21st Century Leadership and Management Techniques for State DOTs
Acknowledgements

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The project’s Advisory Panel deserves much credit for the effort they expended on behalf of this project. While members of Oasis Consulting Services led the project research, designed and led the pilot workshop, and authored this report and the associated Leadership Guide for Transportation CEOs, the members of the Advisory Panel contributed greatly by sharing their transportation experiences, offering guidance as to what would be of use and interest to DOT leaders, and facilitating key portions of the workshop.

Advisory Panel

<table>
<thead>
<tr>
<th>Name</th>
<th>Organization</th>
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<tbody>
<tr>
<td>Lawrence Ferguson</td>
<td>Florida DOT</td>
</tr>
<tr>
<td>Mel Anderson</td>
<td>Wyoming DOT</td>
</tr>
<tr>
<td>Bil Dickeson</td>
<td>Texas DOT</td>
</tr>
<tr>
<td>Diane Gusky</td>
<td>Tennessee DOT</td>
</tr>
<tr>
<td>Ken Leuderalbert</td>
<td>American Consulting Engineers of Florida</td>
</tr>
<tr>
<td>Nick Mandel</td>
<td>New Mexico DOT</td>
</tr>
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# Table of Contents

Chapter 1. Purpose and Overview ................................................................. 1
   Research Methods ................................................................................... 1
   Workshop Design and Pilot Results .......................................................... 1
   Leadership Guide for Transportation CEOs ........................................... 2

Chapter 2. Review of Literature and Previous Research ................................ 3
   Conclusions and Implications ................................................................. 5

Chapter 3. Senior Leader Survey Results and Analysis .................................... 7
   Respondent Demographics ...................................................................... 7
   Characteristics and Practices of the Most Successful CEOs .................... 8
   Characteristics and Practices of the Least Successful CEOs .................... 10
   Best Practices as Reflected by Baldrige Criteria ...................................... 11
   Additional Comments Regarding CEO Leadership Practices ................ 12
   Other Thoughts, “Lessons Learned” That Would Help CEOs .................. 13
   Top Challenges/Trends Facing CEOs in the 21st Century ......................... 13

Chapter 4. CEO Survey Results and Analysis ................................................. 15
   Respondent Demographics ...................................................................... 15
   Aspects of Prior Experience That Were Most Helpful ............................ 15
   What Was Most Challenging When First Appointed ............................... 16
   Getting Started ...................................................................................... 16
   Most Challenging in Performing the CEO Role ....................................... 16
   “Lessons Learned” to Share with a New CEO ......................................... 17
   Emerging and Future Challenges ........................................................... 18
   Executive Development .......................................................................... 19
   Availability of Development Opportunities .......................................... 20
   Other Comments .................................................................................... 20

Chapter 5. Former CEO Survey Results and Analysis ..................................... 21
   Respondent Demographics ...................................................................... 21
   Aspects of Prior Experience That Were Most Helpful ............................ 21
   What Was Most Challenging When First Appointed ............................... 21
   Getting Started ...................................................................................... 21
   Most Challenging in Performing the CEO Role ....................................... 22
   “Lessons Learned” to Share with a New CEO ......................................... 22
   Emerging and Future Challenges ........................................................... 22
   Executive Development .......................................................................... 23
   Other Comments .................................................................................... 23
<table>
<thead>
<tr>
<th>Chapter 6. Workshop Implications</th>
<th>25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Related Research</td>
<td>25</td>
</tr>
<tr>
<td>Possible Workshop Topics</td>
<td>26</td>
</tr>
<tr>
<td>Methods</td>
<td>27</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Chapter 7. Workshop Design</th>
<th>29</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Design Features</td>
<td>29</td>
</tr>
<tr>
<td>Prework</td>
<td>30</td>
</tr>
<tr>
<td>The “Roadmap” for New CEOs</td>
<td>31</td>
</tr>
</tbody>
</table>

| Chapter 8. Workshop Agenda       | 33 |

| Chapter 9. Workshop Evaluation   | 37 |

| Chapter 10. Recommendations      | 39 |

| References                       | 43 |

<table>
<thead>
<tr>
<th>Appendices</th>
<th>45</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix A: Senior Leader Survey (SAMPLE)</td>
<td>45</td>
</tr>
<tr>
<td>Appendix B: Current CEO Survey (SAMPLE)</td>
<td>49</td>
</tr>
<tr>
<td>Appendix C: Former CEO Survey (SAMPLE)</td>
<td>53</td>
</tr>
<tr>
<td>Appendix D: Workshop Pre-Work Instructions (SAMPLE)</td>
<td>55</td>
</tr>
<tr>
<td>Appendix E: Leadership Guide for Transportation CEOs (SAMPLE)</td>
<td>57</td>
</tr>
</tbody>
</table>
Chapter 1. Purpose and Overview

The Request for Proposal for this project emphasized the need to assure that new CEOs of the state transportation departments be able to perform the CEO role quickly and effectively because of the very high turnover rate in this position. The scope of work of the project included:

- Conduct research to identify the critical leadership challenges that DOT CEOs encounter and the successful practices of current and former CEOs in meeting these challenges.
- Design and pilot a workshop in which CEOs can determine how to incorporate the “best practices” identified by the research in their leadership efforts.
- Develop a guide that top level DOT officials can utilize within their organizations to develop strategies and implementation plans for leading their agencies.

This final report presents the results of the literature review and three surveys, describes the design, methodologies, and outcomes of the pilot workshop, offers recommendations based on the survey research and workshop outcomes for supporting and accelerating leadership development for transportation CEOs, and presents a guide designed to assist new CEOs in determining how to perform their role effectively.

Research Methods

Research into 21st Century Leadership and Management Techniques for State DOTs included initial phone interviews with five CEOs, a review of relevant literature, and three surveys. The first survey was sent to senior DOT leaders (generally those with a minimum of 10 years experience in transportation) for the purpose of identifying the practices of the most successful DOT CEOs in their experience that distinguished them from others. The other two surveys were sent to current and selected former CEOs to capture their “lessons learned” about performing the CEO role. The surveys were administered online. CEOs and former CEOs were offered the option of personal interviews, but 89 percent responded online.

Workshop Design and Pilot Results

The workshop was designed based on the results of the survey, guidance from the project’s Advisory Panel, and the experience of the researchers in designing and facilitating other workshops for executives of government agencies. The methodologies included an organizational assessment, a self-assessment, 360° feedback, case study discussion, and peer-to-peer discussion regarding current transportation and management issues.

The workshop design called for a mix of participants in terms of their tenure as a DOT CEO, so the participants in the pilot included six with less than two years of experience and four with more than two years. At the conclusion of the workshop, the participants’ evaluations were extremely favorable and included agreement that this experience was very valuable to them and would also be for others like them. Some suggestions for improving the design were identified, but the overall approach and most of the content and methods were rated highly.
Leadership Guide for Transportation CEOs

The research findings and workshop results were the primary basis for the brief guide that is presented in Appendix E. Some findings of the previous research project and AASHTO publication, *A Transportation Executive’s Guide to Organizational Improvement*, are also incorporated in the guide, which can be found at bookstore.transportation.org.
Chapter 2. Review of Literature and Previous Research

The documents, articles, books, curricula, and websites required in the RFP were reviewed along with those suggested by the Advisory Panel for this project and others the research team thought would be relevant (see References).

There was a plethora of information on leadership and best practices. For example, studies done in the NCHRP 20-24 series include best practices for: 1) recruiting and hiring (Harder, 2006); 2) achieving effective program delivery in a constrained fiscal environment (TransTech Management, Inc., 2005); 3) guiding CEOs and senior managers in state DOTs on how to develop strategic performance measures (TransTech Management, Inc., 2003); 4) using customer needs to drive transportation decisions (Howard/Stein-Hudson Associates, Inc., 2003); and 5) establishing the conditions for achieving and sustaining organizational effectiveness (Oasis Consulting Services, 2007).

The 2006 Leadership Forum, Advancing Practice in State DOTs from Good to Great, which was funded by the National Cooperative Highway Research Program and sponsored by the Center for Transportation Studies, AASHTO, FHWA, and the TRB, reports that DOT CEOs and their top staff focused on three themes: 1) Changes in Roles and Partnerships: Toward the 21st Century State DOT; 2) Building Credibility with Customers and Stakeholders; and 3) Funding and Finance: Advancing State DOTs from Good to Great Practice.

Warne’s survey research of 23 DOTs (2006) describes core leadership competencies. The competencies involved many common themes:

- Leadership
- Communications skills
- Team building
- Change management
- Ability to work with the public
- Coaching, self-motivated
- Decisiveness
- Strategic thinking
- Partnering

Many of the states’ competencies mirrored or included aspects of the following “Executive Core Qualifications” (ECQs) identified by the U.S. Office of Personnel Management (OPM) for Senior Executive Service (SES) appointees:

- Leading Change
- Leading People
- Results Driven
- Business Acumen
- Building Coalitions
OM's SES Qualification Guide website states that “In the 21st Century, government executives face special challenges. They must be visionary leaders with a strong commitment to public service. They must be able to apply ‘people skills’ to motivate their employees, build partnerships, and communicate with their customers. They need solid management skills in order to produce optimum results with limited resources.” The identified “ECQs are based on extensive research of the attributes of successful executives in both the private and public sectors; they are a collaboration, reflecting the best thinking of many senior executives and associations, as well as agency human resources professionals.”

The previous research of Oasis Consulting Services (2007) found that there is indeed a correlation between many of the leadership and organization improvement approaches espoused in the business books and what was observed as best practices in the DOTs that were surveyed and visited. For this project, therefore, it was important to again scan current popular business books and articles (see References). They describe leadership skills, characteristics, behaviors, and qualities that are similar to the competencies defined by the Office of Personnel Management and the 23 state transportation agencies mentioned in Warne’s 2006 report.

Some of the most helpful business literature included “Nine C’s of Leadership” (Iacocca, 2007), “21 Indispensable Qualities of a Leader” (Maxwell, 1999), and “Leader’s Seven Essential Behaviors” (Bossidy and Charan, 2002). Jim Collins’ research for Good to Great (2001) led him to describe the “Level Five Leader” (2005) as one who “builds enduring greatness through a paradoxical combination of personal humility plus professional will.” Daniel Goleman, well known for his research into Emotional Intelligence (2004), asserts that “IQ and technical skills are important, but emotional intelligence (Self-Awareness, Self-Regulation, Motivation, Empathy, and Social Skill) is the sine qua non of leadership.”

Much of the work we reviewed that was focused on the public sector, including recent academic work regarding public sector management and leadership. In particular, a special edition of the Public Administration Review placed an increasing emphasis on Collaborative Management as a trend for the 21st Century.

Jim Collins wrote in his monograph, Good to Great and the Social Sectors (2005) that “social sector leaders face a complex and diffuse power map.” This led him to develop the concept of “legislative leadership,” in which “no individual leader—not even the nominal chief executive—has enough structural power to make the most important decisions by himself or herself. Legislative leadership relies more upon persuasion, political currency, and shared interests to create the conditions for the right decisions to happen.” He goes on to assert that this is “precisely what makes Level 5 leadership particularly important to the social sectors.”

Warne (2006) asserts that leadership at state DOTs has some unique characteristics. In some cases, the top position is filled by an engineer, who has risen through the ranks and is a career professional. Others are appointed from outside the agency and may have little or no experience with a transportation organization. Neither is guaranteed to be successful 100 percent of the time, nor is either immune to disappointing results. Indeed, exceptional leaders have emerged from both processes.

The Oasis Consulting Services’ research (2007) determined that leadership is a critical success factor for organizational effectiveness and described “legacy leaders” as “more interested in the organization’s success than in their own personal gain or renown,” and “committed to creating an effective organization
that will be sustained even when they are gone.” How they do that includes many of the competencies previously described.

Conclusions and Implications

Dozens of documents, books, articles, and websites were reviewed. The information gathered was a very helpful addition to the researchers’ experience in leadership development and previously acquired knowledge from writings about leadership. In his book, *Leadership Is an Art*, Max DePree states, “concepts of leadership, ideas about leadership, and leadership practices are the subject of much thought, discussion, writing, teaching, and learning.” There are literally hundreds of definitions and concepts of leadership that exist from both the public sector and the private sector, including those defined and described earlier by state transportation departments.

Warne’s conclusion (2006) that the role of public sector CEO, particularly in state transportation departments, has some unique characteristics was important to keep in mind in pursuing the objectives of this project. The role requires a combination of certain skills, attributes, and practices. The challenge of this research was to cull out the variables and focus on the key practices that accelerate high performance, that have high payoff application for state DOT CEOs and their executive staff in the 21st Century, and that can be acquired and put to use quickly and easily.

Practices were evaluated largely, but not solely, on the Baldrige criteria for Performance Excellence in the categories of Leadership and Customer and Market Focus. The Leadership category includes how leaders guide and sustain the organization, such as how they set and deploy organizational vision and values, how they communicate with and engage the entire workforce, and how they govern the organization. The Customer and Market Focus category includes determining how customer requirements are determined and met.
Chapter 3. Senior Leader Survey Results and Analysis

This section reports the findings and conclusions of the “senior leaders” survey. This survey was sent to the 74 state representatives on the AASHTO Standing Committee on Quality (SCoQ). The SCoQ members were, in turn, asked to select senior leaders in their organization (other than CEOs) and invite them to complete the same survey. A total of 106 responses to this survey were received from 31 different states. A copy of the survey is presented in Appendix A.

Respondent Demographics

The following data shows that the survey respondents had a great deal of transportation experience, were from a wide range of states, were diverse in terms of the technical disciplines of their DOT careers, and had ample opportunities to observe CEOs first hand.

Years of Experience

Ninety percent of the 106 respondents had 10 years or more experience in transportation. Fifty-eight percent had over 20 years of experience. The breakdown follows.

Table 3-1. Years of Experience of Survey Respondents

<table>
<thead>
<tr>
<th>Years of Experience in a DOT</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>31+</td>
<td>20</td>
</tr>
<tr>
<td>26–30</td>
<td>13</td>
</tr>
<tr>
<td>21–25</td>
<td>28</td>
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<tr>
<td>16–20</td>
<td>13</td>
</tr>
<tr>
<td>10–15</td>
<td>21</td>
</tr>
<tr>
<td>Less than 10</td>
<td>11</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>106</strong></td>
</tr>
</tbody>
</table>

Number of CEOs During Tenure

Fifty-six percent of the respondents served under five or more CEOs during their time with transportation departments. Ninety-two percent served three or more.

Reporting Relationship to CEOs

Fifty-five percent of respondents had reported directly to two or more CEOs. Thirty percent reported to three or more.

Primary Functional Responsibility

The following table shows that the 106 respondents were diverse in terms of the functions within the DOTs in which they had most of their experience and responsibility.
Table 3-2. Functional Experience of Survey Respondents

<table>
<thead>
<tr>
<th>Function</th>
<th>Percent of Respondents in Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering/Construction/Design</td>
<td>26</td>
</tr>
<tr>
<td>Operations</td>
<td>25</td>
</tr>
<tr>
<td>Administration</td>
<td>17</td>
</tr>
<tr>
<td>Strategic Planning, Performance Management, Measurement</td>
<td>7</td>
</tr>
<tr>
<td>Other (IT, Personnel, Training, Quality, Local programs, Partnering)</td>
<td>25</td>
</tr>
</tbody>
</table>

Characteristics and Practices of the Most Successful CEOs

Survey respondents were asked to describe the characteristics and practices of the CEOs they regarded as most successful. The following summary of their responses reveals considerable commonality across the diverse group of respondents. This result strongly suggests that success as a DOT CEO, in the eyes of DOT senior leaders, is primarily a function of the way the individual performs the role, more than his or her background in transportation, the characteristics of the DOT, or the diverse circumstances and particular challenges evident during his or her tenure.

The practices and characteristics of successful CEOs that were most common among respondents are listed below in order of frequency. The paragraphs which follow summarize the senior leader comments about each.

1. Good Communication
2. Clear Vision, Focus
3. Delegating and Empowering Staff
4. Paying Attention to Employees
5. Building Strong Relationships with the Legislature and Industry
6. Dedication, Commitment to Organization and Staff
7. Approachable, Visible

1. Good Communication. Of the 106 respondents, 69 percent mentioned communication as the number one practice that separated the least successful from the most successful CEOs.

Many terms were used to describe the nature of the communication practices of the most successful CEOs. Descriptors such as “consistent,” “frequent,” “positive,” “honest,” “open to new ideas,” and “able to articulate the vision,” were common.

Listening was mentioned in about half of the comments on communication. Successful CEOs ask for input and really listen to others. They both invite and encourage opposing views and listen even if they disagree. They “listen without preconceived ideas of the answer they want,” and “listen and learn from subordinates without being defensive or insecure about their own abilities.”

Another of the most common themes was the ability to communicate with everyone. It can be summed up by the following quote: “…strong communication skills and other interpersonal skills that let them talk with, listen to, and deliver messages to any person from any level of the organization. They used these same skills to talk with, listen to, and deliver messages to the elected and appointed government officials
at the local, state, and federal level, who are our regulators (and holders of the purse strings) as well as partners.”

2. **Clear Vision, Focus.** Of the 106 responses, 48 percent indicated that having a clear vision or focus, and clarifying expectations were critical to successful leadership.

