

TEXAS DEPARTMENT OF MOTOR VEHICLES

BOARD WORKSHOP

Thursday,
January 10, 2013

Lone Star Room
Building 1
4000 Jackson Avenue
Austin, Texas

BOARD MEMBERS:

Victor Vandergriff, Chair
Laura Ryan, Vice Chair
Robert "Barney" Barnwell, III
Blake Ingram
Cheryl E. Johnson
Raymond Palacios
Victor Rodriguez
Marvin Rush (not present)
Johnny Walker

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P R O C E E D I N G S

1
2 MR. VANDERGRIFF: My apologies for not bringing
3 over my word-by-word intro from the previous meeting, but
4 we are called into session and this was properly posted
5 with the Secretary of State.

6 I'd like to establish a quorum at this meeting
7 by having a roll call.

8 Board Member Rodriguez?

9 MR. RODRIGUEZ: Present.

10 MR. VANDERGRIFF: Board Member Palacios?

11 MR. PALACIOS: Present.

12 MR. VANDERGRIFF: Board Member Barnwell?

13 MR. BARNWELL: Present.

14 MR. VANDERGRIFF: Board Member Johnson?

15 MS. JOHNSON: Present.

16 MR. VANDERGRIFF: Board Member Ingram?

17 MR. INGRAM: Present.

18 MR. VANDERGRIFF: Board Member Walker?

19 MR. WALKER: Here.

20 MR. VANDERGRIFF: And let the record reflect
21 that I, Victor Vandergriff, am here as well. I do believe
22 that Board Member Ryan is still with us, however, she is
23 currently absent from the meeting and I'll note when she
24 comes into the meeting.

25 With that, we do not have any cards indicating

1 any public comment, so I am going to turn over the meeting
2 to the executive director at this point.

3 MS. BREWSTER: Thank you, Mr. Chairman. For
4 the record, my name is Whitney Brewster, executive
5 director of the Department of Motor Vehicles.

6 MR. VANDERGRIFF: I do want the record to
7 reflect that Vice Chair Ryan has joined the meeting.

8 MS. BREWSTER: Thank you so much for the time
9 today. As we embark on a new year, on a personal level we
10 look back at what we've done over the course of the last
11 year and reflect, as well as set goals and strategies for
12 attaining those goals for the upcoming year, and as such,
13 I have done something similar when it comes to the
14 organizational health of the TxDMV. And so I appreciate
15 the time to talk about those things in this forum.

16 I do want to note that I would very much
17 appreciate if this were conversational. Please don't
18 hesitate to jump in and offer suggestions, clarifications.

19 Obviously, I've been here for a whole whopping five
20 months, and so if there is historical information that
21 would be helpful in putting things in context, I ask that
22 you interject, and that is not only a board member but
23 agency staff as well, and so I want this to be
24 interactive.

25 So when it comes to the organizational health,

1 I took it in terms of looking at from the aspect of the
2 Azimuth report, and just a brief history for those who
3 weren't around, like myself, when this report was
4 completed. In 2011, the Azimuth Group was hired by the
5 board to conduct an organizational assessment. The
6 objectives of that study are listed on the power point
7 screen here:

8 One, to accelerate transformation to a retail-
9 oriented business model with a focus on customer service,
10 efficiencies and effectiveness. The next was to provide
11 recommendations that would help us develop an atmosphere
12 of being helpful versus command and control, and to act
13 with a sense of urgency versus indifference. The third
14 was to improve levels of customer service and citizen
15 satisfaction. Recommendations for accountability for our
16 performance and our results, and effective internal
17 management, as well as increasing the confidence with the
18 legislature and other oversight entities.

19 And so from that report there were twenty-four
20 improvement opportunities to those objectives. Of those
21 twenty-four improvement opportunities, there are several
22 that we have accomplished, and I can say we can check that
23 we've accomplished those things, and I just wanted to make
24 sure that we take note of those and we celebrate those
25 because there has been a good deal done to date. And so

1 I'll go ahead and go through those.

2 The first was to develop a comprehensive TxDMV
3 strategic plan. As you know, this board completed that
4 plan in July of 2012. With that, though, that doesn't
5 mean this falls completely off the to-do list. It's
6 important that we keep this up to date. The strategic
7 plan document itself says that we would utilize a five-
8 year cycle but that we will review it on an annual basis
9 and update it as needed. And so I think it's important to
10 note that yes, this has been accomplished but we've got to
11 make sure that it doesn't become stale. And we'll talk a
12 little bit more about how we might do that later on in my
13 presentation.

14 Any thoughts on the strategic plan? I don't
15 want to jump ahead.

16 (No response.)

17 MS. BREWSTER: Okay. The next was to develop
18 and implement a strategic communications plan, and as you
19 know, that was completed in October of 2012 and you saw
20 that in the November board meeting. Jeremiah gave a
21 presentation on that and so this, I can say, has been
22 completed. But this, too, just as the strategic plan,
23 will need to be updated on a regular basis.

24 Jeremiah, do you have anything that you want to
25 add on that?

1 MR. KUNTZ: The one thing as we move forward
2 we'll be rolling out the different strategies that were
3 identified in that communication plan, so the strategic
4 communications plan itself had its own strategies for
5 implementing good communication both internally and
6 externally. And so we're seeing within that plan that
7 things have been accomplished, the new website, and
8 working through some of the additional policy initiatives
9 that we've got in there with regard to media relations and
10 other initiatives. So as we work through that, we'll also
11 continue to give updates on where we're at on that plan as
12 well.

13 MS. BREWSTER: Just another note. The
14 strategic communications plan was developed around the
15 values that the board set, and so I think that's important
16 that as we go through these documents that they all tie
17 together, whether or not the board develops them or
18 whether the agency develops them, that they all tie back
19 to our overall vision and mission, values and strategic
20 plan.

21 The next item is to ensure that the board has
22 established and communicated specific performance goals
23 for the executive director and the department. Again, the
24 board established the goals and objectives document in
25 October 2011. This document contains three specific goals

1 for the department, and those are to be performance-
2 driven, forward-thinking when it comes to economic
3 development, and the third is customer-centric. This,
4 too, we will need to make sure that this is a living
5 document, to make sure that it moves as the department
6 moves.

7 And additionally, the board has also developed
8 a performance plan for me, and it outlines the goals and
9 objectives and it ties to the strategic framework as well.

10 So that, I can confidently say, has been completed.

11 The next is to develop a written board
12 governance policy. That policy was developed by the board
13 and it talks about its governing style, its primary
14 functions and characteristics, as well as how it intends
15 to practice discipline and assess performance. This was
16 passed in October of 2011 as well.

17 The ninth recommendation in the report was to
18 create a TxDMV transformational program management office
19 reporting to the executive director. As suggested in this
20 report, the Enterprise Project Management Office was
21 established shortly after my arrival, and as you know,
22 Jonathan Taylor was tapped to lead that office and manage
23 the portfolio of projects that the agency has in front of
24 it. You saw today how many we have, and I think the
25 Azimuth report hit the nail on the head with this

1 recommendation that we really needed to pull that function
2 out and make it a very visible office.

3 And so Jonathan has been working on creating
4 that office. He has approximately ten, roughly ten
5 employees currently, project managers that are working
6 under him, as well as those project managers work across
7 the agency with other subject matter experts and business
8 owners as we move along with these projects.

9 Jonathan, do you want to add anything on that
10 front?

11 MR. TAYLOR: Well, the only thing I'll add is
12 this: they also have to work directly with project
13 managers that are employed by the Department of
14 Information Resources over at DCS. The people who they
15 work with there are by contract employed by Xerox and some
16 of the Xerox project managers, so we work a lot back and
17 forth with them, which is something new. They're under a
18 fair new contract so we're all kind of getting used to it.
19 That's it.

20 MS. BREWSTER: I think this was an excellent
21 recommendation, and particularly since we are such a young
22 organization. You know, we're really trying to push
23 forward and modernize and automate and with the whole
24 portfolio that we have in front of us, I think that this
25 is an excellent opportunity for us to really move to the

1 next level, and so I'm really glad that we were able to
2 accomplish this.

3 MR. WALKER: Whitney, while I'm thinking about
4 it, what did we do about the building kind of stuff?
5 Where did that go and what's the status? Are we finished
6 on that?

7 MS. BREWSTER: I'm sorry?

8 MR. WALKER: Well, Dawn was doing the
9 consolidation of the facility move.

10 MS. BREWSTER: Oh, the facility move

11 MR. WALKER: Is Jonathan doing that now, or who
12 is doing that?

13 MS. BREWSTER: No. I'll get to that later on
14 in the presentation, but we're on track.

15 MR. WALKER: Okay.

16 MS. BREWSTER: Well, actually, it's the very
17 next item. Planning and budgeting for consolidation of
18 the TxDMV headquarters divisions. Currently, Linda is
19 actually overseeing that process with the assistance of
20 Ann Pierce, and so Linda, did you want to talk a little
21 bit about that?

22 MS. FLORES: Sure. What a nice segue. I went
23 upstairs and got a real quick status. So our first seven
24 moves occurred to move staff from Building 5 related to
25 Motor Carrier. They moved to Bull Creek, so now all of

1 Motor Carrier is in one location. Tomorrow IT, who are
2 located on three floors in this building, are moving to
3 Building 5, and that includes Jonathan and all of his
4 staff, so that's on Friday.

5 MR. TAYLOR: Building 6 and Riverside will also
6 be joining us.

7 MS. FLORES: That's right, but there's five
8 individuals at Riverside, so just over a hundred staff who
9 are moving tomorrow.

10 We still have some painting and some electrical
11 to do in that building, Building 5, and if it all goes
12 well, we can start working on the empty floor space next
13 week. They've got to tear it down and paint and spruce it
14 up. It looks like the next group will be Motor Vehicle, I
15 think we're going to move Motor Vehicle first in mid
16 February. And then the next domino, the final one will be
17 Enforcement, but we should be done by the end of February.

18 MR. WALKER: So John Poole is who moved over to
19 Bull Creek?

20 MS. FLORES: Yes, sir.

21 MR. WALKER: So all of your people are now
22 together, Jimmy?

23 MR. ARCHER: We're in the different buildings
24 but we're all at Bull Creek.

25 MS. FLORES: They're all at the Bull Cree

1 campus.

