



California Environmental
Protection Agency

QUALITY IMPROVEMENT PARTNERSHIP

Annual Report Pursuant to Senate Bill 1191
(Speier, Chapter 745, Statutes of 2001)

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Cal/EPA's Quality Improvement Partnership

Introduction

As part of Senate Bill 1191 (Speier, Chapter 745, Statutes of 2001), the California Environmental Protection Agency was directed to institute “quality government programs” within the Agency and its six boards, departments, and office (BDO). The bill requires that the Agency provide an annual report to the Governor and the Legislature on the extent to which Cal/EPA has attained its performance objectives and continuous improvement efforts. This legislative mandate originated in Senate Bill 1082 (Calderon, Chapter 418, Statutes of 1993).

Known as the *Quality Improvement Partnership (QIP)*, this organizational improvement effort has evolved over the past few years and is synchronized with the growing maturity of the Agency, which celebrated its tenth anniversary in 2001. The early implementation stages of the QIP focused on building a foundation to support the successful start-up of a quality management program, and now, several years later, has been integrated organizationally as an ongoing business practice. This continuous organizational improvement approach supports the Agency in successfully accomplishing its mission – to restore, protect, and enhance the environment, to ensure public health, environmental quality, and economic vitality in California.

This approach also serves as the framework to distinguish the Agency as a leader in environmental protection, and as a model organization for state government. It informs management and guides planning, training and managing efforts to improve performance. As Cal/EPA rewards and celebrates improvement efforts, it has not lost sight that achieving overall organizational improvement is a day-to-day journey. Throughout this journey, the Agency continues to focus on involving internal and external stakeholders, improving and/or re-engineering processes, and committing top management support to the QIP.

Private and public sector organizations that have embraced an organizational improvement philosophy note the benefits in stronger partnerships (internally and externally), reportable measured performance, enhanced productivity, and an improved work environment. This legislative report highlights the Agency's high-level plans and actions put in place over the past year in support of greater levels of organizational performance. These successes, in part, stem from the Agency's continued emphasis on proactive cross-media and cross-organization coordination in addressing environmental challenges, a commitment to measuring environmental

results, and building partnerships with stakeholders both in the private and public sectors. Cal/EPA looks forward to achieving greater levels of success in the coming years and sharing its future accomplishments with the public.

Organizational Improvement: An Overview

To place into context our work in organizational improvement, it is important to first recount the concepts of quality management. Quality management is a philosophy for organizational change and continuous improvement. Inherent in its concepts are three fundamentals that apply in both the private and public sector environments:

- Focus on the customer, both internal and external;
- Long-term commitment and top management support; and
- Continuous analysis of work processes and attention to the way work gets done.

Implemented effectively, quality management helps an organization to:

- Accomplish goals more successfully;
- Measure performance;
- Meet or exceed customers' expectations;
- Enhance productivity;
- Focus on doing the most critical work;
- Build stronger relationships, both internally & externally; and
- Improve the work environment

The Year in Review

Since the publication of Cal/EPA's Strategic Vision in July 2000, the boards, departments, and office (BDOs) of Cal/EPA have developed strategic plans and tactical implementation plans in support of the broad goals outlined in Cal/EPA's Strategic Vision. Through the work of a cross-organizational team, each plan was assessed from a cross-media perspective, encompassing Agency initiatives and collaborative work between boards, departments, and office. This planning approach has provided greater clarity of purpose and direction within and across BDOs to increase levels of service, efficiency, and value to Californians and the environment.

In support of the Agency's Quality Improvement Partnership, the Assistant Secretary for Quality Programs and the Quality Consultants from each BDO offer expertise in change management and organizational improvement. This team supported (I) Agency wide initiatives and (II) programs administered within BDOs, during this 2002 reporting year.