This was described in a variety of ways, such as:

- “Focus on well-defined agenda”
- “Clear vision and strategic direction”
- “Clear expectations regarding values and standards”
- “The most successful CEO was a real visionary and could articulate very well his vision and how we could reach our goal.”
- “The ability to establish and focus on three to five priorities and accomplish those goals, I believe was the most predominant characteristic of successful CEOs.”

Helping employees to see the goal or vision and how it can be accomplished was a critical first step in accomplishing department goals. It was acknowledged that the need to stay focused on the path is not always easy because CEOs can be pulled in many different directions. The most successful CEOs were aware of that and were able to maintain the focus regardless of the challenges.

3. **Delegating and Empowering Staff.** Thirty-one percent of respondents commented on the importance of trusting and optimizing the talents of the staff. The successful CEOs have outstanding delegation skills. They trust their staff to do the right thing and allow them to perform their duties to the best of their abilities. They allow key management to do their jobs without micro-managing. Crucial aspects of this were to involve employees in the decision-making, ask for their input, give them the authority to make decisions that affect their work, and hold them accountable.

4. **Paying Attention to Employees.** Thirty percent of respondents commented that the most successful CEOs were “people oriented,” cared about their employees, and invested in them. Comments included, “showed he cared,” “provided coaching and learning opportunities to develop and recognize employees,” “appreciated and recognized the work of staff,” and “those CEOs who demonstrated that they valued the contributions of long-term employees were most likely to gain and keep cooperation.”

It should be noted that delegating and empowering staff is presented as a separate practice from paying attention to employees because of the way comments were worded. Both of these categories, however, are about investing in and caring about the people within the DOT. If combined, the comments about the importance and value of people would make this second among characteristics of successful CEOs, since 61 percent of the respondents commented to this effect. One comment put it this way, “Never forget your greatest asset—and that is not your equipment nor your roadways but it is the people who work everyday to try and provide the safest, most effective transportation system they can for the people of their state.”

5. **Building Strong Relationships with the Legislature and Industry.** Twenty-eight percent of respondents identified the ability to build relationships and develop a rapport with the Legislature as an important characteristic that leads to successful outcomes. Some included developing positive relationships with industry as equally important. Comments indicated that this requires political “prowess,” or political savvy.
6. **Dedication and Commitment to Organization and Staff.** Twenty percent of respondents believe that a characteristic of successful CEOs is a commitment to the agency and its employees. Comments reflecting this included: “had a passion for the mission and the people of the organization,” “commitment to the agency was personal and it extended to each employee,” “personal commitment to the organization, its mission, and the betterment of the state, setting a good example,” and “served as a ‘cheerleader’ for the organization to the public, legislators, the road building industry, and the executive branch.”

7. **Approachable, Visible.** Twelve percent of respondents said that being visible and approachable were key characteristics of successful CEOs. Being visible was not enough if the CEO was not approachable.

**Characteristics and Practices of the Least Successful CEOs**

To some degree the practices of the least successful CEOs are simply the opposite of those considered most successful, but the remarks of survey respondents also emphasized some that are distinctive. The top seven that were identified are:

1. Lack of Vision, Strategic Direction
2. Poor Decision-Making
3. Micromanaging, Controlling
4. Unwilling to Invite or Accept Input from Others
5. Put Staff Low on the Priority List
6. Poor Communication
7. Egocentric, Egotistical

1. **Lack of Vision, Strategic Direction.** This characteristic was cited by 38 percent of respondents and is self-explanatory as the opposite of one of the successful practices. Those who were least successful either did not have a vision or strategic direction, did not get buy-in or build alignment for the vision they had, or did not articulate the vision clearly. One comment depicts what can happen when there is not a clear direction. “Individual work units, in the absence of consistent clear direction, began setting their own direction and standards, impacting the entire organization's ability to produce work. The agency lost focus on the basis for its existence, and became focused on individuals and sections and their perceived status in the organization.”

2. **Poor Decision-Making.** Thirty-five percent of respondents commented that poor decision making was a major characteristic of those leaders who were less successful than others. Poor decision-making was defined in different ways, including, “decisions made before all the facts were known,” “decisions made based on self-interest,” “sticking to a wrong decision even after they knew it was wrong,” “unwilling/unable to make a decision,” “highly political decision making (not necessarily in best interests of the department),” and making decisions “without regard to history.”

3. **Micromanaging, Controlling.** Twenty-nine percent of respondents believed that CEOs who did not trust their staff to do well were not successful. They “did not utilize staff input or expertise,” did not ask for input or did not listen to the answers. They made decisions without an understanding of long-term consequences and/or had to be involved in all the decisions. A number of comments were made about the
lack of trust in senior leaders in the organization “to allow them to succeed and carry out the mission in their own ways.”

4. Unwilling to Invite or Accept Input from Others. This relates to micromanaging, but also included comments such as “wanted ‘yes’ men,” “did not listen to subject experts,” “was a non-team player,” and “did not want to be confused with the facts.” This was an unsuccessful practice that was noted by 28 percent of the respondents.

5. Put Staff Low on the Priority List. Twenty-six percent of the respondents commented that lack of support for staff and lack of interest in staff was an unsuccessful practice. This included such things as not engaging staff, “did not develop staff,” “did not believe in staff,” “no recognition of staff,” and “people were expendable.” Since 30 percent of respondents commented that the most successful CEOs were “people oriented,” caring about their employees and investing in them, this is very much a critical success factor.

6. Poor Communication. Of the 106 respondents, 26 percent commented about poor or no communication. Many comments were the exact opposite of comments about communication being the most successful practice. Additional comments, however, reflected unhealthy practices such as, “secretive,” “secluded,” “have to make an appointment to talk with,” “never told the whole story,” “only communicated with senior staff,” and "closed door meetings with little or no explanation of major decisions that greatly affect or change policy and procedures.”

7. Egocentric, Egotistical. A comment referring to this characteristic of less successful CEOs was mentioned by 22 percent of the respondents. Descriptors included, “self-important,” “hidden/personal agenda,” “do as I say,” did not “walk the talk” or “honor the past,” and “pointed out the weaknesses, and seemed to put themselves above the rank and file of the organization.”

Best Practices as Reflected by Baldrige Criteria

Respondents were asked how much they believed the practices identified in the Baldrige Leadership category were a key to the CEO’s success. They were asked if they Strongly Agree, Agree, Disagree, or Strongly Disagree that each of the following statements was a key to success, and their responses were scored 4, 3, 2, or 1, respectively:

1. Using and communicating vision, mission, and values to influence the direction, decisions, and plans for the organization
2. Clarifying goals, establishing performance measures, and assuring accountability
3. Demonstrating a personal commitment to the agency’s long-term success
4. Investing and personally participating in methods that create a sustainable organization, such as succession planning and employee development
5. Providing regular opportunities for two-way communication with senior leaders
6. Personally recognizing and rewarding employees for high performance
7. Demonstrating and communicating the value of DOT services and products to the public and other stakeholders
8. Supporting programs for collecting and analyzing customer satisfaction data
9. Using customer and market information to influence organizational priorities and plans
10. Providing effective ways for customers to contact the agency with questions or concerns
11. Promoting an environment that fosters legal and ethical behavior

As the following table shows, at least two-thirds of responses to every item were either agree or strongly agree, indicating the large majority of successful CEOs placed some emphasis on all of them. For the five highest scoring practices, more than 90 percent of responses were either agree or strongly agree, so they can be considered the ones most emphasized or consistently demonstrated by the CEOs that respondents viewed as successful. These practices involved demonstrating a personal commitment to the agency’s long-term success, promoting an environment of legal and ethical behavior, communicating a vision to set a direction for the agency, communicating the value of DOT to the public and other stakeholders, having regular two-way communication with senior leaders, and providing ways for customers to contact the agency with their questions and concerns.

Table 3-3. Perceived Contribution of Baldrige Leadership Practices to CEO Success

<table>
<thead>
<tr>
<th>Leadership Practices</th>
<th>Average</th>
<th>Percent Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Demonstrating personal commitment to agency’s success</td>
<td>3.64</td>
<td>68 27 3 1 1</td>
</tr>
<tr>
<td>2 Promoting an environment of legal, ethical behavior</td>
<td>3.62</td>
<td>66 25 5 1 4</td>
</tr>
<tr>
<td>3 Communicating vision, mission to influence direction, decisions</td>
<td>3.54</td>
<td>62 30 5 2 1</td>
</tr>
<tr>
<td>4 Communicating value of DOT to public, other stakeholders</td>
<td>3.54</td>
<td>60 34 5 1 0</td>
</tr>
<tr>
<td>5 Regular, two-way communication with senior leaders</td>
<td>3.50</td>
<td>55 38 3 2 3</td>
</tr>
<tr>
<td>6 Clarifying goals, establishing measures, accountability</td>
<td>3.38</td>
<td>47 43 8 1 1</td>
</tr>
<tr>
<td>7 Providing ways for customers to contact the agency</td>
<td>3.28</td>
<td>36 55 8 0 1</td>
</tr>
<tr>
<td>8 Participating in methods that sustain the organization</td>
<td>3.25</td>
<td>41 40 13 2 5</td>
</tr>
<tr>
<td>9 Personally recognizing employees for high performance</td>
<td>3.22</td>
<td>39 43 13 2 3</td>
</tr>
<tr>
<td>10 Collecting and analyzing customer satisfaction data</td>
<td>3.09</td>
<td>26 54 18 0 2</td>
</tr>
<tr>
<td>11 Using customer/market information to influence priorities, plans</td>
<td>2.87</td>
<td>22 44 28 3 3</td>
</tr>
</tbody>
</table>

The practices least important to CEO success involved analyzing customer satisfaction data and using customer and market information to influence organizational priorities and plans.

Additional Comments Regarding CEO Leadership Practices

Respondents were invited to add any comments about CEO leadership practices they believed might be helpful. Thirty percent of the respondents made additional comments. Two themes emerged from these comments. The first was to utilize the strengths of employees and the second was to be present, be visible. The following comment is representative:

“I believe the CEO leadership practice that is not addressed is the ability to clear obstacles for subordinates and the entire organization. The most successful leaders have the ability to stay out of the ‘experts’ way, yet they know when to step in and make the personnel changes, media announcements, funding changes, political statements, etc., that keep the agency, or agency goal/priority, moving forward. The successful CEO has courage and the ability to lead through the political process, negotiating where necessary, but knowing which areas are
Other Thoughts, “Lessons Learned” That Would Help CEOs

Sixty-nine percent of respondents took the opportunity to provide some insights and advice to CEOs. The top four lessons respondents wanted CEOs to be aware of are:

1. **Believe in Your People**
   - Thirty-three percent suggested that the CEO should not forget their “greatest asset is the people.” Comments included: “believe in the people in the organization, let them do good work,” “involve employees,” “get to know people in your organization at all levels,” and “invest in developing your people.”

2. **Be the Agency’s Advocate**
   - Thirty-one percent wanted to encourage the CEO to “be the agency’s advocate” and to “manage the politics.” “Be careful what you promise the public” and “do what’s right for the department, not just your own ambitions.”

3. **Focus on the Mission**
   - Twenty percent advised to “focus on the mission,” “have a vision and pursue it,” set a “clear direction”, and “maintain a consistent message and expectations.”

4. **Build Relationships**
   - Fourteen percent wanted CEOs to understand that they “cannot act independently.” CEOs will need to build relationships, coalitions, partnerships, and teams. They suggested that collaborative management is needed for the future.

Top Challenges/Trends Facing DOT Leaders in the 21st Century

Respondents indicated the top challenges/trends as follows:

1. **Diminished Resources**
2. **Changing Workforce**
3. **Public Involvement**
4. **Aging Infrastructure**
5. **Satisfying/Minimizing Political Interests**
6. **Alternate Transportation Methods—Multi-Modal**

1. **Diminished Resources.** The foremost challenge respondents thought DOT leaders are facing, or will be, is diminished resources. Seventy-six percent of respondents commented to this effect. Most simply said “limited funding,” or “diminished resources.” Fourteen percent of respondents, however, framed it a bit differently, e.g., “defining new methods of funding.” It appears there are two ways to look at this, one
tends to be more reactive, doing more with less, and the other is more proactive, finding new funding methods.

2. **Changing Workforce.** Sixty-three percent of respondents believe one of the biggest challenges will be the changing workforce. This includes everything from finding and recruiting qualified personnel to succession planning and retaining people, the loss of institutional knowledge, and managing the diverse workforce.

3. **Public Involvement.** The third item on the list falls sharply in terms of the number of comments as compared with the top two. However, 28 percent of respondents believe that a challenge and trend is increased public involvement, including increased demands. They see a need to spend more time educating the public about the role of the transportation department and communicating results, both good and bad. There were also comments about the aging population and how that might influence transportation and safety decisions.

4. **Aging Infrastructure.** Nineteen percent believed the aging infrastructure to be a challenge, especially with limited funding. One comment suggested that “it's time to shift from a ‘build mentality’ to a ‘rebuild mentality.’”

5. **Satisfying/Minimizing Political Interests.** Eleven percent of respondents commented that “Growing political involvement/interference in engineering decisions” will be a challenge. Comments also reflected the perception that “the highway bill has become a very political process,” and the “political climate is becoming more partisan and contentious, and transportation programs are frequently caught in the middle.”

6. **Alternate Transportation Methods.** Only nine percent of comments reflected alternate transportation methods as a challenge facing DOT leaders in the 21st Century. The challenge was articulated as follows: “recognize that ‘highways’ will not be the resolution to all transportation problems; seek greater innovation; give more than lip-service to multi-modalism;“ and “understand the intermodal aspect of the transportation system.”
Chapter 4. CEO Survey Results and Analysis

This section reports the findings and conclusions of the CEO survey. The 53 members of the AASHTO Board of Directors were invited to complete the survey. There were 16 responses to this survey for a response rate of 30 percent. A copy of the survey is presented in Appendix B.

Respondent Demographics

Years of Experience as a DOT CEO

The following table shows the years of experience of survey respondents as CEO. Forty-four percent were new CEOs with less than one year experience, so the segment most likely to benefit most from the research was also the most represented.

Table 4-1. Years of DOT CEO Experience of Survey Respondents

<table>
<thead>
<tr>
<th>Years as CEO</th>
<th>Number of Respondents</th>
<th>Percent of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than 1</td>
<td>7</td>
<td>44</td>
</tr>
<tr>
<td>1–5</td>
<td>5</td>
<td>31</td>
</tr>
<tr>
<td>6–10</td>
<td>3</td>
<td>19</td>
</tr>
<tr>
<td>11–15</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>16</td>
<td>100</td>
</tr>
</tbody>
</table>

Prior Experience

Respondents were asked for their experience prior to being appointed as CEO. They were given six options to choose from, as listed in the table below, and could select all that applied. More than half came from within the DOT, even though they may have had other experience.

Table 4-2. Prior Experience of Survey Respondents

<table>
<thead>
<tr>
<th>Number of Responses</th>
<th>Percent of Respondents (N=16)</th>
</tr>
</thead>
<tbody>
<tr>
<td>As an employee of the DOT</td>
<td>9</td>
</tr>
<tr>
<td>Associated with transportation field in the public sector</td>
<td>5</td>
</tr>
<tr>
<td>Associated with transportation field in the private sector</td>
<td>6</td>
</tr>
<tr>
<td>Other public sector leadership experience</td>
<td>6</td>
</tr>
<tr>
<td>Other private sector leadership experience</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>34</td>
</tr>
</tbody>
</table>

Aspects of Prior Experience That Were Most Helpful

Respondents were asked what aspects of their prior experience and their development of management and leadership skills were most helpful in preparing them for the CEO role. There were no clear aspects that stood out as common, but the following were mentioned more than once:

- Working with and/or for transportation organizations—wide exposure
- Prior experience in political environments, such as holding public office
- Learning from past mistakes, mine and others
• “Understanding it’s all about people;” “Appreciate the talent in place”
• Teaching leadership and management principles

What Was Most Challenging When First Appointed
There were many similarities in these responses. The foremost challenge was “rebuilding the confidence and trust in the department by the public, the employees, and the Legislature.” Thirty-eight percent of the respondents identified this as a major challenge, mostly as a result of their predecessors’ performance. The second most challenging aspect was navigating the political waters and building relationships. The third challenge was “determining what was most important.” Respondents said they were inundated with decisions to make and had an incredible number of priorities.

Getting Started
Respondents were asked to share what steps they took in getting started as the new CEO and how they sized up the organization to determine what needed to be done. The steps that were most common, though described in various ways, were:
• Asked for input from internal and external stakeholders to identify key priorities
• Established a clear direction

All had some way of assessing the organization, either by working with their leadership team, doing a department-wide assessment, and/or meeting with both internal and external stakeholders to see what they thought the problems were. Fifty percent diligently met with media, legislators, customers, contractors and employees at all levels to help them size up the organization. Once an assessment was done, they defined a “clear vision,” “firm direction,” “four strategic goals,” “five broad goals,” in order to “give a sense of purpose.”

At least 25 percent also:
• Focused on building (or rebuilding) relationships with the Legislature
• Demonstrated fiscal efficiency and appropriate use of funds

Most Challenging in Performing the CEO Role
The most challenging aspects of being a transportation CEO were “finding new sources of funding” and “no budget.” More than 40 percent of the respondents mentioned the inability to deliver on the public’s expectations, the limited ability to recruit and reward qualified personnel, and the challenge of educating the public, the Legislature, and constituent groups that resources are limited.

