



CRITICAL SUCCESS FACTORS UPDATE

JANUARY 2014

Published once each quarter, the *Critical Success Factors Update* is designed to report on the Results Over Resources program and spotlight one of the several factors that measures ODOT's success. Results reported in this issue measure progress through December 31, 2013.

CSF SPOTLIGHT:

PEOPLE

Progress Toward Optimal Structure

How ODOT determines, measures, and moves toward the ideal staffing structure for districts and divisions (below)

ALSO IN THIS ISSUE:

- The Purpose of Critical Success Factors (page 3)
- The Critical Success Factor Dashboard (page 4)

CSF SPOTLIGHT:

The Right People, in the Right Places

The category of "People" tops ODOT's list of Critical Success Factors (CSFs) for good reason: the department employs close to 4,900 people and without their skill, productivity, safety or satisfaction in their work life, no other CSF is achievable.

The challenge, of course, is to have the right numbers of people performing the right duties, in the right areas. Each of these factors can vary by work unit or district, and will naturally evolve with the changing demands of projects and work processes.

Determining the proper staffing structure amid changing circumstances is a complex task, but that's exactly what deputy directors and their staffs were challenged to do as part of the Results Over Resources quality improvement program.

Director Jerry Wray called upon each of them to identify their ideal or "optimal" staffing, based on current and perceived future needs.

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The Right People, in the Right Places (cont.)

“Where is ODOT understaffed?” he asked them. “Where can we realize greater efficiencies by combining or modifying staff roles? How do we prepare for the needs of the future? And how do we accomplish that by filling gaps in some areas and reducing excess in others without losing employees?” In other words, the director asked for thoughtful human resource management, rather than arbitrary decisions. “We are done reducing the number of people at the department. We have the right number of people on the bus, we just need to find the best seats for them.”

As the analyses of each unit were submitted, the Human Resources Division combined them into a department-wide future staffing structure. The metric now known as **Progress Toward Optimal Structure** measures how well our staffing changes move toward that ideal. Of course, since changes in projects or work processes are inevitable, the “ideal” may not even stay the same. While we have

a solid starting point, the structure will be consistently revisited and updated accordingly.

For the purposes of measurement, staffing changes are referred to under the broad category of Personnel Action (PA) and are defined as any movement of people. New hires, promotions, transfers and retirements each count as a PA. A decision to merge two offices may count as numerous PAs. The optimal future structure was determined in September 2013, and a total of 498 strategic PAs are needed to achieve it.

From here forward, if a PA occurs that fits with the future structure, that’s one less PA to bring us toward optimal, and the number (498) heads down towards zero. Zero, after all, is our goal—once there, no other changes need to happen, and we’ve reached the ideal structure. However, if a PA occurs that doesn’t fit with the future structure, it takes us one PA further away from ideal, and the number (498) would go up. (See right for a hypothetical scenario.)

“We hope people recognize that the goal of 498 reflects complex analysis, and represents a lot of strategic shifts within a range of work units,” said Nick Nicholson, Deputy Director of Human Resources. “We also hope people understand that Progress Toward Optimal Structure is not a job-cutting program. Rather, it is our ongoing effort to make sure we are adequately staffed with the right people in the right places.”

It will not happen all at once, Nicholson adds, but over time, ODOT’s staffing structure will be better attuned to meet the department’s on-going demands.

“We are done reducing the number of people at the Department. We have the right number of people on the bus, we just need to find the best seats for them.”

3 THINGS TO KNOW ABOUT

Progress Toward Optimal Structure

1 It’s not a job-cutting program; it’s getting the right people in the right places

2 It’s the product of careful thought and complex analysis of current and future needs

3 It’s continually measured and adjusted as projects, people and processes change

What's Behind 498?

Breaking down the total system of 498 personnel actions is extremely complex, but consider this hypothetical scenario as an example of how it works.

Say we have a "Work Unit A" that is understaffed. The employees struggle to complete tasks on time because there just aren't enough people to adequately do the job. Their administrator and deputy director have determined that Work Unit A needs five more people to be "optimal."

In the meantime, Work Unit B's employees struggle to find enough meaningful work to go around on a daily basis. Their leaders have determined that Work Unit B is overstaffed by five people.

Considering that both work units need five changes each to achieve their optimal structures, we have a total of ten PAs that need to

occur, with our ultimate goal being zero. Adding a staff member to a work unit would count as a PA, and moving a staff member out of a work unit would count as another PA. Therefore, if we move one employee from Work Unit B into Work Unit A, two strategic PAs would occur, reducing the remaining needs to eight.

So how do we get to zero? You guessed it—move the other four people from Work Unit B into Work Unit A, and we've achieved the ideal structure. It could even be reached through other types of PAs—a Work Unit B staff member might retire, or a new hire could join Work Unit A. It doesn't matter. As long as we move towards the ideal, we're on the right track.

The goal of the optimal structure is simple. People no longer need to struggle in accomplishing tasks, and everyone is given meaningful work to add value to the organization daily.

