

Performance Beyond Words: Are Employees Most Important?

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ABSTRACT

Leaders within our transportation industry have consistently stated that employees are very important. The American Public Transportation Association has defined two main strategic goals on the development of our industry's workforce. Our managers and supervisors have stated that training and development is the core requirement to long range success. Ask yourself, "Why is training and development, attracting and retaining transit workers such a problem? Why doesn't the transit industry create a market of certified transit professionals? Why aren't we teaching our employees how vision, mission and values link to our every day business?"

Organizations still ponder with the need to invest current dollars in training and certification processes, in place of short-term fixes that tend to add only little value to our industry's success. Anyone managing a multi-million dollar public transit operation today realizes that this industry employs over 450,000 people in North America and moves over four billion people annually. Ensuring our employees have the tools needed to be successful, improving their skills through training and managerial dedication that will pay dividends.

Many leaders underestimate the importance of designing an organization's future with this in mind. However, I challenge our leaders to take the steps to have the goals of training, development, and recognition as part of our industry's way of operating. Having these goals that invests in our employees, will sustain long needed success for our customers and the growth of our industry into the 21st Century.

INTRODUCTION

This paper will focus on the creation of a strategic intent that involves our employees and how the words alone don't solve our industry's people and performance initiatives. Moreover, it will demonstrate that the motivational elements our transit industry must endure – are directly in front of us – namely our workers.

We all want similar improvements for our organizations. For example, we want to improve our employee involvement through participation, we want to empower our workforce, we want to develop succession planning, we want certifications and enhanced technology that improves communication and training. What stops us from achieving these goals? The answer is simple. Planning, communication, and action that demonstrates how each step reinforces our desire to improve quality and decrease cost.

I will also demonstrate how educating the workforce generates desire to work smarter and more efficient. How teaching the right thing clearly means the incorporation of employee feedback. In addition, that listening to employees, creating focus groups, onsite programs – gets employees energized and motivated to do a great job for one's company – and instills customer delight every time.

Finally, I will show how the results of linking everything one does to their strategic intent, improves the services provided and gives the workforce the tools needed to achieve results. Additionally, that the training programs that teach employees these linkages, directly relate to what they do each day. The creation of one's Vision, Mission and Values statements, must be taught and reinforced every step of the way, including the goals. Truly a performance beyond words!

FIRST STEPS FIRST

What does the question, "Are employees most important?", mean to you, or better yet, what does it mean to your employees? In a recent survey conducted by Booz Allen and Hamilton, they stated that the workers feel engaged when the senior level management is not so fluid and constantly changing. Does this sound like your organization? Regardless of the approach and one's intuition that employees are most important – we must ask ourselves to define the answer of what this means for our employees and our customers.

For years we have talked about the ability for one to repeat their company vision and mission statements word-for-word. Most can not, because we have lost sight of why

we exist. Over 80% of our industry is made-up of front line workers. Making the commitment to improve this industry by training, developing and creating a sense of urgency about recognition, will bring our future reality into perspective. Careful planning, endless communication and dedication to change the paradigm, is what gets us to the next step of improvement. As Stephen Covey's habit number three states, "Put First Things First", we too must do the right thing.

Finally, the true test of success is when the "buy-in" occurs from one's employees and results one never thought could be achieved become the way of business. Are your employees prepared for the change? Do your survey's say we don't need to listen or get our employees involved? Is recognition through a certified workforce part of your plan? Do the right thing and create the investment in our employees by making this a critical path item for every level of your organizations.

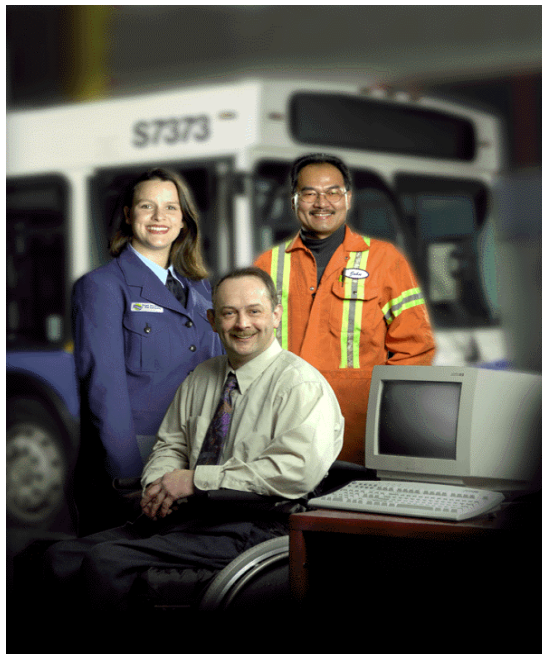


Figure 1.

