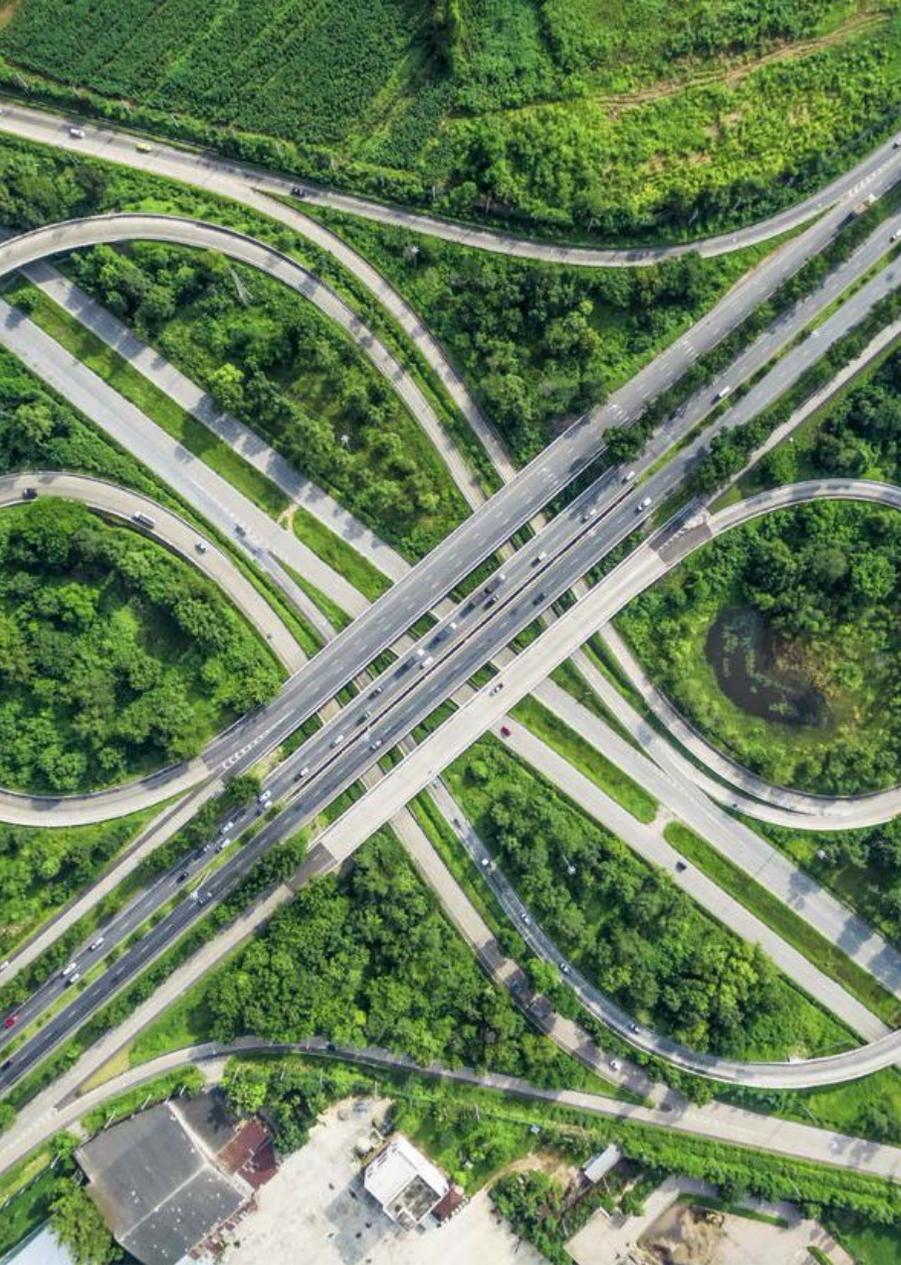




Arkansas Highway Commission Review and Advisory Subcommittee Meeting

Recommendations Report
Presentation:
Portfolio Planning

August 5, 2020



Agenda

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Recommendations

Portfolio Planning



Portfolio Planning - Current State Findings

Recommendation 3:
Publish
Construction and
Maintenance Status

Recommendation 4:
Manage all
Customer Inquiries
to resolution

Key Finding(s)

PP1.2: ArDOT's public communication related to project status, schedule, and budget is disjointed and inconsistent

