

SYNTHESIS SURVEY RESULTS

AGENCIES RESPONDING TO THE SURVEY

The 13 responding transit agencies represent a geographically dispersed group of public transportation providers of different sizes, modes of operation, and governance structures. The list of responding agencies is shown as Appendix B.

DESCRIPTION OF SURVEY RESULTS

The survey of leadership team members entailed a two-pronged approach. Surveys were sent to the senior HR manager listed in the APTA membership directory. The letter to the HR manager described the survey process.

Enclosed are two surveys that will be the major sources of data for the synthesis report. One survey, titled Survey Questionnaire: Human Resources Leadership Team Member, is to be completed by the agency senior human resources executive. The second survey titled Survey Questionnaire: Non-HR Leadership Team Member, is to be completed by at least two other top leadership team members, preferably the agency chief executive and the chief operating officer. Responses from additional leadership team members would also be beneficial to the project.

Both groups were asked to complete a 98-item Likert scale survey about aspects of corporate culture included in the synthesis scope of work. (The Likert technique presents a set of attitude statements. Subjects are requested to express agreement or disagreement on a 5-point scale, with each degree of agreement given a numerical value from

one to five. Therefore, a total numerical value can be calculated from all the responses.) In addition, the HR leader was asked to provide data on the leadership team tenure and backgrounds, core competencies, recruitment methods, performance management processes, and professional development activities of these members

LEADERSHIP TEAM DEMOGRAPHICS

As shown in Figure 1, data on the leadership teams revealed that in the 13 responding agencies, the average tenure of the CEO is 7 years. The average tenure of these individuals in the current agency is 9 years, whereas their average tenure in the transit industry is 21 years. These data show that individuals selected for the top position in these agencies come with extensive industry experience, often gained in other transit organizations.

Other leadership team members also have extensive background in the transit industry. Again, much of this experience was acquired in other agencies. The tendency to promote from within the agency, however, appears to be much greater for these individuals than for those in CEO positions, as shown in Figure 2. The average tenure in current positions is 8 years, average tenure in the agency is 13 years, and the average tenure in the transit industry is 18 years.

Figure 3 gives a view of the tenure of the total leadership team within responding agencies. These individuals bring a rich history of transit experience: a mixture of experience

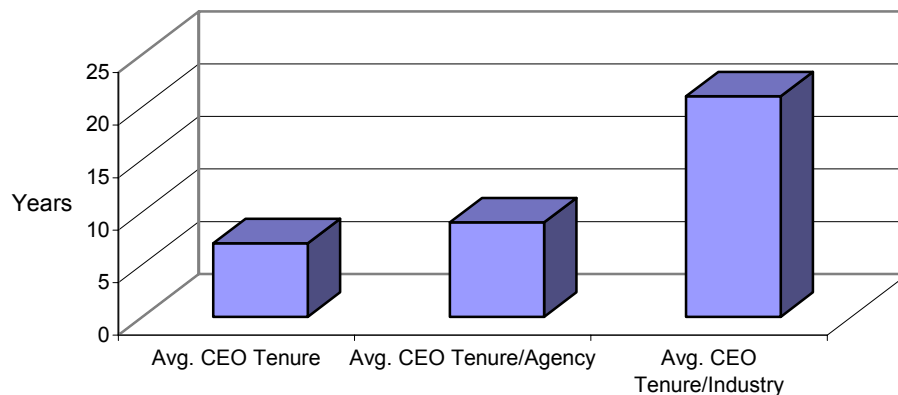


FIGURE 1 Transit general manager/chief executive officer profiles.

