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Subcommittee on Human Resources
Hearing on Better Coordinating Welfare Programs to Serve Families in Need
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Chairman Boustany, Ranking Member Doggett, and all my friends on both sides of the dais, thank you for the invitation to join you today to discuss ways in which we can better coordinate the current web of more than 80 welfare programs.

As someone who grew up in a challenging environment and managed to climb out of it by the grace of God, I commend your ongoing efforts to improve the quality and processes in these programs because, done correctly, they can have a great positive influence on the lives of those in need.

Many of you know my story of growing up in an abusive home and later as the latch key kid of a hard working single mom. I found a path to success through hard work, kind teachers, the encouragement of others, and the assistance of the government at times we had need.

This morning, I want to discuss part of my journey that is germane to the Subcommittee's efforts on program improvement.

I was first introduced to improving complex processes and "systems of systems" during my time in the Army. After my active service, I worked in business operations and eventually led professional services teams that focused on process improvement and implementing large Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) systems, and their associated performance monitoring tools. While we worked for companies ranging from Fortune 500 companies down to small, single site facilities, the way to improve an operation was always the same: **Minimize Complexity to Maximize Effectiveness.**

Our successes were sometimes considered a "miracle," yet the truth lay in how we approached the business or organization. We saw a small factory increase productivity by 250% by simply guiding the team to look at their operation from some different assumptions. We ran a Fortune 500 company's quality improvement pilot that improved quality to nearly 99% of standard. In another facility for an electronics firm, we worked to reduce their Customer Order Cycle time from 36 days to 3 days, while reducing the physical footprint by 60%.

The original systems used to measure performance for these companies simply did not reflect what was actually happening in the operation because their assumptions about the process did not reflect reality. Thus, managers made the "right" decision on bad information, and a poor outcome was assured. We threw out the measuring systems, and had to begin by getting to reality.

People
Our efforts always started with a foundation of respect for the employees. People operate or manage processes to get a value added outcome. Whether it is a machine tool factory, an oil refinery, a large bakery, a customer service center, a hospital, or even a classroom or sports team. People use systems or metrics to measure performance and whether the output of the process is within the desired standards.

We facilitated the changes, but the support of the employees was critical. While we were asking them to challenge all their assumptions about how they worked, we never questioned their dedication to duty or their work ethics.

Processes
Most of us react to symptoms and want to address those first. How many times does a person get sick and rush to treat the bad feeling before determining what is actually wrong with them? With patients, as with organizations, that is an approach that will often lead long-term ramifications and time and money lost.

Any organization that performs a function is made up of multiple processes. Together, these processes form a system that can be measured against a desired outcome. In Congress, we try to measure outcomes with things like passing appropriations and authorization bills through regular order. Federal agencies should be measured based on their effective use of taxpayer funds to achieve a particular outcome.

In business, just like government, there is often a push to spend more money in hopes that it will solve the problem when outcomes are not meeting expectations. When I would ask customers “What is your biggest area of pain?” the answers would usually fall into one of three categories: We need more people, we need more space or we need to spend more money. Resource needs were, more often than not, just a symptom pointing to constraints that limited a team’s ability to serve their customers or clients. To determine the constraints and make the process leaner and more efficient, we had to delve into the process itself:

> What I think it is.
>
> What it is.
>
> What it ought to be.

What I think it is…
Most people think they understand their daily processes and work routines. Sometimes they are right. However, if they don’t measure their performance at all or use the wrong measurements, they will find themselves frustrated, overworked, and falling short of goals.

I always began by asking a person to draw a map of their job and daily routine, step by step. Then I would ask how they measured success or what they were measured on in their day to day performance. Next, I asked if there were any frustrations or issues that seemed to recur. That answer was always yes.

After we had them lay out what they thought their work process looked like, it was time for a reality check.

What it is…
After the team mapped what they thought their work was, we took a walk and followed orders or customer requests through the entire process and its related measurement and planning systems.

The results were usually eye popping. People often found that they spent inordinate amounts of time trying to find records, tools, supplies, or information. In other situations, the material needed was located far from where they actually did work…"because that was the way it has always been."

What it ought to be…
To get to "What the process ought to be" requires data that is correct as a foundation for making decisions and measuring success. Most of the time, these measurements do not require excessive reports, but can be captured easily via visual, manual, or automated tools.

This is how American companies have transformed the way they work, just like we have seen our military transform radically since the post-Vietnam era. Now we live in an era of unprecedented technology with data analytics and the ability to identify opportunities and problems in real time to better serve people.

In the end, process improvement is a continual effort, indeed a way of thinking. Each small step, each constraint removed, allows better use of time and resources. The outcomes are always increased capacity to deliver products and service, improved quality, greater customer satisfaction, earlier detection of problems, lower cost, and money saved that can be used for other priorities or returned to the customers or investors.

When I became chairman of this Subcommittee in 2011, I endeavored to apply my real world experience in processes and systems to the programs within this Subcommittee's jurisdiction and I'm happy to see that current members are continuing to strive towards improving the programs that help so many in need.

Thousands of poor are trapped in program processes that were well intended, but either inefficient or now outdated.

Today, all major companies across the spectrum of industries use integrated, real-time data and analytics to provide better customer service, save money, and improve their products.

Large companies typically use what is called a data warehouse, which can be physical or cloud-based. Well-run systems maintain only one record on a person or product throughout and all users of that record draw from and update a single source to avoid errors and duplication. This standardized record system is called a logical data model and forms the foundation for superb organizational information.

Admittedly, private sector companies often are not faced with some of the constraints that we find when reviewing the 80+ welfare programs in existence today, but I believe there are many lessons that we can learn from private sector efficiencies.

When I has the honor of being part of the Human Resources team, I was proud of our achievements in the space of data standardization for some of these programs. To put it mildly, Ranking Member Doggett and I had often been on opposite sides of policy issues in the past. However, we made a conscious effort to review and improve HR programs from a process perspective, not an ideological perspective. Everyone on the Subcommittee genuinely wanted to make these programs work better for those in need.

There are many places you could start, but getting better and more streamlined data seemed to be the biggest need and best first step. After multiple hearings and meetings with input from all sides, Ranking Member Doggett and I introduced the Standard DATA Act, a bill to require the development of common standards for data and information sharing program-by-program. The goal was to ensure that taxpayer dollars were being well spent, but more so that the programs were doing their job of serving those in need.

Together, we incorporated this concept into the Child and Family Services Improvement and Innovation Act (P.L. 112-34), which was signed by the President in September 2011. The idea was also later applied to the unemployment insurance program, TANF, and SNAP, among others.

I always refer to the Standard DATA Act as the most important law you've never heard of. That was because we were able to remove partisan rancor and emotion from the debate, so we could focus on the facts and achieve results.

After those achievements in 2011 and 2012, another bill, known as the DATA Act, was signed into law in 2014. This moved the ball even further toward an open or shared data environment for the whole of government.

Before I close, I want to commend the Departments of Health and Human Services and Labor for their ongoing efforts to implement these statutes. Their success in this area will lead to more transparent and effective processes which will serve more clients, reduce response times, increase agency capacity, and ultimately assist those in need on their climb out of poverty.

Thank you for the privilege to join you this morning.