

REWARDING EXCELLENCE PROPOSAL/APPLICATION

Recommended Format

Format Structure:

Rewarding Excellence proposals are formal recommendations that are written with the needs of the reader in mind. Information is displayed in a pyramid of detail. The reader can quickly understand the concept in a single page and then read on for increasing levels of detail and background data. Some people only want the big picture quickly while others want to know all of the background and every alternative considered. Most of the information in the proposal originates from work done in the Six-Step Problem Solving Process.

Cover Page:

Rewarding Excellence Application, Section 1; General Information

Table of Contents:

Give the title and starting page number of each major section. In the Appendix section, list each piece of supporting documentation and include.

Executive Summary:

An executive summary tells the whole story in a single paragraph. It is designed for busy executives who only need to know the big picture and seldom get involved in the details. **(ASSUME THIS IS ALL SOME MAY READ!)** Here you should give a project overview including scope, goals, annual savings, additional benefits and timeframe for completion. Identify how your project aligns with department goals and its mission as well as [Montgomery County's Priority Objectives](#).

Recommendation: (Step 4, Selecting and Planning Solution & Step 5, Implementing Solution of the Six-Step Problem Solving Process)

(Note: Steps are learned in the training provided by the program.)

This is what the team intends to do and how they will implement the plan. What is the solution to your identified problem? How will you implement your solution? How will you initiate change? Remember, in order for change to occur, the driving forces must be greater than the restraining forces. (See Force field Analysis) What are the restraining forces (legal/regulatory, federal state mandates, labor contract work rules, resource constraints, etc)? How will you increase the forces driving the change and reduce the barriers to the proposed change?

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Alternatives Considered: (Step 3 of the Six-Step Problem Solving Process; Generating Potential Solutions)

In this section, the team lists all other options that were considered but were rejected. For each rejected alternative there must be supportive data indicating why these are not “best choice” ideas. As with the justification section, include charts, studies, reports, and anything you used to make your decisions.

Justification: (Step 1, Identifying & Selecting Problem; Step 2, Analyzing the Problem; and Step 6, Evaluating Solution)

The justification section is usually the largest part of the proposal because this is where the idea gets sold. It gives a detailed history of the problem corrected and it includes enough hard data to support the need to implement the recommendation.

Some questions to ask include:

- What are the cost savings projections?
- Will these cost savings be sustainable after the first year? What are the budget implications?
- What is the net savings after the budget expenditure?
- Are there any legal implications?
- How will service delivery and effectiveness be enhanced?
- How will you utilize customer feedback?
- What are the potential drawbacks to this recommendation including impact on service quality, client satisfaction, waiting lists etc . . . ?

Documenting savings, efficiencies, effectiveness, productivity, and service quality may be the most difficult task in writing the proposal. The measurement approach will be unique for each situation and may include personnel costs with benefits included, interest on bonds, counting or weighing things, fees or service charges, -customer satisfaction surveys, etc.

If your team proposal recommends taking back contracts for out-sourced work, the proposal must justify how the employees will find the time to do this extra work. You may be able to save time in another task or you might find justification in time needed to finish the jobs the contractor did not complete to the county’s quality standards. Contracts that must be re-bid for fewer units of work may have a higher per unit of work cost (quantity discounts). All of these considerations must be taken into account.

Include charts, studies, recommendations by supervisors/managers, and published equipment or materials evaluations in this section; all of this data supports the recommendation. Add your organization chart; it helps the reader understand the department, division or section’s structure and relationships.

