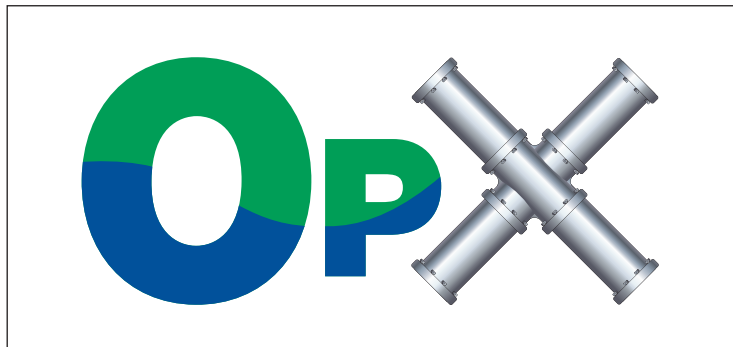


Operational Excellence: The Best Always Do Better



Over the past decade, certain sports organizations always seem to be on top; think of the Los Angeles Lakers, the New England Patriots and the New York Yankees (sorry, Mets fans). They do it because they aren't content to spend their offseason admiring their own success. Instead, they follow up each season with a deep analysis of how to make the most of their talent and find ways

to improve upon their previous accomplishments. In many ways, this is what separates them from other teams, even those with comparable resources. Their shared approach to organizational management is crystal clear: The best always do better. This unofficial motto is a vital component of their culture and easily recognizable brand, and it pushes everyone within to continually perform at the highest possible level.

Spotlight on Safety

EHS Facility Assessments: The numbers speak for themselves

The Office of Environmental Health and Safety (OEHS) Audit team conducts approximately 85 facility audits a year. The vast majority of facilities audited this year continue to show measurable improvements in their EHS compliance profiles. On average, the number of EHS audit findings has decreased anywhere from 10% to 100% from their prior EHS audits. Audits are conducted every two, five, or seven years, depending on the priority ranking of the facility. A recent case in point is a September 2011 Assessment of the Bureau of Water Supply Pine Hill Wastewater Treatment Plant, classified as a high priority facility mainly because it is a critical operation and stores and uses potentially hazardous chemicals. The Pine Hill plant was built in 1996 and serves over 230 residential connections. The plant was

upgraded in 1998 and has a peak load capacity of 1.25 million gallons per day. Although the peak load capacity is significantly smaller than the in-city plants, Pine Hill serves a critical role in protecting the upstate watershed. The plant discharges via a NYS-permitted outfall into Birch Creek. Twenty-five EHS findings were identified in Pine Hill's first EHS compliance audit. In each subsequent audit, the facility has shown significant improvements, and in its September 2011 Assessment, Pine Hill had only five low priority findings.

All the employees at Pine Hill, as with most DEP facilities, demonstrate a solid understanding of EHS requirements and a strong commitment to not only be in compliance, but to continuously improve their EHS program.

That same approach describes what's begun at DEP with the kickoff of *Operational Excellence: The Best Always Do Better (OpX)*.

Without a doubt, DEP already runs a world-class organization, bringing some of the cleanest, best tasting water on the planet to more than nine million consumers daily; managing a highly complex distribution and collection system; and protecting New York City's waterways through a comprehensive treatment program at 14 city wastewater plants. To take this work to the next level, last February DEP laid out an ambitious strategic plan called *Strategy 2011-2014* to be the safest, most productive, cost-effective, and transparent water utility in the nation over the next four years and beyond. DEP's nearly 6,000 employees are fully behind this mission and have hit the ground running in undertaking this tough challenge; in fact, many of the 100 initiatives laid out in *Strategy 2011-2014* have already been completed. That is because DEP's staff continues to be the agency's most valuable resource. However, evolving regulations, community expectations, and absence of federal funding all present new challenges to the ways DEP implements its core functions. Similarly, the 835,000 customers who pay for these services should be asked to absorb more water rate hikes only if DEP has already done everything it can to keep costs down. Because of this reality, the goal of OpX is to be smarter about how DEP manages its operations

What Exactly Is OpX?

Instead of across the board budget cuts, the agency wants to look for specific opportunities to boost productivity. To do that, DEP has created OpX teams—consisting of DEP employees as well as consultants that we have recently retained—that will be tasked with visiting facilities to meet and learn from DEP employees on the ground in order to

find cost-saving opportunities. For example, there may be money to be saved by looking at overall energy and chemical use, insourcing work currently contracted out, or changing purchase agreements. Front-line DEP employees will provide many of the transformative ideas that will fuel this exciting new program. "For OpX to be a success, many of the best suggestions will be made by our employees, and it is our goal to help them get those ideas heard and implemented," said Commissioner Carter Strickland.



Commissioner Strickland welcomes members of OpX team.

To ensure the success of the program, the Water Board, after careful deliberation and a thorough review of several excellent options, selected Veolia Water North America to serve as a consultant for OpX. Bringing an international array of experience in water supply and wastewater operations, Veolia boasts an impressive portfolio of global best management practices, including lessons learned from recent engagements in Berlin and London. Since DEP is the largest public water utility in the country, it was necessary to conduct a world-wide search to learn from the best practices in similar-sized utilities. Veolia has helped manage more than 5,200 water facilities and 3,200 wastewater facilities across the globe, and DEP welcomes

"For OpX to be a success, many of the best suggestions will be made by our employees, and it is our goal to help them get those ideas heard and implemented"

At DEP, everyone is responsible for safety. If you or anyone on your team is concerned about your working conditions, it's okay to ask your supervisor or your bureau's EHS liaison how they can help. If you've still got questions, you can call the EHS Employee Concerns Hotline. It's DEP's responsibility to acknowledge and fix unsafe situations, procedures, and practices. With your help, we'll not only get the job done, we'll make it safer for ourselves, our coworkers, our families, and our city.