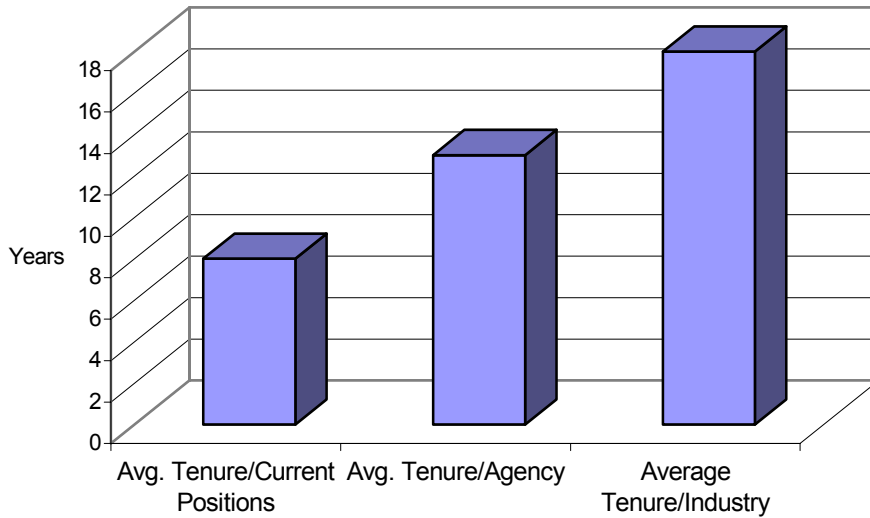


FIGURE 2 Leadership team profiles: Individuals.

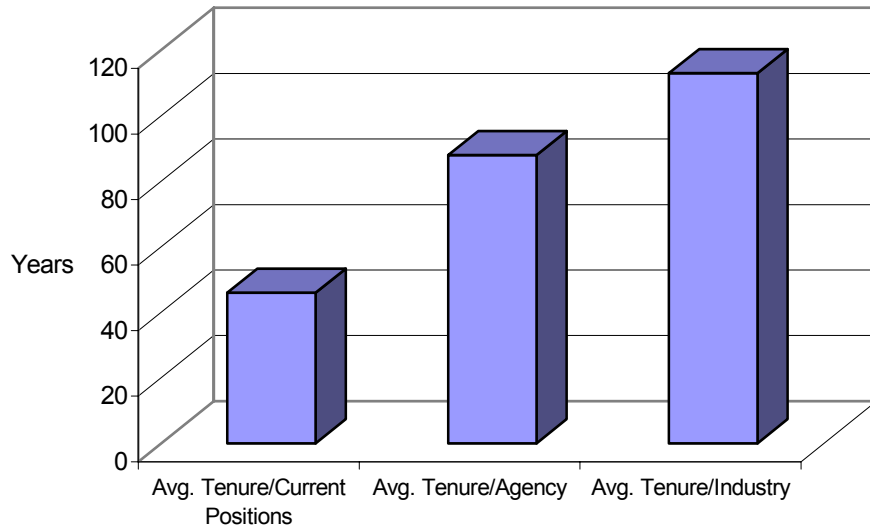


FIGURE 3 Leadership team profiles: Total team.

gained in their current agency and in other transit settings. In totals, the average team tenure in current positions is 46 years, the average tenure in the agency is 88 years, and the average tenure in the transit industry is 113 years. Clearly, industry leadership teams have gone through an acculturation process in the industry that is valued by those making decisions about the type of people best suited to lead these organizations. These data are consistent with previous research that shows that transit leadership teams are most often selected from within the industry.

CORE COMPETENCIES

Using the core competencies developed for leadership team members by the Houston Metro transit agency as

the baseline, survey participants were instructed as follows:

Listed below is the list of competencies included in the Executive Competency Profile of the Houston Metro leadership team. Please compare the competency requirements used to recruit and develop the leadership team at your agency with this list. If your agency’s competency requirement is the same for all leadership team members at your agency, place one “X” in the appropriate box to the left of each competency. If a competency is of less or more importance for certain positions, indicate the positions for which there is a different requirement, in the appropriate box. Add additional competencies for your leadership team as appropriate.

Houston Metro defines competency as: A measurable pattern of knowledge, skill, behaviors, and values that an individual must have to successfully accomplish the desired results of the job and to contribute to the achievement of the organization’s vision and mission.

