

## **1. TECHNICAL APPROACH**

This section provides a description of the proposed approach to RFP Tasks 1 – 4, including the schedule to complete the evaluation. We understand that within 5 calendar days of the potential award, the selected consultant shall submit a more detailed and updated work plan to include:

- Specific steps detailing how the study will be carried out
- The specific tasks to be performed and by whom
- The expected duration and level of effort in hours by person
- The specific data that will be needed, along with data sources
- A schedule for performing the tasks, and
- An updated project budget, as necessary

The Joint Transportation Committee (JTC) will review and approve the final work plan, including any subsequent changes during the course of the evaluation. The first sub-section below summarizes the overall objectives of the evaluation, followed by our overall approach.

### **1. INTRODUCTION TO EVALUATION AND SCOPE OF WORK**

To address the challenges presented by the changing operational environment, the JTC is seeking to investigate the management organization structure of the WSF and address the following key areas:

- Development of an effective measurement of system performance
- Appropriateness of the number of management layers
- Effective chain of command structures
- Allocation of management responsibilities
- Relationship between WSF management and employees

The evaluation of management and staffing structure will focus on the three WSF organizations overseen by the Deputy Chief of Ferries Division, Operations & Construction; Deputy Chief of Ferries Division, Administration and Finance; and the Director of Communications. Although the WSF has undergone numerous evaluations and reviews related to long range plans, vessel and terminal maintenance, financing and fare studies, and reviews of labor and management practices, the purpose of this particular evaluation is to identify improvements to ferry management from the perspectives of organizational staffing structure, roles and responsibilities, performance measurement, and management accountability.

## **2. PROJECT METHODOLOGY / APPROACH**

This section of the proposal provides a summary of our overall approach to conducting management and organizational studies of government agencies.

### **(1) Overview of Our Analytical Approach**

We believe that several aspects of our overall approach should be stressed because of our reputation in the consulting industry as an independent, objective, and 'fact based' firm. These aspects are described in the subsections which follow.

#### **(1.2) Project Management**

One critical success factor in conducting a project of this size and complexity in an efficient, timely, and effective manner is project management. The Matrix Consulting Group utilizes project management approaches that assure that (a) efficiencies can be achieved in the gathering and analysis of information; (b) disruption to the day-to-day operations of the WSF can be minimized; and (c) later tasks can build upon the results of earlier ones so that backtracking and redundant work effort (and unnecessary costs to the WSF and project delays) can be avoided.

We believe very strongly in the science of our craft. As a result, we utilize formal project management techniques in our evaluations. These techniques include:

- All project work activities are defined in advance and tied to each project team member, deliverables, the schedule and the budget.
- The project manager briefs each project team member of their roles and expectations. This is accomplished in writing and in person.
- The project manager and lead analysts develop general and project specific data collection plans and interview guides for all of our staff in each divisional function.
- Internal (project team) and external (client) expectations and results are managed on a weekly basis. Formal project schedules and accountability reporting mechanisms are used to report this.
- The project manager designs and personally reviews all interim and final products before they are delivered to the client.
- We have frequent client review meetings to discuss the quality and direction of the project through interim deliverables. We commit to the following:
  - Periodic consultation with the Policy Workgroup

- Up to three presentations to the Joint Transportation Committee
- Monthly and / or bi-weekly interim progress briefings with the JTC Project Manager

Of related interest are the approaches taken to ensure that our staff are highly trained and receive continuous education in management and organizational best practices and performance assessments. This is achieved through in service training which is conducted in two multi-day efforts each year for all staff. We also provide staff with time off annually in the pursuit of continuing education.

These project management approaches have resulted in our projects being delivered at a high level of quality, on time and on budget.

## **(1.2) Information Gathering**

Equally important to the success of the project are the methods that we will use to collect, analyze, and present information in order to formulate findings and develop and assure acceptance of recommendations. The Matrix Consulting Group has developed and fine-tuned over the years a number of information gathering tools and techniques. These tools enable us to gather information efficiently and quickly. The tools that we will employ in this project include:

- **Documentation and Data Request Forms.** These are written checklists that specify the types of documentary material (e.g., organization charts, policy and procedures, etc.) and quantitative information (e.g., workload data, performance measures, etc.) we are seeking in order to evaluate management, organizational structure, and operations performance.
- **Interviews.** While surveys are a valuable tool for gathering information from large groups of people, survey data lacks the specific information that can only be gleaned from face-to-face conversation. For this reason, employee interviews are a staple of our consulting approach. We utilize interviews to gain a perspective regarding such issues as:
  - Staffing and responsibilities of the staff of the functions under review.
  - Current workload and workload trends;
  - The existing technology, such as a scheduling, maintenance management systems, asset inventory, performance management, etc.
  - Basic service level goals, objectives, performance measures, and business plans established to guide activities and to establish accountability to the public.

- Effectiveness of management approaches, allocation of roles and responsibilities, etc.
- **Site Inspections.** The consulting team cannot understand operations from an office. As a consequence, we make visits to the facilities utilized by the WSF to understand the service delivery approaches utilized, to interview staff at these facilities, and selectively conduct observations of work.

