

# FY22

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**ARIZONA GOVERNMENT TRANSFORMATION OFFICE**

# **FY2022**

## **ANNUAL REPORT**

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## PURPOSE AND **STRATEGIC OVERVIEW**

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Established in 2012 as the state of Arizona's dedicated performance consulting team, the Government Transformation Office's vision is to support an efficient and high-performing state government that consistently exceeds the expectations of those we serve.

Working toward this vision, GTO leads and supports numerous statewide programs, agency engagements and cross-agency collaborations that drive impactful results and dramatically improve delivery of critical services across the government enterprise.

In Fiscal Year 2022, GTO's efforts were focused in three key strategic areas:

- 1. Refresh, mature and sustain Arizona's continuous improvement culture and practices**
- 2. Drive improvement for strategically critical initiatives statewide**
- 3. Develop the skills and technical infrastructure needed to support data-driven decision making**

Within these strategies, GTO has continued to support and partner with the Governor's Office, cabinet agencies, and numerous external stakeholders to help deliver transformational results to the state of Arizona. Highlights from GTO's FY22 engagements and supported programs are included in this report.

## ***Strategic Focus:***

Refresh, mature and sustain  
Arizona's continuous  
improvement culture and  
practices

GTO is responsible for supporting the sustainment and maturity of the Arizona Management System (AMS) in cabinet agencies. Through the tools of AMS, the Government Transformation Office builds on a continuous improvement culture through standard work, performance management, leader standard behaviors and problem solving.

### **KEY INITIATIVES**

- Sustaining the Arizona Management System (AMS)
- Launching a Statewide Continuous Improvement Training Calendar
- Showcasing Arizona's Continuous Improvement Approach
- Building an Outcomes-Focused Website to Feature Agency Successes



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# ARIZONA MANAGEMENT SYSTEM

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Based on the principles of Lean management, the Arizona Management System is an intentional, results-driven approach for doing the work of state government so that every employee, at every level and with discipline, reflects daily on how they did, finds the waste and decides how to do better going forward with sustainable progress.

At its most basic level, the Arizona Management System is about:

- Building a culture of high performance with respect for people
- Measuring what matters most and setting targets for improvement
- Visually tracking performance against targets, identifying gaps and problem solving opportunities to improve

The Government Transformation Office's (GTO) ongoing support of agencies through continuous improvement includes far-reaching initiatives. Examples include concealed weapons permitting with the Department of Public Safety, the AZ Hires Vets! initiative to hire more veterans into the state of Arizona workforce, and

supporting the strategic plan and continuous improvement efforts of Pioneers' Home, a continuing care retirement home operated and funded by the state, among many other efforts.

To ensure that these efforts are sustained, the Government Transformation Office supports numerous Arizona agencies in their continuous-improvement journeys. From providing performance management systems that gauge success, including building and maintaining the scorecard and supporting active breakthroughs, to customized problem solving, consultation and coaching from GTO Lean consultants, GTO is there to support agency and enterprise success.

**35**

Agencies participating

**55**

Agency breakthroughs  
currently tracked

## LAUNCHING A STATEWIDE CONTINUOUS IMPROVEMENT TRAINING CALENDAR

In July 2022, the Government Transformation Office launched a shared calendar of continuous improvement virtual training events that are available to colleagues statewide. The events offer resources and inspiration for both continuous improvement professionals and for newcomers to Lean management. The events cover Arizona Management System basics and also offer opportunities for deeper discussions into specific principles such as Gemba walks, leader standard work, waste reduction, effective use of A3 reports and more.

The GTO team built a process for event development and has reached hundreds of state employees with opportunities to learn, apply AMS principles and reflect on them at brown bag events and water cooler discussions led by expert Lean coaches from the Government Transformation Office.

GTO Lean coaches continue to adapt training offerings based on participant and leadership feedback. A new Lean Practitioner series of events is launching in fall 2022 to offer an introduction to Lean and a holistic overview of Arizona Management System principles to onboard and upskill leaders and employees who are unfamiliar with how Arizona



utilizes continuous improvement. Events also continue to offer chances for seasoned continuous improvement professionals to connect and hone their skills to benefit their agencies' missions. Outreach is also in progress to engage more colleagues through communication with agency leaders and messaging in agency-specific publications.