TABLE 1
RATINGS OF CORE COMPETENCIES FOR ALL LEADERSHIP POSITIONS

| Competencies | Very Important | Important | Moderately Important |
|--|----------------|-----------|----------------------|
| Houston Metro | | | |
| Job-specific skills | 6 | 5 | |
| Strategic agility | 5 | 5 | 2 |
| Priority setting | 6 | 5 | |
| Business acumen | 4 | 6 | 1 |
| Managing vision and purpose | 7 | 5 | 1 |
| Building effective teams | 5 | 6 | 1 |
| Motivating others | 5 | 7 | |
| Problem solving | 7 | 5 | |
| Developing others | 2 | 8 | 2 |
| Managing and measuring work | 6 | 7 | |
| Timely decision making | 5 | 6 | |
| Customer focus | 6 | 4 | 1 |
| Added Competencies Identified by Respondents | | | |
| Political astuteness | | 1 | |
| Mutual respect | 1 | | |
| Communication | 1 | | |
| Sense of urgency | 1 | | |
| Commitment to quality | 1 | | |
| Teamwork | 1 | | |

Notes: Rating scale—Very important: Inadequate performance could have severe damaging effects on agency, others or self; Important: Inadequate performance would cause considerable inconvenience or adverse impact; Moderately important: Inadequate performance could cause some inconvenience or delay without adverse impact; and Not important: Inadequate performance would not cause adverse impact.

Table 1 provides a breakdown of the importance that respondents gave to each core competency required for all leadership team members, with numbers of respondents and the rankings. The Houston Metro competencies are listed at the top of the first column, with competencies added by individual responding agencies listed at the bottom under Added Competencies Identified by Respondents.

Although respondents considered each competency of some importance for leadership members, there is no consensus on the relative importance of each. These data suggest that the needs and preferences of the individual agency dictate the extent to which a particular competency is considered essential or preferred.

Figure 4 shows those competencies that some agencies rated as very important for the CEO only. Two agencies viewed strategic agility and priority settings as very important for the position; one agency saw motivating others and developing others as very important.

RECRUITMENT OF LEADERSHIP TEAM MEMBERS

As shown in Figure 5, responding agencies reported using a combination of recruitment methods, but most often either the internal HR staff or an executive search firm conducts leadership team recruitment. Eight agencies conduct recruitments through their HR departments; seven use executive search firms, sometimes in combination with internal HR searches. In one case, it was indicated that the agency's network of

transit professionals was the method used to recruit leadership team members. A second agency reported that department heads conduct their own recruitments. Respondents rated the effectiveness of the recruitment methods used as very effective or effective in achieving recruitment goals.

PERFORMANCE MANAGEMENT

For the most part, respondents report having structured performance management processes for measuring leadership team contributions. Figure 6 shows that in these 13 agencies, the most frequently used performance management elements are annual performance reviews (nine), annual goal setting (six), and using a standardized format (five). One respondent reported not having a performance management process.

PROFESSIONAL DEVELOPMENT

To learn how professional development needs of leadership team members are decided, the survey asked who makes the determination. Figure 7 shows that in eight agencies the CEOs establish development needs. In four agencies the team member and the CEO jointly determine development needs.

A second area of inquiry about the professional development of leadership team members concerned whether development activities are typically aligned with recent