I. AGENCY WIDE INITIATIVES

- **Cal/EPA's Strategic Vision, Board/Department/Office Strategic Plans, and Environmental Protection Indicators for California (EPIC)**

Cal/EPA's Strategic Vision committed the Agency to focus on strategic planning, tactical planning and measurable environmental results to accomplish its eight stated goals toward protecting the environment. With the completion of the Strategic Plans by each Cal/EPA Board, Department and Office in 2001, the next phase was to await the release of the Environmental Protection Indicators for California (EPIC) Project. The EPIC report, which was released in April 2002, focused on establishing the framework for an environmental indicator system. The framework includes guidelines and criteria for identifying and selecting indicators, the environmental issues that are important for California to track, and an initial set of indicators. EPIC also categorized the indicators in relationship to the first six environmental goals of Cal/EPA's Strategic Vision.

With the EPIC foundation in place and strategic plan goals/objectives being addressed, Cal/EPA must now correlate its work in terms of environmental outcomes. The EPIC Project aims to maintain an environmental indicator system that conveys meaningful information about key environmental issues in the state and

serves a critical role in the decision-making processes in environmental programs. It is now incumbent upon us to link our regulatory and non-regulatory activities to tangible, environmental outcomes in support of the EPIC indicators. To that end, staff have recently begun an analysis to align Cal/EPA's Strategic Vision with the strategic goals and objectives of each Board, Department and Office strategic plan, as well as the initial set of EPIC indicators. The results of these efforts will assist to identify strengths and gaps in connecting priority work to environmental results.

- **Integrated Data for Environmental Assessment Project (IDEA)**

The collection, management and dissemination of high-quality information in an effective manner are essential to Cal/EPA's mission of protecting the environment and public health. Cal/EPA initiated a cross-organizational project entitled the Integrated Data for Environmental Assessment (IDEA) which focuses on the development of data exchanges between databases within the boards, departments, and office of Cal/EPA and its environmental regulatory counterparts in local and regional governments and in the U.S. EPA.

Cal/EPA is utilizing a model system developed by a collaboration of thirty-four states and the United States EPA's Office of Environmental Information, the National Environmental Information Exchange Network (NEIEN). NEIEN is an Internet-based, voluntary network for state, federal and Native American Tribal environmental agencies. The Network facilitates information exchanges between "nodes" maintained individually by participating partners. These nodes use the Internet to exchange information via standardized data exchange templates, using common, Internet-based protocols. Exchange of data is governed by trading partner agreements between the partners. It is anticipated that Cal/EPA's partnership with the Network will bring clear and measurable benefits:

- ✓ A common approach to environmental information exchange that is manageable by an agency as an agency, and not a collection of stove-piped systems, loyalties, and approaches.
- ✓ A transition from traditional information exchange approaches to a data-centric approach focused on data and data quality.
- ✓ Enhanced potential for data integration.
- ✓ Lower cost to exchange data.
- ✓ More agency control over its own data.

The first phase of Cal/EPA's IDEA Project is the conceptual design of a system of data exchanges intended to enhance Cal/EPA's opportunity to view the environment across environmental media rather than through the lenses of individual media programs. The cross media element of the project is its central theme. Phase Two, slated to occur in 2003, will involve a pilot project for implementation assessment.

- **Sustainable Management Practices at Cal/EPA**

It is the policy of the California Environmental Protection Agency to conduct its work in an environmentally sustainable manner. As such, an objective identified in Cal/EPA's 2001 Strategic Vision is to lead by example and promote a green Cal/EPA through the implementation of agency operations that incorporate sustainable management practices. The vision for Cal/EPA's is to guide the Agency toward better environmental practices and to serve as a model for other state agencies in reducing their ecological footprint.

In September 2001, the development of Cal/EPA's sustainable management practices management plan was launched with the formation of a steering committee comprised of a committee chair and member of senior management from each of the boards, departments, and office, and Office of the Secretary. The Steering Committee is responsible for guiding the design and implementation of sustainable practices including the identification of business and personal practices that contribute to the ecological footprint of the building, identification of the most significant environmental impacts, and planning and overseeing the implementation of mitigation measures to reduce those impacts.

