Organizational Assessment

Final Report

June 24, 2024
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Executive Summary
Executive Summary

Introduction
During its more than 50-year history, RTD has transformed regional transportation options and now provides a diverse array of public transit services within eight Colorado counties. Despite its past success in extending transit options, the agency is under scrutiny for customer security and service reliability, which have led to declines in ridership and public confidence in the agency. While the current leadership team has made progress in addressing many of RTD’s challenges, there is general recognition that the agency must address longstanding organizational issues that have limited its full potential.

Consulting Partnership
RTD engaged Segal as an external consulting partner to conduct an organizational design assessment. The specific aims of the assessment were to provide an independent and unbiased exploration of issues related to RTD’s:

Culture and climate
Communication, coordination, and collaboration approaches
Organizational structure and staffing

Methodology
Between January and April of 2024, Segal reviewed extensive documentation provided by RTD, held one-on-one and small group interviews with 339 RTD employees, including all members of the leadership team. This information was analyzed to prepare a report that offers a comprehensive analysis of factors that are contributing to current RTD challenges and provides actionable recommendations.
Key Findings

The organizational design assessment revealed five key themes:

1. RTD’s organizational structure, staffing approach, and leadership dynamics are not supporting the agency to function in an optimal manner.
2. Certain agency practices discourage high performance and employee commitment.
3. RTD’s hierarchical organizational culture impedes collaboration and coordination.
4. Employees, supervisors, and managers need more information to be effective in their roles.
5. Employees are unclear about RTD’s future direction and worried about its prospects for success.

Employees interviewed as part of this assessment consistently identified two critical priorities:

1. Treating employees as valued organizational assets
2. Establishing higher performance standards
Key Recommendations

To address the findings identified in this assessment, Segal offers the following recommendations:

1. Redesign RTD’s organizational structure and operating approach to better align roles and responsibilities and encourage collaboration.

2. Strive to make RTD one of the region’s most desirable employers.

3. Adopt a more participatory and systems-oriented approach to address organizational challenges and encourage continuous improvement.

4. Use a more strategic and targeted approach to information sharing.

5. Articulate a clear, compelling, and inspiring vision for RTD’s future and ensure that all employees understand how they can contribute to the agency’s success.
Background
Background and Context

Agency Overview

With roots as a bus company, the Regional Transportation District (RTD) now provides a diverse array of public transportation services within 40 municipalities in eight Colorado counties: Boulder, Broomfield, Denver and Jefferson counties, and parts of Adams, Arapahoe and Douglas, and Weld counties. The organization supports the transportation needs of more than three million people located within 2,342 square miles through services that include, but are not limited to, bus, rail, shuttles, FlexRide, paratransit services, special event services, and vanpools.

Agency Origins

RTD is often described as a “mom and pop shop” that grew quickly from a bus company to a major transit system. Buoyed by funds from a regional sales tax initiative, agency staff were instructed, “to build as much as you can as fast as you can.” While RTD was able to build a nationally recognized rail system, it did not build the internal administrative structure or leadership capacity necessary to effectively operate a large and complex transportation enterprise.

Current Challenges

After more than a decade of sales tax-funded rail construction, RTD found itself without the resources needed to grow its rail system. This inability to deliver on planned expansion promises, coupled with safety and service reliability challenges, have eroded the public’s trust. The debt from past construction is significant, and revenue is down because of declines in ridership exacerbated by the pandemic and the growth of remote work. RTD’s governance effectiveness has been called into question and in 2024 there was a legislative effort to restructure its board size to give Colorado’s governor more influence over the agency.
New Leadership

After a nationwide search, Debra A. Johnson assumed the role of General Manager and Chief Executive Officer (GM/CEO) in November of 2020. She quickly recognized the need to transition the agency from a focus on growth to a focus on structural and operational sustainability. As part of this effort, she hired new members of her leadership team, including a Chief Administrative Officer, Chief Communications and Engagement Officer, a Chief Financial Officer, a Chief People Officer, and a Chief of Police. Employees credit her with eliminating mandatory overtime and launching “Dialogues with Debra,” bi-monthly gatherings that allow employees to ask questions about the issues that matter most to them.

After a comprehensive strategic planning effort and review of customer and employee feedback, RTD is now focused on three strategic initiatives:

1. Back to basics (moving from growth to operating and maintaining)
2. A welcoming transit environment (creating a safe transit experience for customers and optimal working environment for employees)
3. People power (attracting critical talent)

Addressing the Root Causes of Agency Challenges

To uncover and eventually address the cultural and organizational issues that are hampering RTD’s effectiveness and limiting public and employee confidence, RTD engaged Segal as an external consulting partner. Beginning in late January of 2024, Segal launched an organizational design assessment to provide an independent and unbiased exploration of issues related to, and 3) organizational structure and staffing.
Methodology
To conduct this organizational review, Segal engaged in the following activities:

- **Document Review**: Conducted a comprehensive review of data that RTD provided, including, but not limited to, organizational charts, past employee and customer surveys, ridership trends, agency messages, financial documents and employment policies.

- **Interviews and Focus Groups**: Between January-April 2024, held individual meetings and focus groups with a cross section of 339 RTD employees. Among those interviewed, approximately 60% were represented staff and 40% were non-represented.