**51**

Events hosted or  
planned in 2022

**200+**

Unique attendees  
in first 3 months

## SHOWCASING ARIZONA'S CONTINUOUS IMPROVEMENT APPROACH

When the town of Oro Valley, Arizona, reached out asking for best practices for continuous improvement, the Government Transformation Office showcased the maturity and success of Arizona's continuous improvement approach. GTO was an outside resource for the town in 2021 and 2022 to support Oro Valley's goal to strengthen its efficiency and performance through sharing best practices.

Oro Valley staff also attended a Gemba opportunity with the Tucson Motor Vehicle Division, which provided an opportunity to see in practice the importance of celebrating successes, making time for trainings and huddles, embracing pilots and the importance of participation at every level of staff.



# BUILDING AN OUTCOMES-FOCUSED WEBSITE TO FEATURE AGENCY SUCCESSSES



In August 2022, the culmination of months of cross-agency collaboration came to fruition when Results.az.gov launched. The new outcomes-focused website was built to showcase AMS and other statewide programs, as well as to share agency problem solving successes and how they impact the people who live, work and recreate in Arizona.

The site outlines the elements of the Arizona Management System and also hosts the State Permitting Dashboard (see page 13), an online tool that will allow state agencies, project developers and interested members of the public to track required

state permits and authorizations for large and complex infrastructure projects across Arizona.

Because of the tools and ongoing content development of Results.az.gov, customers and constituents can learn more about how agencies have improved services for Arizonans, including reducing burdensome regulations, bringing hiring resources to veterans, shifting to an efficient remote workforce, decreasing the number of children in foster care, reducing wait times for licensing and more.



# ***Strategic Focus:***

Drive improvement for  
strategically critical initiatives  
statewide

The Government Transformation Office participated in a wide range of collaborative efforts focused on improving outcomes for our customers and strategic partners.

## **AGENCY INITIATIVES SUPPORTED**

- Statewide Framework to Reduce Child Abuse and Neglect
- AZ On Track Summer Camps
- Infrastructure Investment and Jobs Act Task Force
- State of Arizona Leaders Connect Program
- Housing and Homelessness Breakthrough
- Veterans Symposium



## STATEWIDE FRAMEWORK TO REDUCE CHILD ABUSE AND NEGLECT

Though eight agencies run **61 programs that impact child abuse and neglect**, before 2022 the state of Arizona did not have a robust and cohesive strategy to collaborate across agencies and address the most pressing issues facing children. The lack of an enterprise approach reduced the state's ability to effectively coordinate resources and funding for programs that keep children safe.

The Government Transformation Office facilitated this cross-agency breakthrough project, which included the Department of Child Safety; the Department of Health Services; AHCCCS; the Department of Economic Security; the Department of Juvenile Corrections; the Department of Veterans' Services; the Department of Corrections, Rehabilitation and Reentry; and the Governor's Office of Youth, Faith and Family.

Since suffocation due to unsafe sleeping environments is the most common cause of death among infants between 28 days old and 1 year old, Safe Sleep was quickly identified as

an issue for the agencies to work on together to prevent Sudden Unexpected Infant Death Syndrome (SUIDS) in Arizona.

Public service materials were developed and standardized between departments to emphasize the ABC's of sleep: That to prevent SUIDS, babies should sleep Alone, on their Backs and in a Crib. AHCCCS providers shared Safe Sleep resources with expectant mothers. DHS offered a voluntary home-visiting program for new parents. DCS started a free Baby Box program that distributed free box cribs along with other postnatal resources for infants, working with DHS and the Consumer Product Safety Commission to make sure crib equivalent guidelines were aligned.

The deployment of these resources and information in 2022 were just the beginning. Looking ahead, statewide monitoring metrics are being developed, and directors are working to identify cross-agency projects to continue problem-solving around this complicated issue.

## AZ ON TRACK SUMMER CAMPS

In the summer of 2022, the AZ On Track Summer Camp program offered funding to schools and other organizations to support child care and enrichment opportunities for families at no cost. The program used \$100 million from the American Rescue Plan to provide kids with learning opportunities after the learning loss resulting from COVID-19 school disruptions.

The Government Transformation Office helped close the gap on email response time and reduce application processing time by providing operational support and conducting process mapping to identify opportunities for camps to expand capacity.

**The successful program ultimately assisted 100,000 kids**, many from low-income families, providing enrichment and child care for families all over the state.



