Department of General Services
Procurement Office
Performance Review

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3/4/2011

CountyStat

CountyStat Principles

- Require Data-Driven Performance
- Promote Strategic Governance
- Increase Government Transparency
- Foster a Culture of Accountability

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Meeting Goal

Meeting Goal:
Investigate how DGS can provide better customer service and present opportunities to improve performance and efficiency

This meeting responds to a follow-up from the 12/21/2010 CountyStat meeting on the 2010 Satisfaction Survey for Internal Customers:

- Hold CountyStat session on the Department of General Services' procurement operations in order to identify opportunities to improve performance and efficiency

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Agenda

- Review of Internal Customer Satisfaction Survey Results
- Analysis of Internal Survey Qualitative Data
- Review of Procurement Office Performance Data
- Customer Service Improvements Implemented Over the Last Year
- Proposed Solutions & Suggestions

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Review of Internal Customer Satisfaction Survey Results

- **The Procurement Office had no statistically significant changes from 2009 to 2010**
- **From 2007 to 2010, Procurement had statistically significant changes in the following areas:**
  - **Level of Effort**
    - Rate the level of effort your Department must invest to successfully utilize the Department's service(s).
  - **Professional Knowledge**
    - Rate how often you were satisfied with the professional knowledge exhibited by the Department staff.
  - **Responsiveness**
    - Rate how often you were satisfied with the responsiveness of the Department staff.
  - **Initiative**
    - Rate how often you were satisfied with the amount of initiative taken by Department staff in addressing your needs and requirements.
  - **Timeliness**
    - Rate your satisfaction with the timeliness of the process(es) to satisfy your needs and requirements.
  - **Information**
    - Rate your satisfaction with the amount of information provided to you about the status of your request.
  - **Innovation**
    - Rate your satisfaction with the Department's ability to innovate in order to satisfy your needs.

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Internal Survey: DGS – Procurement Quantitative Data Analysis

Overall average rating	2007	2008	2009	2010
	2.40	2.45	2.42	2.36
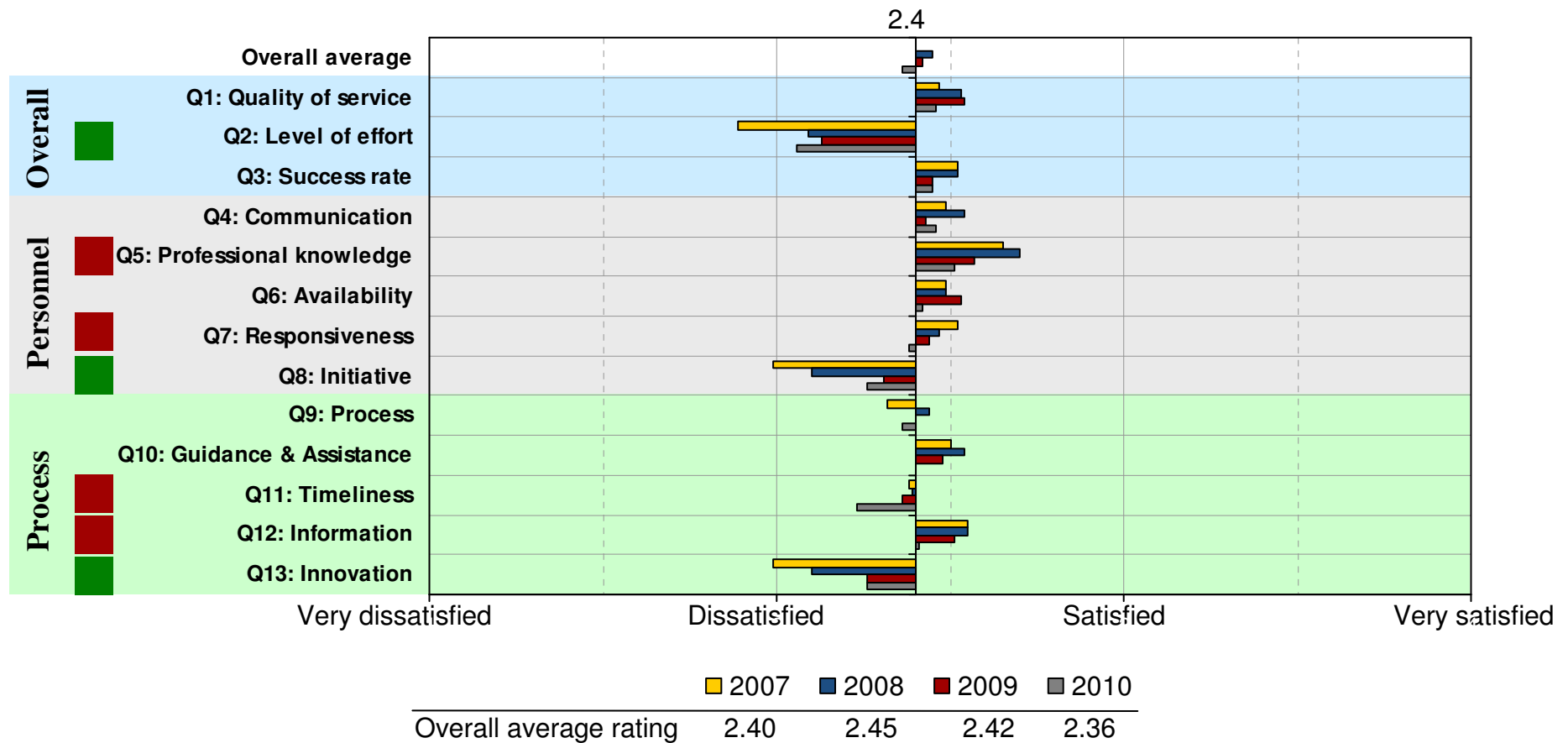
Statistically Significant Decline