As the next section demonstrates, this attention to detail carries through to our analysis.

### **(1.3) Data Analysis**

The Matrix Consulting Group uses a number of proven analytical methodologies that we have developed in areas such as those presented in the following paragraphs.

- **Diagnostic Assessment.** Benchmarking of management and organizational efficiency and effectiveness has been increasingly utilized in the public sector to compare organizations in terms of "best practices". This approach would be useful in this study to assess the current WSF management approaches.
- **Performance Measurement.** The Matrix Consulting Group employs performance measurement techniques in every management and organizational evaluation we conduct, including manager to supervisor ratios, supervisory to line staff ratios, performance metrics in place, accountability measures, etc.

The Matrix Consulting Group has developed these performance measures based on the experience of its staff as well as the performance measures developed by professional management associations.

## **(2) Approach to Evaluate the WSF Management and Organization Structure**

The tasks below summarize our work approach to evaluate the WSF Management and Organization Structure and meet the goals and objectives of the JTC to improve WSF management efficiency and effectiveness.

### **Task 1      Initiate the Project and Develop Profile of Management Staffing and Organizational Structure.**

The first major task is to develop a comprehensive understanding of the management and organizational structure and staffing levels of the Operations Division, the Vessel Maintenance, Preservation, and Engineering Division, and the Administration and Finance Division. This will include initial interviews with the primary stakeholders to understand the overall context of the evaluation, including the major challenges being faced, the key operational impacts of new policies and procedures, and potential opportunities for improvement. The initial interviews may include the following:

- The JTC Project Manager
- Key representatives of the Policy Workgroup and the Staff Workgroup
- The Assistant Secretary and Deputy Chiefs of the Ferries Division
- The Director of Operations, the Director of Vessel Maintenance, Preservation, and Engineering, and the Deputy Assistant Secretary of Finance and Administration.

These interviews will also be used to discuss and confirm the evaluation goals, objectives, schedule, and approaches, including expectations of the project team and WSF employees, as well as submitting the final work plan tasks and project team hours for JTC approval. More importantly, this will begin the process of client interaction and collaboration to facilitate a transparent process that promotes the eventual implementation of recommendations to improve ferry management.

The project team will then conduct interviews with management and supervisory staff to understand general management, organizational, and operational approaches, key functions and programs, resource deployments and scheduling, overall staff roles and responsibilities, communication and interaction, as well as the performance and accountability measures currently in place. These interviews may include the following:

- Operations Division
  - Senior Port Captain
  - Operations Center Port Captain
  - Senior Shoreside Manager
  - Operations Department Programs Manager
  - Other key managers and supervisors
- Vessel Maintenance, Preservation and Engineering Division
  - Vessel Design Chief
  - Senior Port Engineering (Vessel Preservation)
  - Business Staff Supervisor
  - Senior Port Engineer (Fleet Maintenance)
  - Other key managers and supervisors
- Finance and Administration Division
  - HR Director / Managers
  - Planning Director
  - Program Development and Budget Director
  - Legal Services and Contracts Director

- Controller
- Safety Systems Manager
- Other key managers and supervisors

The outcome of this task will be the documentation of the current management structure of the divisions, management responsibilities at the system, route, and run levels, personnel collaboration and interaction, as well as to the extent for which managers are impacted by changing operational issues, as well as their respective authority to address these issues.

**Task 2      Obtain Employee Feedback on Management and Organizational Issues.**

Once the project team has obtained a comprehensive understanding of the management and organizational structures in place, including initial challenges and issues being faced by WSF, this second task will involve obtaining perceptions from staff. Toward this, the project team would conduct an electronic / web-based survey to provide an opportunity for staff to share their perceptions of management, organizational structure, and operations. The survey would include various statements for which respondents rate their level of agreement or disagreement, including the following sample statements:

I receive the training needed to be an effective and efficient employee.
The performance expectations of my job are clear to me.
Personnel within my department are held accountable for their performance.
Managers in my department provide strong leadership and clear direction for the future.
I feel supported by the managers in my department.
My department has well documented policies and procedures to guide my work.
In my department, we do a good job planning and scheduling our work.
The performance evaluation process is fair and consistent.
Problems and issues in our department are resolved in a timely manner.
There is a strong sense of teamwork within my department.
There is a strong sense of teamwork between WSF Divisions and departments.
The business processes within my department are efficient and effective.
The business processes involving other departments are efficient and effective.
My department performs work that is not duplicated by other departments.
My department has the appropriate number of personnel to provide high levels of service.
My department has an appropriate mix between the number of managers and staff.

In our experience conducting hundreds of similar projects, this is an important step that allows staff input into the study, including the fact that staff are directly impacted by the quality, effectiveness, and efficiency of management approaches and organizational structure. The results will be used to identify the major challenges in management based on staff perceptions.

### **Task 3      Conduct Best Practice Assessment and Comparative Survey**

In our studies, benchmarking has meant a more structured approach to comparing an organization with standards of efficiency and effectiveness developed in our work over the past 25 years. As a result, we propose to accomplish the following:

- The project team would develop a detailed list of "best management practices" for use in a diagnostic appraisal of WSF Division management and organizational structure.
- Compared against best practices, the project team would identify areas for which are strengths of the WSF, as well as "gaps" and opportunities for improvements.
- The project team would evaluate the management and organizational structure approaches within each Division and identify issues and initial opportunities for improvement.

