

Arkansas Department of Transportation
Arkansas Legislative Council
Efficiency Study Recommendations
Rules for Implementation

Monthly Update

June 1, 2024



**ARKANSAS STATE
HIGHWAY COMMISSION**

10324 Interstate 30
Little Rock, AR 72209

INTRODUCTION

Reference is made to the Final Report to the Arkansas Legislative Council by the Highway Commission Review and Advisory Subcommittee's (HCRAS) Study of the Arkansas Department of Transportation dated November 20, 2020 (Report). In accordance with Act 739 of the 93rd General Assembly, the Arkansas Highway Commission submits these rules to implement the recommendations in the Report.

For ease in reviewing, this document is organized to repeat the recommendation from the Report followed by the proposed rules for implementation. Once the rules are finalized, periodic reporting on the progress of implementation will be submitted to the HCRAS.

Implementation efforts will be underlined the first time they are reported.

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Organizational Structure

Recommendation #1

Finalize KPIs and implement performance management

The Subcommittee recommends ARDOT adopt leading performance management practices to formulate and track a variety of operational effectiveness key performance indicators within a larger performance management framework and finalize those key performance indicators currently in use.

a. Implementation:

- (1) Finalize existing key performance indicators for system condition and preservation and establish a preliminary dashboard;
- (2) Establish baseline performance targets and connect the performance targets to the ARDOT strategic plan; and
- (3) Create and implement a roadmap for a comprehensive performance management plan.

b. Considerations:

- (1) This is a long-term initiative and should be approached in phases;
- (2) This practice should be used to improve the Department and foster collaboration; and
- (3) Communication, training, and change management may be required to socialize a new performance-based approach.

Rules

ARDOT Primary Oversight: Assistant Chief Engineer – Planning

- 1.1 Establish the ARDOT Key Performance Indicators (KPIs) Oversight Committee. This committee will be made up of senior administration officials. This committee will oversee implementation and long-term management of this recommendation.
 - ✓ This action is now complete.
- 1.2 As stated in the Final Report, this is a long-term initiative and should be approached in phases. Therefore, the remaining actions for this recommendation will be accomplished in phases which align with the goals in the Strategic Plan, which are:
 - Provide innovative transportation solutions to improve safety and mobility;
 - Ensure ARDOT is a great place to work;
 - Deliver reliable and efficient customer service; and
 - Collaborate and strengthen partnerships.
 - ✓ This action is now complete.
- 1.3 Hold internal meetings with key ARDOT staff members to finalize development of operational effectiveness KPIs and recommend performance targets for each one that will support and evaluate

ARDOT's accomplishment of its Strategic Plan.

- ✓ Currently, this item is 85 percent complete.
- ✓ The KPI Oversight Committee developed a survey regarding available ARDOT data including format, update frequency and ownership to be distributed to Department leadership.
- ✓ A literature review is complete regarding best practices in the development and implementation of KPIs.
- ✓ The committee reviewed best practices as identified by the Federal Highway Administration (FHWA) and other State Departments of Transportation (DOTs).
- ✓ A subcommittee was created to assist with the implementation of this recommendation.
- ✓ A draft data survey was created in cooperation with the Recommendation #10 committee, and the survey was sent to all subcommittee members for feedback.
- ✓ A meeting was held to present the final draft data survey and survey plan to the Oversight Committee. The members of the committee provided input to the subcommittee regarding survey recipients.
- ✓ Workshops will be held for survey recipients prior to their completion of the survey.
- ✓ The subcommittee has developed an instructional video to accompany the workshops.
- ✓ The video has been sent to Divisions and Districts, explaining why the survey is needed. Additionally, staff members are being invited to take part in a virtual workshop where they will complete the survey with assistance from subject matter experts from the Information Technology and Planning Divisions. These virtual workshops will begin in mid-June.

1.4 Solicit stakeholder comments regarding operational KPIs and performance targets.

- ✓ This action is complete.
- ✓ The subcommittee completed a review of peer DOTs KPI dashboards.
- ✓ The subcommittee recommended a specific dataset for the initial KPI dashboard.
- ✓ The draft KPIs and performance targets were reviewed by the committee chair.
- ✓ The draft KPIs and performance targets were adjusted to align with the new Strategic Plan.
- ✓ The draft KPI webpage was reviewed by the former and new oversight committee chairs, and feedback was provided for revisions.
- ✓ After addressing the feedback from the oversight committee chairs, the draft KPI webpage/dashboard was presented to the oversight committee in September 2023, and additional feedback was provided for revision.
- ✓ The draft KPI webpage/dashboard was also presented at the 2023 Arkansas Transportation Planning Conference in September 2023 to engage with a wider audience for refinement. It was understood that the initial KPI dashboard presented the year-end performance snapshot.