Nineteen percent found “time limitations” most challenging, i.e., “not enough time to do it all all the time.” Nineteen percent also mentioned politics and building strong relationships with the Legislature as challenging.

Beyond these three issues, challenges varied and included:
• Building the leadership team and getting the right people in place
• Changing the culture and getting buy-in
• Not enough contact with all employees
• Developing trust
• Balancing internal and external demands
• Personnel issues and handling grievances

“Lessons Learned” to Share with a New CEO

As might be expected, there were a myriad of different lessons learned, but a few commonalities. The top three are:

1. “Communicate, communicate, communicate.”
2. “You don’t have to go it alone.”
3. “Clarify expectations and priorities.”

1. “Communicate, communicate, communicate.” Supporting comments for this lesson encouraged new CEOs to share their “vision,” “clear goals,” “direction,” and “reasoning” with everyone, including the Governor, all employees, the Legislature, and the public. “Keep an open door” and “listen” were additional recommendations. Comments in this category were from 44 percent of the respondents.

These results support findings from previous research (Oasis Consulting Services, 2007) into organizational effectiveness practices. Leaders in the most effective DOTs created feedback loops that allowed opportunities for employees and stakeholders alike to provide input. They approached stakeholder relationships with a collaborative mindset.

2. “You don’t have to go it alone.” Thirty-eight percent of respondents recommended this. “Find employees who know how to work within the organization to help you get accomplished what you need done.” “Surround yourself with people you have confidence in.” “Put together your leadership team.” “Put the right people on the bus, and don’t hesitate to make changes to do this.” “Get your staff to help you.”

Another key element identified in previous research of organizational improvement practices (Oasis, 2007) was that CEOs found “champions.” CEOs need credibility in their organization to create positive change. Regardless of where they came from, the CEOs in the most effective organizations cultivated one or more “champions,” high-level, internal career people, to facilitate their efforts and act as advisors and advocates on organizational performance issues. Champions were astute career professionals who had gained the respect of others and had credibility because of their understanding of the work and the culture.

3. “Clarify expectations and priorities.” Thirty-one percent emphasized the need to clarify expectations and establish priorities. Half of these comments also included holding people accountable, trusting them to do their jobs well, and rewarding successes. This is also in line with survey comments from the senior leaders.

Four other “lessons” were offered, each made by thirteen percent of the respondents. These were:
• “Put people first” as “they need to hear you, talk to you, and trust you.”
• “Trust your instincts.”
• “Don’t do too much too fast.” “Give yourself some time.” “Don’t make any big changes for [three month; six months, 100 days] until you get a feel and understand the system.”
• “Enjoy it. Have passion, otherwise it will wear you out.”

Other suggestions the CEOs offered included:
• “Don’t (try not to) panic.”
• “Lead, don’t manage.”
• “Develop a team atmosphere with partners and associates.”
• “Don’t fall into analysis paralysis.”
• “In political circles be humble and tell the truth.”
• “Don't take the incessant complaints that come in as a barometer for how the majority of the public feels about the agency.”
• “Don’t let the job run you,” and “Avoid being a 12+ hour per day CEO—that'll just drain you and lessen your effectiveness.”
• “If you have political (elected) aspirations, recognize the clear difference between your public servanthood (executive branch) in the department and that desired potential (legislative, etc. branch), and don't try to use the job to lay the groundwork for political election—that can really erode executive effectiveness.”
• “Don’t denigrate the previous administration.”

Emerging and Future Challenges
CEOs were asked to identify the emerging and future challenges they believe are facing DOT CEOs in the 21st Century. The following table summarizes these results.

<table>
<thead>
<tr>
<th>Challenges</th>
<th>Number of Respondents</th>
<th>Percent of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>14</td>
<td>88</td>
</tr>
<tr>
<td>Recruiting, retaining qualified personnel</td>
<td>6</td>
<td>38</td>
</tr>
<tr>
<td>Persuading public to support transportation</td>
<td>3</td>
<td>19</td>
</tr>
<tr>
<td>Growing congestion problems</td>
<td>3</td>
<td>19</td>
</tr>
<tr>
<td>Environmental issues</td>
<td>2</td>
<td>13</td>
</tr>
<tr>
<td>Building trust (with public and employees)</td>
<td>2</td>
<td>13</td>
</tr>
<tr>
<td>More effective ways to use new technology</td>
<td>2</td>
<td>13</td>
</tr>
<tr>
<td>Costs</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Commerce and goods movement</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>National freight plan</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Federal government’s role</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Aging infrastructure</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Aging population</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>China</td>
<td>1</td>
<td>6</td>
</tr>
</tbody>
</table>
Consistent with the responses of senior leaders, 88 percent of the CEO respondents think that funding is the biggest challenge facing DOT leaders in the future. This includes “determining reliable and recurring revenue streams,” “dealing with needs that will increase faster than available resources,” and “funding to preserve the aging infrastructure.” The CEOs perceive that the need is greater than the present level of awareness on both the state and national level. Part of this challenge is how to meet the public’s expectations with diminished resources. Nineteen percent of respondents commented that there is a need to persuade the public to support transportation. The same number identified the changing workforce and associated challenges in workforce recruitment and retention.

**Executive Development**

CEOs were asked to assess the effectiveness of various types of leadership development experiences for themselves and their senior staff by giving each of nine development options a rating of Very Helpful, Somewhat Helpful, or Not Helpful. Their responses were scored 3, 2, or 1, respectively. As the following table indicates, all of the options were generally viewed as more helpful than not. However, two of the options, mentoring or coaching and peer discussions, were assessed much more favorably than the others. These two are distinguished from the others as involving dialogue with experienced colleagues in a small group or individual setting.
Table 4-4. Ratings of the Effectiveness of Various Types of Development Experiences

<table>
<thead>
<tr>
<th>Development Options</th>
<th>Number of Respondents</th>
<th>Percent of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average</td>
<td>Very Helpful</td>
</tr>
<tr>
<td>Mentoring or Coaching</td>
<td>2.73</td>
<td>8</td>
</tr>
<tr>
<td>Peer Discussions</td>
<td>2.71</td>
<td>11</td>
</tr>
<tr>
<td>Management Conferences</td>
<td>2.46</td>
<td>6</td>
</tr>
<tr>
<td>Workshops or Training Programs</td>
<td>2.36</td>
<td>6</td>
</tr>
<tr>
<td>Rotational Assignments</td>
<td>2.22</td>
<td>3</td>
</tr>
<tr>
<td>Management Books, Journals</td>
<td>2.21</td>
<td>3</td>
</tr>
<tr>
<td>Trade Associations</td>
<td>2.18</td>
<td>3</td>
</tr>
<tr>
<td>Management Consultants</td>
<td>1.91</td>
<td>2</td>
</tr>
<tr>
<td>Web-based programs</td>
<td>1.88</td>
<td>0</td>
</tr>
</tbody>
</table>

Other development experiences identified by the respondents as helpful included annual retreats, task forces, committees and other challenging assignments, relationship building through travel, and “leaders teaching leaders.”

Of the 16 respondents, 14 answered the question about time spent on leadership development for themselves and their senior staff. Those 14 indicated they spent, on average, the following hours each year.

Table 4-5. Hours Invested Annually in Leadership Development

<table>
<thead>
<tr>
<th>Hours</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 – 24</td>
<td>9</td>
</tr>
<tr>
<td>25 – 40</td>
<td>2</td>
</tr>
<tr>
<td>More than 40</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>14</td>
</tr>
</tbody>
</table>

Availability of Development Opportunities

Respondents were asked to agree or disagree with the statement, “Effective development opportunities for my executive staff and me are readily available.” Seventy-nine percent of the fourteen respondents for this question either agreed or strongly agreed, while 21 percent disagreed.

Other Comments

When offered the opportunity to provide other helpful comments, the only comment was about the challenge of: 1) how to make good technical engineers into DOT managers; 2) how to make non-technical staff hired at high levels understand DOTs, what DOT missions are, and that operating a DOT and operating a business for profit are not the same.
Chapter 5. Former CEO Survey Results and Analysis

This section reports the findings and conclusions of the survey sent to six former state DOT CEOs, each of whom had been recommended by either a member of the Advisory Panel for this research or another transportation senior leader. Three of the six responded.

Respondent Demographics

The total number of years of CEO experience in a DOT for the three respondents was 23.5, providing an average of 7.8 years. One had 5, one had 8, and one had 10.5. Two had been employees of the DOT and one had previous public sector leadership experience prior to assuming the role of CEO.

Aspects of Prior Experience Most Helpful

Respondents were asked what aspects of their prior experience and their development of management and leadership skills were most helpful in preparing them for the CEO role. The answers varied and included wide exposure to all aspects of the department; working with the Governor and the Legislature; experience in public affairs, government policy and business management; and the opportunity to observe differences in how governments across the country operate.

What Was Most Challenging When First Appointed

Responses varied here also and included:

- Gaining trust of technical and engineering staff for a non-technical/non-engineer
- Even having an engineering background, no transportation experience, so had to use those around me who knew transportation
- Federal funding process
- Historic lack of strategic direction; goals and measures had recently been started but not fully developed

Getting Started

Respondents were asked to share what steps they took in getting started as the new CEO and how they sized up the organization to determine what needed to be done. Similar to the current CEOs, the former CEOs began by asking for input and seeking to establish a clear direction.

One conducted an employee survey. Setting direction was done in different ways. One “developed a staged, or segmented, strategic approach with two-year incremental strategic objectives which all contributed to a long-term achievement of a desired state.” Another made it clear that employees and customer service were important by establishing a quality/customer service unit and a DOT University as an in-house means of developing employees.
Most Challenging in Performing the CEO Role

The former CEOs cited issues similar to the current CEOs:

- Money, “trying to simultaneously plan for long-term infrastructure while also juggling financial uncertainty is difficult.”
- Communicating to key constituencies and managing the public’s expectations.
- Working with the political realities, including legislative indifference, building credibility and trust with legislature, and satisfying the Governor.
- “Developing and maintaining a competent, motivated work force.”
- “Implementing a fair, technically based process for establishing priorities for selection of projects to be constructed and improved throughout the entire state.”

“Lessons Learned” to Share with a New CEO

Several of the lessons learned from former CEOs are similar to those of the current CEOs but also add to the list. The following are in line with what was said by the current CEOs ("communicate," “you don’t have to go it alone,” “clarify expectations and hold people accountable”):

- “Articulate a long-range vision and short-term objectives and stick to them.”
- “Make public communication on-going and continuous.”
- “Explain what you are trying to get done and enlist everyone's support.”
- “Trust your managers and staff, and give them freedom to make decisions and do their jobs.”
- “Build networks of external partners. You will need them.”
- “Set clear goals and hold people accountable.”

Several other suggestions are additions to the list from current CEOs:

- “Speak the truth; even if it reflects negatively on yourself and/or the agency.”
- “Be honest and develop and maintain credibility with the Governor, the legislature, the public, and members of Congress.”
- “Develop coalitions with other states that have similar characteristics to your state.”
- “Become active and work with AASHTO and your Regional AASHTO organization (such as WASHTO).”

Emerging and Future Challenges

The former CEOs were invited to share their views of the challenges facing DOT CEOs in the 21st century. As with current CEOs and senior leaders, the foremost issue is finding new methods of funding. All respondents believe this to be a critical challenge. Also mentioned were “technology advances,” “dealing with congestion,” “preservation of highways and bridges.”

In addition, two challenges were articulated in a different way than current CEOs. “Politicizing of project selection processes tends to erode public confidence in transportation leaders.” “Getting society to understand and address the contradiction of an endless desire for mobility with a very finite tolerance for environmental and financial impacts.”
Executive Development
Respondents were asked if there were good sources of development for them personally and for their executive staff. As with current CEOs, two of the three indicated the use of management conferences and training (AASHTO and TRB) as very helpful, and one indicated team-building retreats. A different source than had been mentioned otherwise was benchmarking. “The best sources were the comparative analyses of other departments’ practices…helpful in letting us understand how other states had solved problems that were plaguing us.”

Other Comments
There was one additional comment. “I believe it is in the best interest of DOT leadership to place individuals with technical training and/or experience to manage such a technically complex organization and to maintain a greater degree of stability in tenure.” A key purpose of the current research project, of course, is to address the instability in tenure.
Chapter 6. Workshop Implications

This section summarizes the conclusions of the survey and interview research, and of related previous research, that had implications for the design of the workshop.

Related Research

The results of the research were consistent with Warne’s findings (Developing Transportation Agency Leaders: A Synthesis of Highway Practice, 2006) that “In some cases, the top position is filled by an engineer who has risen through the ranks and is a career professional. Others are appointed from outside the agency and may have little or no experience with a transportation organization. Neither approach is guaranteed to be successful 100 percent of the time, nor is either immune to disappointing results. Indeed, exceptional leaders have emerged from both processes.” Warne also found that the role of public sector CEO, particularly in state transportation departments, has some unique characteristics and, “requires a combination of certain skills, attributes, and practices.”

The research findings focused on the key practices that will accelerate high performance and have high payoff application for state DOT CEOs and their executive staff in the 21st Century. They support and build upon previous research by Oasis Consulting Services into organizational improvement practices in state transportation departments (A Transportation Executive’s Guide to Organizational Improvement, 2007). That previous research revealed the effectiveness in many DOTs of practices from the Baldrige criteria for achieving and sustaining organizational improvements, especially the criteria for Performance Excellence in the Baldrige Leadership category. These practices include how leaders guide and sustain the organization, how they set and deploy organizational vision and values, and how they communicate with and engage the entire workforce. Because of their proven effectiveness, these practices were considered as fundamentals of the workshop design.

The same research also revealed nine common themes, or key success factors, that contributed to overall organizational improvement and effectiveness among the 10 DOTs identified as most effective in making and sustaining organizational improvements. Five of the nine were clearly evident in the practices of successful CEOs cited by DOT senior leaders and underscore the criticality of leadership practices as it relates to organizational effectiveness.

• Dialogue
• Taking Care of Business
• Legacy Leadership
• Empowerment with Accountability
• Champions

The foremost characteristic of successful CEOs, as seen by senior leaders, was “good communication.” In the previous organizational effectiveness research a critical success factor was identified as “Dialogue,” and the research found that “the leaders in these organizations pay careful attention to communicating and sharing information. Equally important, they are deliberate in creating feedback loops that allow opportunities for employees and stakeholders alike to provide input that is welcomed and carefully
considered. These organizations use multiple media to accomplish this dialogue and approach stakeholder relationships with a collaborative mindset.”

The second most noted characteristic of successful CEOs identified by the senior leaders’ survey was “clear vision, focus.” In the effective organizations identified in the previous research “Taking Care of Business” was a key practice. Each organization was very focused on accomplishing its strategic goals. Most have dynamic strategic or business plans, but the key discerning factor is a focus that is proactive, balances long-term with short-term, and is drilled down throughout the organization. Focus and action are the keys in this theme. Many organizations have a laundry list of high-sounding strategic goals, but the most effective organizations were very focused on key areas.

The third practice identified by the senior leaders as characteristic of successful CEOs was “delegating and empowering staff.” The previous research identifies “Empowerment with Accountability” as a characteristic of the most effective DOTs and found that “employees who know what is expected of them are more able to achieve success. When they are empowered to determine the best path to meet customer needs, they work hard to make the organization successful.” Delegating and empowering staff is also an essential part of cultivating what the previous research defined as “Champions”—“high-level, internal career people to facilitate the CEO’s efforts and act as advisors and advocates on organizational performance issues.”

Other identified practices of successful CEOs were “building strong relationships with the legislature and the industry,” and “dedication and commitment to the organization and staff.” The previous research defined this as “Legacy Leadership,” because the leaders were more concerned about leaving an organization that would continue to be successful after they left. They were more interested in sustaining success than they were about personal gain.

The research findings suggested the following as possible topics and methods for designing a workshop, as called for in the project scope, for “top DOT leaders to share effective leadership and management tools and strategies in a peer-to-peer environment.”

**Possible Workshop Topics**

- Communication—with Legislature, employees, and public
- Political savvy
- Influencing techniques
- Establishing and deploying organization vision
- Clear goals and priorities; how to determine what’s most important
- Emotional intelligence
- How to be the agency’s advocate
- Managing the public’s expectations
- Building trust
- Building coalitions
- Empowerment
- Developing champions
• Navigating the political waters
• Balancing internal and external demands
• Time management
• Behaviors to avoid
• The discipline of getting things done

Methods
There were several development methods that current CEOs considered useful, but the ones identified as most valuable were mentoring, coaching, and peer discussions, i.e., those involving dialogue in small group or individual settings with colleagues experienced in leading transportation organizations. A high percentage of respondents also found management conferences and workshops or training to be helpful. These findings suggest that the workshop design provide ample opportunity for structured peer discussions. Brief traditional workshop segments could be a stimulus for peer discussions. “Peers” can include current and former CEOs who can share their experiences and lessons learned. Possible methods to accomplish this include:

• Panel discussions
• Roundtable discussion
• Open space technology
• Case studies (based on actual situations)
• Articles to discuss
• Self-assessment
• Benchmarking discussions
• Think-tank
• In-box exercises

Based on the survey responses, these methods could be explored and illustrated in the context of diminished resources and funding issues, growing congestion, changing workforce needs and resources, public information and education, new technology, and/or political realities.
Chapter 7. Workshop Design

The overall objective of the workshop design was to enable participating CEOs to enhance their plans for leading their respective DOTs. Although the workshop would be based on the successful practices identified in both the leadership survey research and the research of organizational improvement practices in DOTs (Oasis Consulting Services, 2007), it was essential that its design enable participants to translate this type of knowledge into ideas and decisions specific to the leadership challenges of their own DOT.

