Benchmarking & Workplace Efficiency Study
Report Summary from HDR

March 12, 2014
Today’s Discussion

• Summary of Cost Savings by Type
• Discussion of Select Opportunities
The Project Approach

Diagnostics

Comparison to Industry Best Practices

Comparison to Industry Peers

Analysis

Recommendations
The goal of the project is to identify opportunities to improve overall efficiency and savings.

The five categories of benchmarking & workplace efficiency:

- Revenue Generation
- Actual Cost Savings
- Avoided Costs
- Productivity & Efficiency Gains
- Systemically Constrained
Summary of Savings by Cost Category

- **Revenue Generation**: $312
- **Actual Cost Savings**: $763
- **Avoided Costs**: $4,051
- **Productivity & Efficiency Gains**: $5,922
- **Systemically Constrained**: $4,093
42 Recommendations Organized by the Four Focus Areas

- Create an Easy & Engaged Customer Experience
- Protect Environmental & Public Health
- Achieve Operational Excellence
- Transform the Workforce
## Summary of Savings by Focus Area

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Investment ($000s)</th>
<th>Savings O&amp;M ($000s/yr)</th>
<th>Savings CIP ($000s/yr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy &amp; Engaged Customer Experience</td>
<td>$100</td>
<td>$900</td>
<td>$125</td>
</tr>
<tr>
<td>Transform the Workforce</td>
<td>$980</td>
<td>$3,100</td>
<td>$250</td>
</tr>
<tr>
<td>Protect Environmental &amp; Public Health</td>
<td>$100</td>
<td>$240</td>
<td>$1,470</td>
</tr>
<tr>
<td>Operational Excellence</td>
<td>$3,000</td>
<td>$5,500</td>
<td>$3,900</td>
</tr>
<tr>
<td>TOTALS</td>
<td>$4,180</td>
<td>$9,740</td>
<td>$5,745</td>
</tr>
</tbody>
</table>
Systemically Constrained Items – $4 Million in Savings

- Outsource Solid Waste billing and customer services to existing contractors
- Optimize SPU Procurement
- Transition SPU Fleet
- Outsource or share the maintenance of SPU Fleet
- Reduce external claims handling time
- Reduce SPU IT costs incurred from DoIT
- Reduce field crew size
Opportunities for Long-Term Stability

- Expand the use of the standard SPU program management methodology with a Program Management Information System
- Establish a standard environmental management system and regulatory data management platform
- Develop an enterprise content management strategy
- Update the GIS platform
- Create progression path system
Biggest Opportunity is to Improve Organizational Alignment

- Clear strategy
- Defined processes
- Accountability at the workforce level
- IT systems configured with business processes