



Case Study



The image of government organizations is changing —for the better—and their customers and employees are the direct beneficiaries.

In the USA, the traditional perception of government agencies as bureaucratic, non-responsive and mired in red tape is rapidly being replaced by high-performing teams whose goal is to deliver customer satisfaction and continuous improvement in performance.

The Ohio Department of Transportation (ODOT) District 12 is a premier example. In 2005, The Ohio Partnership for Excellence (OPE) Board of Trustees announced that ODOT, District 12 was awarded Tier IV recognition.

Tier IV recognition is defined as "the highest level of recognition for organizations that have demonstrated, through practices and superior results, the highest level of excellence. These organizations are outstanding examples of excellence in Ohio exhibiting "world class" processes that serve as role models for others." No other state (government) agency has ever received this level of recognition. District 12 joins seven other non-government award winners, representing businesses, healthcare organizations, and educational institutions, who have achieved this honor since 2000.

Baldrige criteria were developed as part of a national quality award named in honor of the Department of Commerce Secretary, Malcolm Baldrige, in 1987 to help US businesses improve their competitiveness in the global marketplace. During the 1980s US businesses suffered losses in the marketplace due to stronger international competition. Japanese business leaders were able to improve the performance of their organizations after the devastation of World War II by following the teachings of W. Edwards Deming using the Deming Prize Criteria. Congress hoped that the Baldrige criteria would help US business leaders focus on the systems and processes that would lead them to a recovery much like the Deming Prize Criteria helped the Japanese.

Five-year journey

District 12 has utilized the OPE award criteria, modeled after the Baldrige Criteria for Performance Excellence, since 1999. The agency received Tier I recognition in 2001, Tier II recognition in 2002, and Tier III recognition in 2004. Tier IV, achieved in 2005, represents the highest level of

recognition that the District can receive at the state level.

When the process began, senior leadership's approach for communicating and deploying their Organizational Performance Index (OPI) goals and objectives was not developed throughout all levels of the organization. However, they built a disciplined process for sharing desired performance outcomes and empowering employees to create and carry out their own work plans that would contribute to overall improvement and customer satisfaction.

Now, District 12 has a systematic approach for setting organizational values, directions, and expectations that includes a ten-year Capital Work Plan and External Customer Survey. District 12 communicates those values and directions to employees through its Communication Continuum and ensures two-way communication on these topics through Quality Services through Partnership (QStP). Its strategic planning addresses the key factors for success and it has a clear method for collecting and



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analyzing the relevant data and information to address these key factors

In 2005, District 12 placed in OPE's scoring band seven, 75% to 88%, indicating that "the organization demonstrated refined approaches, innovation, excellent deployment, and good to excellent performance improvement and levels in most areas. Good to excellent integration and alignment are evident, with organizational analysis, learning, and sharing of best practices as key management strategies. Industry leadership, and some benchmark leadership, is demonstrated in results that address most key customer/stakeholder, market, process, and action plan requirements." In 2004 District 12 had only achieved scoring band four, 45 to 55 percent.

The following areas of strengths were identified by the OPE examiners:

Strengths

- Positive relationship between Bargaining Unit and Exempt employees.
- Alignment of goals to annual work plans.
- Management by fact.
- Communication Continuum.

In May 2007, an 80 member Quality Action Planning Team, comprised of the QStP Steering Committee, Safety and Health Committee, Senior Leadership, and Union Leadership completed its seventh Quality Action Plan.

Best Practices

The District was recognized from the Ohio Partnership for Excellence with a best practice for their "Communication Continuum". This represents how the District deploys information throughout the workforce. Information, which starts at the statewide Leadership Meeting, flows to the District Executive Leadership Team. Administrators then distribute the information to their own work locations. In addition, they have monthly Quality Services through Partnership meetings that are comprised of half bargaining

unit/half management to monitor the District's quality processes, bimonthly labor-management meetings, Focus 2015 meetings quarterly where the leadership team travels to each work unit to share information about the District's strategic plan, along with the intranet and monthly newsletters. Also recognized by the OPE was the District's annual work plan where front line employees identify the work that needs to be completed in the upcoming fiscal year and create the plan.