The research revealed a general “roadmap” of successful practices, but also showed wide variation in the specific ways these practices are implemented. The variations are due to numerous differences across the states in the transportation issues that arise and the complex political, economic, and social factors surrounding them, but also to the differences in personality and skill that each DOT leader brings to the job. These were fortunate findings because they illustrate that, while there are several fundamental leadership principles necessary to success, there are as many paths to take in implementing the principles as there are leaders.

The challenging implication of these findings for the workshop’s design, however, was that it must enable each participant to uniquely integrate his or her “real world” circumstance with the information about what predecessors in the CEO role and various leadership gurus have found to be key decisions and successful practices. Further, the design must assist them in reflecting on the personal skills and characteristics that they bring to their job, so that they can make optimal use of their strengths in performing their role and make sound decisions about relying on others and/or developing their skills in needed areas.

The design therefore relied principally on the following methods:

- Organizational Assessment
- Self Assessment
- Peer-to-Peer Discussion
- Guided Discussion of Selected Leadership Principles and Topics

Overall Design Features

The proposed title and theme for the workshop was Ideas for Excellence, which reflected the intention that the outcomes of the experience were to be beyond simply acquiring knowledge. It also appropriately suggested that the focus of the work involved was not directly on building personal leadership skills, though generating ideas for leading a DOT in a peer environment would likely result in valuable skill development.

Approximately a month before attending the two-day workshop, participants received a preparation guide that included basic workshop information, guidance regarding how to make the most of the experience, and a few assessment assignments to complete.
Prework

The materials that participants received in advance of the workshop emphasized that the experience in which they would soon participate was intended to assist them in deciding how best to perform the role of CEO in the context of the current and emerging challenges they face in their particular state. It explained that, although the content would include the “lessons learned” of experienced DOT CEOs and the thoughts of respected leadership gurus, this information would only be helpful to participants to the extent that they consider it feasible in the context of their specific circumstance. Consequently, the nature of the workshop would be as much diagnostic as prescriptive, calling for them to make some assessments of their current situation that would enhance their decisions about how best to use the insights they gain from the workshop.

In a nutshell, the research showed that **Skill + System = Success**, i.e., the DOT leader’s role involves both demonstrating certain leader behaviors and practices while also assuring that the components of the agency operate effectively and as a system. The prework assessment exercises, therefore, included a balance of both aspects of the leader’s role, i.e., an organizational assessment, and a 360° feedback instrument.

The organizational assessment exercise was an online survey to be completed by both the CEO and his or her senior staff. The assessment items were based on the Baldrige criteria and on selected characteristics of high-performing DOTs identified in the prior research. Responses to the survey items indicate the perceived strengths of the agency and the most important opportunities for improvement. The participating CEO received a report at the workshop of the aggregated survey responses of the people from his or her agency.

The 360° feedback instrument was based on the *Leadership & Management Practices Inventory*, which was developed by Oasis Consulting Services and has been used extensively in the leadership development programs of many government agencies. It was customized to include several items reflecting the practices of successful CEOs revealed by the research.

The third prework assignment was to submit issues or problems about which participants wanted to gather information or ideas from their colleagues at the workshop. These were incorporated in the “What’s Your Problem?” session at the workshop and were compiled as a list for participants to review at the workshop to enhance their networking efforts.

The remaining prework assignment was to prepare an informal presentation of no more than 10 minutes about one of the strengths of their agency. These presentations were intended to promote benchmarking and networking among the group, to underscore the various and remarkable capabilities of DOTs, and to enable a bit of practice in organizational assessment and in communicating positive results.

Collectively, these prework activities were designed to assist participants in taking stock of their current situation in their agencies before engaging in the discussions at the workshop that would enable them to decide how to improve their leadership plans. The specific instructions regarding the prework are presented in [Appendix D](#).
The “Roadmap” for New CEOs

The prevalent views of the current CEOs, former CEOs, and DOT senior leaders involved in the research about how to make a successful start as a new CEO were compiled as a “roadmap” for review and discussion at the workshop. Following are the milestones of the “roadmap.”

1. Seek Input—Size Up Your Agency and Your Situation
2. Build Your Leadership Team
3. Determine What’s Most Important
4. Communicate Clear Vision; Clarify Expectations
5. Delegate and Empower Staff
6. Build Relationships
   a. Be the agency’s advocate
   b. Manage the public’s expectations
   c. Deal with the Legislature
   d. Balance internal and external demands
7. Don’t Go It Alone—Develop Champions
8. Seek Early Wins to Establish Credibility

In addition to conveying important research information to participants, elements of the “roadmap” influenced the ways that the 360° instrument was customized, enriched the discussion of the case study about a new DOT CEO, and otherwise served as an organizer for some of the workshop design, as the following workshop agenda reveals.
Chapter 8. Workshop Agenda

The agenda presented below is a two-day workshop over a three-day time span. This schedule had two important advantages. First, it helped to assure that participants could make convenient travel arrangements both before and after the workshop. The Advisory Panel agreed that Las Vegas, Nevada would be a good location for the pilot, in part because morning travel on the first day could be easily scheduled from almost any part of the country. Similarly, participants could return home to almost any part of the country on the afternoon of the third day.

The second advantage of this schedule was that it assured two evening experiences for the group, which, by design, resulted in a great deal more group cohesion, networking, and informal peer to peer problem solving experiences than an agenda of two full days with only one evening as an organized group.

The Advisory Panel also agreed that starting on Sunday should be attractive to potential participants, because it would reduce the amount they would be away from their state during the “prime time” of weekdays. Travel and expenses for participants were provided from the project budget.
DOT CEO Conference Workshop Agenda

Sunday, June 22nd

All workshop sessions will take place on the Conference Center Level, Second Floor of the South Tower

1:30–2:00 p.m.
REGISTRATION

2:00–2:30 p.m.
WELCOME AND INTRODUCTIONS

2:30–4:00 p.m.
WHAT DO YOU DO AFTER YOU FIND THE WASHROOM?
Taking over as CEO has been likened to “being hit with a fire hose.” Based on the results of the AASHTO-sponsored research into 21st Century Leadership and Management Techniques for State DOTs, this session will examine the practices discovered to provide “roadmap” for new CEOs. The session will feature a panel of “seasoned” DOT CEOs, led by New Mexico Cabinet Rhoda Faught, and including former Ohio Director Gordon Proctor, that will share “lessons learned” for future DOT leaders.

There will be a catered break at 4:00 p.m.

4:15–5:15 p.m.
WHAT'S YOUR PROBLEM?
In a facilitated “Go-Around,” participants will describe the issues and problems about which they would most like to gather information and ideas from others during the workshop. As each participant’s problem is presented, other participants will identify their respective experiences and perspectives. Brief ideas or comments will be captured “on the spot” and the more elaborate will be deferred for the participants to pursue in subsequent sessions and networking opportunities.

5:30–7:30 p.m.
RECEPTION AND DINNER
Meet and converse with your peers at this private reception, starting with hors d’oeuvres and a cash bar. Dinner will be served at 6:30 p.m.

7:30–8:45 p.m.
FIRESIDE CHAT
Even without a fireplace, this is a perfect opportunity for further discussion about issues and problems facing each CEO. It will also include a facilitated discussion about “Legislative Leadership,” as this part of the CEO role is so often vital and challenging. Information about strategies that have been successful in the past will be compared with current challenges.

8:45 p.m.
VIVA LAS VEGAS
You are free to enjoy the excitement of Las Vegas nightlife. The Fremont Street Experience, for example, is right outside the front door of the hotel. Featuring the biggest screen on the planet, this 12.5 million LED display system depicts epic scenes and beautiful images overhead!

DOT CEO Workshop June 22–24, 2008
Las Vegas, Nevada
DOT CEO Conference Workshop Agenda

Monday, June 23rd

7:30 p.m.–9:00 a.m.
BREAKFAST AND BEST PRACTICES
After a continental breakfast, participants will be selected to share a “best practice” from their own agency. Three attendees will each have five-to-ten minutes to present his/her best practice to the rest of the group.

9:00–10:00 a.m.
ROUND TABLE DISCUSSIONS
In 20-minute increments, attendees move from table to table to discuss current, relevant topics, such as “managing the public’s expectations.”

There will be a catered break at 10:00 a.m.

10:15 a.m.–12:00 noon
LEADERSHIP, MANAGEMENT, AND ORGANIZATIONAL PRACTICES
According to studies by the Center for Creative Leadership, one of the reasons leaders derail is because they don’t seek opportunities to receive feedback on their practices and their organization’s performance. In this session attendees will receive feedback from their peers and/or employees on the practices that are helping or hindering high performance in their agencies.

12:00–2:00 p.m.
LUNCH AND BEST PRACTICES
Lillie’s Noodle House
After a buffet-style lunch, attendees will continue to share best practices from their agencies.

2:00–5:00 p.m.
A DAY IN THE LIFE OF A NEW DOT CEO
How can new CEOs be better prepared for this position? This session will use a case study to examine challenges facing a new CEO and the most effective practices to address these challenges. Topics will include navigating the political waters, building (or rebuilding) trust, and forming coalitions.

There will be a catered break at 3:15 p.m.

5:30–9:30 p.m.
JOURNEY TO THE STRATOSPHERE
Enjoy a delicious dinner along with stunning panoramic views of the shimmering Las Vegas strip and nearby valley from a private dining room on the 104th floor of the Stratosphere Hotel and Casino. Jutting 1,149 feet in the Vegas skyline, the Stratosphere Tower is the tallest observation tower in the United States and one of the most exciting attractions among Vegas Strip hotels. Private dining at the Stratosphere is a one-of-a-kind experience.

DOT CEO Workshop June 22–24, 2008
Las Vegas, Nevada
DOT CEO Conference Workshop Agenda

Tuesday, June 24th

7:30–9:30 a.m.
**Breakfast and Best Practices**
This morning enjoy a full-plated breakfast and the final round of best practices presentations.

9:40–11:10 a.m.
**Closing Keynote Address and Discussion**
**The New Public Service, Serving Not Steering**
Join presenter Bob Denhardt, co-author of “The New Public Service, Serving Not Steering” for a lively and provocative discussion about the future of public services and the implications for the role of senior leaders. He will explore the questions, “What might public service look like in the 21st Century? In an era in which trust in government is low, how might we take positive steps to increase citizen engagement? What role does the leader play in the New Public Service?” Bob will celebrate and examine what is distinctive, important and meaningful about public service.

**About the Presenter:**
An internationally known educator, writer, and motivational speaker, Robert B. Denhardt is a member of the faculty at Arizona State University. He is a former national president of the American Society for Public Administration and the author of nineteen books on management, leadership, and challenge.

There will be a catered break at 11:10 a.m.

11:25–12:00 noon
**Next Steps for AASHTO**
This will be a facilitated discussion regarding reactions to the workshop, how it might be improved, and how it might be a worthwhile program for all new DOT CEOs and senior managers.

12:00 noon
**Workshop Ends**
Thank You.

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DOT CEO Workshop June 22–24, 2008
Las Vegas, Nevada
Chapter 9. Workshop Evaluation

Presented in this section are the responses of the eight (8) CEOs who were present for a closing discussion and who completed a workshop evaluation form about the effectiveness of the workshop. As a summary, all aspects of the workshop were evaluated favorably, with only a few suggestions for improving future sessions. The overall value of the workshop was very highly rated, and both the ratings and the closing discussion confirmed the appropriateness and effectiveness of the workshop design and its learning methods.

Although the primary purpose of the workshop was to address the needs of new CEOs, the seasoned CEOs reported a comparably high level of benefit from the experience.

Table 9-1. Ratings of Overall Value and Each Workshop Segment

<table>
<thead>
<tr>
<th>Evaluation Questions</th>
<th>Response Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>How valuable overall was this workshop for you?</td>
<td>4.83</td>
</tr>
<tr>
<td></td>
<td>5 1 0 0 0 0 2</td>
</tr>
<tr>
<td>How valuable were each of the following workshop segments?</td>
<td></td>
</tr>
<tr>
<td>Leadership &amp; Management Practices Inventory</td>
<td>5.00</td>
</tr>
<tr>
<td></td>
<td>7 0 0 0 0 0 1</td>
</tr>
<tr>
<td>Roundtable Discussions</td>
<td>4.86</td>
</tr>
<tr>
<td></td>
<td>6 1 0 0 0 0 1</td>
</tr>
<tr>
<td>Sharing of Best Practices</td>
<td>4.86</td>
</tr>
<tr>
<td></td>
<td>6 1 0 0 0 0 1</td>
</tr>
<tr>
<td>“What’s Your Problem?”</td>
<td>4.14</td>
</tr>
<tr>
<td></td>
<td>2 4 1 0 0 0 1</td>
</tr>
<tr>
<td>“To Go or Not To Go” Case Study</td>
<td>4.14</td>
</tr>
<tr>
<td></td>
<td>3 2 2 0 0 1</td>
</tr>
<tr>
<td>Organizational Assessment</td>
<td>4.14</td>
</tr>
<tr>
<td></td>
<td>3 2 2 0 0 1</td>
</tr>
<tr>
<td>Presentation by Bob Denhardt</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td>0 6 0 0 0 2</td>
</tr>
<tr>
<td>“What Do You Do After You Find the Washroom?”</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td>1 4 1 0 0 2</td>
</tr>
</tbody>
</table>

Table 9-2. Views About Future Workshops

<table>
<thead>
<tr>
<th>Evaluation Questions</th>
<th>Response Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Would you recommend this workshop for new CEOs? *</td>
<td>Yes 8 0 0 0</td>
</tr>
<tr>
<td>Is it appropriate for senior staff? **</td>
<td>4 2 2 0</td>
</tr>
<tr>
<td>Did the methodology provide ample opportunities for peer discussion?</td>
<td>8 0 0 0</td>
</tr>
<tr>
<td>Is a guest speaker for a workshop of this nature a good idea?</td>
<td>5 0 3 0</td>
</tr>
<tr>
<td>Did you find the accommodations/amenities (guest and meeting rooms; meals) suitable for this type of workshop?</td>
<td>8 0 0 0</td>
</tr>
<tr>
<td>If you answered, “Not Sure” to any of the above questions, please explain:</td>
<td></td>
</tr>
<tr>
<td>Re senior staff: “Would depend on organizational arrangement and senior staff”</td>
<td></td>
</tr>
<tr>
<td>Re guest speaker: “time spent in additional peer exchange may have been more beneficial”</td>
<td></td>
</tr>
<tr>
<td>“Would not want to see senior staff sent instead of CEOs!!”</td>
<td></td>
</tr>
<tr>
<td>Re guest speaker: “Maybe minimize – best part was peer-to-peer and open discussion.”</td>
<td></td>
</tr>
</tbody>
</table>

* One comment, “not just new.”
** Two comments, “Don’t mix”; “Best for CEOs.”
Table 9-3. Workshop Length

<table>
<thead>
<tr>
<th>Is the length, two days spread over three, too long, too short, or about right?</th>
<th>Too Long</th>
<th>Too Short</th>
<th>About Right</th>
<th>Blank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>7</td>
<td>1</td>
</tr>
</tbody>
</table>

Table 9-4. Recommended Length of Experience for Future Participants

<table>
<thead>
<tr>
<th>If you would recommend this workshop for new CEOs, when should they participate?</th>
<th>In First Six Months</th>
<th>In First Year</th>
<th>In Second Year</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>5</td>
</tr>
</tbody>
</table>

Comments of Participants Indicating “Other”:
- 2 said first OR second year
- 2 said for all CEOs
- 1 said first or second year and for all CEOs
- An added comment was to mix seasoned and new CEOs

What were the most useful aspects of this workshop?
- Keep small group
- Listening to the experiences of my peers
- Peer exchange and discussion of current issues and problems
- Best practices, networking, good idea sharing
- Open discussion
- Peer exchange, best practices
- Dialogue, interaction, good materials and facilitation, prep materials were good
- Unstructured activities

If you could modify this workshop in any way to improve it, what would you change?
- Allow more time for “What’s Your Problem?” couldn’t bring more concerns to forefront
- While always hard to keep to an agenda on time, the session on What’s Your Problem needed more time—lots of good opportunity in the concept
- Maybe one or two more in-depth case studies in common areas, such as project delivery
- More info on organization assessment; it was just passed over and not discussed
- Overall an outstanding and very beneficial experience—one of best I’ve ever attended
- A bit more time to explore the prep questions (“Washroom”), etc

Please add any additional comments or suggestions you believe would be helpful.
- The unstructured and peer-to-peer facilitated discussions were good
- Thanks!! It’s an honor to have been involved in this pilot—very energizing
- No, it was very good
- Too much time on case study
Chapter 10. Recommendations

The scope of this research project included a workshop that would assist in evaluating methods for sharing best practices and knowledge between CEOs in order to assist them in performing their duties more effectively. The following recommendations are derived from the evaluations and comments of the CEO workshop participants and subsequent discussions with the observers and other Advisory Panel members. The researchers concur with these recommendations except as noted.