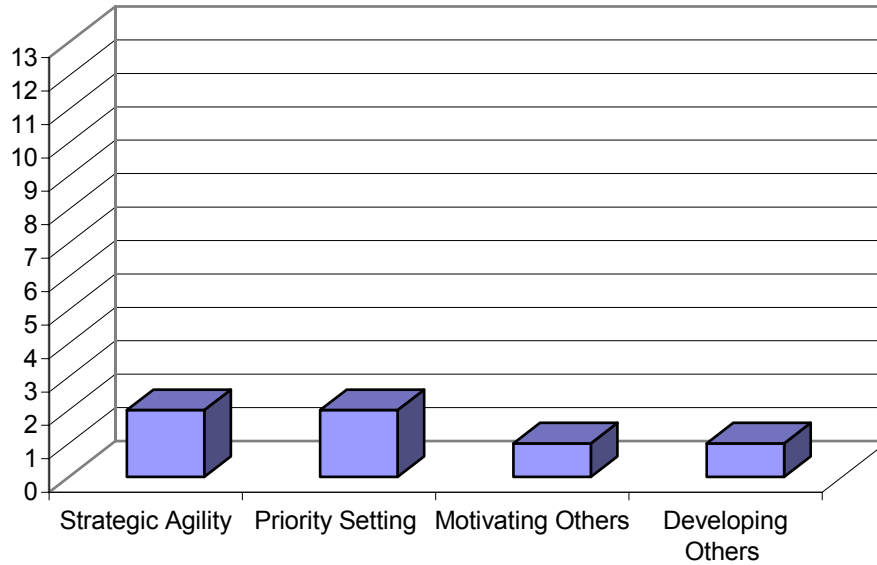


FIGURE 4 Core competencies rated as very important for chief executive only.

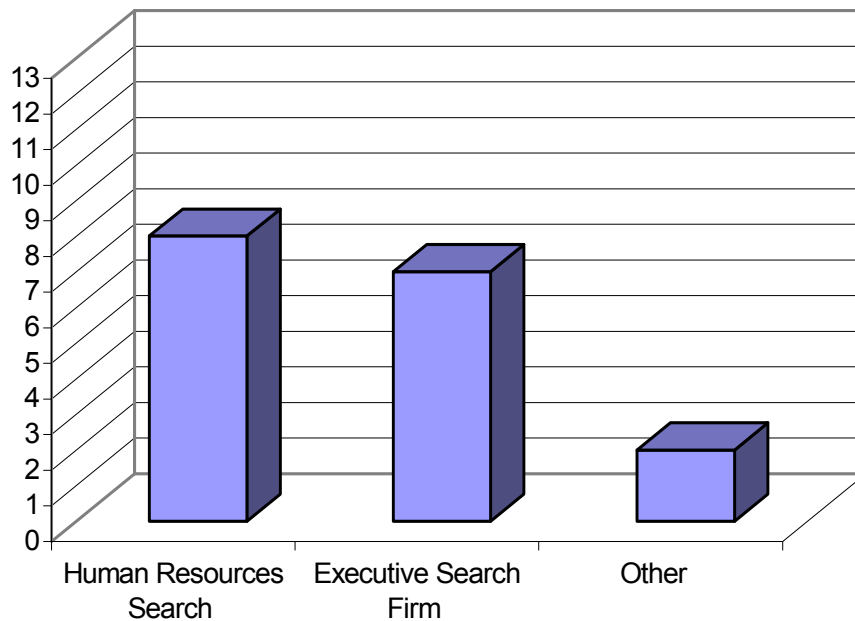


FIGURE 5 Recruitment of leadership team.

performance, succession planning, personal preference of the employee, or other factors. Figure 8 reveals that development activities in these agencies are most frequently aligned with recent performance (12), with succession planning and personal preference of the employee (both at 5) being considered less frequently. In one agency, the “other” category was checked without designation of the specific factor.

Respondents provided examples of those development activities completed or plans that had been developed by

leadership team members in the past year. The list contains myriad activities, with the most frequent activities being interpersonal communication skills, presentation skills, team building, and supervisory/management and leadership skills training programs. Other activities included involvement in the development and implementation of a new mission, vision and values statement, top-level executive management reorganization, presentation skills, participation in national and regional events, and an executive retreat to revisit strategic plans and goals.