Statistically Significant Improvement

Data Source: 2010 Internal Survey

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Internal Survey Questions

Overall ratings

1. Quality of Service: Rate your satisfaction with the overall quality of service received by the following Departments.
2. Level of Effort: Rate the level of effort your Department must invest to successfully utilize the Department's service(s).
3. Success Rate: Rate how often the following Departments successfully meet the needs and requirements of your Department.

Personnel ratings

4. Communication: Rate how often Department staff were able to explain and answer questions to your satisfaction.
5. Professional Knowledge: Rate how often you were satisfied with the professional knowledge exhibited by the Department staff.
6. Availability: Rate how often your first attempt to reach Department staff was successful.
7. Responsiveness: Rate how often you were satisfied with the responsiveness of the Department staff.
8. Initiative: Rate how often you were satisfied with the amount of initiative taken by Department staff in addressing your needs and requirements.

Process ratings

9. Process: Rate your overall satisfaction with the process(es) the Department uses to address your needs or requirements.
10. Guidance & Assistance: Rate your satisfaction with the guidance and assistance provided for the process(es).
11. Timeliness: Rate your satisfaction with the timeliness of the process(es) to satisfy your needs and requirements.
12. Information: Rate your satisfaction with the amount of information provided to you about the status of your request.
13. Innovation: Rate your satisfaction with the Department's ability to innovate in order to satisfy your needs.

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Major Changes in Procurement (2007-2010)

Procurement has documented major changes over the last several years that have impacted its operation. These cross over the areas identified in the internal survey, including professional knowledge, timeliness, responsiveness, and level of effort.

- Loss of knowledge base in department Contract Administrators over the past few years due to retirement incentive, reduction in force, and retirements.

- Increased learning curve, processing time, and level of effort for Procurement staff and Contract Administrators due to several legislative changes or newly enacted legislation (Prevailing Wage, LSBRP, Procurement Regulations)

- Implementation of Oracle ERP system impacted Procurement staff availability

- Budget savings implementation: exemption process, liquidations, and contract reductions increased staff and process times, as well as level of effort

- Increase in complicated protests and cancellations impacting processing times and level of effort.

Internal Survey Qualitative Data Analysis

CountyStat reviewed text comments from all 4 survey years to highlight trends and areas of concern highlighted by respondents.

- **20% of those who provided a numeric rating for this service area also provided qualitative feedback (FY10).**

- **Major themes in 2010**
  - Slow or process takes too long
  - Process problems/ Suggestions not related to time
  - Lack professional knowledge/ Inconsistent answers
  - Poor customer service

- **These themes were consistent for Procurement over the four-year period. However, distribution of the comments within those themes changed over time.**
  - Understaffed or overworked was a major theme in 2007 (23% of comments), and less so in 2010 (5% of comments).
  - Lack professional knowledge/ Inconsistent answers was a major theme in 2010 (18% of comments), and less so in 2007 (11% of comments).

Internal Survey Qualitative Data Analysis: 2007-2010

Theme	2007		2008		2009		2010	
	% of Text Responses	# of References to Theme*	% of Text Responses	# of References to Theme*	% of Text Responses	# of References to Theme*	% of Text Responses	# of References to Theme*
Positive feedback	18%	15	15%	10	20%	8	18%	7
Slow or process takes too long	32%	26	32%	21	39%	16	28%	11
Process problems/ Suggestions not related to time	34%	28	29%	19	46%	19	35%	14
Poor customer service	26%	21	8%	5	15%	6	15%	6
Understaffed or overworked	23%	19	22%	14	7%	3	5%	2
Need assistance or help understanding	9%	7	5%	3	17%	7	13%	5
Lack professional knowledge/ Inconsistent answers	11%	9	15%	10	7%	3	18%	7
Other	1%	1	9%	6	10%	4	28%	11
# of Respondents who provided a text response	82		65		41		40	

Note: In FY10, 20% of those who provided a numeric rating for this service area also provided qualitative feedback. Each text response may have multiple themes in it. Therefore, the number of references does not equal the number of respondents.