1.5 Make final adjustments to the operational effectiveness KPIs and performance targets based on the comments received.

- ✓ The subcommittee is working with the web developer to make revisions based on feedback.
- ✓ KPI documentation is in progress.

1.6 Develop a dashboard to monitor and evaluate how ARDOT is meeting the performance measure for each KPI.

- ✓ This action is complete.

- ✓ The subcommittee met with an existing vendor regarding software that ARDOT currently uses to determine whether that software could be used to develop an effective dashboard for this effort. The subcommittee will investigate further. This investigation will include discussions with peer DOTs regarding their experience.
- ✓ The subcommittee recommended the use of Microsoft Power BI as the reporting tool for the KPI dashboard. Although the Department currently uses this software for other applications, a software upgrade is necessary to fully accomplish this recommendation.
- ✓ The subcommittee and data owners across ARDOT took part in a three-day training course for Microsoft Power BI in August 2023, in preparation for utilizing the software to make additions and edits to the KPI dashboard in the future.
- ✓ The initial draft of the KPI webpage was presented to the KPI Oversight Committee.
- ✓ The subcommittee updated the webpage to address comments received from the KPI Oversight Committee and other stakeholders.
- ✓ The draft KPI webpage/dashboard was provided to internal communications staff for input on presentation and readability.
- ✓ The updated webpage was sent to the Oversight Committee for any additional comments and final approval.
- ✓ The subcommittee presented the final KPI webpage/dashboard to the Oversight Committee and was given approval to proceed.
- ✓ The subcommittee worked with the Communications Division to develop a video on how to navigate the website prior to going live.
- ✓ The dashboard is complete and posted on the ARDOT website. The instructional video has been created.

1.7 Develop annual review to identify successes and address areas of needed improvement.

Recommendation #2 – Implementation Complete

Strengthen knowledge management in anticipation of increased retirement

The Subcommittee recommends adopting leading practices regarding knowledge management and preservation in anticipation of increased personnel retirement to allow ARDOT to mitigate knowledge loss due to turnover, identify operational efficiencies, and improve succession planning and training

a. Implementation:

- (1) Identify near-term “At Risk” business practices;
- (2) Initiate near-term succession planning activities;
- (3) Lay groundwork for more formal knowledge management system; and
- (4) Implement systems to sustain the desired change.

b. Considerations:

- (1) New IT systems and software may be required to support standard operating procedure creation and centralize content;
- (2) Updating and creating new standard operating procedures can be a significant undertaking, however using a comprehensive inventory will help ARDOT prioritize; and
- (3) Leadership support and change management may be needed for lasting change.

Rules

ARDOT Primary Oversight: Assistant Chief – Administration

2.1 The ARDOT Human Resources Division has been assigned the responsibility to oversee the implementation and long-term management of the Knowledge Management Program.

✓ This action is complete.

2.2 Continue reviewing all ARDOT positions to identify which ones are at risk of knowledge loss and identify responsibilities and associated processes, workflows, and critical areas of expertise.

✓ This action is complete.

✓ Criteria and procedures were developed to identify positions and key staff members at risk for potential knowledge loss using a Knowledge Risk Matrix.

✓ Criteria used to determine knowledge loss risk include the position’s headcount and grade, and the employee’s years of service and years in the position. Using this multi-point methodology, each employee is rated as high, moderate, low, or no risk.

✓ More than 500 employees and approximately 280 job titles have been identified as being at moderate or high risk for knowledge loss. Of those, only about 30 employees were identified as the highest risk of critical knowledge loss.

✓ Every three months, the knowledge loss risk report is regenerated to ensure the data is updated with ARDOT’s current workforce.

2.3 Continue with knowledge interviews and further develop methods for knowledge capture of high-risk work responsibilities, processes, and workflows.