1. **Do the Workshop Again**
The first recommendation, based on the overwhelmingly positive response from the CEOs, is to do the workshop again and on a regular basis, such as once a year. All of those completing the final evaluation said they would highly recommend it to other CEOs. They found the opportunity for peer exchange in this environment very beneficial. All participants felt the time frame was just right (two full days spread over three days, and including one evening work session and one evening networking event).

2. **Keep It Small**
Workshop participants appreciated the fact that they all had time to discuss and share issues, challenges and ideas, which they attributed to there being only 10 participants. They, therefore, recommended keeping future workshops the same size, but our view is that larger workshops of at least 15 participants can be organized and managed to yield comparable benefits.

3. **Involve CEOs of Varying Experience but Do Not Mix CEOs and Senior Staff**
In planning the pilot workshop, the decision was made to blend both newcomers and seasoned transportation CEOs. It was designed with the idea of accelerating learning for the new CEOs, but the reported value to both new and seasoned went far beyond what was envisioned. Therefore, we strongly recommend that a combination of both new and seasoned CEOs participate. Participants felt strongly that, while a similar workshop would be appropriate for senior staff, it should be a separate workshop. They did not want to mix CEOs and senior staff in the same workshop.

4. **Keep It Separate from Other AASHTO Events**
Participants felt strongly this should be an opportunity that is sponsored by AASHTO but not attached to any other AASHTO event. The CEOs felt that the competing demands on their time during other AASHTO events would be too distracting. Trying to conduct the workshop as a pre- or post-AASHTO activity would require the CEOs to be away from the office for too many consecutive days, and the pressures from the office would intrude and seriously detract from the workshop’s success.
5. **CEOs Should Have Some Experience in the Role Before Attending**

When seeking to blend experienced with new CEOs, all participants felt that some time in the CEO position was necessary in order for them to benefit greatly from the program. Twenty-five percent of participants said a good time for new CEOs to experience the workshop would be after they had six months to a year of experience, and the remainder recommended at least a year of experience. Their reasoning was that less experienced CEOs, regardless of background, would still be learning the issues, adapting to the role and the challenges of “getting started,” and dealing with a backlog of inherited problems.

6. **Maintain Most of Workshop Design and Methodology**

The design of the workshop was meant to feel unstructured, although it was structured to allow different ways for peer exchange. The blend of methodologies seemed to provide something for everyone, as intended. Also important was the emphasis on open and frank discussion encouraged throughout and the brief discussion at the beginning of the workshop on the corresponding need for confidentiality.

Given the desire to blend experienced and new CEOs, we recommend eliminating the session entitled “What Do You Do After You Find the Washroom?” and spend more time on participants’ current issues and problems in the “What’s Your Problem?” session. Additionally, altering the case study to reflect issues of both experienced and new CEOs is recommended. One participant suggested adding a case study on something such as project delivery. Sharing “best practices” was very successful and should be maintained in the same format. Participants felt more time was needed for the Round Table discussions but rated it highly. Perhaps each Round Table group should have a facilitator and a separate recorder to help ensure that all of the ideas and suggestions are captured.

Consideration should be given to inviting a guest speaker. Although the majority of participants and panel members felt that having a guest speaker added value, they said it depends on the specific topic and speaker. The purpose of the speaker in the pilot was to be provocative and to stimulate thinking about a certain topic. As one of the participants put it, “I don’t have time to read about these things so it’s nice to hear it in this venue.” Since the desire for peer exchange was so great, we would recommend that a speaker’s time be limited to 60 or 90 minutes.

7. **Include Assessments**

Most highly rated by participants was the *Leadership and Management Practices Inventory for DOT Executives* and it is strongly recommended that this 360° feedback instrument be a part of any future workshops.

In addition, participants appreciated the opportunity for the Organizational Assessment and it is recommended that also be included in any future workshops. However, it should be given more time than was allocated at the workshop. Participants commented they wanted more time to
discuss and consider the implications. (The organizational assessment was an online survey completed by the CEO and his or her senior staff. It was based on the Baldrige criteria and selected characteristics of high-performing DOTs that were identified in our prior research of effective transportation organizations.)

For the pilot workshop, there were two participants who did not do the organizational assessment and one that did not do the feedback assessment. Advisory Panel members recommend that, for future workshops, participation be by invitation only (as it was for the pilot) and that there be an agreement that participation includes doing all of the prework.

8. Future Workshops Sponsored by AASHTO
While participants felt strongly that this not be connected to another AASHTO event, they felt it should be sponsored and funded by AASHTO. Some admitted that if the pilot had not been paid for they probably would not have attended. When asked how it might be promoted so that other CEOs would see the value, they all agreed that “word of mouth” would be the best method. They thought that once the word got out about how good it was that others would come, even if they had to pay something. Suggestions for funding included using the FHWA “Peer Exchange” program.

Advisory Panel members suggested conducting another pilot that is funded by NCHRP 20/24, possibly for senior staff (defined as second to the CEO). Curriculum would have to be adjusted for this audience.

Panel members agreed that if future workshops are funded through AASHTO then they should be by invitation only. If participants have to pay for it themselves then consideration should be given to having them express an interest in attending and acknowledge that participation involves some preparatory work, sharing of information with their peers on a confidential basis, and commitment to the time schedule. Whatever the approach, measures are needed to assure: 1) an effective mix of seasoned and newer CEOs; 2) that the newer CEOs are at a point in their tenure for optimal benefit; 3) that all participants intend to engage fully in the experience. Regardless, the size of the workshop should be kept small.

9. Give Thought to Venue
While participants appreciated the Las Vegas location, panel members suggested that consideration be given to holding it in a more central location if participants are to be from all parts of the country.

10. Consider an Alumni Session
All who participated in the debriefing session said they would participate in a similar workshop again. They and the panel members suggested an annual alumni session. They also suggested the alumni have an opportunity to redo the Leadership and Management Practices Inventory for DOT Executives.
A Final Recommendation: Invest in Supporting the Leadership Efforts of All CEOs

Since the primary objective of the workshop was to accelerate the leadership development of new CEOs, it was a pleasant surprise that the workshop was viewed as comparably valuable by the seasoned CEOs also, especially to the extent that they all said they would want to participate in another, similar workshop in the future and spoke of establishing an alumni program of some kind.

This means that future, similar programs can be expected to have twice the return on investment than would have been expected at the outset of this project, when the focus was only to address the learning curve of new CEOs.

Participants pointed out that other AASHTO sponsored conferences and programs available to them are not designed to accomplish what this workshop does, and that there are not other opportunities available for this type of learning from their peers.

The most important recommendation of this research, therefore, is to recognize that leading a DOT is a continuous learning process and vital to all who are striving to perform the role, regardless of their prior experience.

The implications of this recommendation go beyond simply replicating the workshop to include a variety of resources to support the leadership efforts of CEOs. A simple example would be to establish for CEOs a “toolbox” from the results of this and the other recent research projects pertaining to DOT leadership and the organizational characteristics and “best practices” of the most effective DOTs. The Organization Assessment for Transportation Agencies, used in the workshop, is one of many assessments that have helped DOTs establish their organizational improvement priorities. Tools such as these and the related research information can be made available to all CEOs on a continuous basis, rather than only to a limited group periodically in the workshop setting.

It is recommended such a “One-Stop Shop” that is comprehensive, interactive, and probably web-based be developed as a resource for CEOs. The Leadership Guide for Transportation CEOs, presented in Appendix E, is a rudimentary attempt to make the findings of this research available in a “user-friendly” way, but it has the potential for greater impact as part of a set of related resources presented in a more engaging way than as a simple document.

This recommendation is consistent with the recent publication, “Significant Issues for AASHTO’s Strategic Plan,” in which the Executive Summary concludes, “CEOs see themselves trying to navigate the most difficult and transitional period in transportation history for many decades. Their need for peer networking and consensus support is greater than ever.” The summary goes on to state that they “want assistance with Management and Leadership but are varied in how they want training provided and structured.” This recommendation calls for the provision of a variety of training and support methods in addition to continued offerings of the workshop.
References

Books and Periodicals


Websites
http://quality.transportation.org/
http://www.transportation.org/meetings/42.aspx
http://www.transportation1.org/quality/index.htm (Quality Information Center)
http://www.quality.nist.gov/
http://www.cmc-associates.com/aashto.html

Please see the following Appendices A–E for sample leadership surveys, workshop instructions, and guidelines.
Appendix A: Senior Leader Survey (SAMPLE)

Instructions
Thank you for taking the time to share your thoughts and assist in our research of leadership and management techniques in state DOTs. Our research is focused on the role of the CEO (Commissioner, Secretary, Director) and the Executives, who report directly to the CEO. The results will be used to build learning experiences designed to enable DOT leaders to increase their effectiveness.

All responses to this survey are confidential. Your completed survey will go directly to Oasis Consulting Services and will be combined with other replies. Oasis is an independent organization that helps government agencies create productive and satisfying workplaces.

If you have any questions or concerns, please contact T.J. Brown at Oasis, 702-562-3695, or via e-mail, tj@consultoasis.org.

Please keep in mind that once you begin you must complete the survey without leaving this website, and then click the “Submit” button at the end. You can take as much time as you need, but if you leave this website without finishing, your responses will be lost.

Please provide the following (*required)

First Name
Last Name
For what DOT do you work?*

Your Experience

1. How many years have you worked (or did you work) for a DOT?*

2. How many CEOs have there been in your tenure?*

3. How many CEOs have you directly reported to or served as a member of the executive staff?*

4. What has been your primary functional responsibility? (e.g., Operations, Administration, etc.)
Your Views About Leadership

5. What were the practices and characteristics of those CEOs who were most successful? What enabled them to be successful?

6. What were the practices and characteristics of the ones that you considered least successful? What contributed to their lack of success?

Practices of Your Best Leader(s)

We are using Baldrige criteria to examine leadership. The Baldrige “Leadership” category is described as “how senior leaders guide and sustain the organization, how they represent it to stakeholders, how they communicate with employees and encourage high performance.” The following items reflect the Baldrige criteria for “Leadership.” Please respond by indicating how much each of these was, or was not, a key to your CEO’s success.

<table>
<thead>
<tr>
<th>A KEY TO THE CEO’s SUCCESS WAS: . . . .</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Don’t Know</th>
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<tr>
<td>7. Using and communicating vision, mission, and values to influence the direction, decisions, and plans for the organization.</td>
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<td>8. Clarifying goals, establishing performance measures, and assuring accountability.</td>
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<td>9. Demonstrating a personal commitment to the agency’s long-term success.</td>
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<td>10. Investing and personally participating in methods that create a sustainable organization, such as succession planning and employee development.</td>
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<td>11. Providing regular opportunities for two-way communication with senior leaders.</td>
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<td>13. Demonstrating and communicating the value of DOT services and products to the public and other stakeholders.</td>
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<td>14. Supporting programs for collecting and analyzing customer satisfaction data.</td>
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<td>15. Using customer and market information to influence organizational priorities and plans.</td>
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<td>16. Providing effective ways for customers to contact the agency with questions or concerns.</td>
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<td>17. Promoting an environment that fosters legal and ethical behavior.</td>
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</table>
18. Please add any comments about CEO leadership practices that were not covered above or that you believe will be helpful.

**Emerging Leadership Challenges**

19. What do you think are the top two or three challenges or trends DOT leaders face in the 21st Century?

20. What other reflections, thoughts, or “lessons learned” do you have that would help DOT CEOs in the 21st Century?

**Follow-Up**

We will be selecting a few survey respondents for follow-up telephone interviews to gain more detailed information about the best practices of CEOs.

21. Would you be willing to have a confidential interview?

22. If your answer to the previous question is “YES,” please provide your e-mail address and telephone contact information.

**THANK YOU FOR PARTICIPATING IN THIS RESEARCH!**

YOUR VIEWS WILL CONTRIBUTE TO THE DEVELOPMENT OF DOT LEADERS.
Appendix B: Current CEO Survey (SAMPLE)

Instructions
Thank you for taking the time to share your thoughts and assist in our research of leadership and management techniques in state DOTs. Our research is focused on the role of the CEO (Commissioner, Secretary, Director) and the Executives who report directly to the CEO. The results will be used to build learning experiences designed to enable DOT leaders to increase their effectiveness.

If you would rather have a telephone interview than complete this form, or if you have any questions or concerns, please contact T.J. Brown at Oasis Consulting Services, 702-562-3695, or via e-mail, tj@consultoasis.org.

All responses to this survey are confidential. Your completed survey will go directly to Oasis Consulting Services and will be combined with other replies. Oasis is an independent organization that helps government agencies create productive and satisfying workplaces.

Please keep in mind that once you begin you must complete the survey without leaving this website, and then click the "Submit" button at the end. You can take as much time as you need, but if you leave this website without finishing, your responses will be lost.

Please provide the following (*required)

First Name*
Last Name*

Your Experience

1. How many years have you been a transportation department CEO?*

2. Before being appointed as CEO, what was your experience?

- As an employee of the DOT
- Associated with the transportation field in the public sector
- Associated with the transportation field in the private sector
- Other public-sector leadership experience
- Other private-sector leadership experience
- Other (describe): _______________________________________________________
Getting Started as CEO

3. What aspects of your prior experience and your development of your management and leadership skills have been most helpful in preparing you for the role of transportation CEO?

4. Please describe what was most challenging as a leader when you were first appointed as DOT CEO.

5. When you took over as CEO, what steps did you take in getting started as the new leader, in sizing up the organization, and in deciding what needed to be done?

Reflections on Your CEO Experience

6. What have you found most challenging in performing the CEO role?

7. What “lessons learned” would you share with a new CEO?

8. What emerging and future challenges do you see facing DOT CEOs in the 21st Century?

Executive Development for You and Your Staff

The following items ask for your views on the availability and effectiveness of development experiences and resources for you and your senior staff. For the purposes of this survey, “senior staff” is defined as the professional and management positions that report directly to you.

<table>
<thead>
<tr>
<th>Which of the following have you and your staff used, and how helpful have they been?</th>
<th>Very Helpful</th>
<th>Somewhat Helpful</th>
<th>Not Helpful</th>
<th>No Basis for Judgment</th>
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<tr>
<td>9. Management Conferences</td>
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<td>10. Workshops or Training Programs (internal or external)</td>
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<td>11. Trade Associations</td>
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<td>12. Web-based Programs</td>
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<td>13. Mentoring or coaching</td>
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<td>14. Peer Discussions</td>
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<td>15. Management Consultants</td>
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<td>17. Rotational Assignments</td>
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</table>
18. Please describe any other means of development for your senior staff or you and their effectiveness.

19. How many hours, on average, would you say that each of your senior staff and you invest in your own leadership development each year?

- [ ] Between 1 and 8
- [ ] 9–24
- [ ] 25–40
- [ ] More than 40

20. To what extent do you agree or disagree with the following statement? "Effective development opportunities for my executive staff and me are readily available."

- [ ] Strongly Agree
- [ ] Agree
- [ ] Disagree
- [ ] Strongly Disagree

Follow-Up

21. We will be selecting a few survey respondents for follow-up telephone interviews to gain more detailed information. Would you be willing to have an interview?

22. Please provide any other comments you believe will be helpful.

THANK YOU FOR PARTICIPATING IN THIS RESEARCH!

YOUR INFORMATION WILL CONTRIBUTE TO THE DEVELOPMENT OF DOT LEADERS.
Appendix C: Former CEO Survey (SAMPLE)

Instructions
Thank you for taking the time to share your thoughts and assist in our research of leadership and management techniques in state DOTs. Our research is focused on the role of the CEO (Commissioner, Secretary, Director) and the Executives who report directly to the CEO. The results will be used to build learning experiences designed to enable DOT leaders to increase their effectiveness.

All responses to this survey are confidential. Your completed survey will go directly to Oasis Consulting Services and will be combined with other replies. Oasis is an independent organization that helps government agencies create productive and satisfying workplaces.

Please keep in mind that once you begin you must complete the survey without leaving this website, and then click the “Submit” button at the end. You can take as much time as you need, but if you leave this website without finishing, your responses will be lost.

If you would rather have a telephone interview than complete this form, or if you have any questions or concerns, please contact T.J. Brown at Oasis Consulting Services, 702-562-3695, or via e-mail, tj@consultoasis.org.

Please provide the following (*required)

- First Name*
- Last Name*
- For what DOT(s) did you work?*

Your Experience

1. How many years were you a transportation department CEO?*

2. Before being appointed as CEO, what was your experience?
   - As an employee of the DOT
   - Associated with the transportation field in the public sector
   - Associated with the transportation field in the private sector
   - Other public-sector leadership experience
   - Other private-sector leadership experience
   - Other (describe): _______________________________________________________

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Getting Started as CEO

3. What aspects of your prior experience and your development of your management and leadership skills were most helpful in preparing you for the role of transportation CEO?

4. Please describe what was most challenging as a leader when you were first appointed as DOT CEO.

5. When you took over as CEO, what steps did you take in getting started as the new leader, in sizing up the organization, and in deciding what needed to be done?