Data Source: 2010 Internal Survey

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Internal Survey Qualitative Data Analysis
Drilldown into "Process Issues (Other than Time)"

Theme	2007-2010	
	% of Text Responses	# of References to Theme*
Lack of process innovation*	32%	24
Proc. regulations need revision and/or streamlining	30%	22
Procurement line staff need more authority/autonomy	19%	14
Procurement office is an obstacle to departments	11%	8
Proc. Office to Dept communication	8%	6
Procurement office's workflow	5%	4
Specific solutions	5%	4
Other	14%	10
# of Respondents who provided a text response	74	

- **Over the 4 year period, most comments related to**
  - Revision of the Procurement regulations
  - Lack of process innovation
- **In 2010, most comments related to the need for process innovation by Procurement office staff**
  - *These comments pointed to the need for "out of the box" thinking by employees, and did not touch on technological innovations

Note: Each text response may have multiple themes in it. Therefore, the number of references does not equal the number of respondents.

Data Source: 2010 Internal Survey

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Internal Survey Qualitative Data Analysis Process Issues (Other than Time)

Theme	2007		2008		2009		2010	
	% of Text Responses	# of References to Theme*	% of Text Responses	# of References to Theme*	% of Text Responses	# of References to Theme*	% of Text Responses	# of References to Theme*
Proc. regulations need revision and/or streamlining	23%	5	32%	6	53%	10	7%	1
Procurement office is an obstacle to departments	9%	2	11%	2	5%	1	21%	3
Procurement office's workflow	9%	2	0%	0	0%	0	14%	2
Lack of process innovation*	45%	10	26%	5	26%	5	29%	4
Procurement line staff need more authority/autonomy	9%	2	37%	7	11%	2	21%	3
Proc. Office to Dept communication	0%	0	11%	2	5%	1	21%	3
Specific solutions	18%	4	0%	0	0%	0	0%	0
Other	14%	3	16%	3	11%	2	14%	2
# of Respondents who provided a text response	22		19		19		14	

*Note: These comments pointed to the need for "out of the box" thinking by employees, and did not touch on technological innovations; Each text response may have multiple themes in it. Therefore, the number of references does not equal the number of respondents.
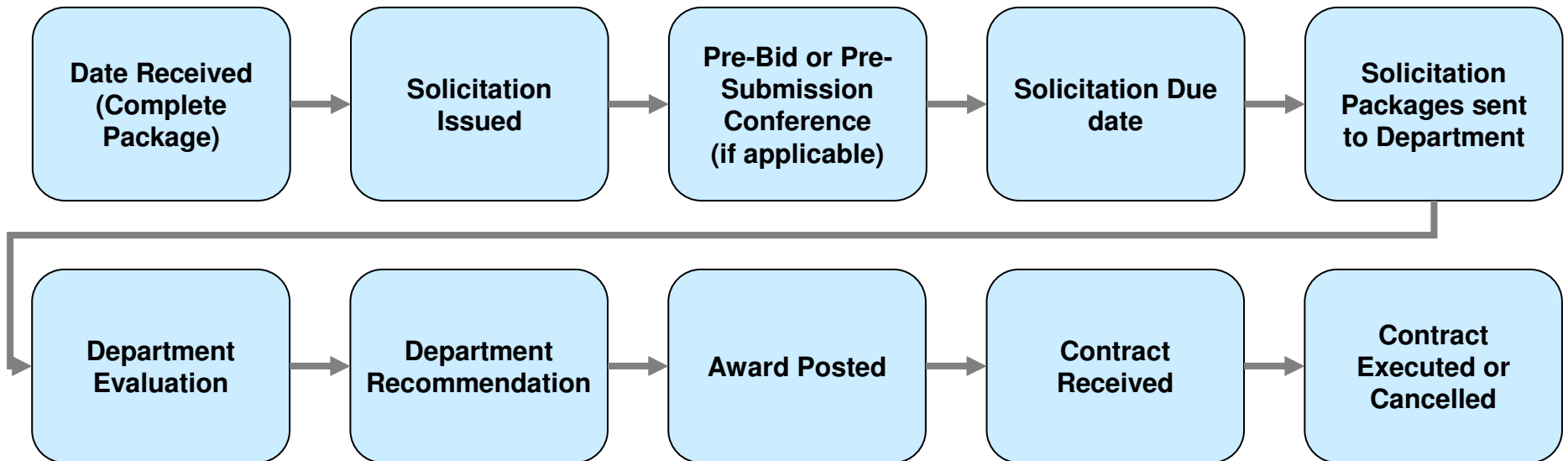
Data Source: 2010 Internal Survey

Review of Procurement FY10 Performance Data

The Office of Procurement collects performance data on all its solicitations, tracking both timeliness and customer satisfaction.