This initiative has also involved participation from Cal/EPA staff on planning and implementation teams and all employees providing input and taking actions to support the achievement of increased reductions to our environmental footprint. Our environmental footprint is created by policies and practices related areas such as: procurement of products and services; commute and travel choices; energy and water use; material use, solid waste generation, and diversion; building maintenance and landscaping; and the acquisition and distribution of information.

- **Cal/EPA Open Staff Forums**

Co-location of Cal/EPA's six boards, departments and offices (BDOs) into the headquarters building has facilitated better internal cross-media communication and coordination. For example, in November of 2001, Cal/EPA held its first Open Staff Forum in which employees from all the BDOs concurrently attended. The Agency Secretary, Department Directors and Executive Officers host these all-staff meetings to share information about proactive and innovative work across the Agency. The executive team also highlights accomplishments and plans, and responds to employee questions, comments, or concerns. Staff gains a better overall knowledge of how they support our mutual goal of building a clean, healthy and sustainable environment for Californians.

- **Cal/EPA Management Forums**

The close proximity of the BDOs management team has also fostered the Agency Secretary's Management Forums. Cal/EPA held its first Management Forum in April 2002. Management Forums provide an opportunity for managers from each of

Cal/EPA's six BDOs to meet together, hear from noted speakers, and engage these speakers in discussion about environmental related issues and problems. Speakers include top-level leaders within Cal/EPA, from other government entities, and from environmental organizations. The outcome is greater knowledge about the forces that shape California's policy and views on implementation of programs to protect the environment.

- **Organizational Change – State Training Conference 2002**

In August 2000, Cal/EPA relocated over 3000 staff from 12 locations in 7 different organizations into its new Sacramento headquarters building. Given the myriad of issues associated with the move, ranging from logistical planning to employee concerns, the Agency formed a Transition Support Team to institute a change management approach, specifically addressing coordination and communication. The result of this effort increased collaboration among the organizations, diminished duplicative efforts, enhanced employee communications, and ultimately, reduced the impact on services to the public.

The change management methodology and the associated lessons learned from this venture were presented by the Transition Support Team members (Quality Consultants) at the annual Quality and Training Institute sponsored by the Department of Personnel Administration in May 2002. Conference participants included change agents, facilitators, organizational development consultants, and managers. Participants were afforded the opportunity to study a change management model while using a real time government case study. Concurrently, the presenters were able to educate participants on the environmental considerations and aspects of such a large scale move while showcasing the Cal/EPA building's green elements.

II. PROGRAMS ADMINISTERED WITHIN BDOs

Both the Agency and its BDOs made significant strides toward improving the quality of environmental health over the past year. These specific accomplishments and priorities are reported to the Legislature through reports entitled "Cal/EPA Accomplishments and Priorities Semiannual Report." and are published twice yearly for each six-month period. Reporting periods relevant to this legislative report include July – December 2001, January – June 2002 and July – December 2002. The most recent report (January – June 2002) is available to the public on Cal/EPA's Internet site: www.calepa.ca.gov.

Appendix A - Statutes

Senate Bill 1082 (Calderon, Chapter 418, Statutes of 1993)

(c) On and after December 31, 1998, the agency, and each board, department, and office within the agency, shall submit a yearly report to the Governor and Legislature, as part of the budget process, reporting on the extent to which they have attained their performance objectives, and on their continuous quality improvement efforts.

(d) Nothing in this section shall be interpreted to abrogate any collective bargaining agreement or interfere with any established employee rights.

(e) For purposes of this section, "quality government program" means all of the following:

(1) A process for obtaining the views of employees, the regulated community, the public, environmental organizations, and government officials with regard to the performance, vision, and needs of the agency implementing the quality government program.

(2) A process for developing measurable performance objectives using the views of the persons and organizations specified in paragraph (1).