2 MR. WALKER: So there's one-stop shopping in
3 the motor carrier industry at your buildings over there.

4 MR. ARCHER: All in one place.

5 MR. WALKER: So what do we have left at
6 Riverside?

7 MS. FLORES: It's Motor Vehicle.

8 MR. WALKER: So Bill is over there?

9 MS. FLORES: Yes, Bill. So Bill will hopefully
10 be here by the end of February, and we're done. Riverside
11 will be closed as far as DMV is concerned

12 MR. WALKER: Weren't we ordering some modules
13 from TDCJ, they were behind or something on that?

14 MS. FLORES: We're catching up. So I believe
15 there's some installations that are going to occur next
16 week at Motor Carrier, and Randy, [inaudible] as well, we
17 built some soft-walled offices. So even though the whole
18 cube may be needing some baseboards or something, we're
19 going to go ahead and move the staff and then when TDCJ
20 brings all their stuff, they complete it, but by the end
21 of February we'll be done. So that will be this project.

22 MS. BREWSTER: Anything else?

23 MR. WALKER: Where's Charles?

24 MS. FLORES: He's on floor number 3 -- he's on
25 2. Charles is actually going to move to Building 5 as

1 well as Jeremiah.

2 MS. JOHNSON: Can we get a map?

3 (General talking and laughter.)

4 MS. BREWSTER: Just one point, the Executive
5 Director's Office was initially slated to go out to
6 Building, but from a cultural perspective, we decided to
7 remain where we're at. In addition to board support, we'll
8 be there as well. So in terms of finding Julie and Nora,
9 they'll be in the same location.

10 MR. WALKER: From a security standpoint, do we
11 need to go back and redo ID badges for people or anything?

12 MS. FLORES: What typically happens, Mr.
13 Walker, is they'll take the badge that's identified as --
14 they being TxDOT because they still manage that function,
15 I guess there's a computer chip in here or something and
16 they reprogram it so that everybody has access to these
17 locations only.

18 MR. WALKER: Because at one time my badge
19 actually opened the doors over at the Greer Building and
20 over at the Riverside buildings.

21 MS. FLORES: Yes. You won't have that anymore.

22 MR. VANDERGRIFF: You don't have it now. They
23 already de-programmed you from the Greer Building a long
24 time ago.

25 MR. WALKER: Oh, I didn't know they could do

1 that.

2 (General talking and laughter.)

3 MS. BREWSTER: All right. Moving on. The next
4 recommendation, recommendation number 18 in the report,
5 was fill existing leadership vacancies. And just a little
6 background information, at the time this report was
7 written there were several leadership positions that were
8 not filled. The Internal Auditor position wasn't filled,
9 the Civil Rights position wasn't filled, as well as the
10 Motor Vehicle supervisors, those were vacant as well, in
11 addition to Motor Carrier, that division director position
12 had not been filled as well.

13 Before my arrival the Auditor, Civil Rights,
14 Motor Vehicle supervisors, those had all been filled.
15 Since my arrival I've had the opportunity to bring Jimmy
16 on as our Motor Carrier Division director, as well as
17 suggested in the report, bringing on an Enterprise Project
18 Management Office director, Jonathan, bringing him on.
19 There were a couple of vacancies, obviously, that have
20 been filled that were not identified in the report at the
21 time, and so bringing Margaret on as our General Counsel,
22 and my position as well. So there have been a lot of
23 leadership positions filled within the last year, and so
24 I'm happy to say that we have accomplished that.

25 There are two remaining vacancies in leadership

1 positions that we need to fill, and that is the COO
2 position that oversees the Administrative Services
3 Division, as well as the Motor Vehicle Division director
4 position, and as you know, Bill Harbeson is the interim
5 director of that. I just want to take the opportunity to
6 say kudos to Bill, as well as his team, the Enforcement
7 Division, as well as Motor Vehicle Division, because if
8 they were not functioning as well as they are, we wouldn't
9 have the luxury of not filling that vacancy until the end
10 of the legislative session, which is my intent to see
11 where the SOAH legislation goes, the transfer of the SOAH
12 function, which may impact the structure. If they weren't
13 doing such a fabulous job, we just wouldn't have that
14 luxury. And so I thank Bill and his divisions for their
15 good work.

16 MR. RODRIGUEZ: The report was critical of --
17 I'm not certain that it was critical of the high number,
18 but it reflected the fact that we had a high number of
19 unfilled positions. [Inaudible.] There was a point made
20 of the high vacancy rate, so I just want to kind of keep
21 that in mind as we go forward.

22 MS. BREWSTER: Sure. And I will address that
23 to a certain degree in this presentation, and we'll get to
24 that -- actually it's the next bullet.

25 (General talking and laughter.)

1 MR. WALKER: The Motor Vehicle Division
2 director, by statute, is required to be an attorney.

3 MS. BREWSTER: Correct.

4 MR. WALKER: And there was some talk at one
5 time that we were going to try to make a legislative
6 change to that, maybe?

7 MS. BREWSTER: Jeremiah, do you want to talk a
8 little bit about?

9 MR. WALKER: Is that something we still want to
10 do?

11 MR. KUNTZ: Yes.

12 MS. BREWSTER: Well, where is it in our
13 legislation?

14 MR. KUNTZ: I believe that's in our cleanup
15 bill.

16 MS. BREWSTER: It is in our cleanup legislation
17 that removes the requirement for a Motor Vehicle Division
18 director to be an attorney.

19 Do you have anything that you want to add on
20 that?

21 MR. HARBESON: No. As you said correctly, a
22 lot of this depends on the SOAH bill and what the
23 division's responsibilities will be after, because the
24 Motor Vehicle Division also has this other part being the
25 Hearing Section that handles that function. If that goes

1 to a new division via the SOAH bill, we're going to have
2 to be a different organization. We certainly won't need
3 an attorney.

4 MS. BREWSTER: So that is in one of our bills
5 and we're hopeful that that moves forward.

6 The next is to make improvements to the
7 recruitment and selection process. Did you want me to go
8 back, Member Walker?

9 MR. WALKER: I just have a hard time
10 understanding sometime about how we have a bill and we're
11 a government body and we cannot introduce a bill. How
12 does that happen?

13 MR. VANDERGRIFF: Well, the way our statute
14 works is the agency, through its chairman, can make
15 recommendations for improvement in, say, the agency's
16 performance or for the industries that we serve, in a
17 nutshell, and so that's what we do. This was actually
18 included in the discussion in our November meeting.

19 MR. KUNTZ: Correct. So in our enabling
20 statute, 1001, we have authority to make recommendations
21 to the legislature for improvements to the operation --
22 make operational improvement suggestions to the
23 legislature. We are still bound by the anti-lobbying
24 restrictions that fall on any governmental entity that's
25 int the State of Texas, so we cannot go out and actively

1 lobby for legislation. What we can do is provide the
2 information. We can provide them with draft legislation
3 for them to review, we can make recommendations and say
4 this would enhance our operational abilities and give that
5 to legislative members for consideration. But that's the
6 extent of what we can do.

7 MR. PALACIOS: We can recommend but not lobby.

8 MR. WALKER: You can't introduce it but you can
9 recommend it.

10 MR. KUNTZ: We can make recommendations to the
11 legislature.

12 MS. BREWSTER: We as the agency cannot.

13 MR. VANDERGRIFF: Technically, no individual
14 can introduce legislation except a legislator. They
15 introduce the legislation, so if we make recommendations
16 about how to improve things, and one of the members,
17 either in the House or the Senate, or both, happens to
18 take it, then that's great. But I can assure you other
19 agencies who do not have this express authority are doing
20 similar things.

21 MS. BREWSTER: The next item is to make
22 improvements to the recruitment and selection process a
23 high priority until filling existing positions.

24 I would like to point out the work that the
25 Human Resources Section has done. They've done a great

1 job to address this recommendation. I'll just go through
2 a few of the things that they have done because there's a
3 long, long list, but to have a perpetual job posting for
4 those positions where we have high turnover, which we
5 didn't have in the past, as well as adding flexibility for
6 hiring managers to determine if an applicant pool is
7 sufficient. Before, HR was making that determination, now
8 it's the hiring manager. So they can decide to extend or
9 cancel a job requisition.

10 Another is changing the methodology for
11 screening applications to make it a lot faster. Before,
12 it was a point-based system. You can still use that
13 system but the methodology has changed to a grouping
14 system, whereas, you group those that meet all of the
15 requirements, some or none, so that the process moves much
16 faster.

17 And remove the requirement for hiring managers
18 to provide preferred answers to interview questions.
19 Managers were locked into assigning points only when a
20 candidate provided the preferred answers, so we have moved
21 away from that.

22 A couple of other things, just that the human
23 resources process has improved within HR, and that's
24 reducing the turnaround time that the hiring manager gets
25 the applications from three business days to one, as well

1 as streamlining the criminal background check process,
2 providing hiring managers with the option to receive
3 applications electronically versus snail mail. Developed
4 a selection process checklist for hiring managers.
5 Streamlined the onboarding process -- it was eight hours,
6 now it's four hours, as well as the new employee
7 orientation, it's now a two-hour course and it was eight
8 hours prior to.

9 So I do want to commend the Human Resources.
10 Sharon Brewer leads that group, she's done a great job.
11 This doesn't mean that the job is done, obviously. We are
12 going to continue to refine those processes, but I do want
13 to acknowledge that that is an accomplishment.

14 MR. PALACIOS: Are these processes internally
15 created? Is it something we can just easily change for
16 efficiency sake, try something different?

17 MS. BREWSTER: Most of them are, but some of
18 them are based on statutory requirements as well, so by
19 and large, most of them are and those we are modifying to
20 streamline the process so that we make sure that not only
21 are we getting the right candidate but we're bringing them
22 on a lot faster.

23 MR. RODRIGUEZ: How many vacancies do we have?

24 MS. BREWSTER: Sharon, do you by chance have
25 that in your binder of goodies?

1 MS. BREWER: I do. Currently, this is as of
2 December, we have 60 vacant positions, 703 filled.

3 MR. WALKER: We have 60 vacancies?

4 MS. BREWER: Yes.

5 MR. WALKER: What is our norm?

6 MS. BREWER: We actually have improved. Last
7 month I believe we had 67 vacancies.

8 MR. WALKER: Historically, how many do we
9 normally have, year to year to year to year?

10 MR. RODRIGUEZ: That's just shy of 10 percent,
11 more or less, vacancy rate now? We fund all personnel at
12 100 percent?