- **Timeliness**
  - Percent solicitation where the schedule was met v. not met
  - Average solicitation life cycle
- **Customer Satisfaction**
  - Professionalism
  - Effective Issue Resolution
  - Information
  - Timeliness
  - Guidance
  - Overall satisfaction
  - Qualitative Text Comments

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Stages of Procurement Solicitation Process

| Date Received (Complete Package) | → | Solicitation Issued | → | Pre-Bid or Pre-Submission Conference (if applicable) | → | Solicitation Due date | → | Solicitation Packages sent to Department |

| Department Evaluation | → | Department Recommendation | → | Award Posted | → | Contract Received | → | Contract Executed or Cancelled |

> The "Procurement Process" is a multi-departmental process, as it involves Procurement, County Attorney, Risk Management, the user department, vendors, etc., in those various stages. Also, note that there are multiple steps within each stage. For example, during contract receipt there may additional sub steps involving compliance, insurance, and contractors.

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Timeliness (Procurement Responsibility)
Review of Procurement Performance Data - FY10

The Office of Procurement develops a timeline with the user department for each solicitation. These metrics track Procurement's ability to meet agreed-upon timelines.
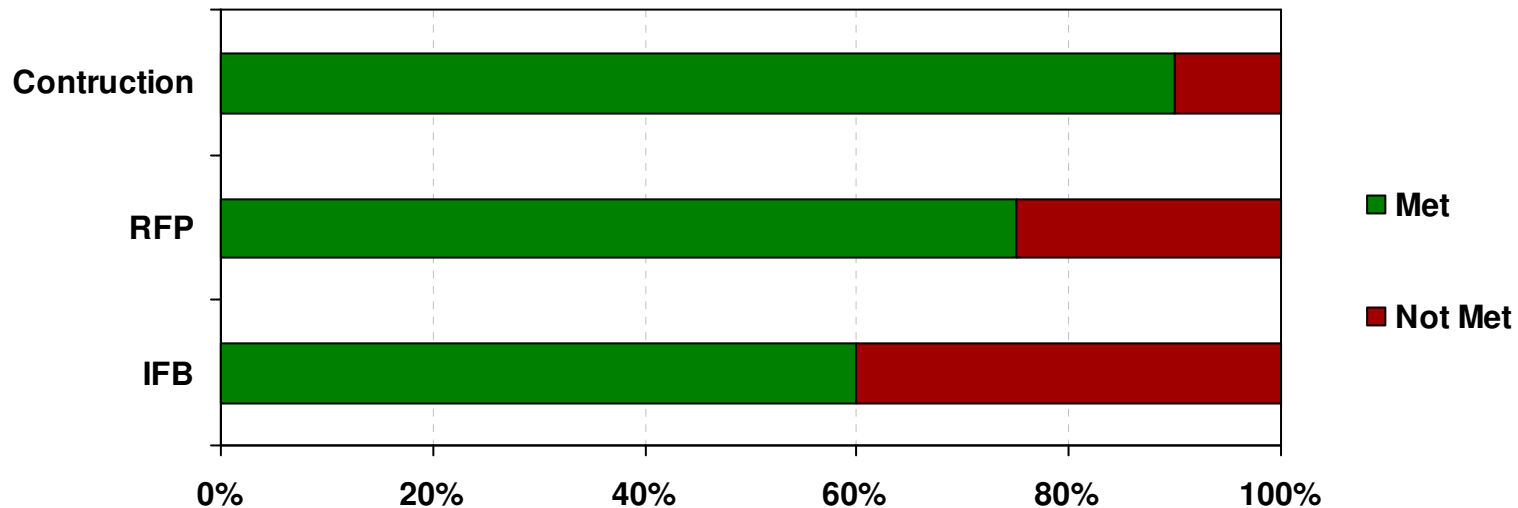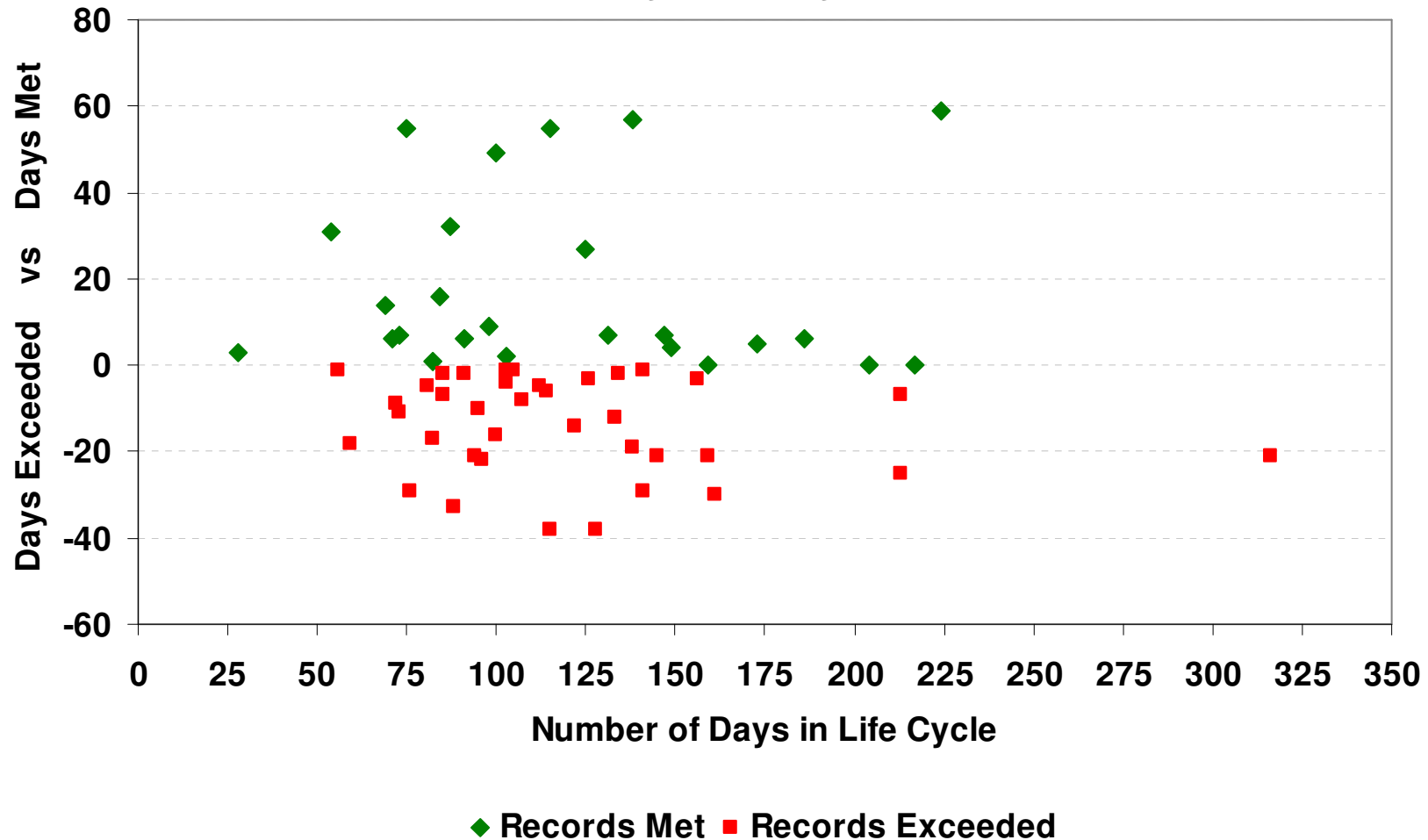