Structured communication. Dave Coyle, District 12's Deputy Director, has a "Chats" process with every employee on an annual basis. He begins in January each year and sends out to the work force 2 to 4 questions in advance and meets with all 450 employees in every work location from January to March. As the process has matured, the questions have become more strategic to the mission of the agency. For example, the 2006 Questions were:

Which one of the five Strategic Initiatives (listed below) will have the greatest impact on you as a District 12 team member and why?

- Deliver the Jobs & Progress Plan
- Respond to Ohio's High Crash Locations
- Complete the Highway Technician Program
- Improve County Operations by Using Business Tools
- Improve the Pavement Management Process

The 2005 Questions were more tactical:

1. What process improvements would you suggest to increase productivity, reduce cycle time, and/or reduce costs which would improve our efficiencies here at D-12?
2. What has changed or improved as a result of these chats?
3. What makes you feel good about working for ODOT D-12?

From the chat response District 12 develops "quick fixes" which are intended to be an immediate answer to a question brought up by employees and Problem Solving Process (PSP) teams, which are formed to improve processes based on input provided by employees. In FY 06 District 12 had 109 quick fixes and 19 PSP teams and in FY 07 they have already had 20 quick fixes and 5 PSP teams.

Annual Work Plan

The flowchart seen on the next page illustrates the annual work plan process that employees develop. This started in District 12 and was adopted as a statewide best practice and is now utilized in all 12 Districts, resulting in stronger employee involvement in focusing on customers' needs.

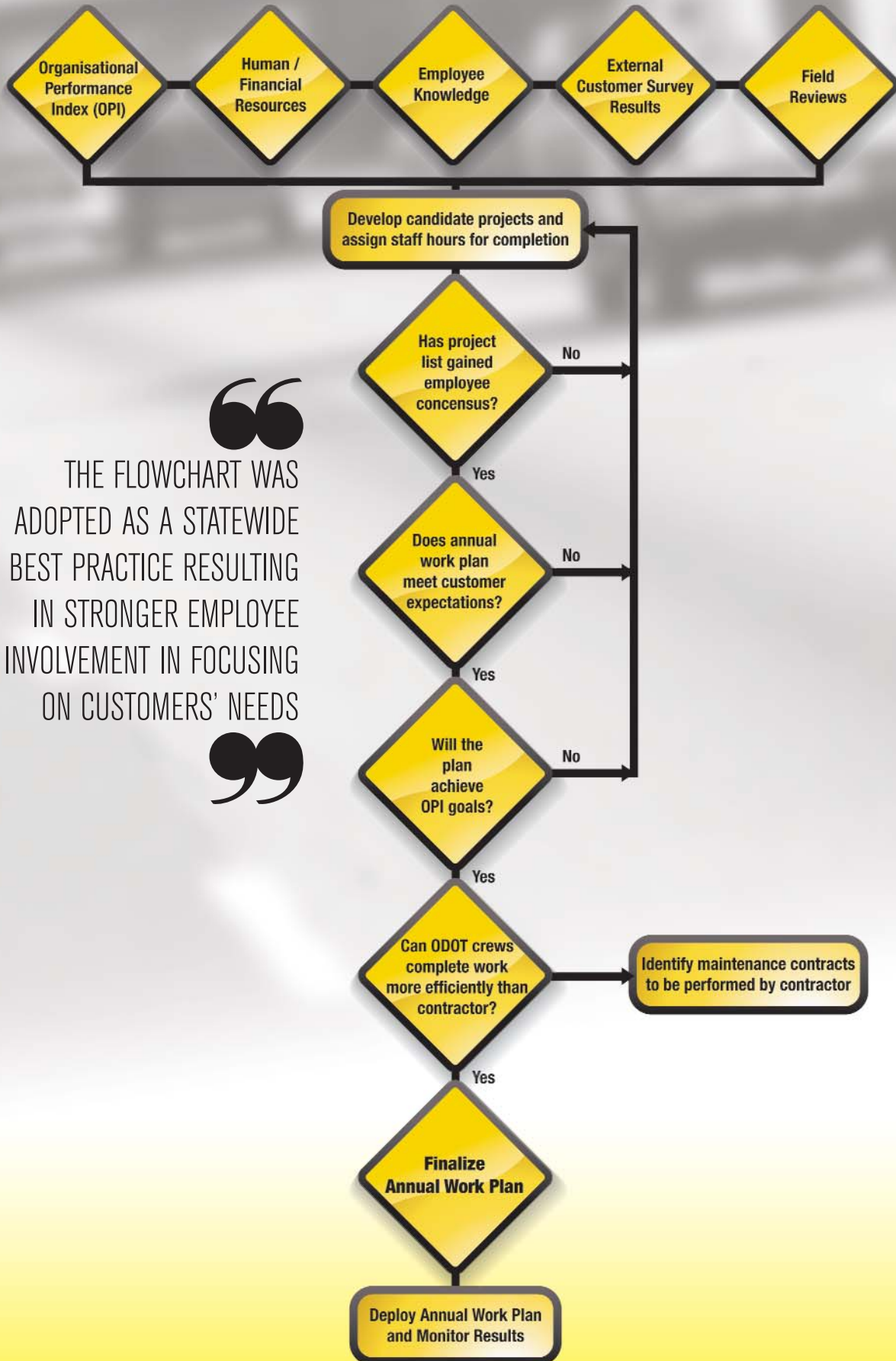
Team Up ODOT. A mechanic from Lake County invented a vegetation sprayer that can be added to the current equipment used by Highway Maintenance. The sprayer was made to spray on both sides of the guardrail at the same time instead of doing one side at a time. District 12 took this piece of equipment to Team Up ODOT, which is an annual showcase for statewide best practices. Other Districts have expressed interest in the innovative sprayer for their operations.

