



## Using Data-Driven Management to Generate Change and Enhance Performance

By Kay Sutula

The Greater Cleveland  
Regional Transit  
Authority's TransitStat  
links technology and data  
systems to performance  
and accountability.

Data-driven management is required if an organization is to achieve break-through performance. To this end, the Greater Cleveland Regional Transit Authority's (GCRTA) has developed TransitStat, a performance monitoring program and philosophy. TransitStat gathers, reviews, analyzes, and monitors critical success measures, linking technology and data systems to performance and accountability.

TransitStat is GCRTA's adaptation of CompStat, used by the New York Police Department, and CitiStat, used by the City of Baltimore, Maryland. The program requires GCRTA's management personnel to use the authority's data to define, measure, analyze, improve, and control operations while linking established goals to the authority's business strategies.

The current business environment is one of constrained revenues. Sales tax growth will be minimal for the foreseeable future, and continued assistance from the state and federal government at current levels is unlikely. However, expenditures in labor, fuel, and utilities continue to grow. To counter this situation, GCRTA has made major investments in technology and information systems that allow the authority to manage critical operations with credible data. The organization has embraced these tools as important components

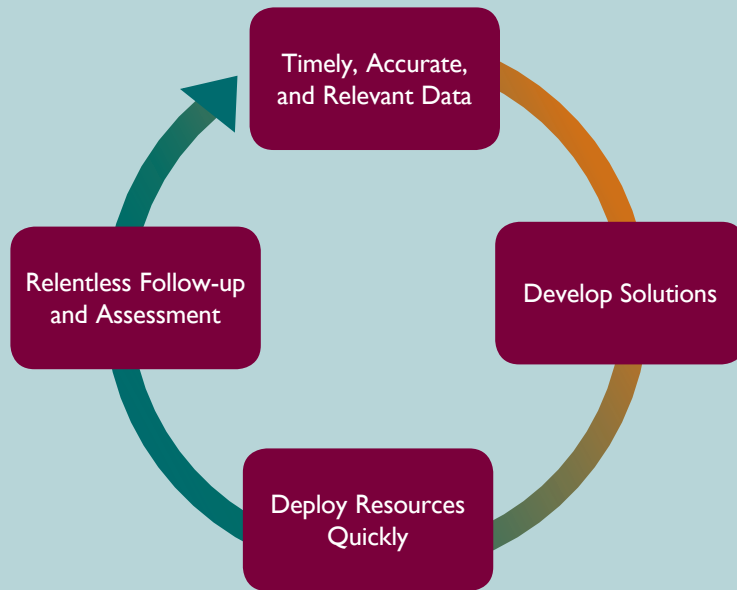
of future planning. TransitStat has helped GCRTA save \$23.89 million over a three-year period, not including the qualitative enhancements of better performance.

### PERFORMANCE STAT

**TransitStat.** In December 2007, GCRTA adapted the performance stat model to the transit environment and called its program TransitStat. TransitStat, which is characterized by weekly performance monitoring forums, is a critical link to achieving high-level performance in the authority's three most critical objectives: maintaining financial health, improving customer service, and enhancing the image of the regional transit authority. (See Exhibit 1 for the basic principles of performance stat programs.)

GCRTA's executive management team, Office of Management and Budget (OMB), and several department directors are panel members for these forums. The entire panel comprises leaders who can effect change — the chief executive officer, the deputy general manager of operations, the deputy general manager of human resources, the director of procurement, the executive director for internal audit, and the executive director for the OMB. The people who are needed to address critical issues are at the table, so decisions and corrections can be made quickly,

## Exhibit I: The Four Principles of Performance Stat Programs



Performance Stat programs center on four principles:

### 1. Provide timely, accurate, and relevant data.

Begin with available data — data already being collected for other administrative purposes. What data are needed to determine whether the agency is or is not improving?

### 2. Analyze data and develop effective solutions that respond to emerging issues.

A performance program requires performance data. Use the data to discuss, examine, and analyze the agency's recent performance.

### 3. Deploy resources quickly to address issues.

The staff assigned to the panel can effect change, foster improvement in performance, and make critical decisions. Train employees to use the tools, technology, and information systems already in place in the organization.

### 4. Relentless follow-up and assessment.

Continuous follow-up on assignments is required in order to improve operations. Commitments are made for change and improvement.

eliminating excuses. Results are measured weekly, rather than monthly, quarterly, or yearly.

**Administrative TransitStat.** In 2009, GCRTA incorporated Administrative TransitStat to the existing program. The team for this program, which focuses on monitoring the performance of all administrative departments, includes

the TransitStat panel, the deputy general manager of finance and administration, the deputy general manager of engineering and project development, the deputy general manager of legal affairs, and the director of marketing and communications. Meetings are coordinated and directed by OMB, and other members who have information pertaining to the topic of interest

also attend. Again, the people who are needed to address issues are at the table, expediting action.