Solicitation Type	Construction	RFP	IFB
Met	90%	75%	60%
Not Met	10%	25%	40%
Total	10	47	62

"Not Met" means that Procurement exceeded the agreed-upon timeline for one or more of the agreed upon dates by one or more days.

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Timeliness (Procurement Responsibility)
Review of Procurement Performance Data - FY10
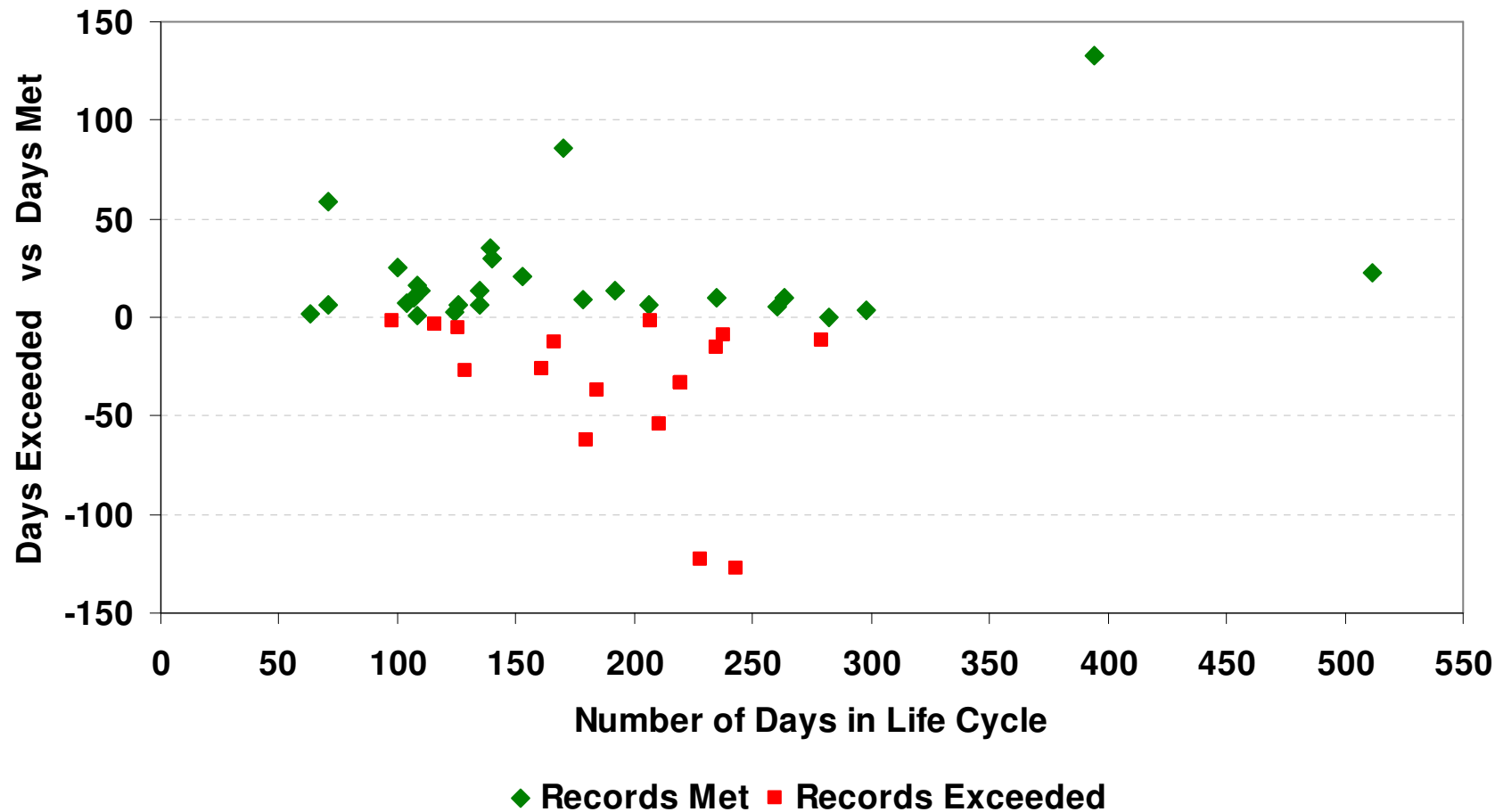
IFB Solicitations – Lifecycle v. Days Ahead/Behind Schedule

Data Source: Office of Procurement

Timeliness (Procurement Responsibility)
Review of Procurement Performance Data - FY10

RFP Solicitations – Lifecycle v. Days Ahead/Behind Schedule

Timeliness (Procurement Responsibility)
Review of Procurement Performance Data - FY10

The Office of Procurement develops a timeline with the user department for each solicitation. These metrics track Procurement's ability to meet agreed-upon timelines.

Percent "Not Met"		Days Past Schedule		
		Avg	Min	Max
IFB	40%	14	1	38
RFP	25%	34	2	127
Construction	10%	3	1	5

Procurement reviewed the cases at the maximum

- **IFB (2 cases at 38 days)**
  1. External factor (user dept) and data entry issue (Procurement)
  2. Multiple awards contract and external factor

– **RFP (1 at 127 and 1 at 123 days)**
  1. External factor (user dept) and data entry issue (Procurement)
  2. External factor (user dept) and data entry issue (Procurement)

Procurement management held a training session with its Operations section yesterday (3/3/11) to review the tracking system and quality control. From this point on, Procurement will be reviewing these cases on a monthly basis to address any data entry issues.

Source: Office of Procurement

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Timeliness (Procurement Responsibility)
Review of Procurement Performance Data - FY10

The Office of Procurement develops a timeline with the user department for each solicitation. These metrics track Procurement's ability to meet agreed-upon timelines.

Breakdown by Stage of Solicitation

Solicitation Type	Date Issued		Date to Department		Date of Posting		Date of Execution	
	Not Met	Met	Not Met	Met	Not Met	Met	Not Met	Met
IFB	31%	69%	19%	81%	49%	51%	60%	40%
RFP	11%	89%	15%	85%	31%	69%	43%	57%
Construction	0%	100%	10%	90%	10%	90%	20%	80%

Note: "Not Met" means that Procurement exceeded the agreed-upon timeline for one or more of the agreed upon dates by one or more days.