PP2.3: There is no formal structure to coordinate maintenance workplans to the general public or interested stakeholders

PP3: Although ArDOT is responsive to public inquiries, it only offers a limited number of tools to capture and track them

Supporting Evidence

- **The Department implemented changes to construction project prioritization, budget, and timing** through ~56 amendments (from 12/2016) and ~11,150 change orders (from 2014)
- **ArDOT's public communications meet regulatory requirements**, however, it is **not clear** that the Department has assessed **whether they meet the needs of its stakeholders, constituents, and the general public.**

- iDRIVE Arkansas, and the Connecting Arkansas Program (CAP), **provide mechanisms to capture customer inquiries.**
- There is **no comprehensive Department wide protocol or tool to capture customer inquiries and problems**, manage these inquiries, track a resolution, or measure impact to in-progress or planned work

3. Publish status of construction projects and maintenance activities

ArDOT's existing communication of projects and maintenance activities is disjointed and difficult to navigate. Improving the communication structure can increase public visibility and accountability; enhance project delivery; and yield better data to inform planning and budgeting.



Anticipated Impact

- **Improve public access to the prioritization and status** of construction projects and road maintenance
- **Expedite project and maintenance delivery time**
- **Yield more precise data** on maintenance needs **to better inform planning and budget appropriations**



Considerations

- **Existing platforms** (e.g. iDRIVE AR and district office websites) and tools **can be leveraged to rapidly enhance reporting** of readily available project status data
- **An enterprise level approach** will be required **to provide true real-time access to project status**



Implementation Summary

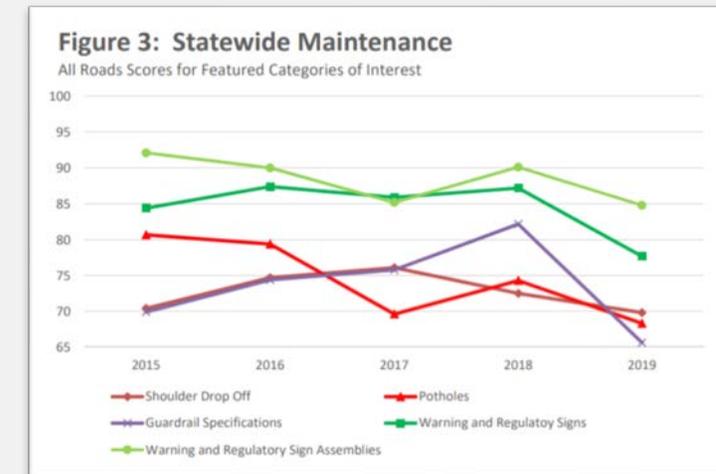
- **Inventory current reporting infrastructure**
- Identify and **implement short-term reporting enhancements**
- **Lay the groundwork for long-term reporting improvements**

Leading Practices

- **Seven of the 10** comparison DOTs **provide a view of future construction projects.**
- **Nine of the 10** comparison DOTs provide **visibility into maintenance workplans/budgets**
- Virginia DOT provides a **“one-stop”** shop to **locate projects and access status**
- Kentucky DOT publishes **State-Level analyses of maintenance performance**



Source: Virginia Department of Transportation



Source: Kentucky Transportation Cabinet

Implementation Roadmap



1

INVENTORY CURRENT INFRASTRUCTURE

Catalog existing reporting platforms:

- iDRIVE Arkansas
- STIP website
- CAP website
- District office websites

Identify underlying data platforms:

- Staff Minutes database
- SiteManager and SARS
- Homegrown databases

2

IDENTIFY SHORT-TERM ENHANCEMENTS

Identify project data that can be provided via existing infrastructure:

- iDRIVE Arkansas: Identify future projects; Pre-Construction status and milestone dates; Project Change Order data, A+C Project completion percentages
- District office websites: County maintenance bi-weekly plans; district paving projects

Leverage CAP And IRP infrastructure to establish portfolio and county level reporting for all projects

Identify short-term implementation timeline

3

LAY GROUNDWORK FOR LONG-TERM IMPROVEMENTS

Identify additional reporting needs via customer service surveys
(See also [Recommendation 1](#))

Ensure the MMS system can scale to provide State and district performance data and county level work plans
(See also [Recommendation 7](#))

Ensure that the new construction Project Management framework facilitates detailed project status information reporting
(See also [Recommendation 7](#))

In partnership with IT, build backend database to enable automated long-term reporting capabilities
(See also [Recommendation 10](#))

4. Implement a platform that tracks all stakeholder inquiries to resolution

ArDOT primarily manages customer service by providing the public direct access to staff. ArDOT can improve its customer service, while simultaneously reducing the cost to the Department and surfacing new Department-wide operational efficiencies.