- **National Trends Analysis**: Compared RTD’s organizational practices to recognized best practices.
Definitions

This report uses the following definitions:

**Culture:** Culture is often defined as “the way we do things around here.” The aspects of culture reviewed in this assessment are provided on page 13.

**Climate:** Climate refers to how employees experience the culture or “how it feels to work here.” The aspects of climate reviewed in this assessment are provided on page 14.

**Communication:** Communication refers to the process of distributing or exchanging information.

**Collaboration:** Collaboration is the act of working together toward a common purpose.

**Coordination:** Coordination is the process of organizing and aligning people, activities, and resources of different groups so they can work together effectively toward common goals.

**Organization:** Organization refers to the structures, processes and systems that an organization uses to achieve its goals.

**Senior Leadership Team:** In this report, Senior Leadership Team refers to RTD’s highest level of management.

**Staffing:** Staffing refers to the way employee roles are filled.
Culture Elements Reviewed

To assess RTD’s culture, this assessment examined the following factors:

**CULTURE**

“The way we do things”

**Values and beliefs** – What the agency stands for

**Accountability mechanisms** – How standards are established and managed

**Communication practices** – How information is shared and explained

**Leader behavior** – How leaders interact with others

**Organizational orientation** – Whether the organization is focused on control, goal completion, innovation, or people

**Risk tolerance** – Comfort in taking risks and managing uncertainty

**Rules and policies** – What is expected

**Traditions and rituals** – What is recognized and celebrated

**Ways of working** – How work is accomplished, including processes and decision-making protocols
Climate Elements Reviewed

To assess RTD’s climate, this assessment examined the following factors:

**CLIMATE**

“How it feels to work here”

- **Ability to make progress** – Having the tools and resources needed to accomplish work tasks
- **Appreciation** – Feeling valued for one’s work
- **Belonging** – Feeling accepted
- **Fairness** – Believing decisions will be made in an impartial manner
- **Opportunities to learn and grow** – The ability to gain new skills and advance in one’s career
- **Physical and psychological safety** – Being free from physical harm and the belief that one will not be punished or humiliated for asking questions, proposing ideas, or raising concerns, ideas, questions, concerns, or mistakes
- **Respect** – Feeling as though one is treated with courtesy and dignity
- **Voice** – The opportunity to influence decisions and to have opinions matter
Findings

The following findings reflect information gleaned from employee interviews
Organizational Strengths

The organizational assessment revealed multiple strengths upon which RTD can build. Examples include the following:

**Mission**
Employees are proud to be supporting the region’s transit needs

**Leadership**
The GM/CEO is viewed as inspiring, dynamic, strategic, transparent, caring and courageous. She is widely described as having very high standards

**Organizational Stability**
RTD is considered a stable employer that offers valued employment security

**Coworkers**
Relationships within work teams are strong and coworkers tend to work together effectively

**Career Paths**
The breadth of roles within the agency creates opportunities to build a long-term career within RTD and move laterally across the organization

**Pay and Benefits**
- Employees value their benefit options and increasingly competitive pay
- Longer-tenured employees appreciate their participation in the legacy pension program
- The double-time pay option for represented employees is highly valued

**Flexibility**
Employees who are eligible for a four-ten and/or hybrid work schedule are grateful for this flexibility and the ability to save time and reduce commuting costs
Findings
Thematic Challenges

The assessment surfaced the following challenges:

Organization and Staffing
RTD’s organizational structure, staffing approach, and leadership dynamics are not supporting the agency to function in an optimal manner.

Employee Experience
Certain agency practices discourage high performance and employee commitment.

Coordination and Collaboration
RTD’s hierarchical organizational culture impedes collaboration and coordination.

Communication
Employees, supervisors, and managers need more information to be effective in their roles.

Future Direction
Employees are unclear about RTD’s future direction and worried about its prospects for success.
Findings
Organization and Staffing

RTD’s organizational structure, staffing approach, and leadership dynamics are not supporting the agency to function in an optimal manner

The Board’s engagement in day-to-day management is a source of concern
- The Board is perceived to be focused on management rather than governance and policy making
- There are perceptions that Board members are using RTD resources to pursue personal agendas rather than advance vital public needs

The senior leadership team is not operating in a strategic or cohesive manner
- The GM/CEO has been highly focused on internal matters because she has not had confidence in all members of her team
- The senior leadership team is described as disjointed and focused on firefighting rather than strategy
- There are reports that senior leadership team members “stay in their own lane” and do not engage in shared strategy development or problem solving

There is uneven confidence in members of the senior leadership team
- Several members of the senior leadership team are highly regarded, but there are concerns about the integrity of some members
Findings
Organization and Staffing

RTD’s organizational structure, staffing approach, and leadership dynamics are not supporting the agency to function in an optimal manner.

Based on Segal’s review of major U.S. transit agencies*, the senior leadership team appears to be missing key strategy roles.