Each stage below is discreet and the % met/not met is based on the agreed-to dates for that particular stage by solicitation type. For example, for IFB "Date To Department", this means for the agreed-to dates for IFBs for this stage only, Procurement met the agreed upon dates for "Date to Department" 81% of the time.
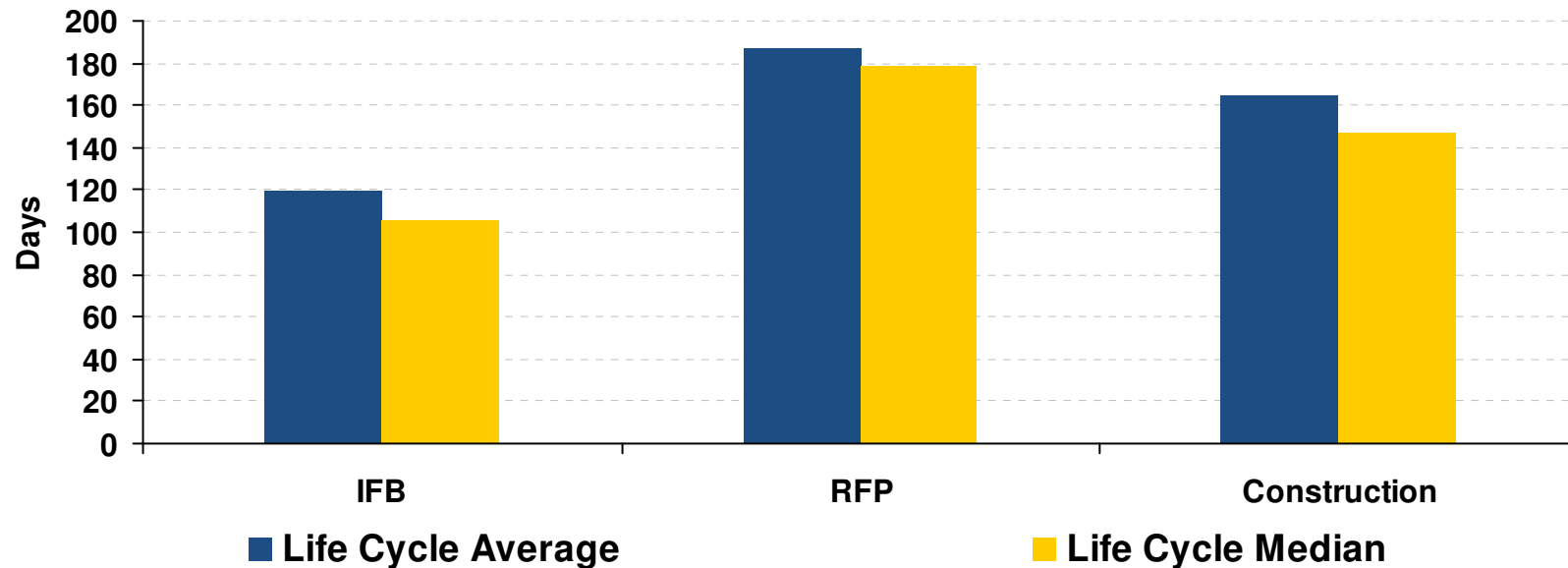
Data Source: Office of Procurement

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Timeliness
Review of Procurement Performance Data - FY10

> The Office of Procurement also tracks the total life cycle of a solicitation: the number of days from the date Procurement receives a complete solicitation packet until the date of contract execution or solicitation cancellation.

Legend: ■ Life Cycle Average   ■ Life Cycle Median

Solicitation Type	Average	Median
IFB	119 (4 mo.)	106 (3.5 mo.)
RFP	187 (6.2 mo.)	179 (6 mo.)
Construction	165 (5.5 mo.)	147 (4.9 mo.)

Customer Satisfaction
Review of Procurement Performance Data - FY10

The Office of Procurement surveys were electronically submitted to contract administrators after completion of the solicitation process (contract execution or solicitation cancellation).

Survey Question	Strongly Agree	Agree	Disagree	Strongly Disagree	N/A	Total
Procurement staff was professional	29	3	0	0	0	32
Procurement staff offered options and collaborated to effectively resolve issues that arose	25	6	0	0	1	32
Procurement staff kept us informed on procurement progress and status	25	6	1	0	0	32
This procurement was completed within the agreed upon timeline schedule	15	12	4	0	1	32
Procurement staff provided guidance and instruction when needed	25	6	0	0	1	32
Overall, I was satisfied with Procurement staff performance on this procurement project	22	10	0	0	0	32
Response Rate (Total Surveys Received/Total Solicitations = 32/119) =27%						

CountyStat recommends that Procurement work to increase its survey response rate, to make it more useful for managing its personnel and operations.

Data Source: Office of Procurement

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Customer Satisfaction
Review of Procurement Performance Data - FY10

Theme	2010	
	% of Text Responses	# of References to Theme*
Positive feedback	12	80%
Slow or process takes too long	3	20%
Process problems/ Suggestions not related to time	0	0%
Poor customer service	1	7%
Understaffed or overworked	0	0%
Need assistance or help understanding	1	7%
Lack professional knowledge/ Inconsistent answers	1	7%
Other	0	0%
# of Respondents who provided a text response	15	

- **Procurement collects text responses in its own customer survey.**
  - 46% of those who provided a numeric rating for this service area also provided qualitative feedback
- **CountyStat organized these comments by the same themes expressed in the County's internal survey**
- **Positive feedback**
  - 80% - Procurement Survey to Contract Administrators (27% response rate)
  - 18% - County Internal Survey to MLS Only (59% response rate)

Improvements Implemented Over the Last Year

**Survey Areas
Addressed**

Quality of Service

Initiative

Guidance

Meeting with Stakeholders

- ***Contract Administrator Focus Group***: Procurement invited several contract administrators as part of a focus group with follow-up communications and surveys sent by Specialists to several of their administrators about topics and issues of concern as part of a Contract Administration Forum program development.