Anticipated Impact

- Brings ArDOT *in line with other DOT's* with **more mature customer service platforms**
- **Reduces** customer service and (long term) Department **operating costs**
- **Increase in staff engagement by up to 50%**



Considerations

- A **Clear vision**, and **leadership buy-in** will be critical at the outset
- **Upfront Investment will be required** for future ROI, especially as it relates to a technology solutions
- A **Passionate** Project Manager should be appointed
- In a phased approach **“services” should be transitioned before divisions**



Implementation Summary

- Understand customer needs
- **Define a new customer experience vision**
- Lay the **groundwork for a new service approach**, including adoption of a CRM tool
- Create and execute on implementation plan; and **measure and communicate customer service performance**

Leading Practices

- Portland's and Philadelphia's 311 call-centers can serve as a **model roadmap for a centralized customer service approach**
- Six DOTs **measure customer service or responsiveness**
- Missouri DOT measures customer service on a quarterly and biennial basis to assess **customer needs**, evaluate **responsiveness**, and **improve customer experience**



Source: Missouri Department of Transportation

\$4.25 - \$5.10

Projected Portland 311 call-center cost reduction per transaction in switching from phone agent to online self service

Source: City of Portland

GLOSSARY

ROI: Return on Investment CRM: Customer Relationship Management

Implementation Roadmap



1

UNDERSTAND CUSTOMER NEEDS

Leverage existing resources to quantify the scope and type of customer inquiries:

- iDRIVE Arkansas
- Call Logs from Public Information Office, district offices, other divisions
- Interviews with key public facing staff

Conduct targeted survey of sample ArDOT customers to assess their needs

Create a comprehensive analysis of customer needs by key citizen segments

2

DEFINE CUSTOMER EXPERIENCE VISION

Conduct workshops with key ArDOT leaders to develop a customer experience vision and corresponding customer service journey maps

Leverage best practices to inform implementation frameworks and roadmaps

Identify a Project Manager and Governance team to ensure robust project sponsorship and effective delivery

3

LAY THE GROUNDWORK

Review key business processes through a customer service lens

Revisit existing customer inquiry intake and routing process to improve workflow

Identify new business and technology requirements for technology solutions

Identify metrics and service level agreements to track performance; document roles and responsibilities to ensure service meets expectations

4

FORM AND EXECUTE ON PLAN

Identify quick win improvements to generate momentum for the effort

Create a long-term implementation plan:

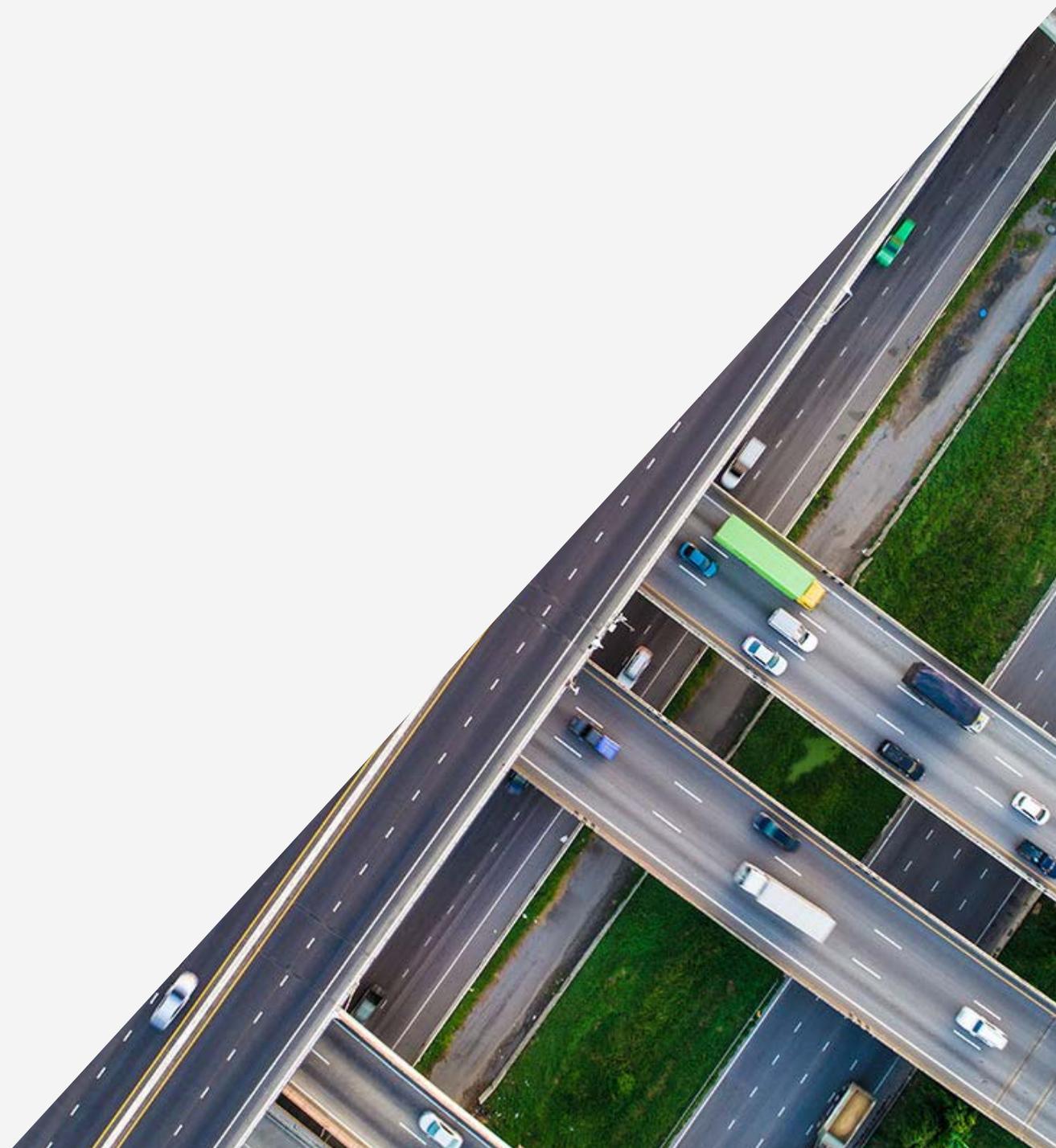
- Website upgrades
- Software tools, including CRM tools
- Expanded Customer Service Team; call-center

Establish reporting structure to communicate volume of customer service requests and ArDOT's management and resolution

Questions?



Appendix





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Assumptions

1. The recommendations included in the presentation and in the corresponding Recommendations Report are based on a point in time Current State Report delivered to the Highway Commission and Advisory Subcommittee on March 13, 2020. This Current State Report was based on interviews conducted with the Arkansas Department of Transportation (ArDOT) staff members and various external stakeholders and a review of documents ArDOT provided to Guidehouse from September 2019 – February 2020. Recommendations and Findings are subject to change based on mitigating documentation and clarifications provided by ArDOT subsequent to the publication of this report.
2. The Anticipated Impacts identified within this presentation and the corresponding Recommendations Report are estimates, directional in nature, and represent the upper end of the savings range

Portfolio Planning Current State Findings

PP 1.1: ArDOT has a formal and quasi-objective process to identify construction projects, prioritize those projects, ensure public involvement, and secure required approvals.

- ArDOT has adopted a "System Preservation" investment strategy that aims to deploy funding according to the following protocol: 80% of funding on system preservation projects; 20% on capital improvements; with 90% of projects on the Arkansas Primary Highway Network.
- ArDOT consults with various internal and external stakeholders to identify project candidates to be included in the Statewide Transportation Improvement Plan (STIP).
- Stakeholders: ArDOT: Transportation Planning and Policy (TPP), System Information and Research (SIR), Maintenance, Bridge, district Offices; Metropolitan Planning Organization (MPOs); and the General Public
- Project Types: Pavement preservation, Capacity Improvement, Safety, Bridge, and other miscellaneous
- ArDOT employs a combination of Decision Lens software and stakeholder consultation to prioritize and sequence candidate projects within four broad categories: Pavement, Capacity, Bridge, and Safety; and a miscellaneous category.
- Projects Identified by the 8 MPOs must be included without modification within the STIP.
- ArDOT must demonstrate that the STIP is financially constrained.
- There are several rounds of review by ArDOT executive leadership and the Highway Commission prior to the STIP being released to the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) for final approval.
- ArDOT affords public commentary via the 8 MPOs who conduct extensive public review and prior to final review by FHWA and FTA.