- The following table displays roles commonly found in executive teams of large transit agencies across the United States:

<table>
<thead>
<tr>
<th>Common Transit Agency Executive Team Roles</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Roles In Place at RTD</strong></td>
</tr>
<tr>
<td>• General Manager/Chief Executive Officer</td>
</tr>
<tr>
<td>• Chief Communications and Engagement Officer</td>
</tr>
<tr>
<td>• Chief Financial Officer</td>
</tr>
<tr>
<td>• Chief Infrastructure Officer <em>(RTD uses Assistant General Manager, Capital Programs)</em></td>
</tr>
<tr>
<td>• Chief Operating Officer</td>
</tr>
<tr>
<td>• Chief People Officer</td>
</tr>
<tr>
<td>• Chief Planning Officer <em>(RTD uses Assistant General Manager, Planning)</em></td>
</tr>
<tr>
<td>• Chief Safety and Security Officer <em>(RTD has a Chief of Police and Emergency Management)</em></td>
</tr>
<tr>
<td>• General Counsel</td>
</tr>
<tr>
<td>• Government Relations Officer</td>
</tr>
</tbody>
</table>

*The list of transit agencies reviewed in this benchmarking analysis can be found on page 57.
Findings

Organization and Staffing

RTD’s organizational structure, staffing approach, and leadership dynamics are not supporting the agency to function in an optimal manner.

There are questions about the alignment of various organizational units and activities. For example:

- Why does Paratransit report to the Chief Operations Officer rather than Bus Operations?
- Why are there three facilities maintenance groups?
- Why are bus and rail managing their own network servers?
- Why is training so distributed?
- Why is the sign shop in Bus Operations rather than working with those who do similar kinds of work within the Chief Communications and Engagement Officer’s portfolio?
- Why is the print shop under the Chief People Officer?
- Should IT and Cybersecurity report to different senior leaders to create strong checks and balances?
- Why does Bus Operations have its own engineer when this is a Capital Programs function?
Findings
Organization and Staffing

RTD’s organizational structure, staffing approach, and leadership dynamics are not supporting the agency to function in an optimal manner

RTD’s organizational structure hampers the agency’s effectiveness

- Much of RTD’s organizational structure appears to have been created in response to personality conflicts or career aspirations rather than organizational needs
- There are reports of functional overlaps in some departments. This is perceived to waste resources and make it difficult for internal and external stakeholders to know who does what
- There is no chief technology officer guiding the agency’s IT strategy
- There is general recognition that the agency’s structure should be realigned, but there is no consensus about how this should be done

Multiple service units are perceived as difficult to navigate and there is interest in having an assigned point of contact

- Employees especially want identified contacts in HR and Contracting and Procurement who understand their needs and issues
Findings

Organization and Staffing

RTD’s organizational structure, staffing approach, and leadership dynamics are not supporting the agency to function in an optimal manner

There are perceptions that some work groups are too leanly staffed to meet critical needs

- For example, while cycle times are reported to be improving, there is general agreement that Contracting and Procurement is understaffed and the inability to make purchases in a timely manner is compromising safety and contributing to ridership challenges

Agency naming conventions are a source of confusion

- There is not a common nomenclature for describing organizational units (e.g., departments, divisions, units) and this makes it difficult to navigate RTD’s organizational structure

- Some work group names do not reflect their roles and responsibilities. For example, it has been suggested that Capital Programs be renamed “Infrastructure and Facilities”

- Many job titles are out of sync with industry standards and create confusion about roles and responsibilities

There are questions about RTD’s heavy reliance on consultants

- Capital Programs and Planning were regularly cited as groups that seem to be overly reliant on consultants, and there are concerns about the costs associated with these consultants
Findings
Organization and Staffing

RTD’s organizational structure, staffing approach, and leadership dynamics are not supporting the agency to function in an optimal manner

Supervisors are not consistently empowered to support employees or make decisions to enhance the workplace

- Within bus and rail operations especially, supervisors’ perceived function is to monitor employees, not to support their success
- Employees report that supervisors regularly report they will “have to check” with managers to address basic workplace questions and issues
- Because supervisors are perceived to lack power and authority, many employees are reluctant to raise concerns or make suggestions because they do not believe their issues will be thoughtfully considered
- Because supervisors have limited decision-making authority, the role is perceived as undesirable. As a result, employees with management potential often choose not to pursue these roles
Findings

Employee Experience

Certain agency practices discourage high performance and employee commitment

- Employees report inconsistent adherence to the agency’s stated values

<table>
<thead>
<tr>
<th>RTD’s Stated Values</th>
<th>What Employees Describe</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Passion:</strong> We will be purposeful in delivering our work</td>
<td>Unnecessary complexity and a lack of direction and resources make it challenging to achieve quality results</td>
</tr>
<tr>
<td><strong>Respect:</strong> We will demonstrate respect and integrity in our interactions with both our colleagues and community members</td>
<td>There is a practice of treating employees in other work groups (cross-divisional) and sometimes customers in a demeaning manner</td>
</tr>
<tr>
<td><strong>Diversity:</strong> We will honor diversity in thought, people, and experience, being receptive to unique ideas and viewpoints to achieve optimal results in problem-solving</td>
<td>Ideas for improving the agency are routinely ignored or dismissed</td>
</tr>
<tr>
<td><strong>Trustworthiness:</strong> We will be forthright in our actions; we will do what we say, when we say we will do it</td>
<td>Requests for assistance, resources or information are not consistently honored</td>
</tr>
<tr>
<td><strong>Collaboration:</strong> We will approach our work in a collaborative manner, seeking and acknowledging valued input from our colleagues and the community</td>
<td>Collaboration is regularly discouraged and structurally inhibited</td>
</tr>
<tr>
<td><strong>Ownership:</strong> We will commit ourselves to continuous learning and do what it takes to deliver our shared vision</td>
<td>Mistakes are often punished and concealed rather than used as learning opportunities</td>
</tr>
</tbody>
</table>
Findings
Employee Experience