13 MS. BREWSTER: I believe the vacancy rate
14 hovers around the 8 to 9 percent, and I'll talk a little
15 bit about that, but that is something that you'll start
16 getting reports of.

17 MS. BREWER: In January of 2012 we had 74
18 vacant positions, so we're improving. Our turnover is at
19 11.8 for fiscal year '12, so we've seen an increase in the
20 turnover rate in the agency.

21 MS. FLORES: Some of that turnover or
22 separation might have been attributed to some retirements.

23 MS. BREWER: Yes. Twenty-two people retired in
24 fiscal year 2012.

25 MS. BOOTON: Whitney, I'd like to brag on

1 something that may not seem real significant that made
2 your list but it's been huge, especially for me, and I
3 think most of the other directors, and that is previously
4 we had to work within TxDOT's HR job descriptions, and so
5 they're highways, bridges, construction and everything and
6 they weren't customer-service related, so if you try to
7 find a customer service representative job description,
8 it's not to be found. So we had to live within their very
9 strict parameters and it made it difficult to put
10 something out and people could apply and what we were
11 hiring for was not what they were applying for. It was a
12 nightmare. And with Sharon and her team at the helm,
13 we've been able to rewrite every single one, and I know a
14 lot of the other directors have done the same, and that's
15 made such a difference for us, and I really appreciate it.
16 I know I speak for all of us.

17 MR. VANDERGRIFF: That was in the days, I think
18 in 2008, before we started that they were having
19 difficulty in Motor Carrier hiring people to handle the
20 mapping and permitting because of the pay scale, and in
21 order to get through the TxDOT system, we reclassified
22 those as engineers so that they could be brought through
23 the pay scale change faster.

24 MS. JOHNSON: Were we locked into TxDOT's
25 classification system or was it deficiencies in our job

1 descriptions?

2 MR. VANDERGRIFF: Exactly, TxDOT's
3 classification system.

4 MS. JOHNSON: Because I thought that we had
5 backed off -- really, with our first ED we were trying to
6 back out of TxDOT's system.

7 MR. VANDERGRIFF: Progress was slow and not
8 very sure. I think it's accelerated since Sharon got here
9 and Whitney.

10 I'll just ask both the executive director and
11 the board for their pleasure. Lunch is here, we could eat
12 it and continue to work through lunch or let it sit.

13 MR. BARNWELL: Let's do that, let's just let it
14 sit. Let's just sit here and look at it.

15 MS. BREWSTER: I am fine with people eating as
16 I'm talking, as long as you continue to interact.

17 (General talking and laughter.)

18 MR. VANDERGRIFF: We're just going to continue.

19 MS. BREWSTER: So those are the items that I
20 can confidently say that we've accomplished, but there are
21 several other recommendations from the report that are
22 currently in progress.

23 MR. VANDERGRIFF: To my count, that's eight out
24 of twenty-four.

25 MS. BREWSTER: That's correct.

1 And the first is to improve board understanding
2 of operations, issues, opportunities and constraints.
3 There are ongoing efforts to address this recommendation.
4 We've had ad hoc committees on particular topics, the
5 automation project, for instance, advisory committees that
6 bring the board together with employees and stakeholders
7 to address particular topics and policy, the development
8 of the key performance indicators, strategic plan, the
9 strategic communication plan, all of the documents.
10 Those, I think, have allowed additional insight into the
11 agency.

12 Most recently, I would note the development of
13 the monthly board communication that I send out. I'm
14 hopeful that that gives you some insight as to what we
15 have currently in front of us.

16 MS. JOHNSON: And I'd like to say thank you for
17 that. That's been really wonderful, and the various
18 formats make it much easier for us.

19 MS. BREWSTER: Good, good. I know that there's
20 various technology out there, so we want to put it in a
21 format that you can read on your iPad as well as your Dell
22 computer. And really, I want this to be a useful
23 document, and so please know that I am always open to
24 suggestions for modifying that newsletter. I want it to
25 be useful to you.

1 Additionally, the department has begun
2 reporting on its key performance indicators. I'll talk
3 more about that item later in the presentation, but those
4 are all ways that we are currently working on this
5 recommendation.

6 The next is to identify and deploy a standard
7 set of methods and tools for project management, process
8 improvement and change management. This is recommendation
9 number 10. As you know, one of the reasons Gartner was
10 brought on was to assist the department with the
11 management of its project portfolio. It also helped set
12 up a formalized governments process for approving projects
13 and monitoring those projects.

14 At this point, Jonathan has come onboard and
15 has essentially assume the role of leading the governance
16 team and monitoring the project portfolio. So do you want
17 to talk a little bit about that, Jonathan?

18 MR. TAYLOR: Sure. It's been a series of
19 things. So the first thing we did was we took, obviously,
20 a look at the significant amount of work that Gartner had
21 done, and it is, again, a very significant amount of work,
22 and we decided what particular standards we're going to
23 use. The first thing we really decided was that although
24 there have been very good sets of documents provided and
25 developed by Gartner, the bottom line for this agency, and

1 for every other agency in the State of Texas, is if you do
2 business, if you buy IT, you by any information technology
3 service or equipment, initially you're going to have to go
4 through the Department of Information Resources and their
5 quality assurance team. They have their own prescribed
6 set of documents and you don't get any choice other than
7 to use their documents. So instead of having one set of
8 documents for the DMV and one set of documents for the
9 DIR, we're just using DIR's documents, with some
10 modifications for this agency when small projects do not
11 rise to the level of DIR's standards. So we use that
12 standard document set.

13 The standard methodologies we're using are
14 industry standards for project management, the Project
15 Management Institute. All of those documents setting the
16 standards can be found online right now by anyone, and
17 that's one of the reasons why we decided to go with it is
18 that any one of the people responsible, the business
19 owners, the division directors, there's no secrets as far
20 as what documents that my staff, EPMO, is going to come
21 and ask to be developed, so the project plans, you name
22 it, whatever documents they are.

23 Since we're using something that's already
24 online, prescribed by the state, anybody can go online and
25 see: Okay, if I'm doing LACE replacement, if I'm doing

1 any project, if I'm going to propose a project, here's all
2 of the documents sitting online that I can be assured that
3 I will have to complete or have someone complete as we go
4 down the road.

5 Beyond that, I think in my managing the risks
6 talk at the end of my testimony earlier I discussed what
7 some of those risks are and the tools and the practices
8 that we need to develop, like the project management tool
9 that will be coming onboard starting next week. That's
10 taken some time to get everybody to agree on those, and to
11 be willing to move forward with that particular piece of
12 software.

13 We've also worked quite a bit with Purchasing
14 and with Linda's shop to develop a place for project
15 managers and for EPMO in the buying process and the
16 payment process. So now if you want to submit a purchase
17 order through this agency, it's going to go through
18 project management so they have visibility for everything
19 that's going on up and down. If something is going to get
20 paid, it's got to have the project manager's approval. So
21 that way we get project managers and EPMO tied to in every
22 dime proposed to be spent and every dime that will be
23 spent. That's a new process. It used to be done around
24 division by division. Since projects span multiple
25 divisions, that didn't provide clarity to everybody that

1 was really in that process.

2 Anything else?

3 MS. BREWSTER: I would just add something even
4 more basic: bringing on project managers.

5 MR. TAYLOR: Yes, that is a new thing. That
6 was a pretty big deal. You know, in some ways this is a
7 big agency, but certainly not one of the biggest agencies.
8 Big business and larger agencies all have those project
9 managers. We've started some really big projects, so
10 bringing those project managers on, and some with really
11 considerable and exceptional experience, it's been a sea
12 change for the agency.

13 MS. BREWSTER: They were hired by the IT
14 Section, so I want to commend Gary for bringing those
15 project managers onboard, but they are now being
16 transferred to the EPMO so that we can have our project
17 managers within the same office.

18 MR. TAYLOR: And on the same budget and all
19 that.

20 MS. BREWSTER: Right. One other thing that we
21 might want to talk about -- and Linda, maybe you can
22 address this -- is how we can now drill down on what is
23 being spent on the projects.

24 MS. FLORES: We have, through the statewide
25 accounting system -- even though it's an old, old

1 mainframe called USAS -- there are opportunities for us to
2 identify a field and we've created project numbers and
3 we're matching those project numbers to the information
4 that's provided to you by Jonathan. So that's the
5 connecting piece, that's almost like a control. And so
6 now when he issues a payment on an invoice, it's got to
7 have a project number, it gets incorporated into the
8 accounting system, and now I can actually pull data at
9 that level of detail in order to provide the information
10 that he's looking for on expenditures.

11 Before, it was at an umbrella with automation,
12 and I manually had to go and pull all those purchase
13 orders under that big umbrella and manually track those
14 things. And if you have been involved with purchase
15 orders, you don't necessarily have what you initially
16 thought you'd pay out, you might have paid less, hopefully
17 you paid less. So using that process, if I just want to
18 see cash expenditures, what were my cash expenditures.
19 You know, I've got a PO but what did I actually pay out.
20 So now we can actually get that data from the state's
21 accounting system. It's not pretty, it's not easy, but at
22 least now we can extract that data.

23 MR. TAYLOR: Then the next step will be having
24 a connectivity, once we get the new project manager
25 software, adding connectivity back and forth from that

1 software to basically have it spit out a back file for
2 what you've spent. It will be expenditures at your
3 fingertips and will be visible to not just Linda or the
4 EPMO but to any of the business owners.

5 MR. RODRIGUEZ: Do you have liabilities in
6 those concepts?

7 MS. FLORES: Define liability.

8 MR. WALKER: Money that you owe somebody that
9 you haven't incurred.

10 MS. FLORES: Yes. It would be an encumbrance
11 or a pre-encumbrance. I can do that.

12 MR. WALKER: Do we do that right now?

13 MS. FLORES: We actually do a process of entry
14 of the order, and again, it's a manual process. We have
15 to have spreadsheets on each PO that's issued, and then
16 divisions are asked on a quarterly basis validate that
17 this is still a viable PO because these are the
18 expenditures I see and you're getting close to maybe using
19 up the PO and maybe you can do it with some kind of change
20 order, but it's all a manual process.