A BRIEF HISTORY OF VANCOUVER

In 1998, the Greater Vancouver Transportation Authority (GVTA) Act was adopted into law. The organization, once known as BC Transit, would no longer be responsible for the management of the transportation services within the Lower Mainland of British Columbia.

On April 1, 1999, the GVTA was renamed under an assumed name called "TransLink" and the Bus Company,

now a subsidiary company of TransLink would be called, "Coast Mountain Bus Company Ltd. (CMBC)".

TransLink's role as an umbrella corporation would oversee all the transportation services within the Lower Mainland. They would act as the policy and funding provider for all the subsidiary operations. These separate subsidiary companies include, Major Road Networks, Commuter Rail, known as West Coast Express, BC Rapid Transit, known as the Skytrain, Bus and SeaBus, known as Coast Mountain Bus, Albion Ferry, known as the Fraser River Marine Transportation, and AirCare, known as the Pacific Vehicle Testing Technologies.

TransLink is currently governed by a 15 member board, all of whom are elected officials, 12 are appointed by the Greater Vancouver Regional District, and 3 are appointed by the provincial government. In addition, each subsidiary company is governed by its own board.

VISION AND STRATEGY

It's always exciting to be involved with a new strategy and a new beginning, but being sure that a company's definition is in place, takes careful planning from the start.

Bus and SeaBus operations were not new; they simply had a new governance structure of how they operated under the Coast Mountain Bus Company Ltd. name. The first few months of any new change or strategy should be considered critical and the foundation of the entire plan.

Leading up to April 1, 1999, the Vancouver transit system employees experienced a long period of unknown change. In addition to the new bus company name, the GVTA, now TransLink, had other mandates beyond that of the old BC Transit system. Timing was perfect to move ahead with doing what an exceptional public transit system does best — providing safe, clean, on-time, reliable, and efficient service.

However, many changes in governance and rumors of private takeover and breaking up of the bus company were present. Employees began to fear what the future had planned for them. This is critical and also the reason why the definition of one's company is viewed as a vital element toward change. By getting employees' involvement into remembering the basic element of, "What is our business and what is our business definition?", they were able to focus less on rumor and more on direction.

As leader's of any organization, it is our responsibility to create an intent of a vision for employees to grasp and repeat to anyone that asks. Truly, world-class organizations focus on the three-voice process known as, the voice of the employee, the voice of the customer, and the voice of the process. These are characterized as essential elements of

the definition of success, regardless if one is seeking world-class status and for any organization leading change now and into the future.

In creating the vision principle for CMBC, it began with defining their business and preparing for the next steps of implementation. The new vision principle must instill a key strategy to reach a given goal. This must be done as a group dynamic to create “buy-in” or “ownership.”

Finally, the foundation was initiated and the process of defining their strategy can begin. The next step is to foster involvement from employees toward the development of the strategic process.



Figure 2.

DEVELOPING A STRATEGIC INTENT

The development of a strategic intent begins by answering several questions. In some cases, these elements may exist; however, they will require review to be sure the intent of all the corporate statements are what the new organization is seeking. Ask yourself these questions:

- What is our Vision and Mission?
- What are the Core Values?
- Is the Organization Structured Properly?
- Are there barriers that don't add value?
- Can the organization respond quickly to employee/customer issues?
- Are the employees viewed as most important?
- Is training and development a core product?
- Does the organization have a professional recognition process through certifications?

- Is the view of developing our workforce funded properly?

If your organization is like most, these questions are difficult to answer. Consider developing a clear picture of the vision. Initiate a series of retreats, focus groups and discussion lectures that act as instruments of change through mapping. The organization can then begin to review and comment on the process of developing the final strategic



Figure 3.

direction called the intent. Moreover, one must not make the mistake of rolling a blank piece of paper out to an organization and expect in-depth feedback. The leaders of the organization must provide the initial direction. Otherwise, it would take more time to develop than one would desire.

