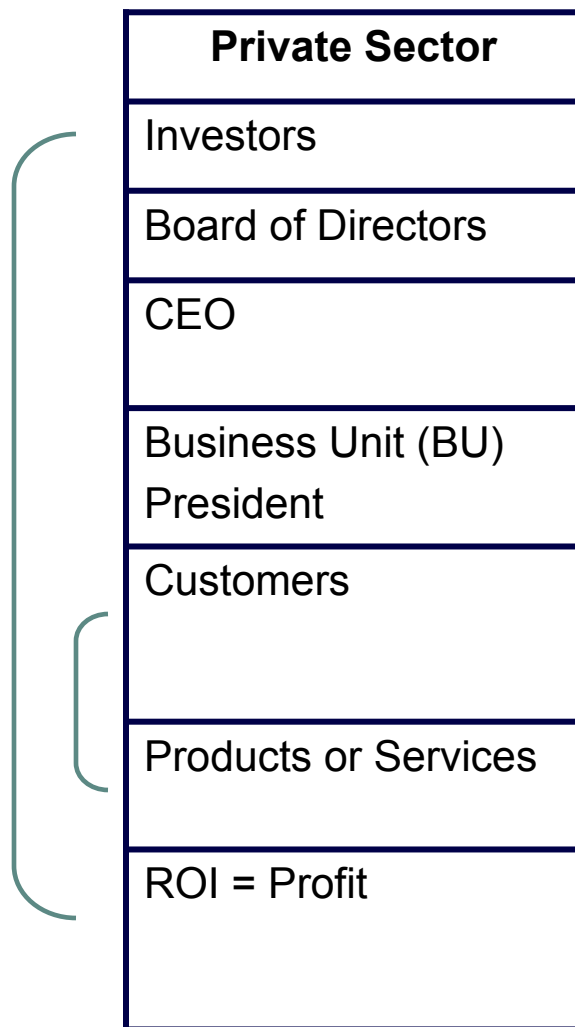
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Management Systems