21 MR. TAYLOR: If that seems strange to some of
22 you with your own businesses, that is the universal
23 challenge of every state agency in USAS. That
24 reconciliation process is every agency's. It's crazy to
25 think sometimes that that's how it's run, but that's it.

1 MS. FLORES: We don't use the encumbrance
2 functionality in USAS because TxDOT didn't, but my staff
3 and I are actually talking about using it and then it
4 becomes like a fatal -- you cannot exceed that
5 encumbrance. Right now you could if somebody is not
6 watching. We are watching, but technically, it could
7 happen. If I use that encumbrance functionality, then
8 we're limited, and if somebody tries to hit that
9 encumbrance and they're exceeding, it's a fatal error and
10 it won't process.

11 MR. WALKER: So one way to exceed the purchase
12 order.

13 MS. FLORES: Whatever that encumbrance is.

14 MR. WALKER: But if you don't enter the
15 function, then you can exceed the purchase order?

16 MS. FLORES: As long as at the very top you
17 don't exceed the appropriated amount.

18 MR. WALKER: Can't you issue like a
19 supplemental purchase order?

20 MS. FLORES: Yes. They call it a change order.

21 MS. BREWSTER: Any other questions on that?

22 A lot has been done on this particular
23 recommendation and I'm really pleased at the direction
24 we're going in the overall management of our projects and
25 the accountability and the transparency that is a result

1 of the organization of the EPMO and the overall governance
2 team process.

3 All right. The next is to provide accelerators
4 to drive the process and systems transformation. This was
5 number 11. And in the report it suggests that TxDMV, the
6 division directors identify high performers in key areas
7 to engage them in subject matter expertise and their
8 knowledge to make recommended process changes, and to come
9 up with solutions. And I just want to say that this
10 recommendation is still one that it's in progress.

11 Just a brief history, and Sharon, please feel
12 free to jump in whenever you feel the need to do so, but
13 the department engaged in the first survey of employ
14 engagement in 2010. There were employee focus groups held
15 in 2011 to validate the findings of the survey, and then
16 also, continuous improvement and change management
17 training was conducted in the spring of 2011. And I'm not
18 quite sure if the board knows this, but this curriculum
19 includes process improvement and problem solving,
20 communication, change management, team development, and
21 effective meetings. So that occurred.

22 The number one recommendation that came out of
23 these focus groups was for employees to have a process to
24 allow them to submit feedback on their supervisor's
25 evaluation. And so we have taken note of that and it

1 particularly being the number one recommendation and have
2 worked diligently. HR has developed training, as well as
3 a specific form that allows employees to interact with
4 their supervisor on ten competencies. It is not an
5 anonymous evaluation, they have to sign their name to it.
6 We've all got accountability, they need to sign their
7 name to it and take ownership of that. And so we will be
8 embarking on that in April, so all new evaluations that
9 are completed on a supervisor will have that ability to
10 have that feedback from employees.

11 MR. VANDERGRIFF: I just want to note, my
12 personal observation, that by doing that and making it
13 stick, I know that it might initially seem uncomfortable
14 to supervisors but I think it will dramatically soar
15 employee satisfaction, just the understanding that their
16 voice is heard and when they make a recommendation it
17 actually gets implemented.

18 MS. RYAN: We've done those often too, and I've
19 had them done. It's also important for a supervisor to
20 realize you might be doing some inadvertently and all of a
21 sudden you go: That's a no-brainer, I can fix that or
22 change that or we can add that. It's just something that
23 there was never a forum to communicate, so it's usually a
24 real positive effect.

25 MS. JOHNSON: One of the things that one of my

1 supervisors had done is to have -- and I've seen it in
2 other organizations as well -- is to have everybody self-
3 evaluate themselves and then, of course, have the
4 supervisor evaluate them, and what's very interesting is
5 really your good employees are harder on themselves than
6 actually the supervisors are, but it makes for a good
7 method of identifying what the person needs to be told.
8 So I don't know if you do that at all.

9 MS. BREWSTER: There are some divisions that do
10 go through the self-evaluation process. That isn't
11 something that's done department-wide but certainly
12 something worth taking a look at, but it's done on a
13 division-by-division basis.

14 MR. VANDERGRIFF: I do want to note -- I
15 apologize -- an administrative matter, but the court
16 reporter cannot hear Board Members Walker and Rodriguez
17 when you talk. I know it's stunning to me that anybody in
18 this room, including you, that someone cannot hear you
19 talk when you talk, but I think you need to make sure
20 you're speaking into the microphone.

21 MR. WALKER: You want me to speak into the
22 microphone?

23 MR. VANDERGRIFF: When you're talking so that
24 the court reporter can hear you.

25 MR. WALKER: I haven't been talking that much.

1 MR. VANDERGRIFF: I will not dignify that with
2 an answer. It's been very constructive conversation.

3 (General laughter.)

4 MS. BREWSTER: So the agency participated in a
5 second round of the survey of employment engagement in
6 2012. What was the month that was in? Do you remember?
7 April. I have it in my notes. April of this year.

8 What was very interesting was that the overall
9 scores went down, and with the exception of the Motor
10 Vehicle Division, and those went up.

11 MR. HARBESON: We had nowhere to go but up.

12 (General laughter.)

13 MS. BREWSTER: Which is unfortunate, but I will
14 commit to you today that when we do these again, those
15 scores will go up.

16 So focus groups were held in both the Austin
17 area, as well as the regional offices, and focus groups
18 have been formed. They're meeting, they're going through
19 the course in continuous improvement and change
20 management. The focus groups this time around are
21 focusing on overall training and development, so that is
22 their focus. There are three focus groups and different
23 aspects of that. So we're hoping that the final results
24 will point the way in which the agency should go in terms
25 of how much training an employee is entitled to, how much

1 training will be paid for and what courses should be
2 provided.

3 Also, on providing accelerators, we've done
4 some of this by engaging employees in these focus groups,
5 but I think we can do more. I do want to point out Ginnie
6 and CRD for the work that they've done in engaging their
7 employees in focus groups. They've really taken this
8 recommendation to heart and have had their own focus
9 groups within their division to address issues that CRD
10 faces. But I think we can aggressively expand this across
11 the divisions.

12 One thing that became very clear to me through
13 the five months that I've been here, as well as meeting
14 individually with each division director, is that we
15 struggle with our internal processes and our overall
16 internal customer service, and we need to work on that, we
17 need to improve that. And so my goal here is to expand
18 the focus group process across the agency, find
19 appropriate people within each division to focus on topics
20 that might help us improve that. So that's how I think
21 that we can further expand upon this recommendation.

22 Develop and implement an identifiable TxDMV
23 brand. Clearly we have a logo, we have a theme line:
24 Helping Texans Go, Helping Texas Grow -- which I think is
25 great. We have corporate colors, fonts. We've developed

1 a document that talks about the appropriate use of all of
2 these things. But as we all know, that's just one step
3 when it comes to an overall brand of a department. How we
4 speak to our customers, how we engage vendors, how we
5 interact with each other, these are all things that lead
6 to our brand.

7 Actually, the document that talks about the
8 appropriate use of our logo, as well as colors, theme
9 line, states: The best logo in the world and millions of
10 dollars in advertising won't make up for an agency whose
11 employees don't believe in its purpose and aren't willing
12 to make it their own. One of the most important insights
13 into building a brand is understanding that brand is more
14 than a logo. It comprises people and processes and
15 products and passion. Successful brands are nurtured and
16 maintained by every company at every level and function.

17 And I couldn't agree with that more. That is
18 my goal over the next year, and it segues nicely into the
19 priorities for getting to that identifiable brand.

20 So what's next? The things that I plan on
21 doing in leading the agency forward over the next year.
22 The first is to ensure executive ownership and
23 accountability for strategic results. Over the course of
24 the last several months, the division directors have been
25 working diligently on reporting out on the key performance

1 indicators. A lot of work has been put into identifying
2 who the business owners are, the methodology for
3 reporting, how we're going to report out on this stuff.

4 We had a meeting with Chairman Vandergriff,
5 Vice Chair Ryan about the performance indicators and what
6 they mean, we drilled down on those. So in future
7 meetings, starting at the next one, you will start
8 receiving a scorecard -- and the scorecard is a document
9 that you approved in April of 2012 -- that will be in
10 every board binder. So you will see where we're at and
11 what our targets and what our actuals are.

12 MS. RYAN: This is where I stand up and go:
13 Hooray.

14 MS. BREWSTER: So starting at the next meeting
15 you will start seeing that.

16 As we were going through these -- and
17 hopefully, the board will entertain this -- there were
18 some things that we would like to make some suggested
19 changes to for your consideration at a future board
20 meeting.

21 The first is simple. Instead of saying
22 vacancies moved from the approved operating budget to
23 another operating area of the department, talking about
24 positions would be moved because, as you know, positions
25 aren't always vacant, they're not just vacancies. To make

1 that distinguishing fact that it's any position that's
2 being moved from one operating area to another. I think
3 that's pretty straightforward.

4 The next one is the average time to resolve
5 complaints, instead of from filing to formal decision,
6 changing that from average time to resolve complaints from
7 receipt to resolution.

8 Bill, do you want to talk about that one?

9 MR. HARBESON: I think in my business we get a
10 complaint and what you want to know is how fast does it
11 take us to get it from that point to either saying there's
12 not a case or there is a case and we have to finish it up.

13 So a formal decision is not always going to be had in a
14 given complaint, it could be that we're going to have to
15 tell the complainant that there actually was not a
16 violation or we've taken some other action, such as a
17 referral to the appropriate agency that has jurisdiction
18 over that, or we issue a warning, so there may not be a
19 formal decision in a case. And in fact, it's probably
20 running around less than 10 percent of our cases actually
21 go to the level that you see here today. Of the 7- or
22 8,000 cases, maybe only 1,000 get to the formal decision
23 stage. So it was just a more accurate description of what
24 we do.

25 MS. BREWSTER: And I think from a customer

1 service standpoint, it allows us to see more clearly the
2 big picture in terms of how we're serving our customers
3 when it comes to this particular topic.