**The FAST Approach.** After TransitStat had been underway for a year, GCRTA implemented the FAST Approach<sup>1</sup> to continue moving forward. FAST entails the following principles:

- **Focus.** Think about what the organization will look like in five to ten years. What will the organization need to become in the future in order to continue creating value? The organization needs to develop a clear vision of the future.
- **Accelerate.** Identify two to three operating initiatives that would accelerate the movement toward the preferred future. How can the organization develop these operating initiatives? Create measurable and aggressive operating performance objectives to track progress.
- **Strengthen.** Determine what major organizational objectives might prevent the organization from moving forward to achieve its goals. What can be done to eliminate these obstacles?
- **Tie It All Together.** Integrate the preceding activities and refine them. Focus on the performance data, root causes, and solutions to develop the next wave of operating and organizational initiatives.

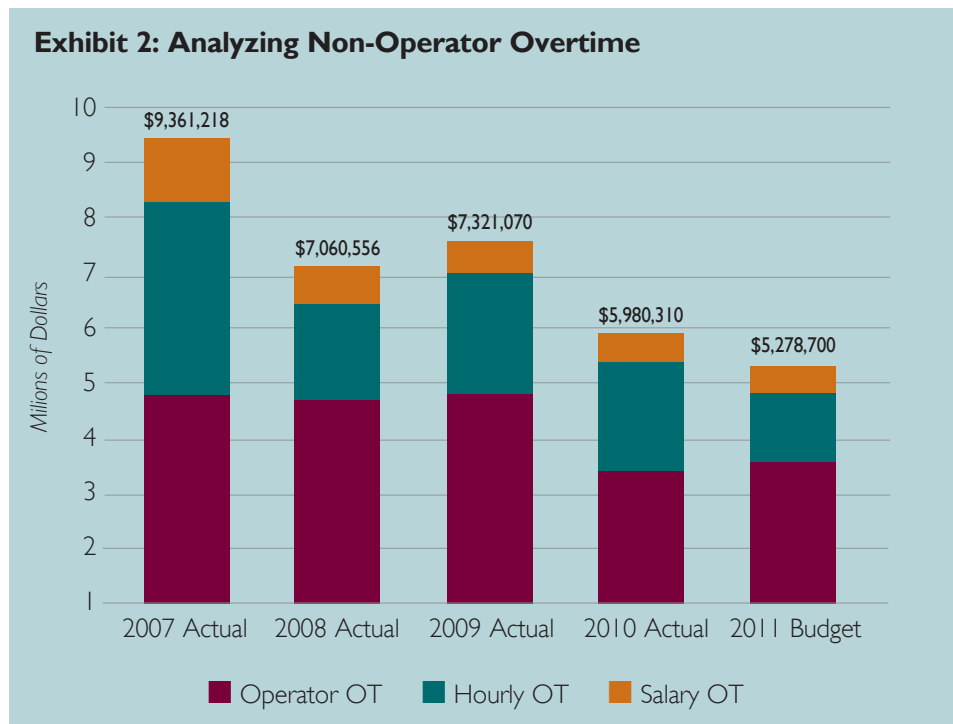
Each department analyzes the critical success measures for their areas. They are expected to demonstrate a thorough understanding of their unique issues and to communicate a strategy for controlling and monitoring these critical success measures throughout

the budget year. The strategy needs to be detailed, highlighting the link between it and the issues.

The authoritative data for this analysis are from programs already in place. Management can use the GCRTA's existing databases to create replicable and verifiable analyses; this includes databases for scheduling and planning, financial and accounting, procurement, and time keeping, all of which are used to identify trends, seek root causes, and recommend solutions. After finding the source of the problems, managers can mobilize resources quickly and follow up. All stat programs require relentless follow up and assessment — employees must know the program will be ongoing and constant. Performance management initiatives fail because they start out strong and later fizzle. In three years, GCRTA has analyzed data and worked on solutions in more than 400 situations.

### TRANSITSTAT SUCCESS STORIES

TransitStat helps in managing the areas of the business where under-performance has the greatest impact. Campaigns, programs, and functions of a department can all be tracked, and many are prime candidates for a stat program because the work, labor, parts, and performance in the departments can be tracked through the databases already in place. In addition to helping ensure accountability and high performance, biweekly forums on progress, costs, and timelines force management to use existing databases and software to manage and control costs and track performance.



The first TransitStat success came from analyzing non-operator overtime, costs that could be managed and measured with clearly defined metrics. Through detailed analysis of overtime costs for drivers, developing more effective ways to dispense overtime, effectively managing and monitoring the amount of time to complete tasks, and maximizing use of the organization's maintenance and material system, GCRTA saved \$2.3 million in 2008, compared to 2007. Non-operator overtime for 2009 was maintained at the new level, while subsequent years were projected to be slightly lower. (See Exhibit 2.)