In following this approach, CMBC rolled out the results of several months of meetings and retreats. This included all stakeholders, employees, supervisors and union meetings. In addition, it also included information from customer service reports and customer and employee surveys.

The results of these sessions included several new initiatives. The creation of a new decentralized organizational structure so that responsibility and accountability was made clear. The development of a new vision statement that focuses on world-class transit service. A new mission statement, core values of operation, and a strategic intent statement that would keep the organization reminded of what their business is and why they exist. Finally, developing key performance indicators that have meaning to all employees, is a very important step. This is often the impetus behind the success of reaching world-class status.

This accomplishment was a major milestone and demanded a tremendous amount of time and effort from all the employees. By staying focused on these elements, it gave employees a sense of future hope, a sense of process, the foundation for operating, and finally, a structure that will lead the new company toward its vision of becoming world-class, but most important that it cares about the workers.

The statements developed by any company should always have meaning, be achievable, and be easy to recite. The following are examples of what has been developed by the employees of Coast Mountain Bus Company, including the new awards for outstanding performance figure 2, new

logo in figure 3 and working with our community and being recognized for excellence in service delivery in figure 4.

VISION

- To Excel in Providing World-Class Transit Services to our Region by 2004.

MISSION

- To Provide Our Customers with Excellence in Transit through Safe, Courteous, Frequent, On-Time, Reliable Service that is Cost Effective and Encourages them to use our System.

STRATEGIC INTENT

- To Be Recognized as a World-Class Organization, established through benchmarking and achieved through Continuous Improvement.

CORE VALUES OF OPERATION

- To have Employee Participation, Development and Recognition
- To have Customer-Driven Quality
- To have Informed Decision Making
- To be Cost Effective
- To have a Philosophy of Continuous Improvement

In research about the transit industry in North America over more than two decades, trends have been picked up along the way. At this point in history, there is a real focus on change and the importance of change in order to stay in business. Second, as our transit industry moves forward into the 21st Century, it is critical that our workforce is developed. That funding is allocated to this and that all our organizations dedicate a goal toward improving the people that make this industry what it is today and prepare for continued success into the future. Our industry is at a time when attracting, retaining and recognizing that employees must be part of the strategy to improve the industry.

The transit system in Vancouver has undergone many significant changes in a fairly short period of time. The corporate statements developed have helped employees gain a sense of ownership and pride to make their system work seamlessly. They have a sense that working together over the coming months and years will allow the company to grow and ultimately provide customers with a better service

and future expansion. They have completed the first employee survey under CMBC, and are prepared to take-on the future.

Being a public transit company means, we are an integral part of the community and many eyes watch us as we carry out change. Whether one rides the system, attends a conference or gets feedback on the World Wide Web, we have to be conscious that we're not alone in our process. Wherever we go, people are sure to make suggestions or observations about many public transit issues. Their feedback is valued and reinforces the commitment to build a great organization. One must believe that to accomplish this, one must change to meet the evolving demands of our customers in the regions we serve. As we progress into the future, transit systems will need to make every effort to ensure that their company does its best to keep employees trained and customers informed.

Every day our systems receive many calls from the public. These calls, regarding both commendations, suggestions and complaints, are recorded for distribution to relevant departments. It is vital to develop a process that looks at the detail of each call and develop the statistical process approach to analyze this data often. It will become the benchmark of the future on how change can be handled effectively in our organizations. Paul Meyers wrote, "Human potential is boundless; its only limitations are those which one places on oneself."

GOALS: DO THEY FIT?

Like any organization that seeks to improve the services they provide, the goal setting element tends to be an area that most people believe they either understand or have a — been there done that — mentality. Therefore, most people disregard the complexity of the entire process of goal setting and goal monitoring.

Goal setting is the most powerful element for one to target for successful achievement. Goals renew confidence and commitment. As a leader, one should be deeply interested in how a company can achieve its business goals.

It first begins at the development phase. It takes careful planning, many hours of meetings, reviews and discussions. However, if planned properly, it typically ends with tangible results.

The goal setting process can apply equally to one's personal goals as well as business goals. This is not rocket science. First, goals should not be confused with daydreaming or fantasy. Genuine goal setting is the first step toward positive, deliberate action. To set goals, one

needs standards to follow. Goals should provide an outcome that assists in the achievement of the mission developed during the strategic intent design. Finally, goals must be stated positively.