4 MS. JOHNSON: I'd like to interject my concern,
5 or does this at all tie to SOAH, because we don't know
6 when they're going to hear our cases, and my concern with
7 some of those goals for a long time has been we have no
8 control when they're going to hear our cases send them
9 back to us. So I think for our agency to be graded based
10 on the performance and activities of essentially another
11 agency, because we can't finish until they finish.

12 MR. VANDERGRIFF: And Cheryl is right on point.
13 The purpose of that particular point was really not to
14 look at the broader picture but to look at the avenue that
15 gets us complaints or gets us killed from other
16 perspectives, and the amount of time it takes to get those
17 very select few cases to a final decision is an issue of
18 concern to the collective industry, and that's why we
19 wanted to look at that. So the broader picture, nobody
20 has a concern about, it's the more minute look into it
21 that they do.

22 The same thing holds true -- and we're going to
23 discuss this in a later board meeting, obviously, because
24 we're not in a position in this one to take action -- but
25 the vacancies is the thing that the legislature is always

1 concerned about relative to how are you managing your
2 people, so we'll have to discuss how we get to that agenda
3 item as well.

4 MS. RYAN: The value to the board for the
5 vacancies if there's value to the agency to see what kind
6 of cross-functional movement is going on and then track
7 the positions and report out. And the same thing with the
8 resolution, there's probably more of an internal process
9 there versus the more formal settlement. Both of those
10 numbers are probably very relevant to decisions or input
11 or resources that somebody here around this table would
12 need.

13 MR. HARBESON: Ms. Johnson, we're actually
14 going to provide you two charts. One of them is going to
15 be what we call contested cases, ones that go into a
16 formal, that 10 percent, and the other one is just
17 generally how long does it take to see it from the start
18 to the finish of the case. So when you're looking at the
19 SOAH cases, that's even a smaller subset, and we can
20 provide that data to you once they get into the SOAH. We,
21 of course, try to settle most of our cases before getting
22 into SOAH so we can get them done promptly.

23 MS. JOHNSON: My concern was I didn't want the
24 DMV to get dinged or any of our divisions to get dinged
25 because of something that's out of our control. I want to

1 be fair to the agency.

2 MR. HARBESON: I think we've always been real
3 interested in looking at the SOAH process, can we do
4 better in that, and of course, that's the genesis for us
5 looking at the SOAH bill and what we may be doing there,
6 and can we do it better than they're doing it now.

7 MS. FLORES: With regards to the chairman's
8 comments about vacancies, when we first stood up the
9 agency, the executive director at that time had approved a
10 general policy for Finance, identifying positions that had
11 been vacant longer than, I believe it was four months, and
12 providing a process for Finance to sweep those vacancies
13 so that he could determine then where the needs of the
14 agencies were best served by realigning those vacancies.
15 We didn't actually hold that.

16 After he left, and because we were still in
17 such a ramping up stage of the agency's life, but that is
18 still out there. It was my intention of having some time
19 to let the dust settle, if you will, and then bringing
20 that back up for Ms. Brewster's either yes or no, and
21 giving the division directors time to know that: Okay,
22 we're really mean it this time and we're going to start
23 pulling it, and then you're going to have to justify to
24 the executive director why you should keep the position or
25 not. So that's always incentive for us to fill those

1 positions.

2 MR. KUNTZ: The other thing that I was going to
3 comment on was that you're not going to lose a snapshot of
4 vacancies in the agency. There's another performance
5 measure that is the percent of vacancies versus FTEs, so
6 you're going to see that.

7 I think the point that we were trying to make
8 is this was an indicator for you to be able to see if a
9 program area was growing, not just because of a vacancy
10 issue but if we moved ten FTEs from one program area to
11 another, you're probably going to want to see that, so the
12 way that this was was that you would only have seen that
13 if those were vacancies that were moved. And so you're
14 still going to see vacancies, but also under this you
15 would see any position moves that are occurring within the
16 agency.

17 MR. VANDERGRIFF: Excellent point.

18 MS. BREWSTER: Which you will see with the
19 EPMO.

20 MR. VANDERGRIFF: I want to interject just for
21 the record that Board Member Rodriguez left the meeting
22 at, I guess, approximately 12:45 p.m.

23 MS. BREWSTER: Any more on this particular
24 measure?

25 MR. WALKER: Yes. I, for the life of me, just

1 have the hardest time understanding this FTE and vacancy
2 stuff. I just have a hard time understanding the
3 legislature's perspective on this. The way I look at it
4 is look how much money we save the State of Texas by not
5 filling those positions and how good we operate.

6 MR. VANDERGRIFF: The money is still allocated.

7 MR. WALKER: Are we going to get the money
8 back?

9 MR. VANDERGRIFF: Well, this agency has
10 followed that practice. Other agencies will, perhaps, use
11 it elsewhere.

12 MR. WALKER: Government waste.

13 MR. KUNTZ: Well, if I can try and address that
14 issue. The concern that the legislature has with FTEs,
15 there are two fronts that they're concerned about it. One
16 is the retirement liability that's out there, so they're
17 always concerned with limiting the number of FTEs because
18 of the liability for retirement. The other issue that
19 they're concerned about, and what we're referring to here,
20 is that the legislature looks at a performance measure
21 basically of the average salary of an agency. So they'll
22 look and they'll say: Okay, this agency was given a
23 hundred FTEs, the total salary dollars that were allocated
24 to that agency are X, they'll run a ratio and figure out
25 what the average salary is for that agency to see where

1 that agency is paying their employees.

2 Agencies that have no FTEs -- as we like to
3 refer to them -- artificially lower that average salary
4 for a snapshot look at what the agency is doing. And so
5 what you'll have is agencies that will keep those FTEs, if
6 you will, on the books to make it look like they're not
7 paying as high as high salaries across the board. So
8 there's concerns that the legislature has with watching
9 those vacancies and making sure that they're getting a
10 true snapshot of what's going, what the actual needs of
11 that agency are from an FTE perspective.

12 MR. ELLISTON: There's also another scenario
13 where an agency is given program areas and things to do
14 that are not funded, and so the only way they fund that is
15 they hold vacancies and they use those unexpended salary
16 dollars to cover that deficit. So there's two sides to
17 that coin: sometimes an agency can find itself in a
18 position where they don't have money to do something they
19 need to do, emergency disaster situations can occur, same
20 thing, you're out of money. So you can take it out of
21 your unexpended salary balance.

22 MR. WALKER: That's the side that I understand.

23 MS. BREWSTER: You manage your budget from
24 those funds.

25 MR. WALKER: Did we take a look at -- I don't

1 know if Jimmy has been over at the Motor Carrier Division
2 long enough -- maybe this isn't appropriate.

3 MS. BREWSTER: Go ahead. I know what you're
4 going to say.

5 (General talking and laughter.)

6 MR. WALKER: We automated that system over
7 there and it's running like a good greased machine today,
8 because I used it today, and so with the automation
9 process there, wasn't there some thought, maybe, that we
10 could cut back on some FTEs over there because we don't
11 need as many people because of automation?

12 MR. ARCHER: I think that was the thought.
13 What I would like to do is evaluate it, because I'm
14 finding that we don't have as much need for help on the
15 front-end because we're getting to the calls faster, we're
16 able to issue permits faster. On the more complicated
17 type permits, the more time-intensive ones like super
18 heavy, things like that, there's more work on the back-
19 end. There's also people who can't use the system well
20 that require some help. So there's more work we need done
21 on the back-end. We haven't filled a lot of those
22 positions, we still have -- and I'm not sure.

23 MS. BREWSTER: You have about ten vacancies.

24 MR. ARCHER: Ten vacancies we haven't filled
25 since I got here. But right now I'm still assessing the

1 needs of the division and the organization of
2 Oversize/Overweight.

3 MR. WALKER: But I'd be willing to bet you
4 you're not going to issue as many permits next year in
5 2013 as you did last year.

6 MR. VANDERGRIFF: Why do you say that?

7 MR. WALKER: Because I've been in the trucking
8 business long enough to tell you I can watch these trends,
9 and I deal with oil companies every day and I know what
10 their drilling schedules are going forward and their
11 drilling schedules are going to fall off this year from
12 what they were last year.

13 MR. ARCHER: Well, to answer you right now on
14 your question, I need some time to evaluate it and look at
15 the organization, because what I'm seeing is we're needing
16 to do more on the back-end in the permit process than on
17 the front-end like we were before. Used to be a 20- to
18 30-minute, 45-minute wait time on the phones, we don't
19 have that anymore.

20 MR. WALKER: None. It's great.

21 MR. ARCHER: But there's still people who need
22 help with their permits.

23 MR. VANDERGRIFF: One other thing, just
24 curious, at one point -- this was before you got here --
25 they were looking to reposition some of those people that

1 were on the front-end to do also quality control.

2 MR. ARCHER: And that's something that we're
3 going to talk to Whitney about on Monday.

4 MR. VANDERGRIFF: There were some people that I
5 saw in the back that were doing some of that.

6 MR. ARCHER: We essentially have people doing
7 quality control work.

8 MR. VANDERGRIFF: They're just not classified
9 that way.

10 MR. ARCHER: They're not classified that way,
11 and we need to reorganize.

12 MR. WALKER: What did you do with your
13 apportionment? Did you move all those over to Bill?

14 MR. ARCHER: They're with Bill now.

15 MS. BREWSTER: That's a good discussion.

16 We have a suggestion for a new measure, and
17 that is the percentage of usage of self-service systems
18 versus standard issuance systems. We thought that this
19 was a good idea. We have more modern ways of doing
20 business versus face-to-face. I thought we should
21 probably measure the usage of those systems to first
22 determine how we're communicating with our customers.
23 Obviously, we want to encourage the self-service systems
24 versus the face-to-face, simply from an efficiency and
25 cost-savings perspective over the long-term, as well as

1 the convenience to the customer. If they're not aware
2 that there's a self-service system, maybe we need to
3 change the way that we communicate with them.

4 But also, to gauge how we operate in the
5 future. Right now we're proposing to use this for TxPROS,
6 as well as the electronic lien, the ELT, the lien titling
7 system, but as we bring on more self-service systems, this
8 could be a very good measure, so this was one that we
9 would like the board to entertain.