- ✓ This action is complete.
- ✓ Knowledge interviews are routinely conducted with individuals who have been identified as moderate or high risk of knowledge loss, using a three-page questionnaire to determine the primary and secondary duties, equipment used on the job, challenges and how they are overcome, knowledge and skills needed, supervisory duties, unfinished projects and upcoming deadlines, important resources and coworkers, cross-training that has taken place, and advice for others in the position. Priority is given to those individuals who are leaving ARDOT or changing jobs. The information is shared with their managers to ensure a smooth transition when the individual leaves ARDOT or changes jobs.
- ✓ Since 2018, we have also been participating in the American Association of State Highway and Transportation Officials (AASHTO) Knowledge Management (KM) Subcommittee, where state Departments of Transportations (DOT) share best practices, resources and lessons learned as each develops its own KM program.
- ✓ The System Information and Research (SIR) Division utilizes EOS.web software to catalog ARDOT's physical library of books, operating manuals, etc. This software is ideal for a centralized inventory of KM related information. Therefore, the Human Resources Division (responsible for implementing the KM program) is working with the SIR Division (responsible for maintaining the Research library) to catalog documents related to the KM program.
- ✓ A series of monthly lunch-and-learn sessions with subject matter experts has been developed, as an additional method of sharing knowledge across the agency.

2.4 Identify staff in each Division or District who will be responsible for management of the knowledge captured and transfer of the knowledge to appropriate parties.

- ✓ This action is complete.
- ✓ For SFY 2024-2025, we submitted a plan to add two Workforce Development Specialists to our staff. Our budget proposal was approved by the full legislature and enacted, and these new staff members have been hired. One will help facilitate and coordinate the KM program.
- ✓ One representative from each District was assigned responsibility for knowledge capture interviews. One representative from the Central Office was assigned responsibility for knowledge capture interviews for all Divisions.
- ✓ Additional staff members were assigned to assist with knowledge capture and transfer for various specialized professions such as engineering, environmental, right of way, research, and planning.

2.5 Develop annual review of ARDOT's KM Program to ensure alignment with current processes and workflows.

- ✓ This action is complete.
- ✓ A KM Steering Committee has been established to ensure alignment with current processes and provide support for the growth of the KM program.
- ✓ The KM Steering Committee performed its first annual review of ARDOT's KM program in the first quarter of calendar year 2024, and will continue to do so every year thereafter.

Portfolio Planning

Recommendation #3

Publish status of construction projects and maintenance activities

The Subcommittee recommends revising ARDOT's existing communication of construction project and maintenance activities to make communication less disjointed and difficult to navigate. Improving the communication and reporting structure can enhance public visibility into, and accountability for, project performance; enhance project delivery; and yield better data to inform planning and budget appropriations.

a. Implementation:

- (1) Inventory current reporting infrastructure;
- (2) Identify and implement short-term reporting enhancements; and
- (3) Lay the groundwork for long-term reporting improvements.

b. Considerations:

- (1) ARDOT does not need to build out an entire platform to rapidly enhance reporting of readily available project status data: leverage existing platforms and tools, such as IDriveArkansas and district office websites; and
- (2) An enterprise level approach will be required to provide true real-time access to project status.

Rules

ARDOT Primary Oversight: Chief – Administration

- 3.1 Evaluate existing reporting platforms currently in use and document project information provided through them.
 - ✓ This action is complete.
- 3.2 Identify additional project information that could be provided through currently used reporting platforms for construction projects that are under development or have been let to contract and for maintenance projects.
 - ✓ This action is complete for construction projects. The information for maintenance projects will be developed as the Maintenance Management System (MMS) is developed and implemented.
- 3.3 Hold internal meetings with key ARDOT staff members to select project information that will be provided and how this information should be presented.
 - ✓ A committee was formed which contains a member of the Department's Administration as well as key staff members. This committee will continue to serve in order to accomplish this recommendation.

- ✓ The Arkansas Highway Commission adopted Minute Order 2022-047 which authorized the Director to issue a Request for Proposals to retain the services of a qualified consultant to accomplish this action.
- ✓ Five proposals were submitted.
- ✓ A committee evaluated the proposals to select the most qualified consultant to provide this service.
- ✓ The Arkansas Highway Commission passed a motion at the December 7, 2022 meeting to accept the staff recommendation to enter into negotiations with the selected firm, Garver LLC, to provide these services.
- ✓ Negotiations are complete for the contract with Garver LLC to provide these services.
- ✓ We compiled the required documents used to obtain public comments regarding the proposed contract.
- ✓ The proposed contract was submitted to the Highway Commission Review and Advisory Subcommittee (HCRAS) on June 19, 2023, for review and comment before execution. At the August 24, 2023 meeting, HCRAS finalized review of the contract.
- ✓ A kickoff meeting with Garver and ARDOT staff was held on November 28, 2023.
- ✓ Knowledge transfer meetings are being held with key ARDOT technical staff and Garver to discuss technical needs and requirements.