(1) Processes for continually improving quality and for training agency personnel, using the information obtained from implementing paragraphs (1) and (2).

Senate Bill 1916 (Sher, Chapter 881, Statutes of 1998)

SEC. 12. Section 57000 of the Health and Safety Code is amended to read:

57000. For purposes of this division, the following terms have the following meaning:

(a) "Agency" means the California Environmental Protection Agency.

(b) "Council" means the California Environmental Policy Council established by Section 71017 of the Public Resources Code.

(c) "Secretary" means the Secretary for Environmental Protection.

SEC. 13. Section 57007 is added to the Health and Safety Code, to read:

57007: (a) The agency, and the offices, boards, and departments within the agency, shall institute quality government programs to achieve increased levels of environmental protection and the public's satisfaction through improving the quality, efficiency, and cost-effectiveness of the state programs that implement and enforce state and federal environmental protection statutes. These programs shall be designed to increase the level of environmental protection, while expediting decision-making and producing cost savings. The secretary shall create an advisory group comprised of state and local government, business, environmental, and consumer representatives experienced in quality management to provide guidance in that effort.

The secretary shall develop a model quality management program that local agencies charged with implementing air quality, water quality, toxics, solid waste, and hazardous waste laws and regulations may use at their discretion.

(b) Notwithstanding Section 7550.5 of the Government Code, the agency, and each board, department, and office within the agency, shall submit a yearly report to the Governor and Legislature, as part of the annual budget process, reporting on the extent to which these state agencies have attained their performance objectives, and on their continuous quality improvement efforts.

(c) Nothing in this section abrogates any collective bargaining agreement or interferes with any established employee rights.

(d) For purposes of this section, "quality government program" means all of the following:

(1) A process for obtaining the views of employees, the regulated community, the public, environmental organizations, and governmental officials with regard to the performance, vision, and needs of the agency implementing the quality government program.

(2) A process for developing measurable performance objectiveness using the views of the persons and organizations specified in paragraph (1).

(3) Processes for continually improving quality and for training agency personnel, using the information obtained for implementing paragraphs (1) and (2).

Senate Bill 1191 (Speier, Chapter 745, Statutes of 2001)

SEC. 143. Section 57007 of the Health and Safety Code is amended to read:

57007. (a) The agency, and the offices, boards, and departments within the agency, shall institute quality government programs to achieve increased levels of environmental protection and the public's satisfaction through improving the quality, efficiency, and cost-effectiveness of the state programs that implement and enforce state and federal environmental protection statutes. These programs shall be designed to increase the level of environmental protection while expediting decision-making and producing cost savings. The secretary shall create an advisory group comprised of state and local government, business, environmental, and consumer representatives experienced in quality management to provide guidance in that effort. The secretary shall develop a model quality management program that local agencies charged with implementing air quality, water quality, toxics, solid waste, and hazardous waste laws and regulations may use at their discretion.

(b) The agency, and each board, department, and office within the agency, shall submit a yearly report to the Governor and Legislature, no later than December 1 with respect to the previous fiscal year, reporting on the extent to which these state agencies have attained their performance objectives, and on their continuous quality improvement efforts.

(c) Nothing in this section abrogates any collective bargaining agreement or interferes with any established employee rights.

(d) For purposes of this section, "quality government program" means all of the following:

(1) A process for obtaining the views of employees, the regulated community, the public, environmental organizations, and governmental officials with regard to the performance, vision, and needs of the agency implementing the quality government program.

(2) A process for developing measurable performance objectiveness using the views of the persons and organizations specified in paragraph (1).

(3) Processes for continually improving quality and for training agency personnel, using the information obtained from implementing paragraphs (1) and (2).

Appendix B - Related Reports and References

- Accomplishments and Priorities Semiannual Reports, Cal/EPA, January 2001 & January thru July 2001
- Cal/EPA Strategic Vision, July 2000

Note: The above referenced publications can be viewed on Cal/EPA's Internet site: www.calepa.ca.gov