10 MR. VANDERGRIFF: I think it's great. This is
11 part of your process as well, to add things that you think
12 are benefits. I think that's great. We should be doing
13 that, for example, in the electronic lien and titling it's
14 probably slightly different or a lot different, perhaps,
15 even than TxPROS, so they'd be different measures.

16 MS. BREWSTER: They would be separate measures.
17 That's correct. And used significantly differently.

18 MS. JOHNSON: Is this strictly agency, or is
19 this also the partners? Because we've been pushing in my
20 county to get out of line and go online.

21 MS. BREWSTER: Those are captured in a
22 different measure; percentage of registrations renewed
23 online, those are in a separate measure.

24 MS. JOHNSON: Thank you.

25 MS. BREWSTER: There are some scorecard items,

1 I'm not going through all twenty of the scorecard items in
2 this meeting, so I don't want your eyes to glaze over, but
3 just the ones where we've asked for your entertainment for
4 a modification, as well as those that we're not ready to
5 report out on quite yet, and I want to mention those as
6 well.

7 The percentage of performance plans whose
8 performance objectives tie to the goals and strategies set
9 by the board. As I stated earlier, this is one that is in
10 progress. Starting April 1, all new evaluations that are
11 completed will be tied to the goals and strategies set by
12 the board, and then as evaluations come due, those will be
13 updated using the new template, so by April of 2014, we
14 should have 100 percent of them completed.

15 The next is the percentage of time independent
16 customer, stakeholder and internal satisfaction survey is
17 conducted and reported. We do conduct customer
18 satisfaction surveys. I know Bill's shop has one. Is it
19 in MVD?

20 MR. HARBESON: In MVD every license that's
21 issued, they get a survey.

22 MS. BREWSTER: And I know Ginnie's CRD does one
23 as well.

24 So we do this internally but it's not an
25 independent survey, so right now we're not doing this but

1 the plan is that by June of this year we will have entered
2 into a contract with a vendor to provide this service.
3 And of course, we would really like input from the board
4 in the level of questions, because this is for
5 stakeholders, as well as our customers, so we really need
6 the engagement of the board on the development of that
7 survey so it can be a useful tool to all of us.

8 The next is the number of improvements that are
9 initiated from the survey. Because we're not doing the
10 survey quite yet, we're not measuring that, so as soon as
11 we have that up and operational, we'll be able to start
12 tracking this as well.

13 MS. RYAN: Can't report on stuff you don't
14 have. Right?

15 (General laughter.)

16 MS. BREWSTER: So those are items when it comes
17 to the executive ownership and accountability
18 recommendation.

19 The next item that we're going to work on over
20 the next year is the development of competency models for
21 executive staff. One item that the department is in
22 severe need for are performance plans for our directors.
23 None of you have them. I asked for them. And so thank
24 you very much to Sharon Brewer for assisting me in the
25 development of those performance plans. I should have

1 these completed and communicated to the division directors
2 no later than the end of February. So that's one way that
3 we will achieve this this year.

4 The next is a leadership competency model, and
5 this was actually a recommendation that was made in the
6 report. This is where we would develop the leadership
7 skills needed to lead the agency in the future. What do
8 we have right now, what leadership skills do we have right
9 now and what skills do we need to move us forward. And so
10 there are a number of tools that are on the market to be
11 able to do this. The report suggested bringing on an
12 outside consulting firm to do this. I'm not entirely
13 convinced that that's the direction that we should go, but
14 I intend to research that and see what the best method is
15 for moving forward.

16 This, I think, will allow us to see: Okay,
17 what skill sets do we have on staff, what do we need to
18 develop to get us where we need to go. So I anticipate
19 initially doing this with the executive team with the
20 intent of looking at the results of that to see if it's
21 applicable to the rest of the leadership of the
22 organization and how that might be rolled out. I think
23 this will assist us in not only eventually, as we look
24 long-term, in our recruitment, but also the development of
25 our existing employees, myself included.

1 MR. PALACIOS: It's kind of like CPE for your
2 executive staff?

3 MS. BREWSTER: Uh-huh.

4 MR. PALACIOS: Okay.

5 MS. BREWSTER: Any comments on that?

6 (No response.)

7 MS. BREWSTER: Okay. Develop succession
8 planning and talent management programs to ensure
9 continuity and availability to needed skills and
10 competencies. When the Azimuth report was written, there
11 were close to 200 employees that are set to retire by FY
12 '15. That's a huge number, huge, and so we have got to
13 have some succession planning. Now, I know that there are
14 individual divisions that have done that, but a
15 comprehensive succession plan for our department needs to
16 be developed. Not only will this allow us continuity of
17 our leadership and our key positions for continuity of
18 operations perspective, but also, it will give our
19 employees a clear picture of where they need to go to get
20 into these leadership positions. Obviously, we want to
21 grow our own, and so I think that this will help us with
22 that.

23 Anything on this? I think it will just give us
24 an overall clearer picture of ultimately what our staff
25 needs to do to get into particular positions and move

1 upward.

2 The next is to develop a TxDMV leadership
3 academy. The Azimuth report recommended a formal
4 development program for leaders based on the competency
5 model on those competencies addressed in the previous
6 recommendation. And so I intend to work closely with HR
7 on the development of a leadership academy. Obviously,
8 there are a number of leadership programs out there to
9 choose from, but we want those to tie to our vision, our
10 mission, our values and our strategic framework, so we
11 need to develop a formalized curriculum that gets to the
12 heart of those things that are specific to those. And so
13 over the next year I intend to work with the agency on the
14 development of a leadership academy.

15 Everybody is being kind of quiet.

16 (General laughter.)

17 MS. BREWSTER: The next is to create a
18 Strategic Planning Office. That was a recommendation.
19 Whether it's an office, whether it's a person, obviously
20 we need to determine what is the level of effort that is
21 going to have to go into strategic planning to decide what
22 the level of staffing is, but that function.

23 I want to note that the Azimuth report suggests
24 that this be a board level office. I don't necessarily
25 agree with that. I want to note that I believe that the

1 strategic planning process and the management of that plan
2 is really a departmental function. Please know that I'm
3 not trying to remove the statutorily based
4 responsibilities of the board in setting the strategic
5 direction.

6 MR. BARNWELL: Well, would you differentiate
7 between strategy and tactics for me? Because it sounds
8 more like department involvement is for the tactics to
9 achieve the strategy. I don't know, I just had to put in
10 my two cents' worth.

11 MS. BREWSTER: Sure. Well, maybe I don't fully
12 understand.

13 MR. VANDERGRIFF: Correct me if I'm wrong, but
14 I think Mr. Barnwell's point is strategy is, in effect,
15 policy and future direction, and tactical is how you
16 execute that strategy.

17 MR. BARNWELL: Strategy seems like a board
18 level function, and tactics are staff and employees who
19 know everything about the inner workings of the
20 organization and how to make that strategy happen, or
21 perhaps recommend changes that the board level people did
22 not foresee.

23 MS. RYAN: As it relate to the Azimuth report,
24 I think you've hit it. It's basically this office, you
25 could call it the Tactical Planning Office, but semantics

1 on the name, this position, at least from the report, was
2 to get it implemented from the board into the agency
3 through the executive director, but then this position and
4 office would help push it through all across all aspects.

5 So it's exactly what you're saying. I think when they
6 wrote the report, the wording. The responsibilities are
7 what you're describing.

8 MS. JOHNSON: I'll put my two cents in on this
9 too, and you know, I've been on this board since its
10 inception, along with several others, and what's been
11 obvious to me all along, regardless of who's sitting in
12 the seat, is there's some amazing leaders on this board
13 and there's some amazing leadership in the executive staff
14 of this agency, and it just seems this type of work
15 session is where you come up with the vision and the
16 strategy, and then everybody in the department going out
17 and looking to see, okay, now who do we accomplish this.
18 That seems like a valid way.

19 I really think we have the talent right here
20 without having another department to come up with the
21 ideas. I feel pretty good at coming up with our ideas.
22 Our problem is we have so many ideas, we can't get them
23 all done overnight.

24 MS. BREWSTER: And I certainly don't disagree
25 with the knowledge that we have in here. And please know

1 that I am not bringing on additional FTEs, this would be
2 the existing staffing level and we're not going to be
3 asking for increases in the budget.

4 What I have noticed, though -- and let me talk
5 a little bit about where I'm coming from with this -- is
6 there is a tremendous amount of work that goes into
7 keeping all of the documents that I talked about earlier
8 fresh and up-to-date, as well as keeping the key
9 performance indicators to be reported on, keeping those
10 measures up to date, developing those. Maybe they may not
11 be specific to the key performance indicators set by the
12 board, but ones that would help from an operational
13 standpoint so that we can make decisions to more, I guess,
14 anticipate the needs of our stakeholders and customers.
15 And that's how I foresee the operations of this function
16 within the department.

17 And the department is working on the
18 operations, they're trying to focus on doing the work.
19 To strategize and pull out of that is very, very
20 difficult. And so that's kind of where I'm coming from
21 when it comes to this function.

22 MR. BARNWELL: I guess the problem I have with
23 it is the word "strategic" because it ain't strategic.
24 Increasing functionality and the efficaciousness of our
25 various policies and procedures is great, but that's not

1 strategic, that's more of a tactical thing. And I mean,
2 the word "strategic" means the overarching goal. That's
3 like the Strategic Air Command, if we're fighting a whole
4 war there's a whole theater of operations that has our
5 strategy involved, if we're fighting fire fights, then we
6 have more of a tactical approach because we're hands-on,
7 we're right there in the middle of it.

8 The word "Strategic Planning Office" may mean
9 something different to some people than others, but I see
10 where you're going, and I agree with what you're saying, I
11 don't have a problem with where you're going with it, I
12 just think the word "strategic" is not the right word.

13 MR. VANDERGRIFF: There's kind of an example of
14 that. She's got a huge thing over here that's a Strategic
15 Planning Document, but it's really in large measure a
16 tactical document because it relates to the budget, it
17 ties to the budget, and that's how it's prepared and you
18 have to do certain things in that document that tie to
19 what LBB is expecting you to put together. So some of our
20 higher level strategy doesn't provide it here.