Certain agency practices discourage high performance and employee commitment

Change management capabilities are underdeveloped

• Rather than building a case for new initiatives or ways of working, RTD tends to rely on announcements to introduce change. As a result, new plans are often met with resistance

Low standards and highly variable accountability mechanisms are cited as evidence that RTD does not value quality or excellence

• In many areas, standards are considered too low and there is a general belief that “good enough is good enough”
  – Being part of an organization that is not perceived to be committed to excellence is a source of dissatisfaction for many RTD employees

• There are reported to be few consequences for failing to meet basic expectations or deliver quality work
  – There is a perception that RTD has modified its performance expectations to retain employees, an approach that is viewed as antithetical to delivering quality customer service or encouraging good work across the agency

• Several managers are described as overly lenient or overly lax depending on their relationship with their employees

• Operators and mechanics want more stringent hiring criteria to ensure that their coworkers have the skills to perform their roles
Findings
Employee Experience

Certain agency practices discourage high performance and employee commitment

Low standards and highly variable accountability mechanisms are cited as evidence that RTD does not value quality or excellence (continued)

- Employees report that managers regularly respond to underperformance by shifting work to more responsible employees rather than addressing performance concerns directly
- There is not a codified approach to managing the underperformance of non-represented employees
- Performance review processes change frequently, and this makes it difficult to assess performance over time
- Many supervisors and managers have undeveloped feedback and conflict management skills that limit their ability to engage in constructive conversations and coaching to improve performance
- Supervisors often fail to properly document performance concerns, which limits the agency’s ability to engage in formal discipline
- Employees, supervisors, and managers perceive that RTD is too afraid of the union to tackle challenging performance issues
Findings
Employee Experience

Certain agency practices discourage high performance and employee commitment

Safety and personal security are not perceived to be organizational priorities

- Employees want safety and security to be on RTD’s list of organizational values
- Operators do not believe their requests for secure stations (requiring valid fare to access a station) or a security presence on buses and rail cars have been seriously considered
- Some bus and rail operators take issue with the way dispatchers address concerns about safety for operators and their customers
- Operators reported that RTD does not consistently follow established health and safety procedures when operators are exposed to drugs such as fentanyl
- During interviews, multiple employees shared stories of reporting safety concerns that were not considered or addressed
- Police department members highlighted concerns regarding field training capacity given the pace of adding new hires
- Safety and Environmental Compliance team members reported that they often receive hostile responses to their guidance and directives
Findings

Employee Experience

Certain agency practices discourage high performance and employee commitment

Many employees experience barriers to accomplishing their work

- It is often difficult to obtain the resources and internal support services required to accomplish tasks
  - Employees who maintain structures, facilities and vehicles were most likely to express frustration with their ability to carry out their responsibilities because they lack critical parts, equipment, or authorization to contract for services
    - Employees want to be proud of their work, but regularly feel defeated because they cannot finish it or meet their personal standards of quality
    - The inability to secure resources is frequently blamed on inefficient procurement processes and unresponsive budget allocation protocols
  - It can be hard to find the people who can provide information or support
    - Comprehensive directories that detail who does what are not reported to exist, which makes it difficult to access information and support
    - Those who are able to access Workday report that employee contact information is often missing
- Policies, processes, and procedures are challenging to navigate
  - Policies and procedures are not up to date, well documented, or easily accessible
  - Processes are highly manual and often require paper checklists, spreadsheets, fax machines, and microfiche
Findings

Employee Experience

Certain agency practices discourage high performance and employee commitment

Many employees experience barriers to accomplishing their work (continued)

- Several processes are described as overly complex and difficult to navigate
  - **Asset management** – While there is begrudging acknowledgement about the need to better account for and manage assets, the procedures required to satisfy the asset management department are considered onerous
  - **Budgeting** – The annual and multi-year budgeting process is perceived as overly complex and there are complaints that investment decisions are made by budget analysts rather than subject matter experts
  - **Information technology** – While citing improvements, multiple employees expressed concern about response times and IT expertise and sophistication
  - **Hiring** – While perceived to be getting better, there are frustrations about the time it takes to hire and the quality of HR’s screening practices. The employee referral process emerged as a source of concern with several employee reporting their belief that referrals are not treated with care or given due consideration
  - **HR policy interpretation** – While they may want to argue about policies, managers dislike hearing that policies are “subject to interpretation.” There is interest in having HR be more definitive
Certain agency practices discourage high performance and employee commitment

Many employees experience barriers to accomplishing their work (continued)

• Several processes are described as overly complex and difficult to navigate (continued)
  – **Contracting and Procurement** – While this area is reported to be improving, the purchasing process is described as time consuming and a barrier to accomplishing work and ensuring safety. There are questions about whether complex procurement procedures are required or are simply the division’s interpretation. Some say this area is understaffed

  – **Safety and Environmental Compliance** – This division was often described as overly intrusive and regularly engaged in conducting unnecessary audits which create unnecessary work

Management practices are a significant source of dissatisfaction

• RTD’s long-term commitment to promoting from within has resulted in promotions based on tenure, rather than management competence. As a result, many supervisors and managers lack basic skills in expressing appreciation, delivering feedback, communicating effectively, and other fundamentals linked to committed and high-performing work teams

