

Nevada employees slow to find cost-savings

By Andrew Doughman, Las Vegas Sun

CARSON CITY – While it's easy to quip that state government should be more efficient, actually finding the savings is another matter.

An annual report shows state employees found a little less than \$10,000 in savings under a program launched last year that rewards employees for cost-saving ideas. Of the six ideas submitted, only one was implemented, according to the report obtained by the *Sun*.

The Department of Motor Vehicles approved one request to use the U.S. Postal Service free technology in place of the department's current practice of sending a return receipt for certified mail envelopes.

Assemblyman Paul Anderson, R-Las Vegas, said that's likely because few employees know about the program through which they can submit cost-saving measures and receive a cash reward for their ideas.

Anderson plans to introduce a bill this year to encourage state agencies to spread the word about the cost savings program.

"We can at least pass the message to the agencies to pay more attention to this," he said. "We need to empower those on the frontlines."

Former Sen. Dean Rhoads, R-Tuscarora, led the way in overhauling the state's merit reward program during the 2011 legislative session with the idea that state employees would come forward with ideas if they had a personal financial

incentive to do so.

The state's "Good Government, Great Employees" award gives an employee or a group of employees up to 10 percent of any savings that result from their idea. The new law also requires reporting of what ideas employees submitted, why agencies adopted or rejected those ideas, and the savings accrued.

The bill wasn't controversial. In 2011, nobody testified against the bill, which had bi-partisan sponsorship. It passed unanimously.

Everybody liked the idea of reducing waste in government, but actually finding savings through the program has so far proven difficult.

"We can do more," said Sen. Debbie Smith, D-Sparks, one of the 2011 sponsors. "Our employees are the ones who know best where and how we can save money."

She testified to a legislative committee in 2011 that she hoped employees would come forward with proposals that save "hundreds of thousands or millions of dollars."

The estimated savings so far: \$9,453.

Smith said part of the reason why those savings haven't materialized is marketing. Employees might not even know about the program.

But employees also may not want to attach their name to a savings proposal that could potentially embarrass their boss.

"We have to have an environment where employees are entirely comfortable putting their findings or ideas in writing," Smith said.

A similar program in North Dakota has saved the state at least \$540,000 since the program's inception in 1994, according to a report obtained by Anderson.

Like Nevada, the program had minimal savings during its first year, but the savings grew each year as more employees submitted ideas. Many were small ideas that saved on administrative costs, including buying paper in bulk, using computer systems to save on paper, renegotiating contracts and bringing services in-house.

Those first year savings drive down future year costs, allowing departments to request fewer dollars for their budgets or put dollars to better use, Anderson said.

"It's very basic stuff, but they can spread it across agencies," he said.

Anderson adopted the idea for his bill from the North Dakota program.