This analysis would focus not only on management and organizational issues, but also key operational and staffing practices which may be changed or improved to facilitate stronger management. The project team would also conduct a comparative survey of key management and performance indicators from a variety of ferry systems, including privatized, public / private partnerships, independent authorities, publicly owned corporations, and public entities (such as the North Carolina Ferry System and the Golden Gate Ferry). The outcome of this task would be a comparative assessment of the WSF, in terms of management staffing levels and spans of control, the allocation of functions, the performance measures utilized, the accountability mechanisms in place, as well as the number of employee classifications and contracts in place.

### **Task 4      Evaluate Management and Organizational Structure Issues**

At this point, the project team will have a comprehensive understanding of current management and organizational structure approaches in place, the key issues based on industry best practices and comparative assessments, as well as perceptions from staff on the quality, efficiency, and effectiveness of WSF management. Given this information, the management systems and policies to plan and control WSF operations will be evaluated. The methodologies utilized for conducting these evaluations will be interviews, review of policies and procedures, and assessment of management reporting systems. Analytical attention will be focused on such major management system issues as:

Are there an appropriate number and mix of managers to meet performance targets?
How are goals, objectives and service level targets developed vessel performance, terminal performance, and other performance measures?
How do managers plan, schedule and control the work to be done in each organizational unit?

**JOINT TRANSPORTATION COMMITTEE**  
**Proposal to Evaluate the Management and Organization Structure of Washington State Ferries**

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Are management systems organized in a manner to effectively communicate missions, goals, and values throughout the organization?
Do managers have accurate and timely measures of the performance of each unit?
How productive are management personnel in performing their duties? How is productivity evaluated?
How is 'customer service' defined, promoted and supported?
How are cross functional management needs identified and prioritized? How are complementary services coordinated?
Do elected officials receive the information that they need to provide an on-going assessment of departmental performance?
Is the current management structure adequate or appropriate to effectively respond to new legislative initiatives and other operation initiatives?
Are management and supervisory personnel spending the majority of their time on high priority work and performance responsibilities?

Once the management systems and operating structures are fully evaluated, the project team will also assess organizational structure issues. Analytical attention would be focused on such major organizational structure issues as:

Is the organization structure too tiered or too flat?
Are functions places too high or too low in regard to their importance in meeting operation and service objectives?
Are spans of control too broad or too limited
Does the current plan of management organization provide for adequate communication and coordination between and among Division units?
Are there any overlapping or duplicated functions?
Does the plan of organization provide clear lines of authority and responsibility?

The outcome of this task will be recommendations regarding current management and operations structure to allow WSF to cost effectively implement the Legislature's adaptive management practices, meet performance targets and measures, as well as how to best respond to new initiatives in the most efficient and effective manner possible.

## **Task 5        Develop Draft and Final Report**

The outcome of the previous tasks will result in a draft, and ultimately a final, report on proposed solutions for improved WSF management and organizational structure. All the preceding work tasks will be documented in the form of a formal

project report that will be presented to the JTC and respective working groups. This report will summarize all the analytical steps described in the work plan above, including:

- Results of the analysis of any improvement opportunities.
- Results of the employee survey, best practices, and comparative survey
- Specific recommendations related to optimal organizational, management, and staffing structures.

These key components would be presented in detail, with relevant findings and recommendations based on information discussed and analyzed throughout the engagement. This task will also include the development of an action plan in order for the JTC and WSF to implement the recommendations and may include:

- Recommendation number
- Summary of finding, recommendation, and anticipated outcome
- Priority (High, Medium, Low)
- Responsible manager, supervisor, or staff member
- Timeline for implementation
- Estimated annual cost increase or cost savings, if applicable
- Estimated one-time costs, if applicable

Like with all of our clients, we would be prepared to assist during the implementation process, as appropriate, as the implementation of our recommendations is the measure of project success.

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Based on the estimated schedule of activities, the following illustrates the approximately 20-week project to meet the goals and objectives of the evaluation and address each of the areas summarized in the work plan.

**JOINT TRANSPORTATION COMMITTEE**  
**Proposal to Evaluate the Management and Organization Structure of Washington State Ferries**

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Task	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1. Profile					A															
2. Input					B															
3. Comps						C														
4. Eval.										D										
5. Report											E			F						

A - Profile of Management Organization

B - Results of Employee Survey

C - Best Practice Comparison

D - Opportunities for Improvement

E - Draft Report

F - Draft Final Report

The schedule illustrated above reflects the schedule of activities, as follows:

- Estimated contract start date of August 29, 2011
- Report to JTC on October 19, 2011 (Deliverable “C”)
- Present Findings and Recommendations to JTC on December 7, 2011 (Deliverable “D”)
- Draft Report due on December 15, 2011 (Deliverable “E”)
- Draft Final Report due on January 2, 2012 (Deliverable “F”)

If necessary, there will be presentations to the House and Senate and Transportation Committees.