Second, goals must be realistic and attainable. However, let's not confuse attainable with selecting low-level goals. Our goals must be challenging; they must be worth working hard for.

Third, goals must be within the guidelines of one's budget. It would be foolish to select a goal that would cost millions of dollars if one's organization didn't have millions to spend.

Fourth, goals must have a specific timeframe attached to them. We should focus not just on long-term goals, but include short-term goals as the building blocks. By setting both short-term and long-term goals together, the company begins to get motivated by seeing and experiencing the short-term results. This gives one a greater potential of success in leading the company into the accomplishment of future goals.

Finally, the goals must have tangible objectives. Tangible objectives translate into measurable achievement, whether on a business or personal level.

The following five goals represented everything that CMBC employees, unions, supervisors and managers believed as the proper steps toward improvement. They believed these goals supported the core values. The main focus was on employees first and customers next. The concept that if employees are trained, motivated, understand the direction, were involved in setting the goals, and understand their part of accomplishing the goals, then customer will get delightful service every time. They realized that they must focus hard on the accomplishment of their goals and work as a team in order to realize the intent of their vision and mission statements.

Finally, it is vital to introduce the concept of "space repetition". That being, one must continually repeat the same message over and over and over. After time, the message becomes part of every day life. One must also encourage all personnel to read the goals thoroughly, understand the detail of them, and participate in the process of tracking the progress into the future.

The five key goals and objectives developed by CMBC looked like this:

Goal #1 - Employees

- To Develop Employees who are Proud to be part of the Team.

Goal #2 - Customers

- To Provide Service that Increases Customer Satisfaction.



Figure 4.

Goal #3 - Governance

- To Build Constructive Partnerships and Organizational Clarity with our Stakeholders.

Goal #4 - Information

- To Provide Information that leads to Quality Decision-Making.

Goal #5 - Continuous Improvement

- To Make Continuous Improvement a Way of Life.

Following each of the five goals, CMBC also developed up to six key objectives under each goal. This helped to build the foundation of goal achievement. In addition, they began the process of developing a daily reporting format and understanding that the work and performance of each day was vital to the success of achieving their goals. Most organizations make the mistake of waiting until the monthly or quarterly report is published, to find that they missed their target and if they only knew, they could have made an adjustment. The concept of daily information about key performance areas is essential toward achieving a vision.

Finally, it is important that an organization look at stability. This means stay focused on the goals set and don't make the mistake of changing these goals each year. The focus comes from consistent goals. If your organization stays focused on the five, six or seven goals – it has a better chance of success in achieving these goals - than constantly changing them for no reason.

It also speaks highly of our industry's CEO's and General Managers, in that short term contracts do not allow

a workforce to buy-in into change. They must see a commitment from the top in order for change and improvement to take place. Statistics show that when a CEO has a five-year or better contract or renews a second contract – the improvements tend to be more profound. This proves that employees want stability and employees are the impetus to making change work.

NEVER STOP MEASURING

Coast Mountain Bus Company has now completed two years of operation since its startup in 1999. Looking back to the transition year and the full operating year, they begin to see the foundation settle-in and progress take place.

Following our strategic intent, developing and monitoring our action plans and measuring everything we could, resulted in many changes and many successes. The journey began in April 1999, and as of this writing, up to February 2001.

Corporate responsibility was now totally transferred from BC Transit to TransLink, and the new subsidiary, Coast Mountain Bus Company Ltd. is well in tact.

- Development of a new name, new logo, new identity and new paint scheme — all created to start fresh with new innovations and improving services.
- Provided over 3.7 million service hours at 99.98% availability, and 99.52% service delivered as promised.
- Coast Mountain Bus Company was recognized for a successful startup. The new organizational design improved decision making and customer response.
- The vision, mission, strategic intent and company core values were developed and implemented as our way of doing business every day.
- Introduced new and expanded bus services. Ridership improved as well.
- Purchased 155 new 40' low floor buses, 76 new highway coaches, 44 new 60' low floor buses.
- Improvement in performance, such as attendance, reliability, safety, crime prevention, service hours delivered, and our overall services rating.
- In 1999, APTA named CMBC the safest bus system in North American.
- Y2K compliance ensured a smooth operation into 2000.
- Opened a new state of the art bus garage in Richmond, with new Bus Rapid Transit line beginning in April 2001.