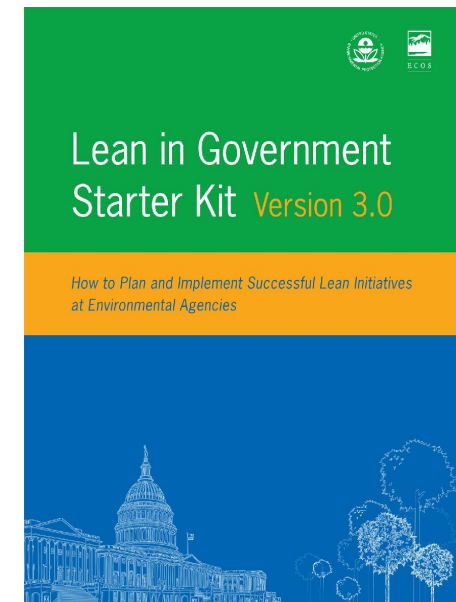
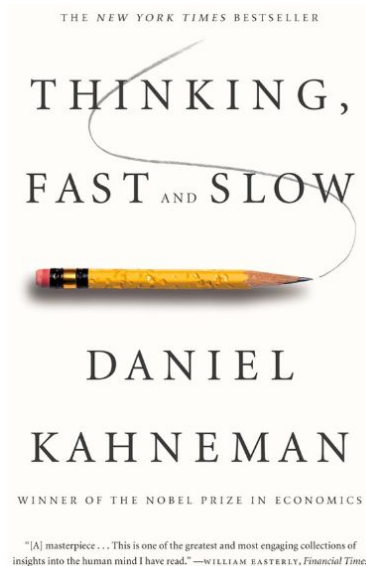
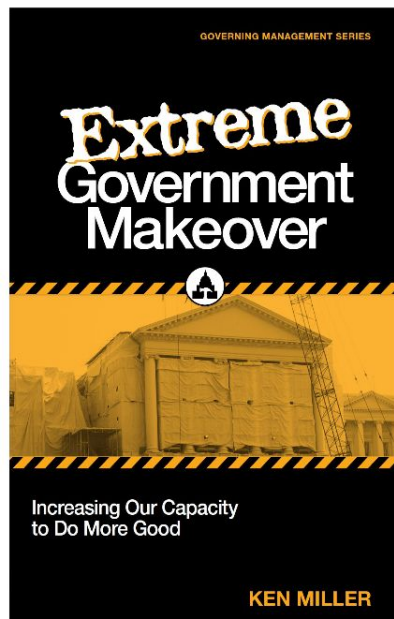
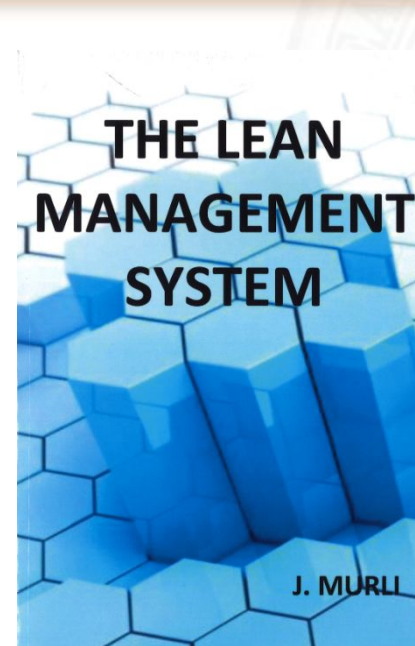
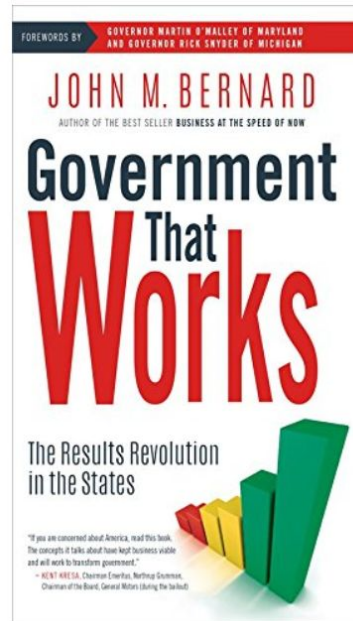
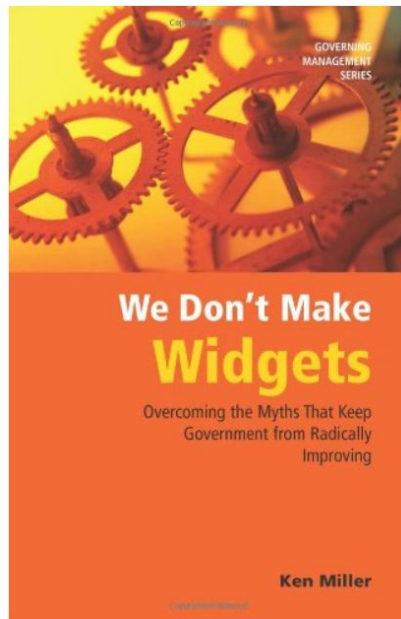
Type	Advocates
Chieftdom	Prehistoric, found in nature
Technical & Bureaucratic	Joseph Whorton
Scientific	Fredrick Taylor
MBWA	Tom Peters
MBO or MBR	Peter Drucker
Management by Means	Deming, Toyoda, Ohno, Womack and others
Servant Leadership	Robert Greenleaf