Reflections On Your CEO Experience

6. What was most challenging in performing the CEO role?

7. What “lessons learned” would you share with a new CEO?

8. What emerging and future challenges do you see facing DOT CEOs in the 21st Century?

Executive Development

9. Were there good sources of development for you and your executive staff (such as training, conferences, etc.)? If so, what were they?

Follow-Up

10. We will be selecting a few survey respondents for follow-up telephone interviews to gain more detailed information. Would you be willing to have an interview?

11. Please provide any other comments you believe will be helpful.

THANK YOU FOR PARTICIPATING IN THIS RESEARCH!

YOUR INFORMATION WILL CONTRIBUTE TO THE DEVELOPMENT OF DOT LEADERS.
Appendix D: Workshop Prework Instructions (SAMPLE)

This document provides details about how to complete each of the four preparatory tasks that will enhance your participation in the upcoming workshop, “21st Century Leadership & Management Techniques for State DOT CEOs.”

1. **Leadership and Management Practices Inventory**
   Request people with whom you work to give you feedback on the *Leadership & Management Practices Inventory for DOT Executives* (LMPI). A report of the combined responses will be prepared for your review at the workshop.

   The LMPI is designed to assist you in assessing both the strengths in how you work with others and opportunities to increase your effectiveness. The report will be confidential—*Oasis Consulting Services* will collect and compile the results and ONLY YOU will receive a copy.

   Attached are: a) for your review and to assist you in selecting respondents, a copy of the survey items; b) a draft e-mail message that you can forward to those you invite to respond with instructions about how they can complete the survey on the Internet.

   Be sure to invite the members of your staff on whom you most rely. You may invite as many as you wish. You will receive a composite of the feedback if at least three respond. Three are necessary to assure respondents that their feedback is being treated confidentially by combining it with that of other respondents.

   You may also invite others with whom you have a work relationship, including customers, colleagues outside your DOT, or anyone else you believe can offer feedback of interest to you. Their responses will be combined with those of the members of your staff.

   **THE PEOPLE YOU INVITE NEED TO COMPLETE THE SURVEY BY TUESDAY, JUNE 10th.**

2. **Organization Assessment for Transportation Agencies**
   Complete this online assessment yourself. Also, ask your leadership team members and any other key staff you would like to respond. Request their response by **JUNE 10th**. You will receive a report combining all responses at the workshop. The instructions on the website are self-explanatory, so simply send them this web address:

   [http://www.consultoasis.org/surveys/OrganizationAssessmentforTransportationAgencies.htm](http://www.consultoasis.org/surveys/OrganizationAssessmentforTransportationAgencies.htm)

   The purpose of this assessment is to assist you and your senior leaders in identifying and reaching agreement on the ways in which your organization is working well and on the most important opportunities to strengthen it and to assure continuous improvement.

3. **What’s Your Problem?**
   We will be collecting challenges/problems/issues from each participant. These will be disseminated and discussed at the conference during a session dedicated to sharing of experiences, lessons learned, and perspectives regarding the issues. Please complete the very brief questionnaire at:

   [http://www.consultoasis.org/surveys/WHATSYOURPROBLEM.htm](http://www.consultoasis.org/surveys/WHATSYOURPROBLEM.htm)

4. **Best Practice**
   Be prepared to make an informal presentation about one “best practice” from your agency. Each participant will have 5–10 minutes during the conference to share a best practice from his/her agency.
Appendix E. Guidelines (SAMPLE)

Leadership Guide for Transportation CEOs

Oasis Consulting Services
How to Use This Guide

This guide is intended to assist you as the CEO of a state transportation department to:

• Quickly determine how to perform successfully when getting started as the new CEO,
• Enhance your plans for leading your DOT, and
• Identify and pursue opportunities for improving organizational performance.

The guide captures the highlights of the results of two recent NCHRP research projects and attempts to organize the information into a “roadmap” for your thoughtful consideration about leading your DOT.

The first of these two projects identified the methods and practices that DOTs are using to improve and sustain high levels of organizational performance, and was published by AASHTO as *A Transportation Executive’s Guide to Organizational Improvement*. When 10 DOTs that were especially successful were studied carefully, it was not surprising to find that the CEO’s leadership was vital. This finding, together with the very high turnover rate in the DOT CEO position, underscored the importance of assisting new CEOs to “hit the ground running.” The second research project, therefore, gathered the advice and lessons learned from experienced CEOs and seasoned members of their executive staffs about successful leadership practices and pitfalls to avoid.

Following some brief background information about the research, Chapter 1 presents the “roadmap,” the milestones of which reflect the successful practices most commonly cited by the contributors to the research, who represent a total of 38 DOTs. Chapter 2 offers additional advice from seasoned CEOs and the views of long-term DOT employees who have served as members of executive staffs.

Of course, the guidance that is offered cannot have the precision of an actual roadmap, as each DOT leader’s journey begins with a unique set of circumstances and challenges. For this reason, Chapter 3 presents brief profiles of a few CEOs who faced quite different circumstances at the outset and the leadership strategies they chose. And since this guide cannot provide all of the specific answers for your agency, Chapters 4 and 5 are designed to assist you in asking questions, about your own leadership practices and about assessing the strengths and improvement opportunities of your agency in order to establish clear priorities.

Chapter 6 presents highlights from the first research project that illustrate the common characteristics of the 10 DOTs that have been especially successful in achieving and sustaining organizational improvements.
Background

This project, NCHRP 20-24 (53), 21st Century Leadership and Management Techniques for State DOTs, emphasized the need to assure that new CEOs of state transportation departments be able to perform this role quickly and effectively because of the very high turnover in this position. The scope of the project included research to identify the critical leadership challenges that DOT CEOs encounter and the successful practices of current and former CEOs in meeting these challenges. The scope of work also required making the research results useful to CEOs by: 1) designing and piloting a workshop based on the findings in which CEOs assess and refine their leadership plans; and 2) developing a guide, which this document represents, that CEOs can use within their agencies to support their leadership efforts.

Research into 21st Century Leadership and Management Techniques for State DOTs included initial phone interviews with five CEOs, a review of relevant literature, and three surveys. The first survey was sent to senior DOT leaders (generally those with a minimum of 10 years experience in transportation who have also been members of the executive staff) for the purpose of identifying the practices of the most successful DOT CEOs in their experience that distinguished them from others. The other two surveys were sent to current and selected former CEOs to capture their “lessons learned” about performing this role well.

The research reveals a general “roadmap” of successful practices, but also shows wide variation in the specific ways these practices are implemented. The variations are due to numerous differences across the states in the transportation issues that arise and the complex political, economic, and social factors surrounding them, but also to the differences in personality and skill that each DOT leader brings to the job. These are fortunate findings because they illustrate that, while there are several fundamental leadership principles necessary to success, there are as many paths to take in implementing the principles as there are leaders.

The previous research project, A Transportation Executive’s Guide to Organizational Improvement, identified 10 DOTs that have been especially successful in achieving and sustaining organizational improvements, their methods and practices, and the conditions that enable effective implementation and use of these methods. Foremost among the conditions of success for every agency was that the CEO mobilized a strong and well-respected leadership team that established clear priorities for the agency and systematically focused on these priorities. This finding was a strong impetus for the research of leadership practices that has resulted in this guide.
SAMPLE Chapter 1: Getting Started

Taking over as a DOT CEO has been likened to “being hit with a fire hose.” Every CEO interviewed said that in their first few months they were overwhelmed by requests and demands on their time, so that it was especially challenging to spend time getting to know the agency and focusing on the questions that would help them decide how best to lead the agency.

So, what do you do after you find the washroom, before the next election, and between all those urgent messages? Fortunately, there was a great deal of consistency in the responses of the CEOs about the practices they found successful in getting started. This chapter organizes their collective wisdom into a “roadmap” with the following eight basic milestones.

The Leader’s Roadmap

- Seek Input—Size Up Your Agency and Your Situation
- Build Your Leadership Team
- Determine What’s Most Important
- Communicate Clear Vision; Clarify Expectations
- Delegate and Empower Staff
- Build Relationships
- Don’t Go It Alone—Develop Champions
- Seek Early Wins to Establish Credibility

The milestones are somewhat sequential, though as a practical matter they will increasingly overlap as you move forward. For each milestone, some of the best of the actual comments of the CEOs and DOT senior leaders who contributed to the research are included.

Seek Input—Size Up Your Agency and Your Situation

Current and former CEOs shared what steps they took in getting started as the new CEO and how they sized up their agencies to determine what needed to be done. The steps that were most common, though described in various ways, were:

- Asked for input from internal and external stakeholders to identify key priorities
- Established a clear direction
All had some way of assessing the organization, by working with their leadership team, doing a department-wide assessment, and/or meeting with both internal and external stakeholders to see what they thought the problems were. Fifty percent emphasized that they diligently met with media, legislators, customers, contractors, and employees at all levels to help them size up the organization.

“My first priority was to visit the people within and outside of the organization, especially those at the lower levels as I believe they will tell you ‘truths’ that the ‘chain of command’ may have filtered out or never heard. This, in effect, resulted in a rich assessment.”

“I met with many outside and inside customers to hear what they thought were issues. Then, with the leadership team, we developed a strategic plan and isolated a select few items we really felt were important.”

“Many people will want to meet with you, but some of the most useful information and advice you receive will come from people that you have to call or seek out.”

TIP Don’t come in with all the answers and don’t rush things. Your first job as a leader is to diagnose the situation. Give yourself a few weeks or even months to learn all you can from everyone you can. Even if you have been in the agency, ask questions of all stakeholders. “Effective learning will lead to good early decisions which will help build credibility.”

–The First 90 Days in Government, Critical Success Strategies for New Public Managers at All Levels

“I allowed myself 100 days to examine the organization. It allowed me to meet with key stakeholders, media, legislators, customers, evaluate staff to find out what they believed were our problems and strengths.”

“Don’t do too much too fast.” “Give yourself some time.” “Don’t make any big changes for (three months; six months; 100 days) until you get a feel and understand the system.”

“It took about four or five months to begin to feel comfortable in this job.”

“The first year was dicey.”

Build Your Leadership Team

Some strong words of advice from the CEOs were: “Put together your leadership team;” “Put the right people on the bus, and don’t hesitate to make changes to do this;” and “Get the right people in the right job!” Some commented on the challenge of being able to attract the people they wanted for the team and also on the temptation to avoid changes at the top that could have negative repercussions. But they cautioned, “Don’t tolerate poor performance;” and “Don’t settle.”
Think you can’t do this in government? Don’t assume that’s the case. CEOs found, in some instances, that building their leadership team was a challenge, but getting the right people in place was too important to settle for less. “Over a nine-month period, I have had three Chiefs of Staff. But changes were made until the right person was identified.”

“Good ole Bob, whom you’ve known for 20 years, but it’s not working (as a member of the leadership team); it’s not easy, but you have to be very clear with Bob that ‘you are not the person for this job.’”

“The CEO cannot succeed without the ‘complete’ support of his/her direct reports. So, a first order of work is getting the right people on the bus, in the right seats. These people might be in place when you start, or there might need to be significant changes. Don’t be afraid to appoint someone who might not be ‘next in line’ or from the traditional line of thought. Successful organizations are lead by passionate people. If your staff is dispassionate, you must either find something that sparks their passion, or find others who will bring it with them.”

One new CEO observed that the senior staff he inherited were getting concerned and cautious about the changes he might make in the leadership team. Having concluded he was fortunate to have inherited a pretty competent group of senior managers, he decided that changes, though they might strengthen the team in some ways, would also have a cost, so “I sent each person who reported to me a letter saying that no one would go unless conduct or performance warranted it. This took away the insecurity...” and allowed them to do their work in the best way.

**TIP** Establish criteria for what is necessary for your leadership team and then assess both the team and the individuals by the criteria.

– The First 90 Days in Government, Critical Success Strategies for New Public Managers at All Levels

The Florida Department of Transportation has developed and embraced leadership competencies as essential to organizational success. The Leadership Core Competencies describe skills needed by members of the Department of Transportation’s leadership team. The department expects members of the leadership team to provide strategic guidance for the organization and these competencies reflect that expectation.

**Determine What’s Most Important**

“Most challenging was determining what was most important—not tactically, but strategically. The tactical issues—project challenges, service delivery, community issues—are challenging, but I believe that a CEO is hired to address strategic issues, while managing the tactical ones. At times, the tactical issues can overwhelm you and consume all of your time and attention, but working on the strategic issues is akin to working smarter.”
“At times, it felt like we were running in multiple directions at the same time with variable levels of success. Therefore, we launched an effort to focus our strategic goals to something manageable, repeatable, and understandable to our employees and customers. Our strategic plan, which was dozens of pages long and included every major activity of the department was reviewed every year, then promptly stored away till next year. It was not a working document, but rather a ‘check box’ activity everyone dreaded and no substantial benefit was derived from the ritual. Our new strategic plan consists of four strategic goals. Every senior leader has a performance plan and performance measures directly supporting the four. I venture to say the majority of our employees could repeat them. They know what we are trying to do as an organization, and how their individual responsibilities support the four strategic goals. We have challenged each person to discover how their job supports the four goals, and if they can’t see how it connects, we talk. In some cases, we are doing ‘less with less,’ and becoming more successful at our core responsibilities.”

“I set between 5 and 10 strategic goals each year to advance core competencies. A team was assigned to each goal and the support necessary was cascaded down to all managerial staff. We would meet every two weeks to track the progress on these goals.”

TIP “Leaders who execute focus on a very few, clear priorities that everyone can grasp…you’ve got to have these few, clearly realistic goals and priorities, which will influence the overall performance.”

Execution: The Discipline of Getting Things Done

In the previous research of effective DOT organizations, “Taking Care of Business” was a key practice. Each of the most successful organizations was very focused on accomplishing its strategic goals. While many DOTs were found to have dynamic strategic or business plans, one of the themes that distinguished the top 10 was a focus that is proactive, that balances long-term with short-term, and that is drilled down throughout the organization. Focus and action are the keys in this theme. Many organizations have a laundry list of high-sounding strategic goals, but the most effective organizations are very focused on a few key areas.

TIP “You can’t set goals by looking in the rearview mirror at what was accomplished last year and adjust this year’s numbers accordingly... goals should reflect the opportunities that lie ahead and what is possible for your business as it goes forward.”

Know-How: The 8 Skills That Separate People Who Perform from Those Who Don’t
Communicate Clear Vision; Clarify Expectations

Aristotle wrote, “The mind never thinks without a picture.” Helping employees to see the goal or vision and how it can be accomplished is a critical first step in accomplishing department goals. It was acknowledged that the need to stay focused on the path is not always easy because CEOs can be pulled in many different directions. The most successful CEOs were aware of that and were able to maintain the focus regardless of the challenges. The CEOs suggest: “It is all about setting a clear vision or goal and letting your employees figure out the best way to get it done;” “Articulate a long-range vision and short-term objectives and stick to them;” and “Set clear goals and hold people accountable.”

Senior leaders indicated that establishing a clear vision and focus was a critically important characteristic of successful CEOs. “The ability to establish and focus on three to five priorities and accomplish those goals, I believe, was the most predominant characteristic of successful CEOs.”

One comment depicts what can happen when there is not a clear direction. “Individual work units, in the absence of consistent clear direction, began setting their own direction and standards, impacting the entire organization’s ability to produce work. The agency lost focus on the basis for its existence, and became focused on individuals and sections and their perceived status in the organization.”

“Don’t assume that everyone will understand the first time. You may to have to refine the message, and you will almost certainly have to repeat it.”

“Communicate your vision often, to your senior managers, middle managers, and all employees. People need to know where you are leading. Once they ‘get it,’ they can lend their support from their level.”

“I met with over half the employees across the state in a variety of platforms to talk about the vision and what our goals were and…to get their input to how we should change.”

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TIP A clear vision challenges and inspires people in the organization and helps align their energies in a common direction. A good strategy may be indispensable in coordinating management decisions and preparing for contingencies, but a strategy has cohesion and legitimacy only in the context of a clearly articulated and widely shared vision of the future. In a sense, a vision programs the mind to selectively pay attention to the things that really matter.

—“Where Tomorrow Begins: Finding the Right Vision” (paraphrased)
Delegate and Empower Staff
A key practice identified by the senior leaders as characteristic of successful CEOs is “delegating and empowering staff.” The successful CEOs have outstanding delegation skills and excellent communication skills. They trust their staff to do the right thing and allow the staff to perform their duties to the best of their abilities. They allow key management to do their jobs without micro-managing. Crucial aspects of this were to involve employees in the decision-making, ask for their input, give them the authority to make decisions that affect their work, and hold them accountable.

Senior leaders suggested that the CEO should not forget their “greatest asset is the people.” Comments included: “believe in the people in the organization, let them do good work;” “involve employees;” “get to know people in your organization at all levels;” and “invest in developing your people.”

The previous research of effective transportation organizations identified “Empowerment with Accountability” as a characteristic of the most successful DOTs and found that “employees who know what is expected of them are more able to achieve success. When they are empowered to determine the best path to meet customer needs, they work hard to make the organization successful.”