3.4 Solicit stakeholder comment regarding project information that will be provided and how this information should be presented.

- ✓ The public/stakeholder comment period on the proposed contract (which included a general overview of the information expected to be provided on the website) was open from June 19, 2023 to July 5, 2023. No comments were received.
- ✓ The contract was executed by the Director on September 21, 2023.
- ✓ Garver is in the process of developing the initial version of the website, including project information and how it will be displayed. Once the first draft is completed, it will be presented to ARDOT management for comments or suggestions for improvement.
- ✓ Once the website is approved by ARDOT management, it will be published for public/stakeholder comments.

3.5 Finalize project information that will be provided and how this information should be presented.

3.6 Since the accomplishment of this recommendation involves information and data that will be provided by implementation of Recommendations 1, 7, and 10, the implementation for this recommendation will be phased to align with when the information and data is available.

Recommendation #4

Implement a platform that tracks all stakeholder inquiries to resolution

The Subcommittee recommends ARDOT implement a process to track all stakeholder inquiries from receipt to resolution. ARDOT primarily manages customer service by providing the public direct access to staff with no uniform process for documentation of the inquiry or response. Leading customer services practices suggest that ARDOT can improve its customer service, while simultaneously reducing the cost to the Department and finding new Department-wide operational efficiencies.

a. Implementation:

- (1) Understand customer, stakeholder, and public needs;
- (2) Define a new customer experience vision;
- (3) Lay the groundwork for a new service approach, including adoption of a customer relationship management tool; and
- (4) Create and execute on implementation plan; and measure and communicate customer service performance.

b. Considerations:

- (1) Clear vision, leadership buy-in;
- (2) Upfront investment for future return on investment;
- (3) Project Manager passionate about customer service;
- (4) Right technology application identified early in the process; and
- (5) In a phased approach, transition “services” not divisions.

Rules

ARDOT Primary Oversight: Chief – Administration

- 4.1 Establish the ARDOT Customer Service Oversight (ACSO) Committee. This committee will include at least one senior administration official and oversee implementation and long-term management of this recommendation.
 - ✓ This action is complete.
- 4.2 Hold internal meetings with key ARDOT staff members and evaluate existing resources to identify the quantity, scope, and type of customer inquiries.
 - ✓ Internal meetings with all Division Heads and District Engineers were held.
 - ✓ Comments received from the Division Heads and District Engineers were evaluated to identify the quantity, scope, and type of customer inquiries.
 - ✓ Additional internal meetings were held with representatives from all Divisions and Districts.
 - ✓ In total, 294 Department staff members attended one of these meetings.
 - ✓ Comments from these meetings were compiled to identify the quantity, scope, and type of customer inquiries.