The Team Up ODOT event also presents awards for outstanding efforts throughout the organization. This year, District 12 sent five teams displaying ideas that District 12 had developed or improved upon:

- The Highway Attribute Data Team which developed and deployed a methodology for utilizing data through GPS technologies.



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- The Incident Response Team which developed a plan and equipment to enable the District to respond to incidents.
- County Annual Work Plan (AWP) Team which developed a system for involving highway technicians in the AWP Process.
- District 12's Health and Safety Team which developed multiple methods to reduce accidents.
- The Spall Forming (concrete deterioration) Removal Team which developed a tool for county managers to track work orders for removal of concrete when it breaks apart.

Some of the other benchmarking ideas from other Districts included new solutions to common snow and ice problems, several Strategic Planning Teams, and multiple county operations teams.

Since the inception of the Total ODOT Performance Awards in 2001 District 12 has been the recipient of 16 awards, the most of any District in Ohio.

Customer and Employee Measurement

The Baldrige Award expects its candidates to demonstrate a high degree of measurement in their operations in order to monitor performance trends. The criteria also include elements concentrating on Human Resource Management and Customer Focus.

During 2004, District 12 selected The Leadership Factor to implement a world-class process for the measurement of employee satisfaction and commitment. It trained 40 management and hourly employees in the techniques and actually conducted the survey of all employees, achieving a 98% response rate. D-12 is continuing this employee commitment measure again in 2006.

D-12's Customer Complaint System was developed by its CUST team using QStP. D-12 ensures that complaints are resolved effectively and promptly and used for improvement throughout the organization. Analysts review trends in the complaint system as well and work

with maintenance managers to be proactive.

In addition, during 2005, ODOT District 12 also commissioned The Leadership Factor to conduct its biennial satisfaction survey of the general public who use the state highways.

Benefits

Customers have benefited from External Customer Surveys. Some examples include D-12's Maintenance of Traffic Policy. Customers told the District that they would prefer ODOT to do work on nights and weekends to lessen the delays to motorists. D-12 developed a policy that outlines each lane mile of interstate highway and what time of day each lane is allowed to be closed. Contractors must get any deviation to this policy approved by the District. This policy was adopted as a statewide best practice.

Also, the Customer Complaint system was improved upon after the last survey results. ODOT now surveys customers after the complaint has been handled to determine relative levels of satisfaction. One other improvement is the Road Crewzer Program. Road Crewzers drive around the interstate from 6 am to 8 pm and offer help to stranded motorists. They let motorists use a cell phone, give them gas, help change tires and provide protection against oncoming traffic.

Employees have also noticed improvements based on the satisfaction surveys since 2004. Interview Panels for job promotions were instituted as a result of surveys. Interview Panels are comprised of half bargaining unit/half management and come to consensus on the top candidates. D-12 has even had panels consisting of only bargaining unit employees review candidates for management positions. This was in response to a Priority for Improvement "promotions are based on qualifications". Each work unit also formed a PSP team to determine reward and recognition processes within their work units that are within the limitations of the Ohio Revised Code. The communication continuum that was described ear-

lier was developed in response to poor scores in communication from management.