- A continued presence in the community as a positive community member.
- Completion of the corporate headquarters floor relocation on time and on budget, including a new history wall.
- Completion of the employee survey.

The program plan 2000 outlined new services earmarked for implementation during the budget year. The program plan objectives for CMBC were designed to pursue new transit services that complements the Strategic Plan and Area Service Plans. In addition, while a major portion of these changes were from customer complaints and suggestions, many were a direct result of operator service review committees, traffic checker reports and street supervision reports that are conducted all year long.

The key initiatives of the Program Plan and our Business Plan included:

- 107 new buses ordered and received in September 2000. 53 new articulated buses; 54 new low floor standard buses.
- 5% increase in service hours provided with a total of 175,000 new hours.
- A successful opening of the new Richmond Transit Centre which is the home of the new Vancouver-Richmond Rapid Bus.
- Specification development commenced for a fleet replacement of the 244 trolley buses.
- Completion of the new Website.
- E-Commerce by introducing revenue generating ideas.
- Computerized tracking of key performance indicators – available on a daily basis.

CHALLENGES WE FACED IN 2000

We certainly were not without our challenges during the year. While transit supply currently is below transit needs, it is clear that the current 11% market share of transit trips for all peak travel across the region was nowhere near the goal we wanted to achieve. The Livable Region Strategic Plan developed years ago, had a target of 17% of the rush hour market by 2006. This is currently not on target and is questionable as to whether it is an achievable target without drastic changes to traffic plans, trip reduction plans, demand management plans and other key measures that affect transit services.

Our new governance structure, that being the parent-subsidary relationship, had proven very stressful during a

contracting-out of services for small bus operation. This ended with a wildcat walkout by the Canadian Auto Workers Union and a tremendous loss of confidence for our customers for improving our transit services.

In addition, our long range plans which included a vehicle levy as a revenue source, failed at the provincial government's unwillingness to make a technical change, thus reducing our ability to stay the course for the transportation expansion outlined in our strategic document. In the short-run, a once 500-bus expansion is now in jeopardy of remaining tatus quo, or worse yet – service reduction, if new revenue sources are not identified for the fiscal year 2001 and beyond.

THE VISION TO BE WORLD-CLASS

Like the best of any plan, one must focus on a key principle of planning by asking the question: What does world class look like in 2004?

The approach that CMBC has implemented is simple. It's now December 2004. What does the Monthly Management Report say? What do the Performance Indicators look like? How are we organized? These questions are fundamental processes in goal setting, but often are overlooked. Most transit organizations work on an annual budget and/or an annual business plan. One must fight for funding and defend the budget each year. Getting to world-class means changing the process to a multi-year budgeting exercise, however, ideally it should be a three to five year financial plan that is approved by one's board of directors.

At CMBC, the new daily KPI system tracks and reports a collection of the key performance indicators that roll-up to 20 items that are tracked routinely. These 20 items can be traced back 10 years in history for trending analysis and continuous improvement. The main indicators are:

- Total Revenue hours delivered
- Total Revenue kilometres delivered
- On-Time Performance
- Total Ridership
- Complaints per 100,000 km
- Commendations per 100,000 km
- Customer Satisfaction Index
- Accidents per million km
- Crime/assaults/robbery per 100,000 km
- Unscheduled absenteeism
- Mean Distance Between Failure
- Fleet Cleanliness

- Total Training hours
- Total Vacancies
- Total Operating expenses
- Cost per service hour
- Cost per passenger hour
- Cost per revenue km
- Cost per passenger km
- Productivity

CONCLUSION

These and many other efforts tell the story of how well an organization makes change work. It tells one that they are leading their organization well, that they are striving for customer excellence and world-class performance through employee participation. It results in improving customer satisfaction and knowing that the path to world-class status is one step closer. Linking one's strategic intent to everyone will ensure value-added work is first priority, and success will occur.

In closing, as much research continues to evolve our industry with new, smaller, faster, better technology, we must not forget that employees must be the key part of making change work. In most cases, the value of success comes from clarity of an organization and what the customer views as world-class. We have over 3900 employees that can be used to market our product and tell our story. When they feel good, our customers will feel good. As Martin Luther King, Jr. said, "The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy." Make the challenge of change work for you — stay focused and do what one does best.

ACKNOWLEDGMENTS

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The views presented in this paper are solely the author's and do not represent those of Coast Mountain Bus Company Ltd. or the parent company TransLink.

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