- ✓ This action is complete. Adjustments, if needed, will be made as we continue to refine the system.
- 4.3 Conduct a targeted survey of ARDOT inquiries to assess customer's needs and create an analysis of their needs.
- ✓ As we considered how to develop a survey, we realized that many of our staff were not aware of the capabilities of a system designed to track customer inquiries to resolution. Therefore, rather than conducting a survey, the decision was made to hold meetings with representatives from all Divisions and Districts (in total, 294 staff members) to explain the goals of such a system and to gain the same information that would have been gleaned from a survey (e.g., the quantity, scope and types of customer inquiries).
 - ✓ Comments from these meetings were compiled to assess our customer's needs and create an analysis of their needs.
 - ✓ This action is complete.
- 4.4 Use the results of the internal meetings and the analysis of ARDOT customer's needs to establish goals for customer experience.
- ✓ Comments from the meetings with Department staff, which included 294 employees, were compiled to identify the quantity, scope, and type of customer inquiries.
 - ✓ On January 30, 2022, the GovQA system was made available to staff in a test environment.
 - ✓ In February 2023, GovQA was moved into production for use by our internal staff members, who have been using the system for actual contacts made from the public. Using this data, we are continuing to evaluate how well the system meets the customer's needs. Additional adjustments, if needed, will continue to be made.
 - ✓ ARDOT's Communications Division utilized feedback from internal meetings as well as data from the GovQA system to finalize language defining our customer experience goals. They developed a list of Frequently Asked Questions, and a list of Trending Topics to enhance the customer experience.
 - ✓ We created a new name for GovQA, which is "*Ask ARDOT*," and a logo has been designed for the system.
 - ✓ The customer service experience is as follows: "*Ask ARDOT* is a one-stop portal for all your questions, comments, and requests regarding Arkansas highways. Serving you – the citizens of Arkansas – is a top priority for the Arkansas Department of Transportation. *Ask ARDOT* is a way for you to ask questions, get information, and track the status of your inquiry. Our goal is to make your customer experience easy, thorough, and as timely as possible. *Ask ARDOT* will ensure your questions, comments, and requests are heard and answered."
 - ✓ This action is complete.
- 4.5 Solicit stakeholder comments regarding the established goals for customer experience.
- ✓ During our internal meetings with stakeholders referenced above, the anticipated goals for the future system were discussed. As of this report, the customer experience language, lists of Frequently Asked Questions and Trending Topics, and specific program goals were shared with our stakeholders. The comments received did not require a change to the established goals for customer experience.
 - ✓ This action is complete.

- 4.6 Select a consultant to provide software which can be integrated into our website that will provide ARDOT the ability to input, track, and document the processing and response to customer inquiries.
- ✓ We completed an evaluation of customer service systems utilized by other agencies such as the City of Portland and the City of Philadelphia, which were identified as a leading practice by Guidehouse, and the Florida Department of Transportation (FDOT).
 - ✓ As part of this evaluation, we attended online webinars held by the FDOT and by the consultant that developed the system FDOT implemented, which is GovQA.
 - ✓ The committee recommended and the Department executed a contract with GovQA to provide services to accomplish this recommendation.
 - ✓ The estimated cost for GovQA to provide the software and training is less than \$50,000.
 - ✓ GovQA was implemented and customized for ARDOT's needs.
 - ✓ As stated above, GovQA was launched internally in 2022 for employees to begin practicing with the system before it goes public.
 - ✓ On September 22, 2023, a "coming soon" video was posted on ARDOT's social media platform announcing that a new inquiry tracking system would soon be available for public use.
 - ✓ Ask ARDOT was made available to the public on October 2, 2023. A news release was distributed announcing the system and a "how to" video was posted to social media platforms. The portal can be accessed from ARDOT's main website, and a link to the portal has also been placed on IDriveArkansas.
 - ✓ This action is complete.
- 4.7 The consultant provided software will also be developed to provide a reporting structure that can be used to provide summarized information regarding customer inquiries to ARDOT administration and the public.
- ✓ Development of a reporting structure is underway.
 - ✓ We are currently 85 percent complete with this action.
- 4.8 Establish metrics and performance measurements to evaluate accomplishment of customer service goals.
- ✓ We have developed a customer satisfaction survey that users can complete once their inquiry has been answered. A link to the survey is included with the resolution email that the customer receives.

Procurement

Recommendation #5

Implement efficiencies in procurement and purchasing

The Subcommittee recommends ARDOT optimize and standardize procurement and purchasing procedures. ARDOT may more effectively use resources and maximize costs savings Department-wide – including and beyond construction procurement with documented and standardized procurement procedures.

a. Implementation:

- (1) Use data-driven approaches like spend analysis and lifecycle costing to inform procurement and purchasing decisions;
- (2) Standardize usage of project acceleration techniques, procurement methods, and delivery methods; and
- (3) Push efficiencies to districts.

b. Considerations:

- (1) IT systems to track data;
- (2) Staff capacity and expertise to conduct data analysis;
- (3) Assignment of responsibility between districts and divisions; and
- (4) Change management to shift culture from low bid to best value.

Rules

ARDOT Primary Oversight: Assistant Chief Engineer – Program Delivery, Assistant Chief – Administration

5A. Procurement of Construction Projects

5.A.1 Select focus areas to evaluate related to this portion of the recommendation. Consideration should be given to change orders, cost estimates, and project delivery methods.

- ✓ This action is complete.
- ✓ We established a focus group to identify areas to have improved efficiency for procurement of construction projects. The group focused on these areas:
 - Developing a guide for the selection of procurement and delivery methods;
 - Standardizing the use of project acceleration techniques; and
 - Conducting change order studies.