Portfolio Planning Current State Findings

PP 1.2: ArDOT's public communication related to project status, schedule and budget is disjointed and inconsistent. It requires the public to navigate different sources to secure information.

- Since December 2016, ArDOT has implemented ~56 Statewide Transportation Improvement Plan (STIP) Amendments that impact a project's delivery timeline, cost, prioritization, or even inclusion on the STIP.
- Administrative amendments require public communication and solicitation of public input.
- ArDOT has approved numerous STIP administrative modifications but has not formally communicated these to the public until FY2020.
- Administrative Modifications pertain to changes in project funding, and/or cost and schedule with less than a 20% impact.
- From CY2015 – CY2019 ArDOT issued ~11,150 Change Orders (CO).
- ArDOT has a multitude of communication vehicles to provide project status updates to the general public (see table below), of which the most comprehensive and user friendly is produced by a contractor (Garver).
- ArDOT's public communications meet regulatory requirements, however, it is not clear that the Department has assessed whether it meets the needs of its stakeholders, constituents, and the general public.

PP 2.1: The Annual maintenance budgeting process is based on Historical Precedent.

- ArDOT must manage ~ 16,467 miles broken out amongst 10 districts, and budgets ~ \$190M at the district level per year for those activities.
- Maintenance activities, resources, and supplies at all three levels of the organization (Central Office, district, Area) are tracked against ~36 Counties, ~41 districts, and ~3 Statewide Function or Activity Codes.
- Interviews revealed that in March of every year, Fiscal Services furnishes the districts with Expenditures against these function codes to prepare a new budget.
- District maintenance budgets have remained relatively stable over time. Since FY2017, annual growth rates have ranged from 0.2% - 1.9%.
- Interviews revealed that districts need to manage their maintenance activities to these Budgets.

Portfolio Planning Current State Findings

PP 2.2: Maintenance Work Plans are designed to deliver historically rooted activities rather than specific service conditions.

- Although Asset condition data exists and is furnished to districts, it does not appear that formalized Level of Service (LOS) targets have been established for every critical feature within each district (with Bridges and signs as a notable exception).
- Annual district level maintenance planning translates into:
 - An Annual Work Program Computation Analysis that articulates proposed person-hours and resources per Activity Code for cyclical activities (e.g. mowing) and reactive work (e.g. debris cleanup).
 - A set of special projects for which dedicated funding has been set aside.
- Maintenance Supervisors are responsible for identifying projects, within given resource constraints and guided by the Annual Activity Schedule, in an annual work program, however, it is not clear how this translates into achieving a target level of service (except with Bridge and Sign Crews).
- ArDOT is in the process of acquiring a maintenance management system to transition to a needs based maintenance planning system, however, that process is in it's infancy and an underlying framework that links maintenance activities to Level of Service has not been established.

PP 2.3: There is no formal structure to coordinate Workplans within or across districts, or communicate these workplans to the General Public.

- Interviews revealed that Area Maintenance Supervisors meet on a monthly basis to discuss plans, however, it's not clear if there is a formalized process to align Workplans across Counties or Maintenance Job Superintendents.
- Beyond limited ArDOT Press releases, Message Boards, and static maintenance project updates on ArDOT's websites there does not appear to be a formal and coordinated process nor resources to communicate maintenance workplans to the general public.

Portfolio Planning Current State Findings

PP 3.1: Although ArDOT is responsive to public inquiries, it only offers a limited number of tools to capture and track them.

- Although iDRIVE Arkansas, and the Connecting Arkansas Program (CAP), provides mechanisms to capture customer inquiries and reports of problems, interviews with ArDOT district Level staff revealed that there is no comprehensive Department wide protocol or tool to capture these customer inquiries and problems, manage these inquiries, or track a resolution.
- Interviews with ArDOT staff members indicated that public commentary and inquiries sometimes impacted project/maintenance delivery, however, they reported that no comprehensive protocol or tool allowed them to assess and document the corresponding impact to in-progress or planned work.