The Purpose of Critical Success Factors

In 2013, ODOT unveiled the Results Over Resources program, which is defined chiefly through the Critical Success Factors of people, system conditions, operations, safety and the capital program. Individually and as a group, the critical success factors are designed to...

- **Measure core, tangible results**

ODOT wants to focus on productivity that truly impacts the transportation infrastructure and makes a positive contribution to the life and welfare of the state and its citizens.

- **Set challenging goals**

ODOT will always strive to make the Ohio transportation system the best it can be through continuous improvement and diligent maintenance.



- **Save money & time, and increase safety**

These values will always be at the forefront of every decision the department makes on behalf of the public.

- **Achieve maximum return on investment**

ODOT will embody efficiency and effectiveness, ensuring the financing contained in the public trust will be spent wisely and with purpose.

ODOT'S CRITICAL SUCCESS FACTORS DASHBOARD

JANUARY
2014

MEETS
GOAL

DOES NOT
MEET GOAL

↑ - Results Improving

↔ - Results Holding

↓ - Results Declining

CSF Category and Metric		(Reporting Timeframe: Previous Period, Current Period)	Previous Period	Current Period	Goal	Period Trend
PEOPLE						
Work Life Index ODOT Quality of Work Life Survey results, on a scale of 0-100%		(Calendar Year Annually: N/A, 2012)	N/A	69.96%	75%	N/A
Progress Toward Optimal Structure The number of personnel actions required to meet future staffing level goals.		(Fiscal Year Quarterly: Q1 2014, Q2 2014)	498	482	0	↑
Workforce Injuries	OSHA guideline for employers assessing incidents occurring for every 100 employees in a year's time	(Calendar Year Annually: 2011, 2012)	6.89	6.75	6.44	↑
Workforce Crashes			10.20	9.07	9.41	↑
SYSTEM CONDITIONS						
Bridges: General Appraisal Statewide average rating of bridge conditions. Each ODOT maintained bridge is rated on a scale of 0-9; 0 = out of service, 9 = new.		(Fiscal Year Annually: 2012, 2013)	6.79	6.80	6.80	↑
Pavements: Priority System	ODOT measures the average pavement conditions for all Interstates and four-lane divided highways (Priority); rural, two-lane U.S. and State Routes outside of cities (General); and U.S. and State Routes inside of cities (Urban). The ratings are on a scale of 0-100, with 100 being brand new pavement.	(Fiscal Year Annually: 2012, 2013)	87.66	86.38	85	↓
Pavements: General System			83.58	82.77	80	↓
Pavements: Urban System			81.32	80.19	80	↓
Maintenance Conditions Ratings The actual number of MCR deficiencies from a sampling of our state highway network.		(Twice per Calendar Year: Winter/Spring 2013, Summer/Fall 2013)	627	765	376	↓
OPERATIONS						
Direct Labor Ratio District direct 'billable' labor hours divided by the total overall number of labor hours for ODOT's core business functions.		(Fiscal Year Quarterly: Q1 2014, Q2 2014)	65.24%	65.46%	70.0%	↑
Travel Time Reliability Index (TTRI) Measures the percentage of time between the 5 a.m.-9 p.m. travellers experience free flow on Ohio's freeways.		(Fiscal Year Quarterly: Q1 2014, Q2 2014)	91%	85%	88%	↓
Snow & Ice Control The number of state priority routes not reaching expected speeds within 2 hours after a snow event.		(Winter Monthly: Nov 2013, Dec 2013)	2	19	0	↓
SAFETY						
Fatalities	Current number of motor vehicle incidents that have occurred on the ODOT System roadways (all Interstates and U.S. or State Routes outside of cities) compared to these metric's five-year average.	(Calendar Year Annually: 2011, 2012)	457	521	485	↓
Serious Injuries			3,711	3,547	3,716	↑
Total Crashes			84,813	80,231	83,893	↑
CAPITAL PROGRAM						
Contract Program (\$ Billions) Total construction and maintenance contracts awarded and to be awarded for the Fiscal Year on ODOT and local agency projects.		(Fiscal Year Annually: 2012, 2013)	\$1.7	\$1.8	\$1.9	↑
ODOT Let Projects Awarded On-Time	Percentage of department or local contract construction projects let by their target date.	(Fiscal Year Quarterly: Q1 2014, Q2 2014)	91.1%	89.6%	90%	↓
Local Let Projects Awarded On-Time			97.9%	94.2%	85%	↓
Contract Program/Production Costs Construction costs divided by department costs incurred to create projects.		(Fiscal Year Annually: 2012, 2013)	3.73	3.30	4.0	↓
Complete Construction Projects On Time Timeliness for the delivery of ODOT projects.		(Fiscal Year Quarterly: Q1 2014, Q2 2014)	N/A	N/A	0	N/A
Preventable Change Orders Cumulative dollar amount of preventable change orders over the total construction program dollar amount.		(Fiscal Year Annually: 2012, 2013)	1.40%	0.30%	1.5%	↑

See ODOT's Critical Success Factors Defined: Metric Appendix online for further details.