5.A.2 Identify needed data to evaluate the current processes and procedures used in the focus areas.

- ✓ The identified data includes:
 - A survey of other State DOTs use and experience with selection tools used to evaluate alternative delivery methods on a project by project basis;

- Research regarding project acceleration techniques used by other State DOTs; and
- The Department's construction administration's dataset will be used to conduct the change order analysis.
- ✓ This action is complete.
- 5.A.3 If any needed data is not currently tracked, identify and implement methods of capturing it.
 - ✓ We have not identified any additional data that is needed; therefore, this action is considered complete.
- 5.A.4 Perform evaluation of current processes and procedures used with respect to the focus areas and document the practices that yield the best benefits.
 - ✓ Procurement and Delivery Method Guide
 - Development of the guide is underway.
 - A survey regarding Project Delivery Selection tools (PDS) was developed and sent to DOTs, local agencies and transit authorities. Based on survey responses, ARDOT will select three to five agencies and request more information about their PDS tools.
 - Three agencies were selected to be interviewed. They are the Minnesota DOT, Washington DOT and North Carolina DOT.
 - Interviews have been held with the Minnesota DOT, Washington DOT, and North Carolina DOT.
 - A draft PDS tool was developed, which includes a qualitative assessment based on project goals and risks, to determine optimal choice of delivery methods for identified projects.
 - A workshop was held on June 1, 2023, with ARDOT administrative staff to preview how the tool is structured. The workshop led participants through a sample delivery model selection exercise using an existing ARDOT project. Similar workshops are also being held with relevant ARDOT staff members.
 - On August 24, 2023, a workshop was held with ARDOT managers.
 - Currently, we are 85 percent complete with this action.
 - ✓ Standardizing the Use of Project Acceleration Techniques
 - A survey regarding the use of project acceleration techniques in surrounding DOTs was conducted. The survey results indicated that ARDOT has embraced and is utilizing project acceleration techniques at a higher rate than the other states surveyed. ARDOT will continue to explore other tools or methods as they are identified.
 - A literature review of National Cooperative Highway Research Program (NCHRP) publications was completed. The publications indicated that ARDOT is actively using many of the best practices suggested in the documents.
 - The results of the survey responses were summarized and reviewed for insight into the use of standardized project acceleration techniques by other DOTs.
 - ARDOT will include the "No Excuses Incentive" project acceleration technique in future projects, as appropriate, to determine the benefit of this technique.
 - Currently, we are 90 percent complete with this action.

- ✓ Change Order Studies
 - Construction related data from ARDOT's AASHTOWare system is being mined for information that could lead to project design or administrative changes in the future. The data collected was utilized to develop the draft report. The draft report is being reviewed for editing and clarity.
 - Currently, we are 67 percent complete with this action.

5.A.5. If needed, implement new or improved processes and procedures that yield the best benefits.

5B. Procurement of Equipment and Materials

5.B.1. Select focus areas to evaluate related to this portion of the recommendation. Consideration should be given to supply and demand trends, term contracts, commodity price changes, ownership cost, procurement procedures, and purchasing methods.

- ✓ The identified focus areas below are complete.
- ✓ We added new supply and term contracts for our Heavy Bridge Maintenance Section to take advantage of supply and demand trends in a volatile market.
- ✓ We increased our use of the Request for Proposals process for vendor selection and procurement, specifically in the professional services arena. This allows us to incorporate the total cost of ownership into the evaluation criteria.
- ✓ Through the Oracle fusion procurement cloud service audit process, we are able to track purchasing by procurement codes and by vendor.
- ✓ We have awarded a new supply contract for our Guardrail Impact Attenuators (Crash Cushions).

5.B.2. Identify needed data to be able to evaluate the current processes and procedures used in the focus areas.

- ✓ The implementation of the Oracle Fusion Procurement Cloud Service will identify and provide additional data needed to accomplish this action.
- ✓ We implemented an Oracle Fusion Procurement Cloud Service audit process that allows for daily reviews of purchasing requisitions. This process is being used to assist in accomplishing this action, which is now a standard procedure for us.
- ✓ This action is complete.

5.B.3. If any needed data is not currently tracked, identify, and implement methods of capturing it. This will include the implementation of a software to move ARDOT to electronic bidding for equipment and materials.