21 MS. BOOTON: And I'd just like to say from an
22 operational perspective most of my agencies I came from
23 had these strategic offices, and how they helped us at the
24 operational level is what Whitney is saying, we're busy,
25 we're making sure we get the job done, but when we're so

1 busy doing that, you can miss the big picture, and when
2 you have that strategic vision, that office has got you
3 saying: Okay, Jeremiah, that's really good and you've go
4 to keep doing that, but the big picture is this, I need
5 you to shift over because there's other layers here you
6 don't know about. And it's always been real helpful.

7 And I think the semantics of the word we can
8 get over, but it helps us be more cohesive as an
9 organization and we're all moving in the same direction
10 instead of all of us working really, really hard but we're
11 going all these different ways.

12 MR. BARNWELL: I appreciate what you've said
13 there and certainly I agree with what you're saying in the
14 way you are approaching it. I also want to add that I
15 think the use of Jeremiah as an example is perfect.

16 (General laughter.)

17 MS. BREWSTER: There are two additional
18 recommendations that I think this function could assist
19 the department with, and that's to assess and incorporate
20 innovations and practices from DMVs, state agencies and
21 private organizations, take a look at how other states are
22 doing things, how private organizations are doing things,
23 other state agencies, so that we can evaluate those things
24 for appropriateness within our department.

25 And the next is to implement programs to

1 strengthen the department's ability to anticipate and
2 respond. And that's what I hit on earlier is that we want
3 to get out in front of the issue versus being reactive,
4 and to the extent that we can look at trends, as well as
5 look at our performance measures and reporting out, we can
6 start to dive a little more into programs where we can
7 anticipate the issues.

8 MR. WALKER: Do we have a -- I'm not sure what
9 to call it -- a catastrophe plan?

10 MS. FLORES: A business continuity plan.

11 MR. WALKER: I mean, that's critical in all
12 businesses, like what happens if the electricity goes out,
13 what happens if we lose our computer system, what happens
14 if there's a riot over in Austin. I mean, do we have a
15 plan in place that says this is how we're going to handle
16 that?

17 MR. GORDIER: We don't have a plan. Well, sort
18 of. Right now we are operating on the existing TxDOT
19 disaster recovery plan because everything we are running
20 is in TxDOT world, and in fact, we just finished an
21 exercise with DIR on a portion of the recoverability of
22 that. We've just recently brought onboard a position
23 which specifically the role is disaster recovery and
24 business continuity, and his mission will be to develop
25 that plan for this agency as we separate, so that clearly

1 is in focus in what we're doing.

2 MR. WALKER: That's really more important than
3 all that what you just presented up here. In my business
4 it is because we want to make sure that our customers are
5 still taken care of. If there's a hurricane in Houston,
6 we switch our computers.

7 MS. BREWSTER: Absolutely. But I think it's
8 important to note that it should not be just from an IT
9 perspective.

10 MR. WALKER: Oh, no, no, no.

11 MS. BREWSTER: No, I'm not suggesting that you
12 do, but I'm just saying this for the whole.

13 MR. WALKER: If Bob doesn't show up and unlock
14 the building, who's got other keys?

15 MR. GORDIER: this particular position is in IT
16 but clearly it was with the understanding that this was
17 going to be organizationally cross-functional, because IT
18 cannot have a business continuity plan without it being
19 enterprise-wide, it just has to be.

20 MR. WALKER: So we're working on that.

21 MR. GORDIER: We're working on that, yes.

22 MS. BOOTON: And I'd just like to interject,
23 there is another one and that's Randy's shop. VTR has got
24 a BCP in place, and it does need refreshing because so
25 much has changed, but he's another organization that has

1 one.

2 MR. WALKER: Like if there's a power failure,
3 is there a backup generator on this building?

4 MS. FLORES: Not that I'm aware of, no.

5 MR. GORDIER: Not at this physical building.

6 (General talking and laughter.)

7 MR. WALKER: That's something you've got to
8 think about is if the electricity off in this building for
9 three days.

10 MR. TAYLOR: It's also actually contemplated in
11 the moves projects. Part of the call center and sales
12 center redundancy is spread out through the regions, in
13 case any one falls, it's spread to the others.

14 MS. JOHNSON: Something we didn't think about
15 in Galveston, there was water contamination issue. Our
16 county judge sent out a notice that said send home all
17 non-essential personnel, and I was not going to leave that
18 building for nothing. If there's non-essential personnel
19 that leave that means those are non-essential personnel
20 and we don't need them at all. We never stopped to think
21 that the water might be contaminated. I mean, that can
22 happen, so you switch to bottled water. But to us that
23 was the simple solution in my office, everybody else just
24 went home.

25 MR. GORDIER: Just to quell some of the anxiety

1 that we may find, our move to Building 5 was done with a
2 very intentional purpose, because Building 5 was
3 originally designed and intended as a disaster recovery
4 site and it is powered from two separate substations which
5 mitigates the potential of losing power, particularly on
6 our data center that we put in there, and on the side of
7 the building there is a port where we could roll a
8 generator up, hook it in and power the entire first floor.
9 Second floor, no, and the south wing, I don't believe.

10 MR. WALKER: Have we made arrangements to have
11 a generator?

12 MR. GORDIER: That is not yet in place but it's
13 in process.

14 MS. BREWSTER: So the final item that I want to
15 mention from the report, the report suggested that we
16 reorganize the agency to reduce the executive director's
17 span of control, and specifically, it stated: thus
18 allowing the ED more freedom and time to devote to board
19 and stakeholder interface, legislative and governmental
20 affairs, and focus on key strategic priorities of the
21 department. And I can attest to you, from the short
22 amount of time that I have been here, that this is needed.
23 It's very difficult to not just be down in the weeds in
24 the day-to-day operational stuff, and it's things that
25 need to and have to be done.

1 And so I'm going to just pass out, or ask Julie
2 to pass out kind of what I'm looking at in terms of this.

3 Now, please note that this is conceptual, meaning it's
4 subject to change. The end result may not look like this,
5 but this is just to illustrate kind of my thought process.

6 The report suggests the creation of a new
7 position and that is a deputy executive director, and how
8 I would utilize this function is within the day-to-day
9 operations, the day-to-day management of the divisions. I
10 would utilize the vacancy COO position for this.

11 It also suggests the elevation of the HR
12 function, as well as technology services to divisional
13 status, which obviously I agree with, as well as is
14 reflected here. Prior to, they were in the Administrative
15 Services Division. I suggest disbanding, essentially, the
16 Administrative Services Division and making it the
17 Financial and Administrative Services Division.
18 Currently, in the absence of the Administrative Services
19 Division director, or the COO position being filled, right
20 now we have support services, imaging, the warehouse
21 function reporting to Linda. I recommend formalizing
22 that.

23 Also, here you'll see the strategic planning
24 function, as well as Civil Rights, Civil Rights too was
25 under the Administrative Services Division. The report

1 also suggested the creation, as we talked about, of the
2 EPMO which you will see reflected in this as well.

3 So there were several recommendations from the
4 report when it comes to reorganization that I don't feel
5 the need to move forward on at this time. That doesn't
6 mean I won't at some point in the future, but one of those
7 was an ombudsman position. Right now I feel like CRD is
8 doing an exceptional job in dealing with our customers who
9 have issues and who need assistance from us, and so I do
10 not feel right now the need to create an ombudsman
11 position, but that is something that was mentioned in the
12 report.

13 MR. INGRAM: Do you want feedback on this?

14 MS. BREWSTER: Sure.

15 MR. INGRAM: From my experience -- which is not
16 government, it's just from business -- is that it would be
17 very, very difficult for that one deputy director to
18 control that many heads. So in my profession it would not
19 be feasible.

20 MS. JOHNSON: And I'm going to jump in on that.

21 I would recommend at a minimum, a vertical organization
22 is what you have here, so there's going to be the ED and
23 there's going to be the deputy. Well, that deputy is
24 going to be the one who in their mind is you, if you're
25 not around, where you're better off having functionally

1 maybe a departmental chief deputy or deputy director and
2 then administrative deputy director because this is
3 administrative versus this is function, and this is too
4 many directors. What is it, five to eight people, at
5 most, that somebody can really manage well and facilitate
6 that large of a group, so it seems like if you added one
7 more deputy director, at a minimum, then that gives you
8 backup too.

9 MR. WALKER: Well, I've never seen ever in most
10 organizations where a CFO doesn't report directly to the
11 president or to the chairman, and you've got it down to
12 the deputy director. The CFO needs to report to the
13 director.

14 MS. BREWSTER: Let me just mention this. So
15 the Azimuth report actually suggests the executive
16 director have an deputy ED over what's called services
17 which are all the programs, which I don't necessarily
18 disagree with that recommendation, and that's why you kind
19 of see it split out this way because you'll see all of the
20 program-related divisions on the left side, and like
21 Member Johnson said, all of the CFO, EPMO, Government and
22 Strategic Communications, Human Resources, Technology
23 Services on the right side.

24 What I do not want to give the impression, and
25 what is my concern, is that the programs are the heart of

1 what we do and that by having those report to a deputy ED
2 may give the impression that I am not engaged in those
3 programs. Like I said, this is conceptual, but that is my
4 primary concern with that recommendation and that's why I
5 don't completely embrace it yet. And so please tell me if
6 you believe that that is not a valid concern.

7 MS. RYAN: This is a piece of paper, we're
8 going to use this org chart similar to the brand
9 explanation, it's a piece of paper with colors, but how
10 you engage your deputy director, your division directors,
11 stakeholders will determine what's perceived of your level
12 of involvement. So I think you can probably work through
13 that. I think you're going to be involved in everything,
14 regardless of what it says, because ultimately you're
15 responsible.

16 The other thing is there's two pieces, I don't
17 totally disagree with what Johnny said on the CFO, but I
18 would also consider HR reporting directly to you, at least
19 where we're at right now as an agency. Five years from
20 now you might be able to do more reorg. But that would be
21 the suggestion I'd make for consideration.

22 MS. BREWSTER: Any other comments?

23 MR. PALACIOS: How is Civil Rights separate
24 from HR?

25 MS. BREWSTER: Sharon, do you want to talk at

1 all about how the two function?

2 MS. BREWER: Civil Rights is one FTE, the
3 officer is Vance Simpson, and what Vance's role in the
4 agency is is to receive complaints, discriminatory
5 complaints or complaints of retaliation. And it's nice to
6 have that function separate from Human Resources. My
7 staff does employee relations and we'll actually send
8 folks over to Vance to talk about complaints of
9 discrimination, so it gives a little separation of duty
10 there for the agency. My staff also supports the
11 directors, the managers in employee relations issues and
12 problems.