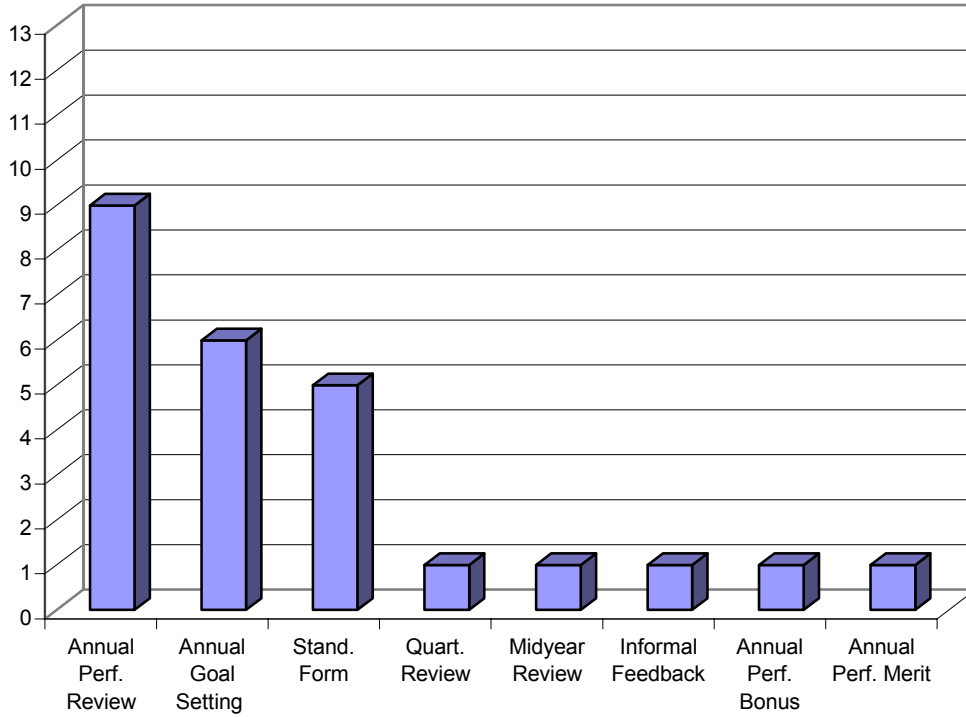


FIGURE 6 Performance management process.

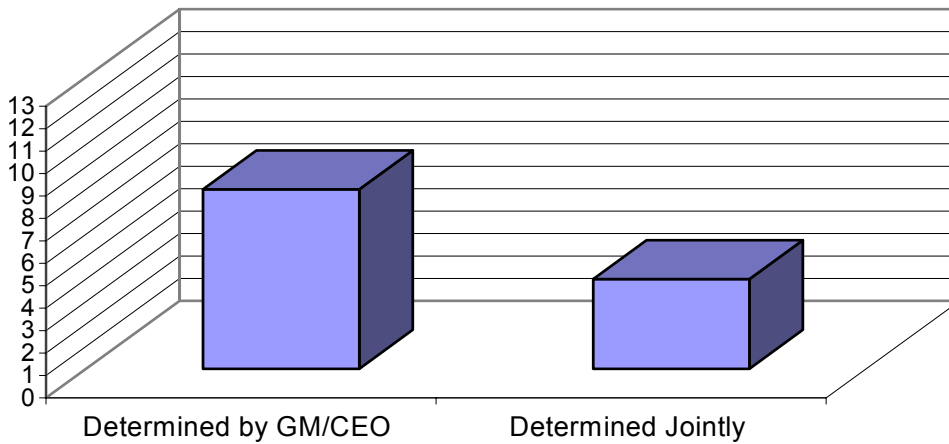


FIGURE 7 Professional development needs.

SURVEY RESULTS: DIMENSIONS OF CORPORATE CULTURE

Ten categories of statements provided a framework for inquiring about specific dimensions of corporate culture in responding agencies. Having multiple respondents from each agency was key to gaining a sense of the collective view of cultural life within an agency. For the most part, individual respondents' survey ratings within a single agency were quite consistent, with some variations that reflected different views or different experiences on the di-

mension being inquired about. A total of 41 leadership team members responded to the survey.