“Put people first. Your folks need to see you, hear you, talk to you, and trust you. That’s a relationship thing—a little goes a long way, but not all of it can be done at a distance. Tell your staff what you expect and want, hold them accountable for performance and outcome, and trust them to get their jobs done well—they can do their job far better than you can do their job.”

“You may also have to reassure your team that mistakes in pursuit of improvement are preferable to inaction. If mistakes are not tolerated, the logical response will be to wait for you to make all the decisions.

**TIP** Sometimes organizations resist empowerment because they misunderstand it as a loss of control. Empowerment does not mean employees can do as they wish. It means they are empowered to make decisions in line with organizational goals and boundaries. When employees know what is expected of them and how success is defined and measured, they feel responsible for achieving the goals. Measures are an exacting way of holding people accountable yet gives them the freedom to make decisions and improvements in line with the goals.

—A Transportation Executive’s Guide to Organizational Improvement

**TIP** Effectiveness comes about through enabling others to reach their potential—both their personal potential and their corporate potential.

—What Is Leadership?
Build Relationships

- Be the agency’s advocate
- Manage the public’s expectations
- Deal with the Legislature
- Balance internal and external demands

Those CEOs deemed most successful “served as a ‘cheerleader’ for the organization to the public, legislators, the road building industry, and the executive branch.”

“The most important lesson is to be honest and develop and maintain credibility with the Governor, the Legislature, the public, and members of Congress.”

“I had to learn how to think on my feet, be fluent in all aspects of the operations. I also learned that every employee thinks they are the only one you need to tend to and every member of the public feels the same way. It is important that you make them feel that way too, so, you learn time management skills. You also learn to delegate—you can’t be everywhere and do everything but you do have to make sure it is ALL covered.”

“Be careful what you promise the public” and “do what’s right for the department, not just your own ambitions.” The previous research, A Transportation Executive’s Guide to Organizational Improvement, defined this perspective as “Legacy Leadership,” because the leaders were more concerned about leaving an organization that would continue to be successful after their tenure. They were more interested in sustaining success than they were about personal gain.

“I am starting my third round of field legislative meetings in advance of the legislative session to establish and reinforce strong relationships with them on their turf when we’re not dealing with a specific issue. I guess it’s about relationship building for me and then caring for those relationships once established.”

“Our legislative interface has rapidly taken on a year-round flavor.”

“In political circles, be humble and tell the truth even when its painful, but don’t apologize for being a state public servant—walk in the authority and responsibility that comes with the appointment, with a healthy dose of true humility.”

“First, I made sure I was absolutely clear on the Governor’s objectives for the department. Then, I brought in a few key senior staff, who assisted in the assessment and made timely recommendations. The assessment included both external and internal factors.”

“[I am] tugged in lots of directions, but [I] have to make choices about how best to use my time. [I] need to balance focus on the internal (agency operations, program development, employee issues) and the external (securing funds, legislative issues, statewide enterprise matters with Governor).”
The Arizona Department of Transportation (ADOT) has become increasingly sophisticated in forging relationships with stakeholders in the transportation industry. ADOT invested greatly in partnering, including a Partnering Evaluation Program. The result has been a reduction in adversarial issues, a process for resolving the fewer issues that do arise, and ultimately faster delivery of services.

Don’t Go It Alone—Develop Champions

“I initially made no major changes in leadership and upper management personnel within the department. I utilized the existing managers in teaching me about transportation activities, funding, priorities, and who were the dependable, trustworthy people, who had the information and data necessary to make the best technical and policy decisions.”

Another key element identified in the previous research into organizational improvement practices was that CEOs found and developed “champions.” CEOs need credibility in their organization to create positive change. Regardless of whether they came from inside or outside the DOT, the CEOs in the most effective organizations cultivated one or more “champions”—high-level, internal career people—to facilitate their efforts and act as advisors and advocates on organizational performance issues. Champions were astute career professionals, who had gained the respect of others and who had credibility because of their understanding of the work and the culture.

However, “Don’t Go It Alone” refers to more than developing internal champions. Former CEOs in particular offered advice to reach out to others, including peers: “Become active and work with AASHTO and your Regional AASHTO organization. Develop coalitions with other states that have similar characteristics to your state;” “Routinely use benchmarking and comparative analysis to determine how to improve the organization;” and “Build networks of external partners. You will need them.”

Many new leaders in government come under heavy pressure...to bring about quick and dramatic results. Frustrated by their inability to get things moving in the face of complexity and deeply entrenched problems, they fall back into...a ‘lone ranger’ style of authority-driven decision making. Seduced by the belief that they can impel change to happen, they instead catalyze the formation of opposition...You must find ways to build credibility and cultivate productive working relationships with key internal and external constituencies.”

—The First 90 Days in Government, Critical Success Strategies for New Public Managers at All Levels
Fortunately, several of the responses in the research interviews and surveys indicated that, “You don’t have to go it alone,” emphasizing the wealth of talented people within their departments.

“Find employees who know how to work within the organization to help you get accomplished what you need done.” “Get your staff to help you.” “Trust your managers and staff, and give them freedom to make decisions and do their jobs.” “Explain what you are trying to get done and enlist everyone’s support.”

Seek Early Wins to Establish Credibility

“[Our] self-imposed tightening of our belt has generated tremendous dividends with law makers. The first year, we identified $6 million worth of new projects that were built because of the efficiencies savings. Lawmakers saw that we were prudent with our resources, and that we could be trusted with additional funds. This effort, together with many other business practices have enabled us to grow our budget, and thus our ability to serve, by a factor of three in the six years I have been in the CEO job. Today, we receive significantly more discretionary funding for transportation in the form of sales tax revenues than we do from the traditional gas tax and registration fees. Sales taxes could be used for any activity in state government; however, the legislature and the Governor have chosen to spend it on transportation, partly because of the trust we have earned through doing our jobs.”

TIP A key ingredient in successful DOTs is the substantial and effective use of performance measures. One reason for investing heavily in performance measurement is to demonstrate progress and increase credibility. Performance measurement and reporting has helped DOTs such as Ohio, Maryland, Virginia, and Missouri, to gain support for budgets and for other funding and legislative initiatives.

— A Transportation Executive’s Guide to Organizational Improvement

Thoughts About the Journey

When asked what advice they would offer new CEOs, the responses of most of the seasoned CEOs emphasized that the job is rigorous and often draining, so there were numerous comments about how to avoid being overwhelmed, such as those in the following TIP box.

TIP “Enjoy it. Have passion; otherwise it will wear you out.” “Don’t (try not to) panic.” “Lead, don’t manage.” “Develop a team atmosphere with partners and associates.” “Don’t fall into analysis paralysis.” “Don’t take the incessant complaints that come in as a barometer for how the majority of the public feels about the agency.” “Don’t let the job run you,” “Avoid being a 12+ hour per day CEO—that’ll just drain you and lessen your effectiveness.”
SAMPLE Chapter 2: Prevalent Practices Throughout the Journey

In addition to the milestones identified in the roadmap, the research clearly identified other practices that were constantly prevalent, cut across each of the milestones, and contributed to the success and effectiveness of CEOs.

"Communicate, Communicate, Communicate"

This recommendation went further than communicating expectations and a clear direction. It included dialogue with all constituencies, the Governor, legislature, public, and partners. According to the CEOs and senior leaders contributing to the research, successful CEOs have “…strong communication skills and other interpersonal skills that let them talk with, listen to, and deliver messages to any person from any level of the organization. They used these same skills to talk with, listen to, and deliver messages to the elected and appointed government officials at the local, state, and federal level who are our regulators (and holders of the purse strings) as well as partners.” Successful CEOs ask for input and really listen to others. They both invite and encourage opposing views and listen even if they disagree. They “listen without preconceived ideas of the answer they want,” and “listen and learn from subordinates without being defensive or insecure about their own abilities.”

These results support findings from the previous research into transportation organizational effectiveness practices, A Transportation Executive’s Guide to Organizational Improvement. Leaders in the most effective DOTs paid careful attention to communicating and sharing information and created feedback loops that allowed opportunities for employees and stakeholders alike to provide input. They approached stakeholder relationships with a collaborative mindset. These agencies invested in dialogue with their employees and their constituents. This approach to communication is not happenstance. It is planned and strategic.

For example, Florida DOT pays attention to the importance of communication both internally and externally and established a policy “to maintain effective communication with our employees, partners, and customers.” Internally, there are Communication Champion Teams and guidelines established to ensure that information is communicated to all levels. District Directors are required to meet with their direct reports and it cascades to each level. The goal of FDOT’s leadership in establishing the policy, guidelines, and champions, is to no longer hear, “We never heard that!”

Missouri DOT’s Human Resource Division has implemented a comprehensive approach to dialogue with the department’s more than 6,000 employees. A statewide Employee Advisory Council was formed in 2004 in response to suggestions from the annual employee survey. The
Council has 25 elected members, with only two from headquarters, and the membership includes supervisory and non-supervisory members and a diverse cross section of the MoDOT workforce. The Council, which meets monthly, supplements other channels of communication to help ensure that management hears and communicates with the employees. The Council’s minutes and action reports are shared electronically with the entire department.

Demonstrated Commitment to High Standards
Practices that were consistently demonstrated by effective CEOs involved a personal commitment to the agency’s long-term success and promoting an environment of legal and ethical behavior.

“[The successful CEO] has courage and the ability to lead through the political process, negotiating where necessary, but knowing which areas are non-negotiable. The non-negotiable items often are what gain support from within the team. Having the courage to take a stand with the Commission, Council, Governor, Legislature, Congressional delegation, etc., is a must.”

The type of leadership found in these DOTs was defined in the previous research as “Legacy Leadership.” The CEOs were committed to creating an effective organization that would be sustained even when they were gone. They had given thought to the next generation, what would be required to sustain the organization they were building, and to setting their successors up for success.

Related advice from current and former CEOs to new CEOs included:

- “In political circles be humble and tell the truth.”
- “If you have political (elected) aspirations, recognize the clear difference between your public servant-hood (executive branch) in the department and that desired potential (legislative, etc. branch), and don’t try to use the job to lay the groundwork for political election—that can really erode executive effectiveness.”
- “Speak the truth; even if it reflects negatively on yourself and/or the agency.”
- “Be honest and develop and maintain credibility with the Governor, the legislature, the public, and members of Congress.”
- Lead by example
- Listen, be solution-oriented and not blame-driven
- It is a “big” job and requires a major commitment on your part.

Belief in Employees
The most successful CEOs were “people oriented;” they were seen as caring about and investing in their employees.

“Those CEOs who demonstrated that they valued the contributions of long-term employees were most likely to gain and keep cooperation.”
Effective CEOs trust their staff to do the right thing and allow them to perform their duties to the best of their abilities. They allow key management to do their jobs without micro-managing. Crucial aspects of this were to involve employees in the decision-making, ask for their input, give them the authority to make decisions that affect their work, and hold them accountable.
SAMPLE Chapter 3: Tales from the Field

Because each DOT leader’s journey begins with a fresh set of circumstances and challenges, this chapter presents brief profiles of some CEOs who faced quite different circumstances at the outset and the leadership strategies they chose. The names of the CEOs have been disguised and the names of the DOTs are not provided because the information was collected in interviews in which confidentiality was assured.

Honoring the Past

When Sean was appointed Secretary, his DOT had focused for a number of years on improving organizational effectiveness and customer service. While there was still room to grow and improve, things were operating quite well.

The continuous improvement culture had a long history, had been maintained under three secretaries, and was cited as exemplary. For years the department had been conducting an annual employee survey based on the Baldrige categories and forming action teams around the top issues to address each year. There was also a recently improved performance management system that was strategically linked to unit and department goals and work was in process to link those to objectives and measures for all employees.

Sean’s philosophy upon taking over as Secretary was to “Step back and look at the play from the bleachers. Keep perspective and look at the big picture.” He was more interested in the organization’s success than in his own personal gain or renown. He believed that “whatever my predecessors put in place was put there for a reason.”

“I don’t think I know everything. Anything that any of my predecessors had ordained, I would require myself to go through a very thoughtful process before changing. Change is only in the best interests of the team and the organization.”

Fiscal Crisis

When Walt stepped into his CEO role the DOT was facing a multi-million dollar deficit, one of the largest in the state’s history. His immediate priority was to halt the spending crisis and resolve the deficit in the six months remaining in the fiscal year, which he did. After putting out the fires that surrounded the fiscal issues, he conducted an assessment in all areas of the department with objectives to improve areas in need.

He followed the beliefs he had developed from his experience elsewhere about what will make any organization successful: be organized, establish priorities and objectives, seek accountability, demand results, and reward successes.
Rebuilding Confidence and Trust

When asked about the biggest challenge she faced when she took over as CEO of the DOT, Rose said, “Rebuilding confidence and trust.” She replaced a director who had been controversial and, as a result, employee trust was low and the relationship with the appointed commission was fractured.

Repairing relationships, opening up communications, and bringing equity and consistency to agency actions were her first, and ongoing, challenges. Her first steps were to take swift action to begin reestablishing a trustful, productive relationship with the DOT Commission and the senior management team. She opened up communication on both fronts, sharing things that had previously been kept hidden, and letting others make the decisions they should be making. She then began a conversation with employees through a “very personal” column in the employee newsletter sharing personal insights and stories in an effort to have employees get to know her better. She followed that with field visits just to meet and greet—and listen. She also had legislative meetings in advance of the legislative session to establish and reinforce strong relationships with them on their turf.

“It’s about relationship building and then caring for those relationships once established.”

Out of Touch

The DOT senior leaders were shocked when they first heard of the legislative proposals that would transfer vital aspects of the DOT’s authority to local government. “It told us we were out of touch with our customers and it was time to change.” They were fortunate that at that time Megan, a dynamic new Secretary, was appointed.

Her first step as Secretary was to call for “a top-to-bottom review” of the department that included a customer satisfaction survey and both internal and external stakeholder focus groups.

The stakeholder survey revealed they had an excellent state transportation system but a need to be more responsive to customers. Findings from the review led to new measures of success that were “expanded to include stakeholder perspectives.” They also became more focused with high-level measures and constant attention given to ones that reflect the top priorities.

The ways in which priorities are now determined represent one of the greatest departures from the past. They are the result of a few key dialogue processes that create alignment on the priorities. For example, to select projects they added a local consultation process, rather than relying only on their traditional, ‘sacred’ formula.

The local consultation process was the first of several new practices that went beyond changing the way they worked with locals to include issues about making sure the DOT was a great place to work and discovering opportunities for greater efficiency. All these things have to work together. To make sure they did, they created a Board of Directors which included a few internal
champions, a City Engineer, a newspaper publisher, and a Highway Advisory Commissioner. While the Board is valuable for its guidance, the process of regular meetings sets a strong expectation of progress, helping assure that the DOT takes care of business and assures accountability.

Megan’s point of view: “Organizational changes obviously require leadership…but you don’t overlook the most fundamental component. To be effective, organizational change needs to bring the organization into greater alignment with external conditions or the change won’t succeed in the long term. What we’ve done is to listen carefully to internal and external forces so that our changes increase our alignment, which create a stronger organization and a culture that can succeed in the future.”

**Headline News—“DOT Is in Shambles”**

The DOT had experienced several years of increasing criticism for cost overruns, project delays, budget problems, and a perception of general mismanagement when the new Commissioner came on board. The new leadership encouraged the department to move from a “bunker” mentality to one in which people were willing to take a chance. The norm quickly moved from asking permission at every step to “make somebody say stop.” An important by-product was that the organization had begun to recover its sense of pride.

The Commissioner clarified clear lines of responsibility and accountability and made corresponding organizational changes. The department regained its “focus” and, as a result, regained the confidence of its board, the legislature, media, and the public. By defining and focusing on core business areas and a few corresponding performance measures, the department once again was on a steady foundation. The center of that focus was to deliver projects on-time and on-budget, and the formal program to support that focus was the “Dashboard.”

The Dashboard displays data in a graphic format that resembles a set of dashboard gauges. The gauges are automatically adjusted on a daily basis. The Commissioner conducted videoconference meetings with the district administrators and project managers at least once a month to review performance. Face-to-face meetings were held at least quarterly. The discussion focused on measured performance and on the status of specific projects. The reasons for any delays, cost overruns, or other deficiencies were discussed and remedies prescribed. Responsibilities became clear, with accountability ongoing and direct. The personal involvement of the CEO and the direct links to performance measures was cited as essential to success.
SAMPLE Chapter 4: Self-Assessment

This chapter presents questions to ask yourself that are related to each milestone on the roadmap.

Seek Input—Size Up Your Agency and Your Situation

1. Have you considered ALL of your stakeholders? Constituencies?
2. Have you gained an understanding of the legal and regulatory environment in which you work?
3. What is the political environment? How might it help you? Hurt you?
4. What have you learned about the culture of your organization? How can you influence/lead within this culture?
5. Are you clear on your new boss’s expectations? How s/he sizes up your organization and what needs to be done?
6. What are your strengths that will most help you in this situation? Where do you need to improve?
7. What do your employees tell you about this organization, how it has done in the past?

Build Your Leadership Team

1. What criteria will you establish to help you assess your leadership team?
2. Are the right people in the right seats?
3. What changes might need to be made? How are you going to handle them so that the remaining members of the team are on board?
4. What team norms do you want to establish?
5. How will decisions be made?