**100,000**

Kids participated in an  
On Track camp

## INFRASTRUCTURE INVESTMENT AND JOBS ACT TASK FORCE

The Infrastructure Investment and Jobs Act Task Force was launched in April 2022 to enhance collaboration among experts, agencies, tribes and community members to strategically address high-priority infrastructure issues in Arizona.

The state is receiving \$30 million in guaranteed funding for broadband and oil and gas through the IIJA. Competitive grant opportunities are also available for projects to continue ensuring resiliency in the state's economy.

The Government Transformation Office is supporting the IIJA Task Force by building online resources to communicate about the task force's work, convening and coordinating agencies and experts and supporting the task force for any problem solving opportunities they may have. GTO serves on the task force alongside **representatives from 13 agencies and the Governor's Office.**



13

Agencies  
represented

## STATE OF ARIZONA LEADERS CONNECT PROGRAM

A novel leadership program for state of Arizona employees launched in July and will host its second cohort in October. The State of Arizona Leaders Connect (SALC) program hosted **25 leaders representing 21 agencies** at the Flinn Foundation on July 14-15 for a series of master classes, networking and insight for what it takes to be an executive leader in state government.

The SALC program's goal is to inspire agency leaders to higher levels of public service and a deep commitment to building a stronger Arizona. The Arizona Department of Administration leads the application process and planning of SALC; the Government Transformation Office supports the program through providing support to the event's planning committee, providing networking and training opportunities for the cohort and engaging with SALC alums to develop future leadership programs and get their feedback on initiatives.

The next cohort of 25 will convene in October 2022; participants are nominated by agency directors and then chosen by a selection committee after completing an application.



25

Members in the first  
SALC cohort

21

Agencies  
represented

## HOUSING AND HOMELESSNESS BREAKTHROUGH

There are complex reasons why people fall into homelessness and stay unhoused. To tackle both the entry and exit points around this issue, five agencies are working together to make a greater impact on housing and homelessness; **their goal is housing 800 high-need Medicaid members experiencing homelessness by the end of 2023.**

The Arizona Department of Housing, the Department of Economic Security, the Department of Veterans' Services, AHCCCS and the Department of Corrections, Rehabilitation and Reentry all have critical roles to play in decreasing the number of people who are experiencing homelessness in Arizona. The Government Transformation Office has been working with all five agencies to coordinate efforts through strategic integration meetings, A3 report development, standard work, developing cross-agency data and process analysis and more.

By engaging agencies who can invest in housing, provide wrap-around benefits for eligible people, reduce recidivism and share resources, the housing and homelessness multi-agency breakthrough project has developed tools, processes and motivation to address the diverse economic, health and resource issues that affect homelessness.

**45%**

Reduction in total cost of care for AHCCCS because of supportive housing efforts

**89%**

Reduction in behavioral health residential facility admissions because of supportive housing efforts

## VETERANS SYMPOSIUM

A two-day Veterans Symposium was convened in June 2022 by the Department of Veterans' Services and the Arizona Coalition of Military Families to discuss solutions to the issues faced by veterans and military families.

The Government Transformation Office was asked to help facilitate **five breakout sessions** of the virtual conference and also to troubleshoot some logistical issues with how to host the conference and how to use visual aids while presenting with Zoom.

GTO coaches compiled feedback and led sessions about ending veteran homelessness, developing rural transportation options that would benefit veterans, creating financial stability for military spouses and supporting domestic violence and sexual violence survivors in the military community.

**330+**

Ideas captured



## ***Strategic Focus:***

Develop the skills and technical infrastructure needed to support data-driven decision making

The Government Transformation Office laid the foundation for future improvement by developing valuable infrastructure and processes in 2022.

### **KEY INITIATIVES**

- Permitting Dashboard Pilot Brings Transparency to Infrastructure Projects
- Problem-Solving Opportunities for E-licensing
- Coordinating Auditor General Report Responses
- Agency Engagement Model Design & Calibration
- Integrating Dashboards for Statewide Successes

## PERMITTING DASHBOARD PILOT BRINGS TRANSPARENCY TO INFRASTRUCTURE PROJECTS



Arizona's soon-to-launch State Permitting Dashboard provides a single location for owners of large, complex infrastructure projects to submit their projects for permitting considerations, collaborate with the state in identifying required permits and track the progress of each permit required for their projects. The Permitting Dashboard provides opportunities to better partner with private industry customers and to support the increased infrastructure activity as a result of the Infrastructure Investment and Jobs Act (see page 10).