Decision making is consistently slow

• There is a tendency to advance decisions “up the chain” rather than make them at a local level
  – Fear of punishment for making a bad decision often prompts employees, supervisors, and managers to elevate decision making to the next management level
Findings
Employee Experience

Certain agency practices discourage high performance and employee commitment

RTD’s relationship-based organizational culture discourages responsiveness and accountability

• The agency was frequently described as having a “who you know” or “good ole boy” culture that:
  – Relies on relationships to get work done and to advance within the agency
  – Is perceived to require knowing the right people and forging the right alliances to advance in the agency
  – Leads to perceptions of favoritism in overtime offers, performance evaluations, and promotions
  – Has encouraged a long-standing practice of hiring friends and relatives, which sometimes leads to conflict when family members and close associates work in the same work groups

Employees are not convinced that RTD is committed to their personal well-being

• Bus schedules and inadequate facilities limit bus operators’ ability to manage their biological needs, such as using a restroom
• New RTD practices are reported to be adopted without consideration of how they will impact employees
  – Examples include the Zero Fare program which creates customer/bus operator arguments when fares resume (e.g., “It was free yesterday’) and the “Let them ride” directive
• The lack of paid parental leave is a source of disappointment for current and would-be parents
Findings
Employee Experience

Certain agency practices discourage high performance and employee commitment

Career advancement opportunities are perceived to be limited, and many long-term employees feel “stuck” in roles they no longer want

- For decades, RTD was seen as a place to grow one’s career and there is pride among those who moved from front-line roles to management. However, there is now a perception that the rules for advancement have changed, and degrees now matter more than experience
  - Several employees expressed frustration about effectively holding acting roles and then being informed after a competitive search process that their lack of a degree rendered them unqualified to hold the role. They resented having to train the individual selected

- Longer-tenured employees believe the agency is failing to harness available internal talent and express frustration with the number of “outsiders” who now hold supervisory, managerial, and leadership roles

- Some employees with many years of service would like their experience recognized with higher titles

- Employees who are unsuccessful at competing for new roles want to know why they were not selected and guidance on how to be more competitive

- Employees want career development to make them more competitive for larger roles
Findings

Employee Experience

Certain agency practices discourage high performance and employee commitment

A significant percentage of employees do not feel respected or valued

- Employees report:
  - Having requests and inquiries ignored by other work groups is routine and expected
  - It is essential to build personal relationships in order to accomplish their work because they cannot rely on colleagues in other workgroups to provide information or support
  - Questions and new ideas are regularly dismissed without consideration
  - Many employees, supervisors, and managers, feel emboldened to demean and belittle others without fear of consequences

Recognition practices are not robust

- Employees would like:
  - To be recognized for their contributions and accomplishments
  - The return of employee appreciation events that include families
  - Resources to hold large gatherings that celebrate the retirements of long-term employees
RTD’s hierarchical organizational culture impedes collaboration and coordination

Organizational silos are common and result in:

- Duplication of effort because work teams are not aware of each other’s efforts
- A lack of commitment to quality or responsiveness because teams are not aware of the impact of their work on end users (for example, mechanics and service cleaners do not engage with bus operators to understand what they need to operate their buses effectively)
- Delays in coordinating equipment maintenance schedules and equipment availability
- Challenges addressing issues that require cross-functional expertise
- The inability to engage in joint problem solving among groups with natural interdependencies, for example:
  - Bus/rail operators and service cleaning staff
  - Bus/rail operators and mechanics
  - Bus/rail operators and dispatchers
  - Bus/rail operators and the police
  - Police and dispatch operators
  - Schedulers and customer service staff
Findings

Collaboration and Coordination

RTD’s hierarchical organizational culture impedes collaboration and coordination

RTD is missing opportunities to leverage employee insights to address core challenges

- There are no formal systems or structures for collecting or considering employee input
- Because employees know their supervisors are not empowered to address issues, concerns, or suggestions, they are often reluctant to report concerns or advance suggestions

Collaboration and systems thinking are not used to address challenges or explore opportunities

- There is not a practice of attempting to understand the root causes of complex challenges

Strict chain-of-command protocols make it difficult to achieve results

- Managers and senior leaders often refuse to honor even basic requests made by those “below them” on the organizational chart and will respond only when a peer or higher is engaged
- Middle managers describe being wedged between the conflicting demands and expectations of front-line employees and upper management and they feel powerless to support their teams
- Communication is expected to flow from the top of the agency down the chain of command. Messages do not consistently trickle down and when they do, the content of the messages often changes along the way
RTD’s hierarchical organizational culture impedes collaboration and coordination

Strict chain-of-command protocols make it difficult to achieve results (continued)

- Decisions are often made by senior leaders rather than being delegated to managers, supervisors or employees. This highly centralized decision-making approach limits:
  - The ability of supervisors and managers to respond to questions and concerns in a timely manner
  - The ability of supervisor and managers to adopt employee suggestions for improving processes
  - Employee willingness to raise concerns or suggest better ways of working because they do not believe their feedback will be considered
- Page 37 describes the pros and cons of centralized structures
Pros and Cons of a Hierarchical Culture

When managed effectively, a hierarchical culture can produce significant benefits; however, this type of culture may limit an organization’s ability to adapt to evolving needs and retain high-performing employees.