Determine What’s Most Important

1. What are the organization’s strengths, weaknesses, opportunities, threats?
2. What is your mission and do your processes and your structure support it?
3. What factors concerning stakeholders and resources do you need to consider?
4. What is most important to the Governor?
5. What is most important to your key stakeholders?
6. What is most important to your employees?
7. Are you focused on a few priorities that are key?

Communicate Clear Vision; Clarify Expectations

1. Is your vision compelling?
2. Is the vision shared by your leadership team and will they support it?
3. Does your vision reflect your core values?
4. How can you communicate your vision in a way that builds commitment?
5. Do employees know the results they are being held accountable for?
6. Do employees understand how what they do contributes to achieving the mission and vision?
7. Are you seriously looking at the long-term health of this agency?
8. How can you promote an environment of mutual respect and ethical behavior?
9. Are you a role model for what you expect of others?

**Delegate and Empower Staff**
1. Do you involve others in decision-making?
2. How do you celebrate successes?
3. Do you trust your employees to do their best?
4. Do employees have the authority and freedom they need to do their work in the way they think is best?
5. Do you genuinely show appreciation and recognize even small accomplishments?
6. How will you ensure accountability?
7. How will you deal with failure?
8. How do you show that you value the contribution of long-term employees?
9. Do you encourage employees to continuously grow and improve?

**Build Relationships**

a) Be the agency’s advocate
b) Manage the public’s expectations
c) Deal with the Legislature
d) Balance internal and external demands

1. How effective are you in reaching out to build relationships with the legislature, industry, and community groups that will help assure support for your efforts?
2. Are you constantly promoting the value of DOT to the public and other stakeholders?
3. How will you manage expectations?
4. Can you effectively balance conflicting stakeholder concerns?
5. Who can support you?
6. Do you search for ways to improve service through partnerships and coalitions?
7. Are you working across organizational lines to build collaborative relationships when needed to achieve the results you desire?
8. Do you keep key stakeholders informed and involved in the decisions that affect them?

**Don’t Go It Alone—Develop Champions**
1. Who are your supporters?
2. Do you have “champions” that are well-respected and effective within the organization?
3. Whose support do you need to be successful?
4. Who are your opponents?
5. Who wields influence internally? Externally?
6. How can you reach out to your peers? AASHTO? Neighboring states? Other state agencies?
Seek Early Wins to Establish Credibility

1. Where is the low-hanging fruit?
2. What can you do with the resources you have to demonstrate performance improvement?
3. How will you know you are successful?
4. Do you have good ways to measure success?
5. Are there milestones?
6. Where do you have buy-in for the results you are seeking?
7. How do early wins fit into your long-term goals?
8. What is one thing you could do right now that would make a positive difference?
SAMPLE Chapter 5: Organization Assessment

A great many of the DOTs contributing to both this research and the previous project reported that they use organizational assessments to enhance leadership decisions, and the use of assessments was especially prevalent among the 10 DOTs identified as the most successful. The implication of these findings for the new CEO is to determine what assessment methods and data are available, and their usefulness for the roadmap milestone, “Determine What’s Most Important.”

It is important to distinguish what is referred to here as “organization assessment” from measures of operating performance, such as costs per activity or unit of output. Generally, measures of operating performance indicate what has been achieved, while organizational assessments focus primarily on how well the overall work system, processes, and practices are functioning to produce the desired results.

The 10 most successful DOTs had invested thoughtfully in answering the question, “How will we know when we are successful?”, and their answers included both measures of operating performance and organizational assessments.

The large majority of organizational assessments used by the participating DOTs fell into one of two categories: 1) employee surveys to measure employee satisfaction and the quality of the work environment; and 2) measures of organizational effectiveness.

Employee Surveys
Abundant research shows significant correlation among employee satisfaction, productivity, and business results. Today’s leaders are continually asking how to enhance their organizational culture to improve performance and to attract and retain the best people. The research of transportation agencies about their organizational assessment methods showed that 18 of the 45 participating states said they routinely use employee surveys for purposes of organizational improvement, and the large majority of these 18 states said that the surveys have made an “Outstanding” or “Significant” contribution to organizational performance. Florida and South Dakota DOTs are notable examples of agencies that have shown continuous and statistically significant improvement in survey results over several years of repeated use.

Organizational Effectiveness
The 10 agencies that the research identified as most successful in achieving and sustaining organizational improvement all conducted some sort of self-assessment of how well they were functioning as an organization. Again, the methods used varied across the agencies, but many based their assessments on the Baldrige criteria. Some applied them systematically at every level as a way of stimulating continuous improvement throughout the agency, while for others the
assessment was a way for the senior leadership to reach agreement on improvement priorities for the agency as a whole. In either case, this type of assessment is a way for people within the agency to “hold up the mirror.”

Following is an example of an organizational effectiveness assessment based on the Baldrige criteria. This instrument was developed as part of the research projects but is offered for your use in sizing up your DOT. In addition to working through the guide yourself, you may wish to distribute a copy to your leadership team. The results can serve to stimulate discussion about your agency’s strengths and the most important opportunities for improvement.
Organization Assessment for Transportation Agencies

The purpose of this instrument is to assist leaders of transportation agencies in identifying and reaching agreement on priorities for organizational improvement. For each item, circle the number that corresponds with your assessment or check the box if you are unsure.

### Leadership

**How senior leaders guide and sustain your organization; how they represent it to stakeholders; how they communicate with employees and encourage high performance.**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Our mission and vision statements are more than platitudes. They greatly influence our direction, decisions, and plans.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
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<tr>
<td>2</td>
<td>Our employees have regular opportunities for two-way communications with senior leadership.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>Throughout our agency, employees understand how their work contributes to organizational goals.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>Our agency’s leaders are active in recognizing and rewarding employees for high performance.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>We do a good job of demonstrating and communicating the value of our work to the public and other stakeholders.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>We have effective ways of anticipating public concerns.</td>
<td>3</td>
<td>2</td>
<td>1</td>
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*Category Average*

### Strategic Planning

**How your organization develops strategic objectives and action plans; how you deploy them and measure progress.**

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<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Unsure</th>
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<tbody>
<tr>
<td>7</td>
<td>Our strategic planning process has enabled us to be proactive. The results greatly influence our direction, priorities, resource allocation, and organizational goals.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
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<tr>
<td>8</td>
<td>Our strategic plans are based on factual information about our strengths, weaknesses, opportunities, threats, and major trends in technology, demographics, and stakeholder expectations.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
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<tr>
<td>9</td>
<td>We have effective practices and processes to translate strategic plans and organizational goals into operating plans for all levels and functions.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>10</td>
<td>We have good ways of measuring our progress against our strategic goals.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>11</td>
<td>When assessing our progress, we face the brutal facts and take action to improve.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>12</td>
<td>We compare our performance, programs, and priorities with those of other DOTs and relevant organizations.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
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*Category Average*
### Customer and Market Focus

How your organization determines the needs, requirements, expectations, and preferences of your customers and markets.

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<th></th>
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<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Unsure</th>
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<tbody>
<tr>
<td>13</td>
<td>We have a good program for periodically collecting and analyzing customer satisfaction data.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
<tr>
<td>14</td>
<td>We have good methods to project the needs for our programs and services based on market, demographic, and economic information.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
<tr>
<td>15</td>
<td>We have made it easy for customers to contact us and we make sure that their questions and concerns reach the appropriate organizational units.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
<tr>
<td>16</td>
<td>The customer, stakeholder, and market information we collect greatly influences our organizational priorities and plans.</td>
<td>3</td>
<td>2</td>
<td>1</td>
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**Category Average**

### Measurement, Analysis and Knowledge Management

How your organization measures, analyzes, aligns, reviews, and improves its performance at all levels.

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<tr>
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<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
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<tbody>
<tr>
<td>17</td>
<td>Our measures for tracking organizational performance are clearly linked to our strategic goals and measures.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
<tr>
<td>18</td>
<td>Across levels and functions, our performance measures are well-aligned.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
<tr>
<td>19</td>
<td>Our performance is not hampered by too many performance measures or by measures that are more cumbersome than useful.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
<tr>
<td>20</td>
<td>We do a good job of communicating the results of our performance measures within our organization.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
<tr>
<td>21</td>
<td>Our information systems produce what we need to track and review performance.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
<tr>
<td>22</td>
<td>Our processes for reviewing performance are effective in enabling continuous improvement.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>□</td>
</tr>
</tbody>
</table>

**Category Average**
### Human Resource Focus

*How your organization’s work and learning systems motivate and enable employees to develop and use their full potential.*

<table>
<thead>
<tr>
<th></th>
<th>Question</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>23</td>
<td>Our recruitment, succession planning and knowledge management practices are effective in preparing us for the workforce changes we face.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>We have good processes to identify and project our staffing and training needs.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Our training and development programs enable employees to achieve both their performance potential and their career goals.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Our career progression, compensation, and related programs motivate employee performance and support our retention goals.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Our programs and policies that affect employee well-being (e.g., health, safety, benefits, work environment, work schedules) contribute greatly to employee motivation and satisfaction.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Generally in our agency, people are held accountable for the quality of their work.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Our employees are empowered; they do not wait to be told when something needs to be done and can usually decide on their own how to produce the best results.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Our work culture is one in which employees can express their opinions openly, even if it means disagreeing with their supervisors.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

**Category Average**

### Process Management

*How your organization identifies and manages the processes that are key to your principal products and services.*

<table>
<thead>
<tr>
<th></th>
<th>Question</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>31</td>
<td>Employees are encouraged and recognized for finding new ways to do things that achieve better results.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>The desire to continually improve performance is evident in the way people go about their work.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>We have good ways of monitoring the productivity of our key processes to identify improvement opportunities on a continuing basis.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>People spend time on lasting improvements, rather than “quick fixes.”</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Employees are encouraged and recognized for finding new ways to do things that achieve better results.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

**Category Average**
## Business Results

**Your organization’s performance and improvement in key business areas.**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>36</td>
<td>Our process improvements in recent years are yielding great benefits in terms of “on-time/on-budget” performance, reducing waste and variability, or achieving other important business results.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>37</td>
<td>The steps we have taken in recent years to strengthen our organization are paying off; our organizational performance is trending up.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>38</td>
<td>Most of our customers believe that our products and services are better than a few years ago.</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

### Category Average

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<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### 39 Reflecting on your responses to the above items, what would you say are the most important improvement opportunities for your leadership team to address?
SAMPLE Chapter 6: Keys to Success in Organizational Improvement

The previous research project which resulted in the 2007 AASHTO publication, *A Transportation Executive’s Guide to Organizational Improvement*, identified the 10 DOTs that had been most successful in achieving and sustaining organizational improvements, their methods and practices, and the conditions that enabled effective implementation and use of these methods. This chapter briefly summarizes the findings and conclusions from site visits to study these 10 DOTs. The common characteristics among these DOTs offer a model that can be useful to CEOs seeking organizational improvement.

Common Characteristics of the Most Successful DOTs

Site visits revealed the following nine common themes, or key success factors, that contributed to overall organizational improvement and effectiveness in the 10 DOTs visited.

- **Legacy Leadership**
- **Champions**
- **Measures of Success**
- **Desire to Look in the Mirror**
- **Alignment**
- **Dialogue**
- **Taking Care of Business**
- **A Culture of Kaizen**
- **Empowerment with Accountability**

**Legacy Leadership.** It should come as no surprise that leadership is a major theme. The type of leadership observed was similar to what best-selling author Jim Collins discovered in his extensive research to define characteristics of organizations that become great (described in his best-selling book, *Good to Great* and monograph, *Good to Great and the Social Sectors*). In fact, in two of the agencies visited, the leadership cited Collins’ writings as significantly influencing their approach. Our research generally supported Collins’ findings that good-to-great leaders are “a paradoxical blend of humility and professional will,” and many of the observed leaders also fit the description of “servant leaders,” or stewards of the organization’s resources, as suggested by other best-selling authors, most notably Robert Greenleaf. The type of leadership found in these DOTs is defined here as “Legacy Leadership” because the leaders interviewed were more concerned about leaving an organization that would continue to be successful than they were about personal gain.
Champions. CEOs need credibility in their organization to create positive change. Some of the agencies visited had CEOs who came up the ranks from within and this tended to give them automatic credibility. Others were brought in from the outside specifically to bring a fresh perspective. Regardless of where they came from, these CEO’s cultivated one or more “champions,” high-level, internal career people, to facilitate their efforts and act as advisors and advocates on organizational performance issues. Champions are astute career professionals who have gained the respect of others, and have credibility for their understanding of the work and the culture.

Measures of Success. Each of the 10 states visited had very clear answers to the following questions:

- How do we know if we are successful?
- How do others judge our performance?

They invested in systems to measure and report on their performance. The measurement and reporting systems contributed to organizational excellence in many ways. They highlighted the organization’s priorities, helped monitor progress toward success, helped identify strengths and weaknesses, and supported more fact-based decision-making. Those systems also promoted accountability, for the department and for units and individuals within the department. Measuring and reporting on performance also increased the departments’ credibility with key stakeholders and was instrumental in the approval of important initiatives.

Desire to Look in the Mirror. All of the organizations visited conducted some sort of self-assessment. Many used the Baldrige criteria to assess organizational effectiveness, but whatever instrument or process they used, all had ways of holding up the mirror to assess their effectiveness and to find areas for improvement. In addition to organizational assessment, these organizations assess both customer and employee satisfaction. This is done in different ways. For example, many use telephone polls to assess customer satisfaction. Employee surveys are typically done through the use of an anonymous survey that all employees are invited to complete. These organizations also benchmarked others to learn of best practices, took the best of the best, and adapted it for their own use.

Alignment. Another shared attribute of these organizations is an emphasis on alignment, internally and externally, to ensure that every program and every unit within the department is optimally using its resources to accomplish the department’s priorities. The DOT leadership made a concerted effort to build alignment with the current administration as well as with employees in order to accomplish the mission and goals. These DOTs also displayed an enthusiasm and a pride in doing so and, as Collins discovered, saw that “under the right conditions, the problems of commitment, alignment, motivation…largely melt away.”
Dialogue. Each of the organizations visited have strong systems in place for communication and outreach. The leaders and managers paid careful attention to communicating and sharing information. Equally important, they were deliberate in creating feedback loops that allowed opportunities for employees and stakeholders alike to provide input that was welcomed and carefully considered. These organizations used multiple media to accomplish this dialogue and approached stakeholder relationships with a collaborative mindset.

Taking Care of Business. In different ways, each organization was very focused on accomplishing its strategic goals. Most had dynamic strategic or business plans, but the key discerning factor was a focus that was proactive, balanced long-term with short-term, and was drilled down throughout the organization. Focus and action were the keys. Many organizations have a laundry list of high-sounding strategic goals, but the organizations visited were very focused on a few key areas. For example, New Mexico DOT had four strategic priorities and Ohio DOT had five strategic initiatives. Florida DOT collapsed their Key Performance Areas to five.

A Culture of Kaizen. Kaizen is a philosophy of continuous improvement. In Japan, which is where it originated, it means change (kai) to become good (zen). Its strategy calls for never-ending efforts for improvement, involving everyone in the organization, managers, and workers alike. In the organizations researched, there was a culture of Kaizen. The transportation needs and constraints of today are very different than what transportation agencies faced in the past. The visited organizations seemed determined to be as successful in dealing with the new circumstances as their predecessors were in designing and building the national highway system. It seemed common practice to continually look for ways to improve. New Mexico DOT, for example, has a “Whatever It Takes Best Practices Program” that rewards innovations that employees create to improve quality of life for them and for the customer.

Empowerment with Accountability. Clear expectations are a key to success. Employees who know what is expected of them are more able to achieve success. When they are also empowered to determine the best path to meet customer needs, they work hard to make the organization successful. In the organizations visited, employees took pride in meeting and exceeding goals and improving practices and processes. They were empowered to do that and were held accountable for meeting their goals and objectives.

A Model for Organizational Improvement
The following model depicts these nine factors as interrelated and interactive. It is both the sum of these parts and, equally important, the interactions between them, that characterize the DOTs reporting the most strengths and greatest success in organizational improvement. The model depicts the themes as an atom because of the interaction and synergistic nature of their
relationship to each other. Together, the themes create a dynamic state in which combined action demonstrates more favorable results than the sum of individual component actions. Any action by one affects the others.

**A Model for Organizational Improvement**

![Model Diagram]

The nine themes identified and elaborated upon here were common among the agencies visited. Not all of the nine themes were present in the same degree in all of the agencies, but in every case there was evidence of each theme. The challenging implication is that if any one of the themes is weak or absent, the overall effort may be seriously jeopardized. Even though the organizations visited had these themes in common, they had different approaches. No single formula for success was identified. Therefore, the good news for those beginning the journey to organizational effectiveness is that many paths lead to Rome. The interviewed agencies benchmarked lessons and best practices from others and made them their own.

In summary, while there are many different ways to approach organizational effectiveness, the agencies visited understood that organizations are dynamic and complex, so it was necessary to use a systemic approach, creating several interdependent conditions for success. The synergy created by their interaction is as important to overall success as the contribution that each makes independently. Thus, the metaphor of an atomic structure to depict the nine themes.
References


Collins, J. 2005. “*Good to Great and the Social Sectors: A Monograph to Accompany Good to Great*.” Published by Jim Collins.