Working with our partner permitting agencies, the cross-agency team developed the processes and tools needed to track infrastructure permitting statuses in a centralized dashboard.

Once the State Permitting Dashboard is fully live, it will bring transparency into the

permitting process to improve coordination between project owners, state agencies and stakeholders, streamlining the process so that projects can complete their permitting and launch while reducing risk of permitting-related delays. For consideration on the dashboard, an eligible project involve significant and complex infrastructure development in Arizona and be subject to multiple state permitting regulations or other state-level authorizations.

**19**

Unique permits tracked  
in the dashboard

**8**

Agencies  
participating

## PROBLEM-SOLVING OPPORTUNITIES FOR E-LICENSING

In May 2018, the state E-Licensing platform was deployed to make the jump from paper to digital services for individual, business and school licenses. Evolving from paper systems involved coordinating complex interfaces on the front and back ends.

The Government Transformation Office worked with boards and commissions as well as the Arizona Department of Administration to look for opportunities for improvement in the permitting platform and processes.

GTO assisted with improving communication among all stakeholders, leading meetings, conducting Gemba walks, engaging with customers for feedback, and identifying countermeasures.

**142**

Improvement opportunities  
identified through Gembas

## COORDINATING AUDITOR GENERAL REPORT RESPONSES

The Arizona Auditor General is an independent source of impartial information about state and local government entities, including determining whether public entities are making wise use of their resources. The Auditor General has audit responsibility for state agencies, school districts and other organizations.

The Government Transformation Office worked with the Governor's Office, the Department of Agriculture, the Department of Juvenile Corrections and the Department of Health Services to map out a process for how to best communicate the initiation of an audit,

including appointing a point of contact in the Governor's Office, conducting agency risk assessments and responding to any "red flag" findings as soon as possible.

Because of this initiative, Auditor General reports and agency responses now can result in more timely, effective and long-term improvements, and agencies and communications staff will be able to prepare ahead of time and have improved and more consistent support from the Governor's Office.

## AGENCY ENGAGEMENT MODEL DESIGN & CALIBRATION

The Government Transformation Office teaches Arizona agencies to clearly define their successes, but until 2021 GTO had no documented standards for determining if GTO was being successful in offering its core business functions. So GTO developed a defined engagement model to clarify expectations for how GTO's Lean consultants should work with managers and agencies. This internal effort aimed to improve the services that GTO offers to agency customers.

Core GTO services improved included coaching

and facilitation problem solving for agency breakthrough projects, providing Arizona Management System coaching and consultation and providing "train the trainer" facilitation of agency kaizen problem-solving events.

Twenty-one total recommendations were completed as part of the calibration in 2022, including developing a Breakthrough Project Kit, completing standard work for the breakthrough project life cycle, a new vetting document, developing a shared events calendar and more.

## INTEGRATING DASHBOARDS FOR STATEWIDE SUCCESSES

The Government Transformation Office has been leveraging the data visualization software Tableau to integrate dashboards from scorecards, strategic plans, Arizona Management System deployments, Arizona's Connected Workforce remote work data and the State Permitting Dashboard (see page 13) that is easily accessible to pertinent stakeholders.

To develop and build on the dashboards, QuickBase data had to be integrated with the MySQL database using an application programming interface to allow the two to communicate. Building on this foundation allowed for nearly live data to be visible in an automated process and opens the door to

efficiently develop future dashboards that will help drive strategic decisions.





## FY22 SUMMARY AND FY23 EXPECTATIONS

State employees at every level have made enormous strides in customer service and efficiency because of the Arizona Management System, and the members of the Government Transformation Office are committed to sustaining this success and the culture of continuous improvement in Arizona.

In fiscal year 2022, GTO was proud to support a diverse range of agency projects that affected the lives of hundreds of thousands of Arizona families. The team supported collaborative work that sets the stage for future improvement and innovation and also wrapped up critical work for agency and executive priorities.

As fiscal year 2023 continues on, GTO is working to mature our training catalog and expand our service offerings focused on leadership development, and change management.

These efforts are in addition to continuing GTO's work to improve the Arizona Management System, supporting agency leaders in the sustainment of continuous improvement, expanding data-supported service offerings and showcasing agency successes to highlight the value of Arizona's approach.

Find out more about Arizona's approach and the results we are achieving at [Results.az.gov](https://Results.az.gov), which features articles about what a successful culture of continuous improvement looks like and what it means for the people in our state.

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