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
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</thead>
<tbody>
<tr>
<td>Defined roles and responsibilities</td>
<td>Rigid processes can stifle innovation</td>
</tr>
<tr>
<td>Predictability for employees</td>
<td>Focus on control and stability can limit market adaptation</td>
</tr>
<tr>
<td>Can promote efficient decision making</td>
<td>Can create communication barriers</td>
</tr>
<tr>
<td>Often supports career ladders for employees</td>
<td>Often limits input from employees</td>
</tr>
</tbody>
</table>
Findings

Communication

Employees, supervisors, and managers need more information to be effective in their roles

Varied communication needs make sharing information a challenge

- While information sharing is perceived to be getting better, there remains a sense that communication approaches are overly ad hoc and often ineffective
- There is no single strategy that will work to communicate vital information to employees
  - A significant percentage of employees do not use email or access information systems, relying instead on paper or verbal communication
  - Posting fliers is not perceived as effective because new notices are not obvious
  - In front-line work groups, a significant amount of information is transmitted in person (team meetings, for example), but it is not shared or documented for those who are unable to attend

Communication is limited by structure, organizational norms, and physical proximity

- While the agency has traditionally relied on a top-down information cascading approach, employees deeper in the organization are not receiving key messages
- New initiatives and protocols are regularly announced without sufficient detail or follow up
- Changes in policies and procedures are not effectively documented or communicated and employees are often disciplined for failing to comply with new expectations that they did not know about
Employees, supervisors, and managers need more information to be effective in their roles

Employees need more information to be effective in their roles (continued)

- In many areas, employees are discouraged from sharing information with other teams or partnering with them to address challenges
- Employees do not know each other and are therefore unable to rely on each other for support
- Employees are geographically dispersed and many work in a hybrid manner which limits their ability to forge relationships and build trust required for effective communication and collaboration
  - While there are strategies to mitigate this, RTD has not been uniformly intentional about building a sense of community
- There is no centralized location for announcing service alerts and accidents
- Password protocols make it difficult for new employees to gain access to the information systems they require to perform their work
- As noted in the Employee Experience section of this report, without useful directories and introductions to others, it is hard for employees to know who does what. As a result, it can take multiple days to secure answers to questions or address challenges
- The Hub, RTD’s internal information portal, is described as difficult to navigate
Employees, supervisors, and managers need more information to be effective in their roles

“Dialogues with Debra” could be even more meaningful

- Employees appreciate that the GM/CEO is willing to be present, demonstrate transparency, and address often uncomfortable questions. They would appreciate a more significant focus on updates and new developments.
- Dialogues with Debra occur during similar times, consistently leaving those who have shifts during these sessions unable to participate.

Employees want to know more about RTD plans and people

- Employees appreciate learning about RTD people (new hires, successes) and would like more focus on this information.
- Employees want to learn about internal issues from official RTD sources rather than the press or their friends.
Findings

Future Direction

Employees are unclear about RTD’s future direction and ability to be successful

Employees are concerned about RTD’s long-term viability

- Employees are worried about and embarrassed by public trust issues that have emerged because of variable service levels, personal security and mechanical safety concerns, and the inability to deliver on transit expansion plans
- Employees recognize the need to make RTD a more desirable transit option, but the path to accomplish this is unclear
- There are concerns about the ability to recruit the next generation of employees and how this will impact the agency’s capacity to meet current and future demands

RTD organizational identity is in question

- After years of growth and expansion, RTD is now in a maintenance mode, a status that feels uninspiring and raises issues about staffing levels and organizational structures

Employees are anxious about potential changes in the leadership team and agency governance

- GM/CEO is viewed as key to RTD’s long-term success and rumors of her likely departure are a significant source of consternation
- Potential changes to the Board’s structure are a source of concern

A significant percentage of employees at all levels struggle to see how their work is reflected in RTD’s strategic plan priorities

- Many of these interviewed were challenged to connect their day-to-day work to the “Back to Basics,” “Welcoming Transit Environment,” and “People Power” strategic initiatives
Findings

Future Direction

Employees are unclear about RTD’s future direction and concerned about its ability to be successful

The growth of the police force is a significant source of concern among many at RTD

- While bus and rail operators tend to want a larger police presence, many employees are strongly opposed to the growth of the police department. This opposition is based on perception that the police:
  - Are not effectively addressing bus and rail operator concerns
  - Have been hired to treat social problems as criminal matters
  - Are "sucking resources” out of RTD
  - Have taken over buildings and parking spaces
  - Have not made authentic attempts to get to know others within RTD

Several members of the police department are concerned about their ability to be successful. They report:

- The department may be growing too quickly to support the success of new hires (e.g., training, equipment, etc.)
- Bus and rail operators have unrealistic expectations for a police presence on buses and rail cars
- The department has not yet built out a cohesive, community-based policing model in line with the culture of the region RTD serves
Recommendations
Given the results of the assessment, Segal recommends the following:

**Organization and Staffing**
Redesign RTD’s organizational structure and operating approach to better align roles and responsibilities and encourage collaboration.

**Employee Experience**
Strive to make RTD one of the region’s most desirable employers.

**Coordination and Collaboration**
Adopt a more participatory and systems-oriented approach to address organizational challenges and encourage continuous improvement.