The analysis of survey results is organized into the following 10 categories:

1. Dominant organizational characteristics,
2. Leadership team expectations/support,
3. Leadership team characteristics,
4. Leadership team decisions,
5. Leadership team communication/relationships,

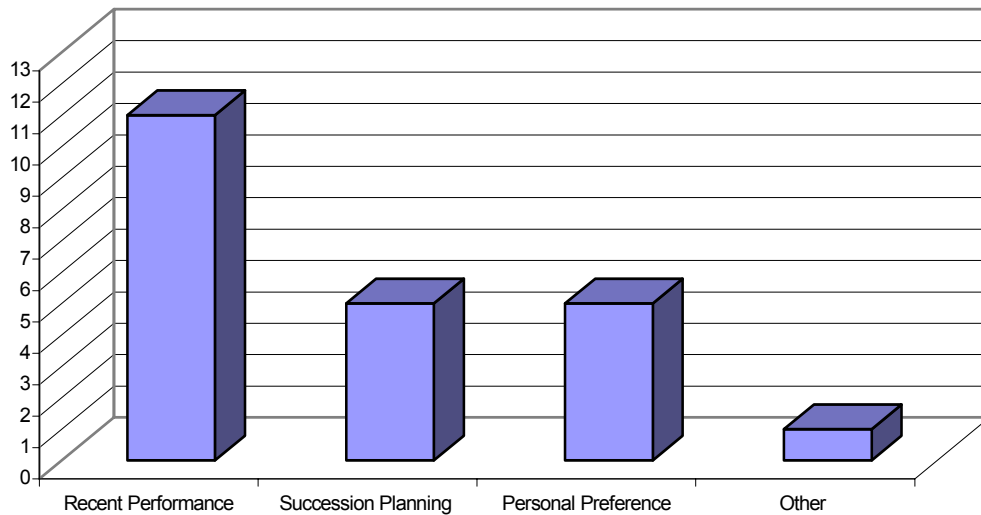


FIGURE 8 Development activities alignment.

6. Professional development/career planning,
7. Performance management/evaluation,
8. Labor–management relations,
9. Community/customer relations, and
10. Leadership team/governing body relations.

Respondents were asked to rate each statement on a 5-point rating scale with 5—strongly agree, 4—agree, 3—do not agree or disagree, 2—disagree, 1—strongly disagree. The number and percentages of responses to each survey statement are included in Appendix A.

Dominant Organizational Characteristics

Survey statements in this area focused on the overall characteristics of the organization—what it felt like to be part of the organization. The majority of the respondents agreed with a number of statements in this 19-item section.

- The work environment here is pleasant (38).
- This agency is known for its secure employment (35).
- This agency treats employees fairly (33).
- The image the agency portrays to the public is consistent with what employees experience on a day-to-day basis (28).
- People in this organization tend to give more of themselves than is expected (28).
- Excellent performance is rewarded here (26).
- Risk taking is encouraged and rewarded here (23).

Thirty-one respondents agreed with this statement: It is best to get approval before taking unconventional actions here, and only 9 agreed with this statement: It is easy to make changes here. These responses do not appear to sup-

port ratings given to the statement about risk taking. The ratings may represent ambivalence about what is encouraged and what is actually rewarded in respondents' organizations. Employees who have grown up in bureaucratic organizations, as many transit veterans have, often have difficulty believing in and adjusting to an environment that gives them freedom to act. Responses to another statement lend credence to this conclusion: Teamwork is the dominant management style here, which was agreed to by 18 respondents. Organizations that have traditionally allowed departments or other work divisions to operate as separate entities breed a culture in which separateness is valued and rewarded. Each unit, and sometimes each person, learns that survival depends on fending for oneself.

Respondents gave less than enthusiastic levels of agreement to these two statements:

- This agency invests in employee development at all levels (19).
- The agency has a well-deserved reputation in the community for compensating its staff well (19).

Such results do not bode well for transit agencies that need to have a pool of leadership candidates prepared to take the place of senior managers, many of whom will be eligible for retirement within the next several years.