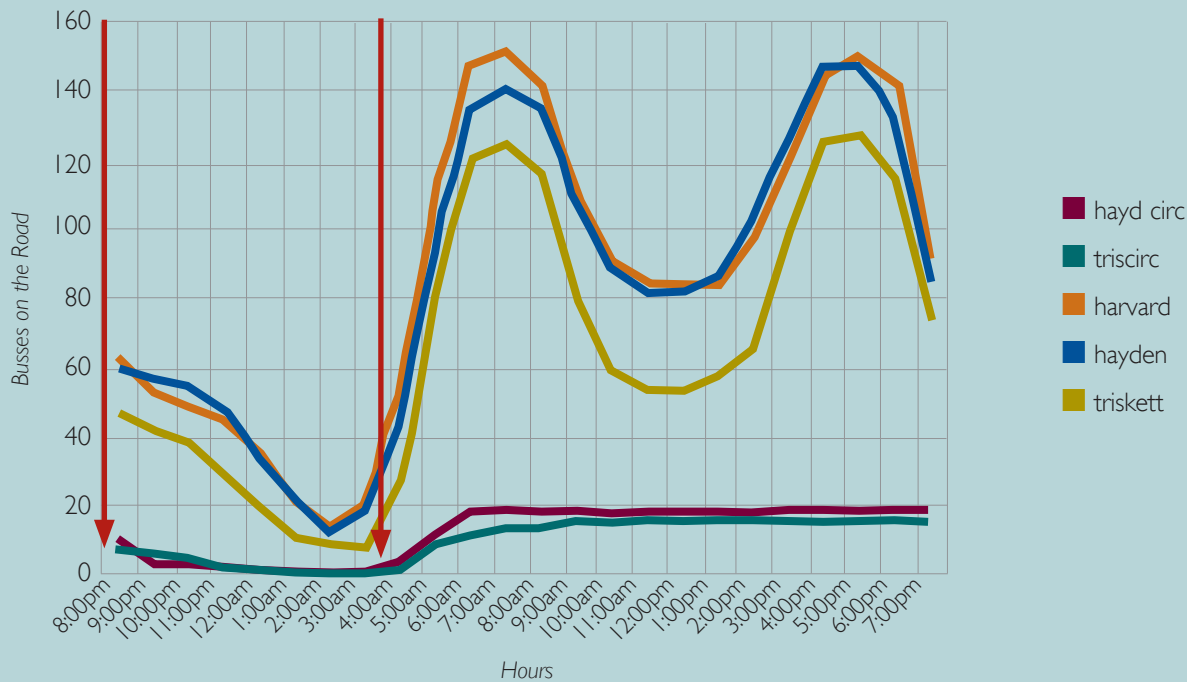
In another TransitStat project, started in July 2008, maintenance planners conducted a comprehensive analysis on maintenance, productivity, and performance of the bus equipment maintenance sections, comparing the labor scheduled with the availability of buses. They also analyzed failure modes, labor productivity, shift produc-

tivity, and maintenance effectiveness, and reevaluated the work processes and shift schedules. What they found was that most of the bus maintainers and supervisors were scheduled during the first shift, while most of the buses were available during the third shift.

Exhibit 3 displays the number of buses per district that are on the road at a given time. The least number of buses are in revenue service and the greatest numbers of buses are in garages between 8 p.m. and 4 a.m., so this is the optimal time frame to schedule mechanics to repair and maintain the vehicles. The shift times of most of the bus maintainers and supervisors were therefore changed to the third shift (7:30 p.m. to 4 a.m.), ensuring that the mechanics and supervisors who maintain the buses are working at the districts when the buses were available.

In addition, the equipment sections of each bus district identified 13 areas

**Exhibit 3: Analyzing the Number of Buses per District on the Road at Given Times**



for success, and they established weekly meetings and a schedule for training and work. They identified the parts, tools, and staff needed to make the shift change successful. Shop layout maps were created to eliminate any bottlenecks and reduce travel time between tasks. A year after these changes were implemented, the open tasks list was reduced by 65 percent.

Another successful example from the TransitStat program is the decrease in towing charges the GCRTA has experienced because of the Vehicle Reliability program, added to the TransitStat program in July 2008. The Central Bus Maintenance (CBM) District monitors the number, cost, and reasons for revenue vehicles to be towed, and since the onset of this program, towing charges have been reduced by more than 31 percent each year. The total towing

charges for 2010 were reduced nearly 56 percent, compared to 2008. Costs have been reduced from \$354,000 per year to \$154,000 per year.

### CONCLUSIONS

A performance management program like TransitStat allows public managers to make real improvements that save taxpayer dollars. A performance management program is a tool that helps to locate anomalies, control behavior, and motivate teamwork and creativity; it also communicates to the public that the organization is an effective steward of scarce tax dollars. For GCRTA, with an operating budget of \$225.9 million, using TransitStat and saving \$23.89 million is smart and effective. ■

#### Note

1. John Hagel III and John Seely Brown, *The Only Sustainable Edge* (Cambridge, Mass.: Harvard Business Press, 2005).

**KAY SUTULA** is senior budget management analyst, operations, for the Greater Cleveland Regional Transit Authority, where she leads a staff of analysts in the negotiation, development, execution, and review of the over \$270 million operating budget. She also leads the authority's internal consulting, productivity, and performance activities, which include TransitStat. Sutula holds a Bachelor of Science in Home Economics from The Ohio State University and a Masters of Business Administration from Franklin University. She graduated from the Cleveland State University's Maxine Goodman Levin College of Urban Affairs Leadership Academy in May 2011 and is currently enrolled in the CSU Maxine Goodman Levin College of Urban Affairs Ph.D. program for Public Affairs.