**Communication**
Use a more targeted and strategic approach to information sharing.

**Future Direction**
Articulate a clear, compelling, and inspiring vision for RTD’s future and ensure that all employees understand how they can contribute to the agency’s success.
Recommendations
Organization and Staffing

Redesign RTD’s organizational structure and operating approach to better align roles and responsibilities and encourage collaboration

Redesign the senior leadership team (a proposed model is provided on page 46)
- Add a Deputy GM/CEO and Chief Strategy Officer
- Add a Chief Safety and Quality Assurance Officer
- Add a Chief Technology Officer
- Split Capital Programs into two groups: Infrastructure and Facilities

Position the senior leadership team to be a high-performing work group
- When filling new roles, ensure the senior team has the right balance of analytical, creative, operational, and relational skills
- Establish leadership standards and greater clarity on roles and responsibilities to avoid silos and promote accountability
- Create individual performance goals that incorporate interdependencies as a strategy for encouraging greater collaboration

Design more effective organizational structures throughout RTD
- Examine the roles and responsibilities of all work groups and consider whether new structures are needed
Proposed Reports to the GM/CEO

Considering RTD needs and other transit agency models, Segal recommends that the following roles report to the GM/CEO. *Italicized* roles represent recommended reporting line changes.

**General Counsel**
- (New) Compliance
- Cybersecurity
- Information Governance
- Legal Services
- Risk Management

**Chief Communications and Engagement Officer**
- Communications
- Community Engagement
- (New) Customer Experience
- Marketing
- Print Shop
- Public Relations

**Chief Financial Officer**
- Accounting
- Asset Management
- Budgeting
- Debt and Investments
- Finance
- Treasury

**Chief Operations Officer**
- Bus Operations
  - Paratransit (move from direct report to COO)
- Facilities*
- Rail Operations
- Service Planning

**Chief People Officer**
- Human Resources
- HR DOT Compliance

**Chief of Police and Emergency Management**

**Chief Safety and Quality Assurance Officer**
- (New)

**(New) Deputy GM/CEO and Chief Strategy Officer**
- Civil Rights* (dotted line to GM/CEO)
- Contracting and Procurement
- Infrastructure*
- Planning + (New) Project Management Office + Strategic Planning + Real Property

**Chief Technology Officer**
- (New)
  - Information Technology

*This model assumes that Capital Programs is reorganized into two departments (Facilities and Infrastructure) and that the Chief Administrative Officer position is eliminated.
Recommendations

Employee Experience

Strive to make RTD one of the region’s most desirable employers

Clearly define the desired culture and establish and communicate core values

- Update organizational values to include a commitment to organizational excellence and safety/personal security

- Describe how the current value of respect can be operationalized

Attend to employee concerns about employee personal security, well-being, and appreciation

- Form employee work groups to understand the specific needs of various demographic and occupational groups

- Explore parental leave options

- Create a multi-pronged employee appreciation and recognition strategy

- Create stronger career paths through new job levels, career guidance and apprenticeship programs

Make it easier for employees to perform their work

- Review and update policies

- Engage in process mapping for all processes to explore streamlining opportunities

- In partnership with IT, streamline the processes required to provide new hires with access to software programs and information systems
Recommendations

Employee Experience

**Strive to make RTD one of the region’s most desirable employers**

**Enhance the effectiveness of leaders, managers, and supervisors**

- Establish clear performance expectations and accountabilities and ensure these individuals recognize their responsibilities for supporting the success of their employees

- Ensure that leaders at all levels understand the factors that support employee engagement by offering practical advice (e.g., “check in with your people,” “express appreciation,” remember that people are more than their jobs,” etc.) and bolstering leadership development efforts

- Conduct periodic 360° reviews for those in senior leadership roles

- Consider social norming strategies to encourage excellent leadership (e.g., a prestigious leadership development program)

**Bolster accountability mechanisms**

- Educate supervisors and managers about performance coaching and effective performance documentation

- Create a meaningful performance review process that includes qualitative/quantitative measures and developmental components

**Establish an aspirational employee value proposition to enhance recruitment and retention efforts**

- Page 49 describes key factors that make an organization desirable. Use this model to conduct a gap analysis and build a roadmap for filling gaps

**Continue using data to monitor and address culture and climate concerns**

- Use data from climate and engagement assessments and exit data to inform interventions
Employer of Choice Attributes

The following model describes key factors that make current and potential employees view an organization as an excellent place to work. As noted in the Organizational Strengths section of this report, (refer to page 16), RTD offers many of the attributes that employees find desirable.
Recommendations

Collaboration and Coordination

Adopt a more collaborative, participatory, and systems-oriented approach to address organizational challenges and encourage continuous improvement

Demonstrate RTD’s commitment to learning from its employees

- Establish central systems, structures, and practices that encourage employees to report concerns and share suggestions
  - Increase the visibility of options available for reporting concerns
  - Create review teams with diverse and rotating members to review employee concerns and suggestions
  - Publicize employee suggestions that have been implemented to encourage others to share their ideas
  - Consider implementing awards for quality, safety, etc. to encourage employees to share their insights

Support collaboration and coordination through better scheduling of hybrid employees

- Where feasible and appropriate, create expectations for periodic “all together” days. This may involve physical days onsite or virtual collaboration days
Adopt a more collaborative, participatory, and systems-oriented approach to address organizational challenges and encourage continuous improvement

When possible and appropriate, create cross-functional teams to increase a sense of ownership and enhance effectiveness and service delivery

- As a first step, document each work group’s interdependencies
- As appropriate, form work teams and assign them ownership of equipment and processes (for example, form teams of bus operators, services and cleaning staff, and mechanics)
- When new challenges and opportunities arise, consider forming a cross-functional team to address them

Consider co-locating employees who perform similar kinds of work

- Housing all dispatchers in one location was frequently suggested

Encourage more systems thinking

- Teach employees at all levels to engage in systems thinking by adopting a “5 Whys” approach
  - The goal of this approach is to determine the root cause of a problem by asking a diverse team, “Why is this happening?” approximately five times to drill down to underlying causes. Page 52 illustrates examples of what might be learned by using this approach
Adopt a more collaborative, participatory, and systems-oriented approach to address organizational challenges and encourage continuous improvement.