Leadership Team Expectations and Support

This category investigated what leadership team members expect of one another and the types of support given within the group. Respondents tended to give themselves higher agreement ratings when rating their own behavior and ex-

expectations and less flattering ratings when describing the total team's behavior. For example, the highest ratings were given to the following two statements:

- I make a point of sharing information that I think would be useful with my peers (38).
- I expect my peers to be open and candid with me (35).

In contrast, the *agree* ratings for these statements were considerably lower:

- New leadership team members receive voluntary mentoring from peers (15).
- Constructive criticism is welcomed among leadership team members (18).

Other statements about leadership team expectations that the majority of respondents agreed with include the following:

- I am compensated fairly for the work that I do here (29).
- Work demands for my position are reasonable (28).
- If I get into a difficult situation, I can count on peers to come to my assistance (27).

Leadership Team Characteristics

This category defined the features of the leadership team. In essence, what are the characteristics of people who make up the team? One hundred percent of respondents agree that they enjoy working with peers in solving problems. However, apparently, positive feedback is not the norm among peers in the responding organizations.

- I have received unexpected praise from peers on a number of occasions (15).
- It is easy for new members to fit in here (18).

Larger numbers agreed with the following statements:

- Tradition has a strong influence on management style here (22).
- I tend to be very precise in how I manage the work in my area(s) of responsibility (22).

Both statements reflect the traditional rule-and-regulation type culture that has been alluded to in previous studies about the culture of the transit industry.

Twenty-seven respondents agreed that the leadership team consistently subscribes to high standards of performance, which supports two earlier responses in the Dominant Organizational Characteristics section, that people tend to

give more than expected and that excellent performance is rewarded.

Leadership Team Decisions

This category focused on how well the responding teams function as decision-making groups. Ratings of these two statements showed potential areas of weakness:

- The process we use for making decisions about the allocation of resources is clearly understood by team members (18).
- It is easy for the leadership team to come to a firm decision (15).

These ratings are likely interrelated. An unclear process can lead to an environment of indecision.

Twenty-six respondents agreed that team members are expected to defend the rationale for proposed actions to one another. Another rating, however, gave a hint about the type of decision-making process that may be the norm in responding agencies: that is, 28 agreed that team members tend to get support for a proposed change from at least one other colleague before presenting it to the entire team. This level of response suggests the prevalence of advocacy as a decision-making strategy versus inquiry, where the free flow of ideas is encouraged, even when these ideas question the prevailing assumptions.

Respondents gave positive ratings to these two statements regarding decision-making processes:

- Decisions regarding fiscal resource management are based on sound business practices (31).
- Decisions that have organization-wide impact usually require full leadership team input (28).

Respondents gave themselves (personally) the highest ratings when it comes to decision-making behavior. Thirty-eight agreed that they seek feedback from peers when considering actions that may affect their areas of responsibility.

Leadership Team Communication and Relationships

This category reviewed a second aspect of team functioning—how well team members relate to each other as colleagues. Although the ratings showed some agreement, the results reflected definite areas of challenge.

- The leadership team members look out for each other (15).
- Collaboration among leadership team members is rewarded here (19).

This result is consistent with management behavior in a traditional bureaucratic environment, where segmentation of functions contributes to organizational silos or pockets of isolation. Contradictory ratings given to the following statements indicated the nature of relationships in these environments:

- Leadership team members freely share information and views with each other (23).
- I am cautious about how I present unsolicited ideas to my peers (25).

There could be many explanations for this apparent inconsistency in responses, including the perception that only certain types of communication are acceptable, whereas other types intrude into another person's authority. Another area of leadership team focus received only slightly overall agreement with 22 respondents agreeing with this statement: The leadership team keeps employees informed of what is going on in the organization.