Understanding Customers



**Without understanding what customers value it is impossible to maximize ROI.
AND the customer is not always right.**

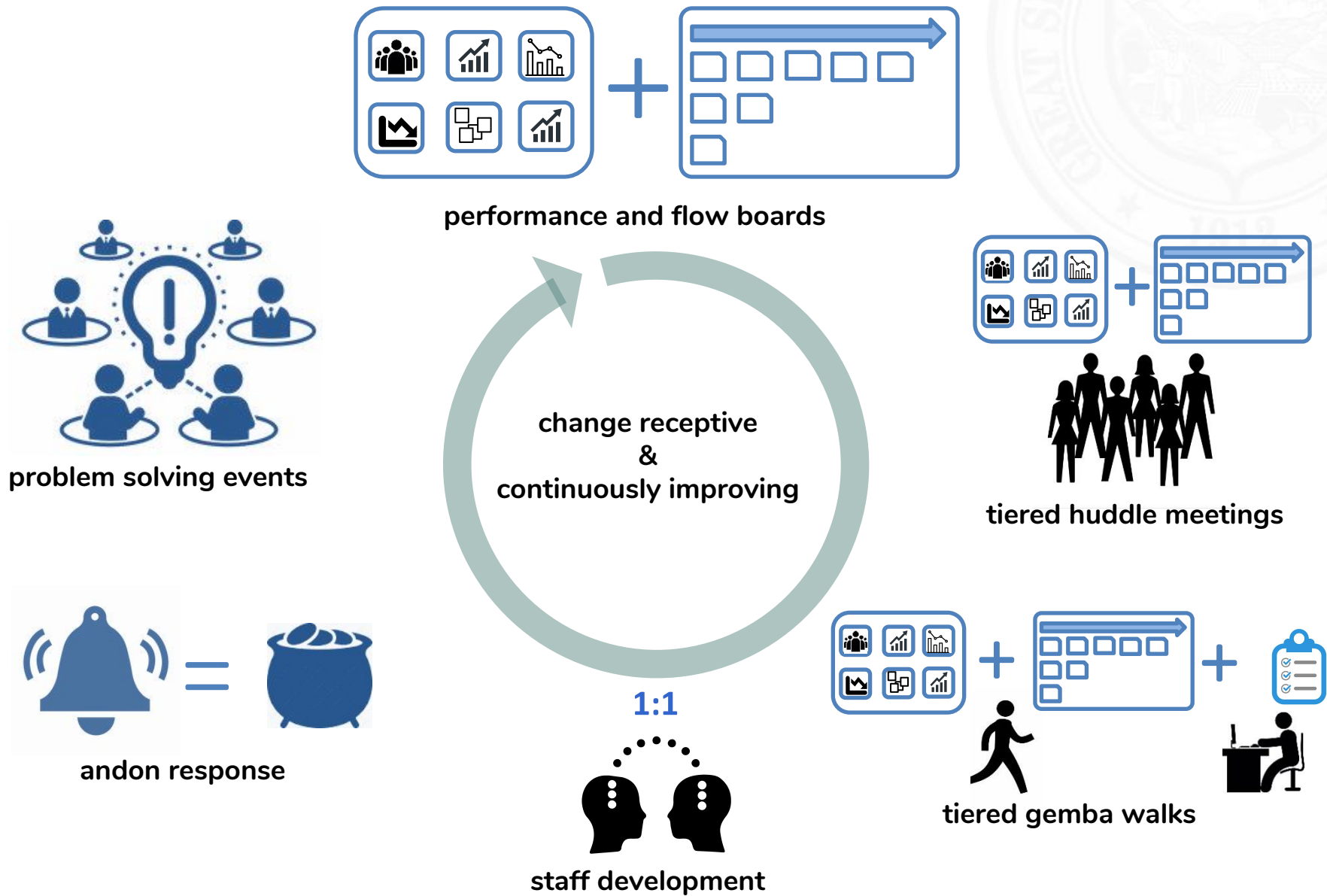
Our R&D Program