Explore root causes of challenges by asking “Why” at least 5 times. Examples of this process are provided below.

<table>
<thead>
<tr>
<th>Why 1</th>
<th>Issue: Decreased ridership</th>
<th>Why 2</th>
<th>Issue: Low Operator Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unreliable service</td>
<td></td>
<td>Operators feel undervalued</td>
</tr>
<tr>
<td></td>
<td>Why 3</td>
<td></td>
<td>A belief that RTD does not care about their well-being</td>
</tr>
<tr>
<td></td>
<td>Lack of parts to service vehicles</td>
<td></td>
<td>Perceptions that safety concerns are not taken seriously</td>
</tr>
<tr>
<td></td>
<td>Why 4</td>
<td></td>
<td>Supervisors are often dispatched to address concerns instead of the police</td>
</tr>
<tr>
<td></td>
<td>Complex procurement processes</td>
<td></td>
<td>Police referral protocols have not been well established</td>
</tr>
</tbody>
</table>
Recommendations

Communication

Use a more strategic and targeted approach to information sharing

Centralize information resources

- Make the internal communication portal (the Hub) a more reliable location for information
  - Conduct a review of the Hub’s content and organization and address barriers to information access
  - Make a practice of posting all employee announcements in the Hub, rather than relying on word-of-mouth transmission. House policies, standard operating procedures, forms, and frequently used templates on the Hub

- Explore a central location for posting service alerts and accidents to facilitate timely sharing accurate information with customers

Improve communication dissemination

- Educate managers and supervisors about effective communication practices and the value of using multiple modalities and consistent approaches to ensure employees are well informed

Help employees learn more about the agency and each other

- Devote a more substantial part of Dialogues with Debra to educating employees about RTD’s plans and challenges

- To facilitate employee connection, update internal contact information and educate employees about to access directories and organizational charts

- Explore the feasibility of RTD tours for both new and existing employee

- Expand employee highlights in agency communication materials
Articulate a clear, compelling, and inspiring vision for RTD’s future and ensure that all employees understand how they can contribute to the agency’s success

Acknowledge RTD’s current strengths and opportunities as a foundation for future planning

- Share high-level results of the organizational design assessment to honor the commitment to a transparent process and ensure that participants feel heard
  - Announce key learnings and initial priorities for action

Work to build employee confidence in RTD’s future

- Consider updating the agency’s values to include excellence/quality, safety, and personal security
- Clearly outline the strategies RTD will use to address safety and service reliability issues and explain how each employee can support the agency’s success
- Establish a small set of easy-to-understand performance indicators and regularly report on progress against those indicators
  - Consider celebrations when performance targets are achieved

Help all employees to see their work as deeply connected to RTD’s success

- Explore new and more inspiring language to replace the current “Back to Basics,” “Welcoming Transit Environment,” and “People Power” strategic initiatives
High-Level Roadmap and Timeline

**Phase 1**
- Share key assessment findings with RTD members
- Redesign the leadership team and fill new roles
- Reconsider and communicate core values and three strategic priorities
- Establish a cross-functional team to design RTD's employee value proposition
- Establish expectations for encouraging more collaboration, coordination, and communication among hybrid work teams

**0-12 months**

**Phase 2**
- Examine key roles and responsibilities of all work groups and consider whether new structures are needed
- Document work group interdependencies
- Form small work teams to explore issues related to appreciation, security, and well-being
- Resolve systems access issues for new hires
- Launch a comprehensive policy and process review

**12-24 months**

**Phase 3**
- Form collaborative work teams where appropriate
- Establish agency performance indicators and begin sharing results with employees
- Redesign the performance management approach
- Create a more reliable and useful central resource hub
- Establish a comprehensive plan to build more effective leadership at all levels
- Implement a multi-pronged employee appreciation and recognition strategy

**24-36 months**
Appendix
Transit Agency Benchmarking Review

RTD’s senior leadership team composition was compared to senior leadership teams at the following transit agencies:

1. San Francisco Bay Area Rapid Transit (BART)
2. Chicago Transit Authority (CTA)
3. Dallas Area Rapid Transit (DART)
4. Los Angeles County Metropolitan Transportation Authority (LACMTA)
5. Massachusetts Bay Transportation Authority (MBTA)
6. Metropolitan Atlanta Rapid Transit Authority (MARTA)
7. Metropolitan Transportation Authority (MTA)
8. San Francisco Municipal Transportation Agency (SFMTA)
9. Southeastern Pennsylvania Transportation Authority (SEPTA)
10. Washington Metropolitan Area Transit Authority (WMATA)
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