

Governor's Commission on Government Reform, Efficiency, and Performance

Minutes of Meeting held on June 10, 2016

9:00AM

Northcentral Technical College, Wausau, WI

Commission Members Present: Co-Chair Scott Neitzel, Co-Chair John Shiely, Senator Janis Ringhand, Secretary Dave Ross, Mr. Robin Gates, Mr. Ara Cherchian, Mr. Bob Ziegelbauer, and Mrs. Linda Seemeyer.

On the Phone: Senator Howard Marklein, Representative Adam Jarchow, Secretary Richard Chandler, and Mr. Michael Heifetz.

Excused: None.

1. Co-Chair Neitzel opened the meeting and called the roll. Waylon Hurlburt took the roll.
2. Co-Chair Neitzel introduced Cate Zeuske, Deputy Secretary of the Wisconsin Department of Administration.
3. Cate gave her presentation regarding shared services. Cate talked about how STAR has given us an opportunity to implement shared services. Cate said it would take strong leadership and governance to be successful. Cate said the timing for shared services is right with STAR and changes to civil service.
4. Co-Chair Neitzel called on Commission members to ask questions of Cate.
 - Co-Chair Shiely asked about the past focus of shared services and Cate replied that the state has focused on small agencies in the past. Co-Chair Shiely said you don't want to trade effectiveness for efficiency implementing shared services.
 - Robin Gates said Wisconsin is a Fortune 500 company, but act like a bunch of small companies. We can gain efficiencies in a large organization. Robin also said the private sector develops its staff better than in government.
 - Co-Chair Neitzel said the timing is right for shared services and the public is demanding that every penny be spent effectively. Cate commented that the number of retirements is impacting this also.
 - Bob Ziegelbauer asked if this would be viewed as a DOA takeover. Cate said that staff could remain in agencies under a model they are looking at and Co-Chair Neitzel said he is trying to avoid dictates from DOA.
 - Linda Seemeyer asked about billing and commented it must be collaboration.
 - Ara Cherchian said he sold two companies and both implemented shared services. It was the right thing to do.
 - Robin Gates commented that in shared services staff has better mobility opportunities.
5. Co-Chair Shiely introduced Jean Mills-Barber of Utah's shared services department for human resources.
6. Jean gave her presentation on Utah's experience.
7. Co-Chair Neitzel called on Commission members to ask questions of Jean.

- Robin Gates asked about monitoring the performance of new hires to ensure they are of high quality. Jean said they don't have baseline data, but the operational excellence initiative they have will establish that.
 - Co-Chair Neitzel asked about savings and FTE reductions. Jean said the savings were related to the consolidation. It was hard to get hard numbers because the consolidation didn't include administrative staff in agencies that were doing only partial HR work.
 - Co-Chair Neitzel talked about the HR FTE to staff ratio and compared Utah to Wisconsin.
8. Co-Chair Neitzel called for a break.
 9. Co-Chair Neitzel reconvened the meeting and called for the approval of the May meeting minutes. Senator Ringhand had two corrections. The May commission meeting minutes were approved.
 10. Co-Chair Neitzel introduced Mark Howard of Accenture to talk about shared services around the nation in both the public and private sector.
 11. Mark gave his presentation.
 12. Co-Chair Neitzel called on Commission members to ask questions of Mark.
 - Co-Chair Neitzel asked about what the state should be focused on. Mark said you need to decide what the primary purpose for doing this is. To cut costs, more efficiency, both, etc.
 - Secretary Ross asked where shared services prospered under different political leadership. Mark said the first transition is the most critical. Ohio was an example. If there is clear purpose it can work.
 - Robin asked about the payoff from shared services being having access to the new technology to improve service and this being more savings than shared services. Mark agreed that the ability to drive innovation is key in making it available to all the operation.
 - Robin asked about the best governance structure for shared services. Mark talked about other state examples such as Ohio and New York Transit Authority and the Utah example from the day.
 13. Co-Chair Neitzel brought up a discussion on the white paper related to the consolidation of print and mail in state government.
 - Linda Seemeyer asked why this hasn't already happened. It had been recommended in the past. Joe Patterson from DOA print said there needs to be more top down pressure.
 - Ara Cherchian asked about competing with the private sector and wanted more information. Ara was concerned about the capital investment of the state for this process. Joe said they don't want to compete with the private sector. Joe was going to research the capital investment.
 14. The July Commission meeting was set to be on Friday, July 8th at 9:00AM in Madison.
 15. Co-Chair Neitzel adjourned the meeting.