



# JOINT TRANSPORTATION COMMITTEE

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## **Ferry System Management Organization Structure**

The Legislature directed the JTC to investigate the management organization structure of Washington State Ferries (WSF). The study proviso which passed the Legislature called for a study to recommend changes to the WSF organization structure for more efficient operations and a more balanced structure scaled to the workforce. This study proviso was vetoed by the Governor; however the JTC proceeded with more targeted study objectives related to WSF management and the changing operating environment.

The Matrix Consulting Group from Palo Alto, California, began work on this project on August 26<sup>th</sup>.

The study evaluated the current management and staffing structure of WSF to address the following issues:

- Appropriateness of management layers;
- Ensuring effective chain of command and spans of control;
- Efficient and effective allocation of management responsibilities;
- Ensuring appropriate accountability, and that appropriate vessel and terminal performance measures are in place; and
- Clarifying and enhancing the organizational relationship between management and staff.

The JTC Executive Committee oversaw the study. A Staff Workgroup comprised of staff from the Transportation Committees, the Governor's Office, OFM, and Washington State Ferries, provided support. The consultants provided a study update at the JTC's October 19<sup>th</sup> meeting and presented their principal findings and recommendations to the JTC on December 7<sup>th</sup>.

As part of the study process, the consultant team interviewed over 30 WSF staff and toured WSF facilities, and conducted numerous other interviews. The consultants also developed and conducted a WSF employee survey to inform the study. The survey dealt with the political working environment, management and leadership, operations and communications, organization and staffing and accountability and performance. The survey and interview results were summarized and presented to the JTC at its December 7<sup>th</sup> meeting. They will be contained in the final report.

### **Study Findings related to WSF staff survey and interviews:**

1. Key strengths include safety is high priority, working relationships among many units is good, policy clarity is good, duties are clear, and training and accountability is good.
2. Political environment; most disagree that with the statement that labor and management work well together and that the Legislature, Governor and WSF work well together.
3. Majority of respondents indicated opportunities for:
  - defining clear vision for the future, more consistent work direction and managerial team work;
  - improving business processes and working relationships, and better communication; and
  - structure reorganization to promote more efficient use of staff and reducing managerial layers.

On some issues, there was a discrepancy between management and staff in interview and survey results.

**Study Recommendations relate to several managerial and organizational issues:**

**1. Spans of Control and Supervision**

- Consolidation of certain managerial functions is viable
- Additional low level management supervision is needed
- All WSF operations should have an assigned supervisor, who should be paid for that responsibility

**2. Performance Management**

- Ensure annual performance evaluations for first-line supervisors
- Improve accountability reporting for the organization and develop annual work plan

**3. Contract Management**

- Contract terms should be negotiated with terms that are equitable to staff while retaining appropriate rights and flexibility productively operate WSF

**4. Organization and Operations**

- Improve staff/management relations through internal joint teams addressing major WSF issues
- Governor's Office, WSDOT and WSF should agree on clear performance standards to assess WSF
- Enhance internal operations through internal staff/management teams
- Reallocate administrative duties away from managers
- Ensure all IT project developed are consistent with WSF Information Technology Strategic Plan

At the December 7<sup>th</sup> meeting, JTC members asked that WSF be given an opportunity to respond to the draft report's content. The consultant team, and WSF and JTC staff met to review the initial draft report. WSF asked for clarifying information to be added to the report, including contextual background on several issues. Other discussion items related to survey reporting tables and survey result assessment, clarification of organizational tables, and staffing level reporting. For some issues, it was apparent that there would be a difference of opinion.

A preliminary final draft is currently being reviewed by the Staff Workgroup, and then WSF will be asked to respond to that refined version of the report. It is anticipated that a draft Final Report will be presented later in January to the JTC for acceptance.

Study materials are available at: <http://www.leg.wa.gov/JTC/Pages/FerriesManagementStudy.aspx>

<http://www.leg.wa.gov/JTC/MEETINGS/Pages/default.aspx>

[October 19<sup>th</sup> and December 7<sup>th</sup>](#)

*Gene Baxstrom, JTC*

*January 4, 2012*