

TO: Board of Directors

DATE: July 11, 2017

FROM: Rick Ramacier
General Manager

SUBJECT: Administrative
Reorganization

Background

Over the past years, a number of administrative based positions have remained unfilled or eliminated upon an incumbent's departure. Often this was part of cost cutting measures, less often it was due to a lack of a qualified replacement. Thus, senior staff (in terms of time on the job) absorbed many of the functions from these unfilled or lost positions. Other functions were no longer covered.

Through recent retirements of long time senior administrative employees, an increasing work load for remaining administrative employees, and the increasing technical and political nature of delivering public transportation service, an unsustainable strain is upon the work force as well as the current organizational chart. In short, we have allowed the administrative staff levels to shrink too much and the current structure of the Authority is a hinder to attracting and developing critical staff in support of providing modern and expected transit services.

It should be noted that the shrinkage in staff was greater between 2004 and 2010, while the work increase has largely happened since 2013 or so. Also, the departure of long time senior employees picked up in pace after 2013. Thus, the impact to the administrative workforce from the departure of employees and the current organization chart was delayed and is now being fully felt at this time.

To address this situation, the General Manager seeks to reorganize the administrative structure of the Authority. The purpose is to update the organizational structure so that the Authority can meet its vision and mission in delivering public transportation service effectively, efficiently, safely, and responsively well into the next decades.

Brief Analysis of Current Situation

The functional areas that could use greater staff attention and oversight are, accessible services (including paratransit contract oversight), human resources, and information technology. Furthermore, the structure was greatly flattened shortly after I became General Manager. In my view, we are too flat. In order for us to be truly effective in a manner consistent with the direction and goals of the Authority, the organizational structure should increase its verticalness at this time. This will facilitate teamwork, consistency, and better overall staff performance and accountability.

We have enjoyed the benefit of having a number of well experienced long term senior people in management at the Authority. The downside of this is that since 2013, a number of these folks have left, and a few more are likely to leave within the next few years. A highly experience and competent team not only can overcome the inherent weaknesses of a relatively flat structure, but can actually sometimes thrive in one at times.

As these long term employees have left, we have and continue to work hard to replace them with capable talent. We have been somewhat successful in this. The one thing the newer people tend to not have is the well-developed experience of their predecessors. Their continued and on-going development is very important for them to reach their full potential. Thus, this situation may call for a more vertical structure to support this.

Current Structure

The current organizational structure has Directors followed by Senior Managers followed by Managers. There are no Assistant General Managers or Chiefs per se. Recently, some Directors have been reluctant to make decisions or recommendations that are not entirely within their respective department. Meanwhile, these types of multi-departmental decision needs have been growing. At the same time, confusion has developed between the roles, functions, and compensation distinctions between Senior Manager and Manager. Thus, lines of communication and command have been inefficiently blurred.

New Structure

The new structure proposes to have an Assistant General Manager- Administration, a Chief Operating Officer, and a Chief Financial Officer. The next layer would be Directors followed by Managers. The title of Senior Manager would cease. This structure would provide the General Manager with a more consolidated span of control, take advantage of three very strong proven leaders among the existing employees, and provide regular and high level support to a handful of younger employees who with such help are ready to take on the role of department head. Finally, this will allow me to spend more time effectively representing our interests externally as is needed at this time.

Financial Considerations & Benefits to Reorganization

In the short term, there is a net growth of four staff to the administration of the Authority under the proposed plan. Over the next year or so, that will likely be offset by the elimination three possibly four positions through attrition.

The four net positions that the new structure will have could cost up to an estimated \$480,000 per year (revised from the \$430,000 per year figure given to the A&F Committee). The savings from eliminating select positions through attrition should save an estimated \$410,000 per year (revised from the \$375,000 per year figure given to the A&F Committee) upon completion of said attrition. Further discussions as recent as this week suggest that the attrition will be complete by the end of fiscal year 2018.

The benefits of this reorganization to County Connection include a more efficient and productive workforce. Over the long term, this should allow us to maintain appropriate staffing if, or when we are next faced with budgetary based challenges. However, just as important is that this new structure will serve to help us retain, train and maintain top talent. This will allow us to build services that continue our stellar safety record, are delivered with good quality, are creative and responsive, and ultimately lead to increases in ridership and relevance.