13 So it's just nice to have that visible Civil
14 Rights organization, even though it's one person -- and he
15 does a great job -- to show that the agency is interested
16 in equal opportunity and a non-retaliatory environment.

17 MS. BREWSTER: It's symbolic, I think, in terms
18 of the placement on the org chart as well.

19 MS. BREWER: And then what Vance does is he
20 also receives and works with the federal EEOC and at the
21 state level on discrimination complaints, so he'll help
22 management with responses to those external complaints, as
23 well as the internal complaints.

24 MS. BREWSTER: Like I said, this is a draft, a
25 concept, a work in progress, but I do recognize that the

1 day-to-day management of the department is a lot, whether
2 it's me or anyone sitting in my chair, to do that, as well
3 as reach out to stakeholders, meet with legislators and
4 all of the above. So I will come back to you as I have
5 vetted this out more, but I wanted to let you know that
6 more than anything this is a conversation starter, but I
7 intend to move forward with a reorg within the next year.

8 Yes, sir.

9 MR. WALKER: One other that you should consider
10 I think as a little bit of a change is that the general
11 counsel here really was a solid line in the past to the
12 board and was a dotted line to the executive director.

13 MS. BREWSTER: This has not changed. The
14 current organizational structure is that it's a dotted
15 line to the board.

16 MR. WALKER: I thought it was the opposite.

17 MR. VANDERGRIFF: We discussed that at some
18 length, and Ed ended up convincing us that we should do it
19 the solid to him and a dotted to the board.

20 MR. WALKER: I thought it was the opposite.

21 MS. WILSON: You don't want to hear from me
22 that much.

23 (General laughter.)

24 MR. VANDERGRIFF: Well, I will give you an
25 example, just from another agency I've been in, was that

1 the board got tired the way the general counsel's office
2 was working in that agency and then moved it to the board,
3 and after a year of managing that, they moved it right
4 back to the executive director. I won't go into details
5 here.

6 MS. JOHNSON: We're pretty strong board
7 members. That makes a difference.

8 MS. WILSON: Can I make a comment on that? I
9 have a lot of things that go on in my office and it's much
10 easier and more effective for me to work with Whitney on
11 those things and you don't have to be bothered with those
12 things, and there are so many of you. And what I'm here
13 for is to answer questions, to provide help to you, to
14 kind of say I think we're going off track here, but kind
15 of big picture things like that when you need a lawyer.
16 But as far as operational things go, you don't want to
17 really be involved in that, and that's where just going to
18 one person helps. And then if we don't resolve it and
19 it's a big deal, we might present it to the board.

20 MR. VANDERGRIFF: It goes very simply, though,
21 more simply than that. We're not here on a day-to-day
22 basis and 90 percent of what the general counsel does is
23 on a day-to-day basis, and so it's a logical connection
24 there. And when the board tries to manage the 90 percent
25 because it's really interested in the 10 percent, it's

1 hard for that general counsel moving forward.

2 MR. PALACIOS: To Laura's point, these are just
3 rectangles and colors, but there's operational
4 accountability and then there's fiduciary and ethical
5 accountability, and on the second part, that's one of the
6 reasons why you'd want to report straight to the board.
7 If you ever see something, obviously, that's going on that
8 needs to be reported to the board, I wouldn't want that
9 line to preclude you from doing that since you report
10 straight to the executive director.

11 MS. WILSON: I don't think that it would.

12 MR. VANDERGRIFF: It's a dotted line because
13 there is a direct connect to the board.

14 MS. RYAN: The level of responsibility to the
15 agency and the board, in my belief, from the general
16 counsel's position is equal. But I don't know that we
17 want the responsibility of a direct report.

18 MR. PALACIOS: I agree. In terms of the
19 operational accountability, we can't be on that.

20 MS. BREWSTER: In conclusion, what's left to
21 do? There's been a lot of discussion, that's good.

22 One, the third recommendation, design, develop
23 and deploy a strategic management system for the
24 department, explore all available options to secure modern
25 enterprise technology to support internal administrative

1 support services. Part of that is caps. And the third is
2 adopt an account management business model based on
3 careful analysis and segmentation of the market.

4 These are all recommendations, these are the
5 remaining three. It's not that these aren't important but
6 these are not on my list to do in the next year, simply
7 because there are not enough hours in the day to do
8 everything that we're hoping to accomplish. That doesn't
9 mean that these are being ignored or won't be considered
10 in the future, but right now we have enough on our plates
11 and we're going to focus on those.

12 My focus has got to be on the important
13 priority issues before the agency. We've got to develop
14 strong leaders, we've got to have succession planning,
15 we've got to have a customer focus, and an effective
16 culture, and that really is my focus over the course of
17 the next year.

18 So to wrap up, in conclusion --

19 MR. WALKER: Back up. In plain English,
20 explain that last one.

21 MS. BREWSTER: I know. That one was a
22 difficult one for me too.

23 MR. WALKER: I don't understand what that says.

24 MS. BREWSTER: Well, first of all, I didn't
25 write that.

1 MR. WALKER: Adopt an account management.

2 MS. BREWSTER: So please jump in if anybody has
3 additional information on this. How the report explains
4 it is it's an overlay on top of the organizational
5 structure. It is basically a cross-organization service
6 delivery model. You identify the customer, you identify
7 how we interact with them, and then you develop a plan for
8 it. Okay, high tech technology, if that doesn't happen,
9 then how do you serve the customer, and then from there,
10 how do you serve the customer, so basically, an account
11 management.

12 MS. RYAN: So in my position as a manufacturer,
13 if I have a question, a dealer calls me and says, Hey,
14 I've had my license in forever, or we need to renew our
15 distributor license, or there's a titling issue, and all
16 of a sudden we hear. I have one point of contact in my
17 business function, that might be Linda, Linda would be my
18 account rep, the TACs would have one point of contact, so
19 Cheryl might call Jeremiah, and Jeremiah then would
20 network within the agency and then report back to me.
21 That was the intent when the Azimuth report was created
22 and the way it was kind of laid out.

23 Again, it was probably more out of the box,
24 which is good, it's what we paid for. And when Julie and
25 I and Victor went through with Whitney kind of explaining

1 this since she wasn't here, it was one of the things that
2 we said it's a great idea and from a culture standpoint it
3 provides huge customer service, we probably, in my
4 opinion, as an agency aren't ready to implement it, we're
5 just not mature enough yet, but as we get other things
6 fixed, once we get some groundwork laid. The important
7 thing is it's a concept, it's an idea that we can continue
8 to look at.

9 And again, in defense -- not that we need
10 defense -- we're reporting out on what the Azimuth report
11 suggested that the board adopted, so how the agency
12 implements any of these concepts or ideas was never
13 defined. This could be years down the road, it could look
14 a little different, but the point is that this was focused
15 at customer service.

16 MR. VANDERGRIFF: Well, you actually have
17 adopted this, maybe unknowingly, but in a very small scale
18 sense, at least one that I'm aware of. I'm aware of
19 several but I'll give one example. Historically, for
20 many, many years, in the Motor Vehicle Department
21 operations you never had anybody that was responsible for
22 your license or whatever you were doing. You called in or
23 you wrote in or whatever, and a new face potentially every
24 single time you did that, and they had no connection to
25 you. Mr. Harbeson comes in -- I don't think anybody asked

1 him to do this per se, he just knew to do this -- he makes
2 sure that when you have an application, you have a person
3 assigned to you and they walk you all the way through the
4 process, and that has just brought great kudos from the
5 industry because he's done that. So that's a variation of
6 what I think is account management as a full-blown thing
7 across the agency, but I think that was the concept.

8 MR. WALKER: It should just say adopt a single
9 point of contact business model, instead of this account
10 management based on careful analysis...

11 (General talking and laughter.)

12 MS. JOHNSON: Well, at the end of the day, this
13 isn't going to happen right now, anyway.

14 MS. BREWSTER: No. These are things that are
15 down the road.

16 MS. JOHNSON: So we can talk about this when
17 everybody is not so busy.

18 MS. BREWSTER: Why don't we wrap up. So of the
19 recommendations we've accomplished eight, we have four of
20 them that are in progress, recommendations addressed in
21 the next year, eight, and recommendations for future
22 consideration, three. So add those up. We're missing
23 one: Commit to a long-term program of managed culture
24 change.

25 MS. JOHNSON: But isn't that every day?

1 MS. BREWSTER: That's every day. And that's
2 how I want to conclude is that I want you to know straight
3 from me that I am committed to a culture change within the
4 department, that that is going to be my focus over the
5 next year, it is my highest priority. And we've
6 accomplished a lot, but there is still much to do, and
7 we've got to make sure that we have business processes in
8 place, good management, we've got to have the tools,
9 accountability, incentives. And so I just want the board
10 to hear, I want agency staff to hear that that is my
11 commitment over the next year and I'm committed to
12 accomplishing the items that I've identified today.

13 So with that, thank you very much for your
14 time.

15 (Applause.)

16 MS. RYAN: I do know that everyone around this
17 table put a lot of work from the agency into getting all
18 twenty-four and everyone's focus on that. Personally, I
19 appreciate -- and I think everyone on the board -- how
20 much work the executive team of the agency put into this,
21 and I think hopefully you're starting to see the rewards.

22 So thank you, I guess, is what I really wanted to add
23 there.

24 MR. VANDERGRIFF: Unless there's any further
25 business, I would like to entertain a motion to adjourn.

1 MR. BARNWELL: So moved.

2 MS. JOHNSON: Second.

3 MR. VANDERGRIFF: Motion by Mr. Barnwell,
4 second by Ms. Johnson. All in favor?

5 (A show of hands.)

6 MR. VANDERGRIFF: We are adjourned.

7 (Whereupon, at 1:39 p.m., the workshop meeting
8 was concluded.)

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C E R T I F I C A T E

IN RE: TxDMV Board Workshop
LOCATION: Austin, Texas
DATE: January 10, 2013

I do hereby certify that the foregoing pages, numbers 1 through 78, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Nancy H. King before the Texas Department of Motor Vehicles.

(Transcriber) 01/18/2013
(Date)

On the Record Reporting
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