- ***Regular Meetings with Key User Departments***: Over the past year we have met regularly, monthly or quarterly with key user departments to coordinate current and planned requirements, agree upon procurement strategies, and discuss service and support issues.

Training & Informational Materials

- ***Procurement Regulations Training***: Procurement developed and conducted multiple county-wide sessions as a result of the Regulation and Law changes effective April 2010. We also invited and coordinated participation in the sessions by Office of the County Attorney and the Office of Business Relations and Compliance to have experts related to the various changes available for departmental Q & A.

- ***"Purchasing Tips" Guide***: In advance of the ERP FAQs, Procurement developed and distributed a guide to using departments to provide some guidance during the early stages of conversion. This was done is response to many departments expressing frustration with the new ERP procurement system.

Improvements Implemented Over the Last Year

Survey Areas Addressed

- **Quality of Service**
- **Level of Effort**
- **Process**
- **Initiative**
- **Innovation**
- **Guidance**

Web Improvements & eSolutions

- *Website Modifications*: Procurement modified its website with dedicated pages based on important initiatives such as Regulation Changes, Direct Exemption Process, etc. to consolidate information related to each initiative in one area for easy retrieval.

- *Online Contract Search Database*: Procurement implemented an online Contract Search database intended to assist departments and the public in easily and quickly searching for or obtaining various contract documents.

- *Online Solution with Copier Contractor*: Procurement partnered with the countywide Copier Contractor to develop and implement an online solution to order supplies, request and monitor service calls, etc.

- *Online Exemption Request Solution*: Procurement implemented the CAO's spending freeze for the direct purchase threshold portion through the development of an online exemption request solution. It provides automatic acknowledgement of requests, electronic notifications of additional questions/responses, as well as final decisions. It also provides an electronic reporting mechanism that can be viewed internally as well as shared with Finance for payment purposes. *The average response time to the over 2,500 requests has been 4 hours and two minutes.

Revise & Implement Regulations

- *Procurement Reform Legislation*: Procurement implemented the County Executive's Procurement Reform Legislation, which resulted in increasing the thresholds for several purchasing methods, thereby streamlining the process time and layers of review, including CRC. We also updated all of our checklists and boilerplate forms to comply with the changes in Regulations and Law (as well as ERP) to assist departmental users.

Proposed Solutions and Suggestions to Improve Areas in Decline

Survey Area	Solution/Strategy to Address
Professional Knowledge How often you were satisfied with the professional knowledge exhibited by the Department staff.	1. Collaborate with other County agencies for Procurement cross-agency training to maximize resources. 2. Develop a Qualification and Selection Committee (QSC) Guide 3. Conduct Contract Administrator (CA) Forums to provide topic specific training to Contract Administrators as well as consistency in advise given. Procurement Specialists will also be in attendance. Forum materials will be posted on Procurement's Intranet site as resources for CAs or Specialists that were not able to attend. 4. Resume internal Procurement Regulation training with Procurement staff as was done in FY09 to provide on-going pulse check with operations team and discussions on challenges and resolution, as well as ensure changes in FY09 and FY10 were fully understood and integrated (bi-weekly)
Responsiveness How often you were satisfied with the responsiveness of the Department staff.	1. Increase staff meetings and emphasize customer service improvements within those and as part of bi-weekly training under No. 4 above.

Narrative provided by DGS

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Proposed Solutions and Suggestions to Improve Areas in Decline

Survey Area	Solution/Strategy to Address
Timeliness Your satisfaction with the timeliness of the process(es) to satisfy your needs and requirements.	1. Break out Procurement internal metrics of solicitation lifecycle by department for distribution to directors and MLS 2. Collaborate with the Office of Business Relations and Compliance on ways to streamline or communicate compliance issues directly with departments.
Information Your satisfaction with the amount of information provided to you about the status of your request.	1. Build into the biweekly training specific topics related to quality of communications with customers and different ways of sharing status and frequency. 2. Develop a tool to provide regular communications to departments on status of solicitations.

Narrative provided by DGS

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Proposed Solutions and Suggestions
to Improve Areas in Decline

Other Strategies

- **Procurement Specialist and Manager Dashboards**: We recently completed testing of an internal web-based dashboard system for Managers and Procurement Specialists to increase efficiencies through a one location tracking portal to enable them to view, search, and manage workload. We anticipate the dashboard will be fully operational by April.

Wrap up

- **Follow-up items**

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