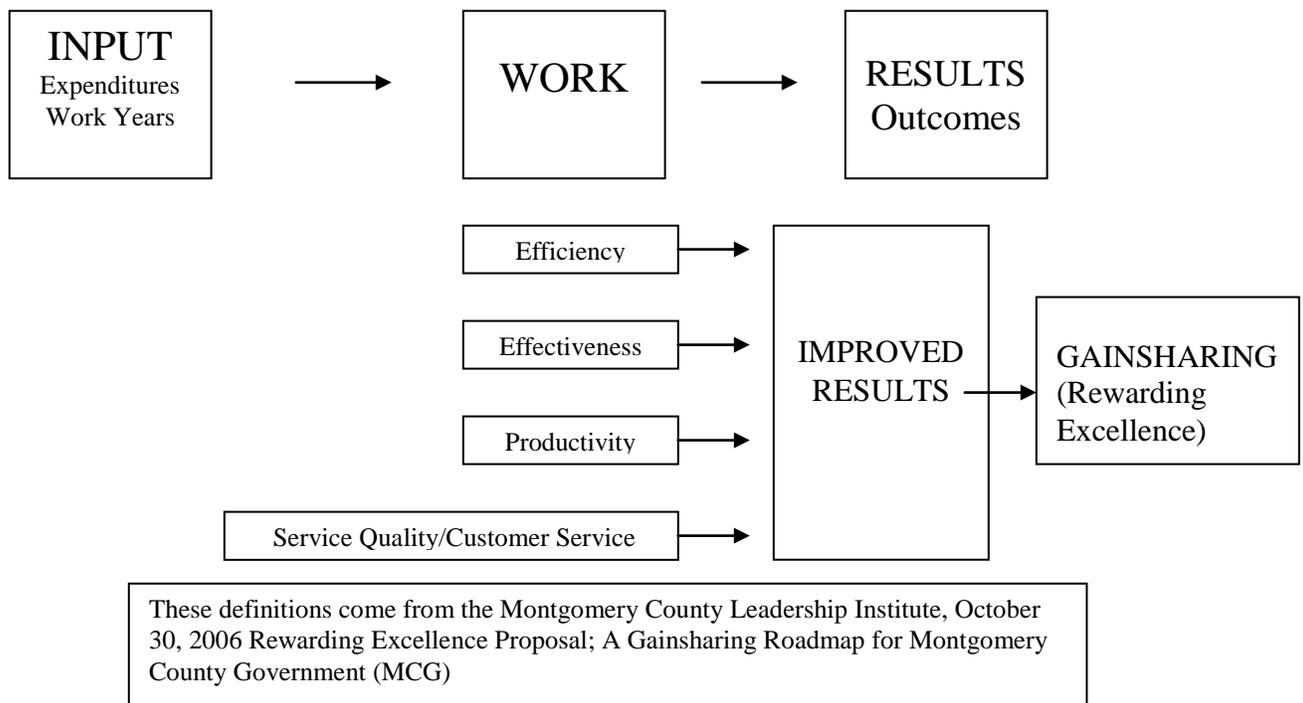
Additional benefits of improved quality and morale can often sway a decision that may be “on the fence”. Some people believe that quality automatically drops if a job is done

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in less time or with less expense. Others believe that morale drops if workers have to learn new job skills and do something different. Morale and quality normally improve when employees have increased influence and control over their jobs. Savings, quality and morale are all benefits of Rewarding Excellence and they should all be used to sell the proposal. If you use these kinds of additional selling points in the proposal then it is very important to find ways to measure quality/customer satisfaction and quality of work life (morale). If you can not measure the actual results of these types of selling points then do not include them; evaluators will be looking for specific measurable indications of success. The proposal should include a specific methodology for objectively measuring and evaluating the success of the proposal in achieving improved outcomes and producing quantifiable cost savings.

For the proposal to be successful, the team must measure project success and cost savings against tangible, quantifiable targets. Participants must address each point in their proposal. Specific areas of measurements that must be used are listed below.



When evaluating inputs, departments should consider organizational units, work years, people, dollars (operating, personnel and capital improvement budgets), expenditures, and other resources actually devoted to the particular program, process, product, or service. A subset of Workload/Outputs might consist of:

- **Efficiency** -- the cost per unit of output, such as cost per ton of solid waste collected or cost per inspection performed.

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- **Effectiveness** -- timeliness, compliance, accuracy or satisfaction with services delivered. Examples include error rates, missed stops, response time and volume of complaints.
- **Productivity** -- the amount of time spent to produce a unit of output, such as the average amount of time to perform an inspection or the average time to process a form.
- **Service Quality** -- distinctive attributes, characteristics, or properties of a program, process, product, or service. Such attributes, characteristics, or properties may set a process, product, or service apart from any other program, process, product, or service, or may denote some degree of achievement or excellence.

To determine a workable savings target and a schedule to meet the target, employee teams must establish a baseline by determining the full cost of the current program, process, product, or service. They may review costs in other structures, best practices, models, private industry, and other sources in the functional area to set realistic and tangible cost saving goals

How does your proposal support the County Executive's goal of providing "A Responsive and Accountable County Government"? More specifically, how does your proposal demonstrate and enhance the County Executive's following essential values: Collaboration, Inclusiveness, Knowledge, Competence, Innovation, and Respect for the Individual, Fiscal Prudence, Integrity, and Transparency.

