

THE IMPACT OF THE COMMERCIAL DRIVERS LICENSE ON EQUIPMENT MANAGEMENT-- CALIFORNIA EXPERIENCE

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General Overview of Caltrans

- Number of Employees 18,092
- Fleet Size 12,475
- Highway Miles 16,700
- Landscaped Acres 17,000
- No. of Employees Affected by CDL 5,500

Division of Equipment

- Number of Employees 749
- Mechanical Trades Employees 528
- Shops: 11 main, 10 sub-shops located throughout the State, Headquarters and fabrication facility is located in Sacramento.
- Mission: To support the Department by furnishing and maintaining fleet and telecommunications equipment.

Impact of the Commercial Drivers License

The Commercial Drivers License (CDL) has been in effect in the California approximately a year and five months, and is the result of California Senate Bill 2594 and the Federal Commercial Motor Vehicle Safety Act of 1986. The overall changes in drivers license classifications have had more impact on the equipment operation than the actual operating Department. The employer Statement Program is more restrictive. Caltrans has decided not to participate in it now. Employees are allowed time and use of equipment to get their CDL. Caltrans supports Division of Motor Vehicles in their on-site testing program. Caltrans is changing the drivers license requirements of its employees to conform with the new CDL classification requirements. The CDL requirements are a major step in improving highway traffic safety.

OREGON'S PERFORMANCE BASED INCENTIVE PROGRAM: A FEASIBILITY STUDY--HEAVY EQUIPMENT REPAIR SHOP--BEND, OREGON

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Introduction

This abstract concerns a case history of one of 27 pilot groups currently involved in a study to test Performance Based Incentive Pay. This program is in a feasibility phase, which will continue through July 1991. The case history involves a heavy equipment shop, comprised of approximately 30 mechanics, storeroom, and administrative staff. The title given to this program is Gain Share.

Gain Share Program Development

The program development began with the creation of a steering committee, whose purpose was to establish: key organizational emphasis areas of performance; devise a measurement tool to be used to tract performance; develop an implementation strategy; and oversee all program development. This committee was comprised of the State Highway Administrator, four Senior level Managers within the Highway Division, Highway Division Budget Officer, Legal Council, and a program manager. This committee began meeting in November 1988. The committee identified the key organizational emphasis areas, that if managed correctly, would lead to organizational success. The committee also identified a tool for measuring those key performance areas, a Productivity Matrix. The committee then decided to embark upon a feasibility study to test their conceptual design and measurement tool. The feasibility study began July 1989.

Feasibility Study

The steering committee identified seven work groups to serve as "pilot units" for a feasibility study. The study was to last one year, and was given the following charge: identify key measures of performance with respect to the organizational key performance measures. These performance measures were to be results based, not activity or process oriented. The next charge was to establish bench mark or average standards of performance in each key performance measure. The last charge was to link the key performance measures to performance incentive pay. In January of 1990, the steering committee decided to expand the feasibility study to include "pilot units" in the areas of Project Development, Field Maintenance,

Field Construction, and Support & Enforcement. Currently 27 work groups and more than 400 employees are involved in the feasibility study. One of the pilot units which began in July 1989 was a heavy equipment shop.

Heavy Equipment Shop: A Case History

A seminar was conducted with the equipment shop personnel (including mechanics, storeroom, administrative support and management) to address the identification of the shop's key performance measures, considering the Divisions performance measures. The results based performance measures were identified, but it became apparent that some of those measures, had never been tracked. To facilitate the development of bench mark performance, certain "measurement tools" needed to be developed.

One of the outcomes of this process was the development of a shop coding scheme; developed, tested, modified, and finalized by the mechanics. This coding scheme is used to develop "shop standards" of performance. Once enough history has been gathered, these standards will then be used to develop a "flat rate" time manual.

This flat rate will then be applied to each repair completed by the shop. The total flat rate hours will then be compared to the actual hours worked by the shop, and the resulting percentage will be the measure of the shops labor efficiency.

The labor efficiency measure is then combined with quality measures, identified by the shop personnel. The quality measures include: percent of tasks requiring rework; percent of tasks completed late; parts unavailable or incorrectly ordered; number of "come-back" repairs; and customer satisfaction. Safety measures such as loss of time, time loss incidents, restricted day,

housekeeping, as it relates to safety, and material and building expenses, were included.

The composition of these measures will result in a bottom line measure of performance. This measure is a monthly productivity index. The productivity index is compared to previous indexes, to detect if an increase in performance has occurred.

Customer Satisfaction

The equipment personnel (mechanics, storeroom, administrative staff and management) jointly developed a customer satisfaction survey post card to be distributed with each vehicle repaired through the shop. Thirty-eight percent of the survey cards distributed have been returned. The following are the results of that survey:

- How many times do you bring equipment to the shop each year? 13 times
- Do you feel safe using the equipment after repairs? 100% (yes)
- Were all the requested repairs completed? 84.6% (yes)
- Were you satisfied with the quality of the work performed? 88.5% (yes)
- Were your repairs completed on time? 76.9% (yes)

The first group of "pilot units" will be completing one year worth of gathering data, from which bench marks can be developed. Once bench marks are established, the process of linking incentive pay to an increase in performance will begin.