*Lean Management System
from Murli Group*

ADEQ Management System Framework



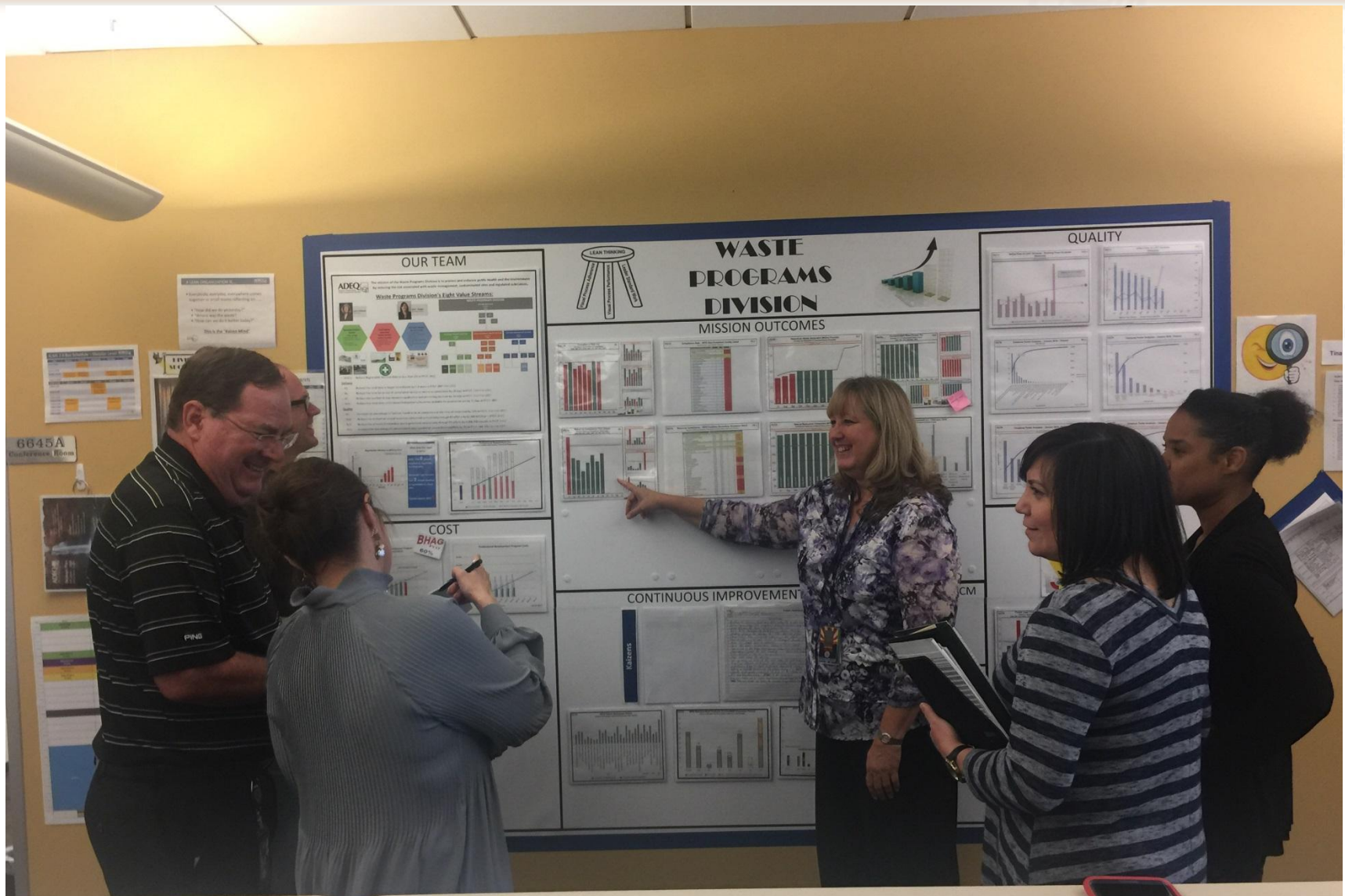
Team level huddle



Program level huddle



Division level huddle