Have you justified that the solution you are recommending is a win/win for Montgomery County Government and its citizens?

Measurement

Explain how savings will be measured and documented in detail. In addition, explain work effort of the Implementation team members and how it will be documented.

Remember to link the measurement to a County Executive Priority Objective and the Department's Head-line measure and Performance sub-measure when relevant.

As mentioned previously, the proposal should include a specific methodology for objectively measuring and evaluating the success of the proposal in achieving improved outcomes and producing quantifiable cost savings.

The Measurement and Documentation Confirmation Section should be part of the proposal itself and should consist of the following three elements:

1. Spreadsheets Listed One through Five Below
2. Written Methodology of How the Measurement and Documentation of the proposal will be validated.

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3. All Supporting Documentation

1. Documented Savings for Bonus Distribution (General Summary Spreadsheet)

Material, Labor Saved, Contract Dollars Saved as documented in (IAa below) and (IAb below) + (IAc below) + Additional Revenue Enhancement documented in (IB) below less the amortization of material needed (III) (See Proposal Guidelines, Equipment Needed to Perform) will equal our total savings for which the documented implementation team (Identify team) will receive a bonus for the one year period of (Identify time).

Individual Bonuses will be calculated as follows: (General Summary Spreadsheet)

Total Documented Savings for One Year
Less Amortization of Equipment Needed
Divided by 2 (Savings are Split 50/50)
Divided by the Number of Employees Identified as Implementation Team
Equals Individual Bonus Payout

2. Quarterly Projections (Second-level Spreadsheet)

How do you propose savings will be spread by quarter? Progress for the actual plan will be measured quarterly unless there is something more feasible.

3. Detailed Measurement Baseline and Comparison to Actuals (Third-level Spreadsheet)

I. A. What Cost Center will be reduced? Is this a Cost Center within your division and department?

If there are other items in this line item, how will we document savings?

a. Savings will consist of material as evidenced by Develop a baseline of at least three years if possible or give justification as to why delineating from this general rule. Spreadsheet should compare actual material savings based on proposal implementation compared to three-year baseline.

b. Savings will consist of labor as evidenced by Use the labor rates as developed in the proposal guidelines. If you are proposing labor savings, what other tasks need to be completed to utilize these hours? Labor savings do not result in actual savings unless a position can be eliminated.

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c. Savings will consist of contract savings as evidenced by

B. If there is additional Revenue proposed in the form of cost recovery, how will you document the additional revenue? Most of the revenue is accumulated through the County’s General Fund.

II. What is the time-frame of the documented savings?

III. If the team is proposing the purchase of items needed for proposal implementation, what cost center will be charged for these items? We must have authorization for these purchases to continue with the proposal at this time.

Are there any grants that can offset these costs?

4. Implementation Team Members (Fourth-level Spreadsheet)

This section should include all employees who will be needed to implement the proposal. There should be a line of sight between the employee and tasks performed in implementation as these employees will share equally in any documented savings in the form of a bonus once work effort is documented. Once more, this is the team who will be rewarded with equal share of the bonuses should there be demonstrated cost savings and demonstration of employee work effort.

Please include the following:

- Employee Name
- Employee Number (HR Liaison may assist here)
- Designation of Front-line Employee or Front-line Supervisor (HR Liaison will need to assist here)
- Cost Center from which employee is currently paid
- What will this employee do in the proposal implementation?

5. Amortization of Equipment Needed (Fifth-level Spreadsheet)

If equipment is needed to implement certain enhancements, then the costs of the equipment should be amortized using the straight-line method (*straight-line method is when you take the value of the asset at purchase and subtract the value of the asset at the end of its useful life (aka “salvage value”) and then divide by the number of years you will utilize the asset.*) over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Improvements other than Buildings	3 – 40
Furniture, Fixtures, Equipment & Machinery	3 – 20
Automobiles and Trucks	2 - 15

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The County Depreciates assets per this schedule [Page 52 of the FY2008 CAFR (Comprehensive Annual Financial Report)]

See Capital Assets of Local Governments Suggested Useful Lives from the MCG Finance Department, Capital Assets for more detailed years located in the Appendix.

Assets or Equipment needed for proposal implementation will be evaluated on a case-by-case basis to determine if it can be purchased in the current fiscal year or must wait to the next fiscal year.

How is the proposal team going to demonstrate that its proposal will be, at a minimum, performance neutral?

What measures will be used to evaluate success of the proposal?