Finance Department

Citywide Savings Initiatives

Feb 2015
City Council
Budget & Fiscal Affairs Committee
Executive Insight & One Houston are two internal programs developed to generate cost savings.

**Executive Insight**
- **Participants:** Department Directors & CFOs
- **Description:** Monthly report that provides oversight of enterprise-wide spending by department
- **Goal:** Action from Department Directors to manage costs

**One Houston**
- **Participants:** City of Houston employees
- **Description:** Online campaign that highlights small changes employees can make in their daily work life to yield cost savings
- **Goal:** Action from City employees to save the city money

**Citywide Savings Initiatives**

- **Top-down controls**
- **Bottom-up participation**
Executive Insight Reports have helped the city achieve $1.4M in savings across departments year to date

Executive Insight Reports analyze enterprise-wide spend & identify areas for improvement for Department Directors

<table>
<thead>
<tr>
<th>Category</th>
<th>Usage Optimizations</th>
<th>Savings YTD (since July 2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cellular Lines</strong></td>
<td>• Turn-off identified no use lines</td>
<td>$97k* ($250k annualized)</td>
</tr>
<tr>
<td></td>
<td>• Control overages &amp; device inventory</td>
<td></td>
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<tr>
<td><strong>Print (excluding personal printers &amp; print rentals)</strong></td>
<td>• Reduce overall printing</td>
<td>$20k</td>
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<td></td>
<td>• Set defaults to duplex &amp; BW</td>
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<tr>
<td></td>
<td>• Enable secure printing</td>
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<tr>
<td><strong>Fleet</strong></td>
<td>• Track vehicles that have not been fueled in 6+ months</td>
<td>$231k (sales)</td>
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<tr>
<td></td>
<td>• Identify older vehicles for disposal</td>
<td></td>
</tr>
<tr>
<td><strong>HR</strong></td>
<td>• Manage vacancies by department</td>
<td>$1M**</td>
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<tr>
<td></td>
<td>• Manage overtime</td>
<td></td>
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<td></td>
<td>• Identify trends in worker’s compensation claims</td>
<td></td>
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<tr>
<td><strong>Early Payments</strong></td>
<td>• Track discounts achieved with vendors through early payment</td>
<td>$40k</td>
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<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>$1.4M</strong></td>
</tr>
</tbody>
</table>

*Beginning August 2014 **Beginning October 2014
The reports provide actionable information that allows Directors to make adjustments quickly.

Sample Executive Insight Report - Cellular Lines

Raw Data

Executive Insight

Dashboard

Savings optimizations for each Department

Actionable Detail

Hyperlinked device numbers & account names
With this information, Executive Insight has helped turn off nearly 600 cellular devices in six months.
In parallel with Executive Insight, One Houston engages employees to participate in savings initiatives.

- One Houston highlights small, actionable changes employees can make in their daily work life to save money.

**Print**
- Ask: Print less, print in B&W & double-sided

**BYOD**
- Ask: Bring your own device instead of using a city device

**Energy**
- Ask: Adopt energy efficient behaviors

**Asset Disposal**
- Ask: Generate revenue through surplus assets

**Lean Six Sigma**
- Ask: Participate in free training to learn how to improve processes & eliminate waste

**Idea Box**
- Ask: Submit your ideas of ways to save, or improve an existing process
Information on how to save money is communicated to employees through e-mails, videos, and infographics.
While it is too early to measure the results of One Houston (launched Dec 2014); participation has been excellent.

**Participation in One Houston**

- **PSA videos**
  - Videos on how employees can create savings have over 67,000 views

- **Idea Box**
  - Employees submitted over 135 ideas for savings and process improvements

- **Lean Six Sigma**
  - Over 42 employees have taken the online yellow belt training, adding to the total of over 1100 employees trained
Next steps

• Recognize employees who have submitted successful improvement ideas
• Use policies to encourage savings where possible and automate default settings
  – AP 7-1: Environment-friendly default settings on computers and printers
  – Forthcoming Mobile Device Policy: deactivating cell phones after 3 months of no/low use, defining eligibility criteria for City devices
• Increase savings and identify additional areas for future improvements