Options

- 1.) Implement an administrative reorganization as put forward in Attachment A.
- 2.) Implement a different administrative reorganization.
- 3.) Stay with the current organizational chart as in Attachment B.

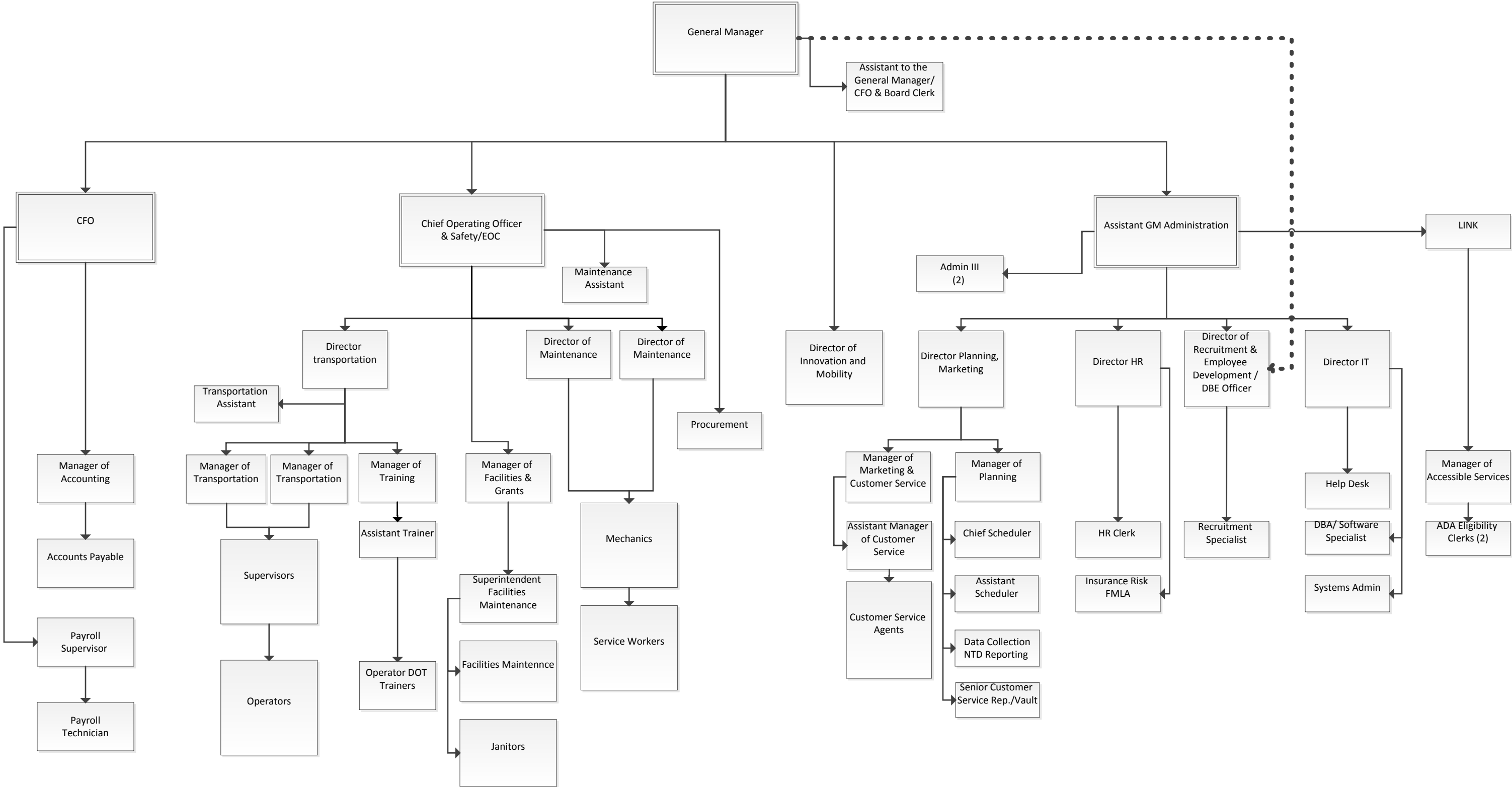
A&F Committee Recommendation

This proposal was reviewed by the A&F Committee. They recommend approval by the Board of Directors.

Action Requested

The A&F Committee and the General Manager respectfully request that the Board of Directors approve Option 1.) as described herein.

Attachment A



Attachment B