Professional Development and Career Planning

This category sought to determine the extent to which career planning for leadership positions occurs in a systematic fashion. A majority of respondents agreed with the following statements:

- I feel comfortable letting the person to whom I report know about areas that I do not feel fully competent (38).
- I mentor employees who demonstrate leadership potential (33).
- I have been encouraged to pursue professional growth opportunities by the person to whom I report (27).

Less strong were the agree ratings given to two statements relating to opportunities given to future leaders.

- Employees who want to develop their leadership potential have many opportunities to do so here (20).
- The organization has a credible, clearly communicated process for helping employees develop leadership skills (10).

With sizeable numbers of current senior managers becoming eligible for retirement (as evidenced by the longevity of leadership teams in the responding agencies), the results should be of particular concern to transit agencies that will have to replace these individuals. As the need for more broadly prepared managers increases, the lack of clearly articulated processes and commitment to leadership development is a cause for industry concern.

Performance Management and Evaluation

This category focused on the degree to which performance management is a structured process that allows employees to receive the feedback and support they need to contribute optimally to their agency's mission. The majority of respondents indicated agreement with each of the seven statements in this category.

- I receive formal performance feedback at least once a year (33).
- I feel confident that I can stay in my current position as long as my performance is satisfactory (33).
- I have the freedom to perform my job as I see fit (33).
- Performance expectations for my position are clear and attainable (30).
- The feedback I receive about my performance is clear and fair (30).
- I am recognized for my contributions to the agency (29).
- My current performance goals were set in collaboration with the person to whom I report (28).

Labor–Management Relations

This category looked at how labor–management relations are conducted in transit agencies and with what result. The responses were quite mixed. Probably most telling was the level of disagreement with these two statements:

- Labor–management relationships here are nonadversarial (14).
- Labor leaders know they can trust the management leadership team (14).

Larger numbers agreed with the following statements:

- The leadership team ensures that labor leaders are kept informed of matters affecting their membership (28).
- Within the past year, the management leadership team and the leadership of the union(s) have had formal, noncollective bargaining discussions about labor–management relations (28).
- Labor and management leaders collaborate informally on a regular basis (22).
- Labor and management leaders have participated in joint labor–management partnership education (19).

These results indicated that although some actions are being taken to improve the state of labor–management relations at the senior management levels, these actions in some cases have been irregular, and the process of improv-

ing labor–management relationships will require extensive effort and patience. The history of adversarial relationships in transit, cited often in the literature, is a reality that the leadership team has to face as an ongoing challenge and opportunity in enhancing working relationships.

Community and Customer Relations

This category reviewed how the leadership team acts to maintain a focus on the external environment from which it derives its customer base, and how it interacts with the community in achieving its mission. The ratings given by respondents indicated consensus on the importance of positive relationships with customers and the public in general. Processes for measuring customer/community relations seemed to be less firm. Agreement ratings were as follows:

- The agency communicates with the public honestly and straightforwardly, using a variety of relevant media (39).
- The leadership team is comfortable relating to the diverse communities the agency serves (36).
- Input from the community plays a major role in decisions about the types of public transportation service we provide (36).
- Data gathered from customers show that service today rates higher than in recent years (25).
- The leadership team has clear goals for improving customer satisfaction during the current year (20).

Leadership Team and Governing Board Relations

The essence of this category was to determine how well the board and leadership work together in achieving transit agency goals. Overall, respondents gave ratings that indicated positive relationships. Respondents generally agreed with the following statements:

- Governing body members make appropriate use of the leadership team’s expertise in making decisions (39).
- Governing body members are open to feedback that may differ from their initial understanding of an issue (34).
- The lines of responsibilities between the governing body and the leadership team are respected here (30).
- The involvement of governing body members in the organization’s activities consistently contributes to achieving the stated agency mission (25).
- The governing body provides clear direction on where the organization is going in the short- and long-term (22).

These results may relate, in part, to the different types of governing body structures represented in the responding agencies. Some consist of appointed members, whereas others have elected members. The results may also relate to the limited amount of contact some leadership team members have with governing body members. In either case, the results may point to potential areas for improving the quality of relationships at this level.