CALL (800) 897-9677 OR SEND A MESSAGE THROUGH PIPELINE. HELP IS ON THE WAY. 

(Continued on reverse side)

Operational Excellence: The Best Always Do Better



Deputy Commissioner for Operations Garcia discusses timelines and goals of program.

the frontlines. Beginning this week, OpX team members will begin visiting DEP yards, plants, work-sites and other critical field locations as they look to identify staff ideas. These visits will foster transparency in the efforts to identify and benchmark program deliverables, with team leaders identifying key elements to determine best practices.

What's Been Done So Far?

OpX kicked off last Tuesday over the course of two days in the Lefrak City cafeteria, where DEP and Veolia began laying the foundation for a strong and fruitful partnership. Introduced by Commissioner **Strickland**, Deputy Commissioner **Kathryn Garcia**, and Chief of Staff for Operations **Anthony Fiore**, DEP articulated the goals of OpX and communicated how the program serves as an integral piece of the *Strategy 2011-2014* puzzle. CEO of Veolia Water America **Laurent Auguste** attended as well, while Project Managers **David Alexandre** from Veolia and **Geoff Gage** from McKinsey & Company, a subcontractor on the program, led a productive discussion on defining success as well as potential risk factors and constraints.

Over the course of the day, the group collaborated on a series of team-building and management exercises, scrutinizing processes through case studies and sharing ideas on best practices and potential areas of improvement. Each of the bureaus in attendance conducted a 45-minute breakout session to identify and organize project scopes and potential constraints into OpX program charters. These were developed through the lens of a problem statement worksheet that helped everyone to define ideas and needs, while also emphasizing the external pressures that will inevitably assert themselves and impact the potential for success. These charters also identified key sources of insight as OpX gets

underway, framing the expertise and input that will necessarily be sought to guide each effort.

On day two of the kickoff, the OpX team rolled up their sleeves and discussed how to maximize program benefits for DEP workers. Bureaus discussed their own unique organizations and responsibilities, outlined staff and facility distribution, and identified major cost drivers. The teams developed detailed work plans representing the first four to six weeks of Phase 1.

Since OpX is a collaborative process DEP reached out to all of the agency's unions, including DC37 Executive Director **Lillian Roberts**, to discuss the program before it was launched. In these discussions, we explained that we would be working with union leadership to develop and implement suggestions, and that we are strongly committed to the collective bargaining process. During the kickoff, Commissioner Strickland also led a group to meet with local labor leaders who will serve as crucial members of the OpX partnership. Attending were representatives from **Local 621**, **Local 1969** and **Civil Service Em-**



Breakout groups also develop data criteria for success.

ployees District Council 9, SEIU Local 1199, and Local 237 Teamsters. There is also a second briefing on November 17 for any local unions that missed the first one. Not only will these leaders serve as an invaluable resource in keeping staff informed, they will also insure that DEP remains mindful of their evolving membership needs.

When DEP announced *Strategy 2011-2014* earlier this year, the agency knew that its talented staff was up to the challenge. As the first of those four years draws to a close, DEP is embarking upon one of the most essential components of that journey. As OpX teams begin conducting detailed site visits to spur innovative ideas, the plan is evolving from a strategy into a fully realized transformation.

them to the team as it embarks upon this critical journey. While DEP employees will supply many of the ideas and DEP will make all ultimate decisions, Veolia will help advise on what has and hasn't worked in other municipalities, and give the agency assistance in implementing the ideas.

Clear timelines are crucial to the program's success. OpX has two phases, with Phase 1 representing a six month strategy alignment, identification of initiatives, and the development of robust business cases to make the ideas actionable. This process will require clearly-defined benchmarks to ensure that strategies withstand rigorous, fact-based analyses and allow DEP staff to offer management feedback from the frontlines of their day-to-day operations. Phase 1 will conclude by aggregating the ideas of both management and staff, developing a business case for each in the form of program charters identifying clear objectives, owners and an implementation roadmap. Phase 2 will take these actionable recommendations and implement them over a four year period. As some will be easier to implement than others, we have given ourselves four years to get this done.

What Does This Mean for Me?

Agency personnel—whether at Lefrak City headquarters or in the field—will be a vital component of this program, and will consistently be encouraged to share their ideas and assessments with the OpX team. No one has greater expertise on how best to face the challenges ahead—whether of increased costs, greater demand for services, increasingly strict regulatory environment, or heightened scrutiny of rate increases—than the workers at DEP who serve on



Bureau breakout groups identify key challenges.



The entire OpX team sign a program charter.

THANKSGIVING FOOD DRIVE: HELP UPSTATE RECOVER

DEP's annual Thanksgiving Food Drive is underway. This year the food collected will benefit watershed families affected by the recent storms. Please remember the last day for food collection is November 16. For more information, please see the flyer . Flyers can also be found for the following collection locations: Downsville , Grahamsville , Shokan , and East-of-Hudson .

We welcome your feedback! To submit an announcement or suggestion, please email us at: newsletter@dep.nyc.gov.