

## Plan Overview

### I. COST SAVING MEASURES/PROCESS IMPROVEMENT

#### 1. Cost Saving Measures

Throughout the operation of the WIA program, the Department has been committed to maximizing the amount of funds allocated for the provision of direct program services. Even those funds allocated for City expenses have been expended primarily to support the direct provision of program services, with only a small percentage supporting administrative functions.

The amount of funds held back by the City has reduced from a high of \$16.7 million in PY 2002-03 to a projected \$12 million for PY 2006-07. The \$12 million has not been adjusted for inflation, cost of living adjustments, increases in related costs and as such represents an even greater reduction than what is indicated. There has also been a corresponding reduction in the number of City staff positions funded through the grant over this same period of time. These reductions have been more than proportionate, as the WIA grant has decreased over the past few years. The \$12 million will be reduced even further based on the final allocations received from the State.

This Annual Plan incorporates funding for all authorized positions within the Workforce Development Division (see budget section) and all related positions funded under the Workforce Investment Act in other divisions and departments of the City.

#### 2. Process Improvement

To adjust for reductions in resources and improve efficiency, the Department has restructured operations and initiated management techniques utilizing the Malcolm Baldrige Criteria for Excellence. The Department is in the process of implementing a system-wide Balanced Scorecard; and, in PY 06-07 will apply for a State of California CAPE Eureka Award. Through the application process the Department hopes to have its efforts in the field of Workforce Development recognized while identifying management practices in need of improvement. Current improvement activities include:

- System-wide training in the Malcolm Baldrige criteria for performance excellence.
- Implementation of CAPE Examiner Training, which to date has qualified over sixty staff as Certified Members of the Board of Examiners of the State of California CAPE (Malcolm Baldrige) Program.
- Implementation of Malcolm Baldrige-based Strategic Planning and Process Management techniques.

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- Creation of a Malcolm Baldrige-based Balanced Scorecard for measuring performance outcomes. The Balanced Scorecard approach allows the Department to track and analyze trends, which facilitates strategic planning.
- Implementation of Malcolm Baldrige based process management wherein staff identifies problem areas and strategies for improvement.