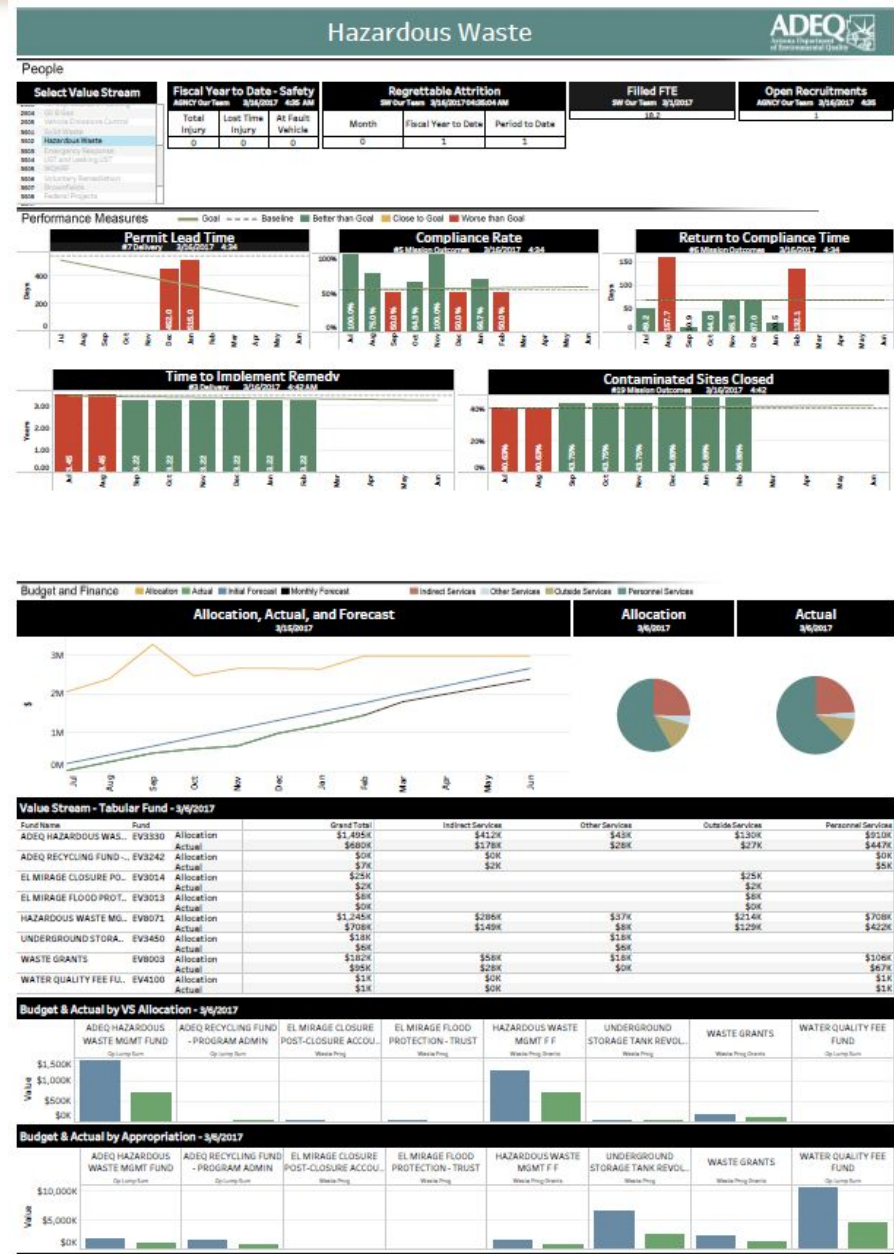


Leadership Team huddle



Program Report

- Reports are value stream (program) focused
- 3 Sections:
 - Human Potential
 - Performance Measures
 - Budget & Expense Data