Links through Measurement

Quality began in the District in 1993 when the State Office of Quality was created. Ohio's answer to the quality question was to utilize Quality Services through Partnership (QStP) to engage management and the union to meet and/or exceed customers' expectations. As the District realized notable improvements that resulted from employee Problem Solving Process (PSP) teams, the decision was made to align the random acts of improvements and measure the organization's journey towards quality using the Ohio Partnership for Excellence, which is based of the Baldrige criteria. After the QStP Steering Committee completed an initial self-assessment using the criteria, the District made its first application to the OPE in 2000.

The Project Development Process (PDP) was developed so that priorities could be assigned without conflict and all key performances are noted under one integral set of metrics, called OPI, which permits the District to meet key requirements, reduce cycle time, increase productivity, and transfer knowledge throughout the organization. A standing, cross-functional team, TPDT, meets monthly. It monitors process requirements and results and incorporates their organizational knowledge into final outcomes through ongoing dialogue and joint problem solving issues.

D-12 ensures high-performance work and a customer and agency focus by aligning its process for leadership effectiveness, strategic planning, performance measurement, customer satisfaction, employee satisfaction, human resources, and service planning and delivery into one process. Key components include establishing both breakthrough and maintenance goals, feedback to employees on a quarterly basis, peer feedback and reward and recognition ensure a comprehensive performance management system that includes bargaining unit and exempt employees.



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The District has traveled to a point in its quality journey, which has reached a higher maturity, which will necessitate better coordination for improvements to be effective. Each department incorporated quality principles into its processes, but there was no contact person to ensure that plans were aligned, executed and yielded expected results. Random acts of improvement were happening all across the District but weren't aggregated and aligned to overall organizational strategy. Teams developed effective action plans, but implementation wasn't systematic and successes weren't shared throughout the District. The Quality Office will coordinate action plans, performance measures, and follow up to ensure the acts of improvement are aligned with overall organizational strategy.

Using the Baldrige Integrated Management System, which has been a catalyst for high performance in world industry for the past 50 years, the District has been able to define its Strategic Planning Process based on customer, employee and organizational results and align departmental action plans to the strategic plan. Goals defined in the Strategic Planning Process have measurable outcomes, which become the District's scorecard for success. Quality Assurance Reviews and monitoring action plans and measures will allow the District to remain flexible and make mid-term adjustments to attain goals.

Lessons Learned

- Feedback is only as good as the effort put in by the applicant
- Involve union membership from beginning
- Make sure that the alignment of the OPI to daily operations is understood by all work groups.
- Sign up as many employees to be examiners as possible, union and exempt
- All inclusive action planning team
- Celebrate success

Conclusion

ODOT, District 12, has transformed itself from a poorly performing government agency into an agile, customer-focused organization with dynamic performance measures. Many examples of how its teamwork has created performance excellence can be found at <http://www.dot.state.oh.us/dist12/>

Most change-minded business people look at government and wonder, "Why can't government run more like a business?" ODOT has proven that it can and that the benefits are enormous. Quality Officer, Billie Jo David said it best, "The quality processes that have been established are engrained throughout the organization from the top down. Our success is a source of organizational pride for everyone."


The Ohio Performance Excellence award cited District 12, saying, "Good to excellent integration and alignment are evident, with organizational analysis, learning, and sharing of best practices as key management strategies. Industry leadership and some benchmark leadership are demonstrated in results that address most key customer/stakeholder, market, process and action plan requirements."

Like many entities throughout the world, both public and private, ODOT is using the Baldrige Criteria as a framework for their continuous improvement process. In order to exceed expectations the department must first find out what customers' expectations are, then improve the processes used to plan, deliver and measure the services that the organization provides.

The Baldrige criteria offer the best that is known about organizational effectiveness based on more than 50 years of success in nearly every world industry by clarifying current processes in simple terms and providing assurance that the approach that is being used will work effectively.

ODOT District 12 continues to demonstrate that government agencies can achieve world-class results that have previously been associated with the business world.

The Seven Baldrige Award Criteria for performance excellence

- LEADERSHIP
- Strategic Planning
- Customer and Market Focus
- Measurements, Analysis, and Knowledge Management
- Human Resource Focus
- Process Management
- Business Results 



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