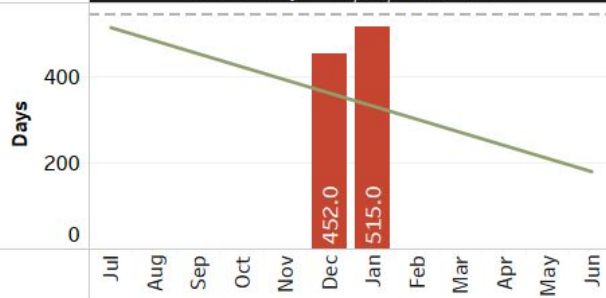
Program Report – cont'd

Performance Measures

Goal — Baseline Better than Goal Close to Goal Worse than Goal

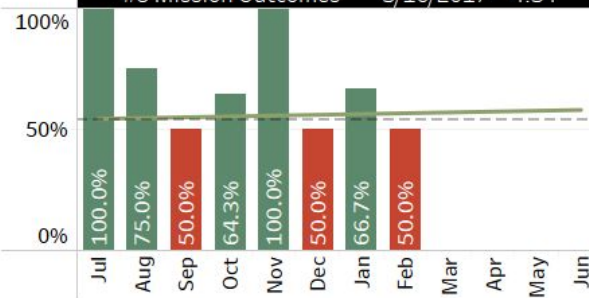
Permit Lead Time

#7 Delivery 3/16/2017 4:34



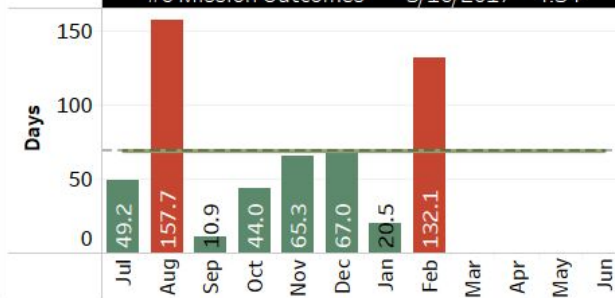
Compliance Rate

#5 Mission Outcomes 3/16/2017 4:34



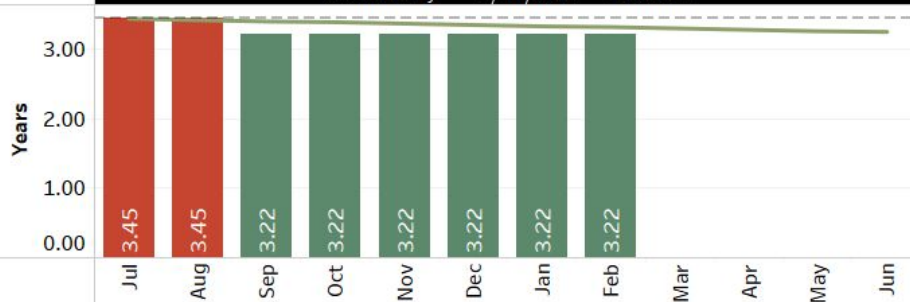
Return to Compliance Time

#6 Mission Outcomes 3/16/2017 4:34



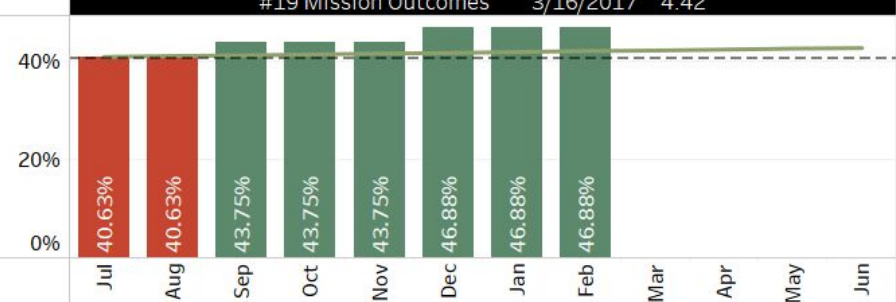
Time to Implement Remedv

#3 Delivery 3/16/2017 4:42 AM



Contaminated Sites Closed

#19 Mission Outcomes 3/16/2017 4:42



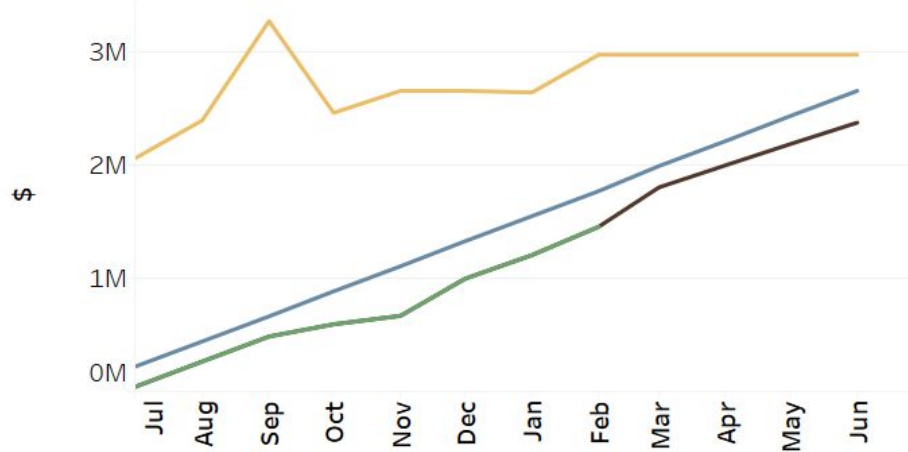
Program Report – cont'd 2

Budget and Finance Allocation Actual Initial Forecast Monthly Forecast

Indirect Services Other Services Outside Services Personnel Services

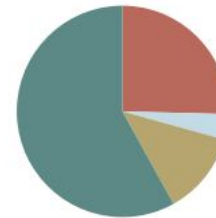
Allocation, Actual, and Forecast

3/15/2017



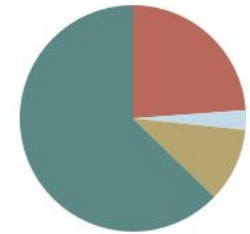
Allocation

3/6/2017



Actual

3/6/2017



“A bad system will beat a good person every time”

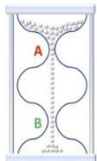
-W. Edward Deming

Default Mindsets





Viewing “problems as gold” is the most challenging and most important habit to create organization-wide



Support functions have to transform 1st or at the same time, otherwise they become a bottleneck for the mission (operations)



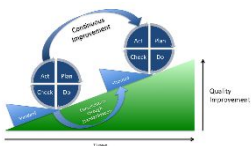
Measurement systems have to be created



Some may not understand, and will self-select away from the agency



The speed of transformation is constrained by the organization’s will to ferret-out and remove “hidden” resistors from leadership or management roles



Improvements will degrade over time unless standard work and a management system for process adherence is in place.