- ✓ We initiated implementation of online bidding software for equipment and materials. As part of this implementation, we attended online webinars held by the InfoTech, Inc., which is the same consultant that provides online bidding services for our construction projects. We have completed the training and testing of the software.
- ✓ We are using online bidding for 100 percent of our bids, contracts, and requests for proposals. We continue to incorporate lessons learned to ensure success of the online bidding process.
- ✓ We are tracking and documenting our Heavy Bridge Maintenance bids and contracts.

- ✓ Through our online bidding process, we can reach more bidders and we can track who has viewed our bid advertisements, which is now a standard procedure for us.
- ✓ We are tracking and documenting our equipment contracts for percent over or under cost estimates, which is now a standard procedure for us.
- ✓ We are tracking and documenting all supply contracts for pricing and percent increase/decrease from previous contracts, which is now a standard procedure for us.
- ✓ This action is complete.

5.B.4. Perform evaluation of current processes and procedures used with respect to the focus areas and document the practices that yield the best benefits.

- ✓ We are tracking and documenting our most volatile commodity price changes to identify practices that yield the best benefits, which is now a standard procedure for us.
- ✓ We are tracking and documenting our mowing contracts for percent of increase or decrease from the previous contract period, which is now a standard procedure for us.
- ✓ Our tracking and documenting of all supply contracts, mowing contracts, and equipment contracts for pricing and percent increase/decrease from previous contracts are now standard procedures for us.
- ✓ This action is complete.

5.B.5. If needed, implement new or improved processes and procedures that yield the best benefits.

- ✓ We are updating our *Purchasing and Disposal Processes and Procedures* manual which will formalize and enhance statewide oversight by our Equipment and Procurement Division. This manual will help facilitate the training of new employees, as well as increase efficiency and consistency of purchasing throughout the agency. Currently, we are 85 percent complete with this update.
- ✓ We are revising the Purchasing Section of the ARDOT Accounting Manual. We have also submitted the recommended Purchasing Authority and Purchasing Policy to guide the referenced Purchasing Section of the Accounting Manual. The *Purchasing and Disposal Processes and Procedures* manual will align with the Purchasing Section of the Accounting Manual.
- ✓ We continue to utilize State of Arkansas contracts administered by the Office of State Procurement (OSP) when advantageous and in the best interest of ARDOT.
- ✓ We increased our use of cooperative procurement agreements that have been formally adopted by the State of Arkansas/OSP when it is determined that they yield the best benefits and/or result in cost savings.
- ✓ This action will be completed upon receipt of the revised Accounting Manual, to ensure alignment and consistency.

Recommendation #6

Implement construction contractor performance measurement

The Subcommittee recommends a construction contractor performance score. ARDOT rigorously monitors contractor quality through inspections but lacks a tool to screen for contractor quality during procurement. By implementing performance-based scoring, ARDOT may improve work quality, safety, and timeliness; reward high-performing contractors; and encourage low-performers to improve.

a. Implementation:

- (1) Identify quality indicators (i.e., repeated disincentives, claims, change orders, delays);
- (2) Develop scoring system to quantify performance; and
- (3) Track and monitor performance, using indicators and costs. In monitoring contractor performance, the recommendation of the Subcommittee is that the Department coordinate with county judges, mayors, and other municipal leaders to receive feedback regarding contractors performing work for the Department in the municipal leader's jurisdiction.

b. Considerations:

- (1) Consider impact for both small and large contractors;
- (2) Emphasize quantitative approach to minimize any appearance of subjectivity in scoring;
- (3) Consider an appeals process for contractors to counter scores; and
- (4) Ensure contractors have a clear path to raise their scores

Rules - Rule change based on public comment.

ARDOT Primary Oversight: Assistant Chief Engineer - Construction

- 6.1. Establish the Contractor Performance Evaluation Committee (CPEC) to include ARDOT staff and two representatives from the highway contracting industry. Members should have work experience needed to oversee the development, implementation, and long-term management of this recommendation.
 - ✓ The Arkansas Asphalt Paving Association has selected Brad Marotti, from Delta Asphalt, to serve on the Committee.
 - ✓ The Arkansas Association of General Contractors has selected Paul Drury, from Capital Midsouth, to serve on the Committee.
 - ✓ This action is complete.
- 6.2. Identify metrics that define quality and desired performance of the prime contractor for construction projects.
 - ✓ The CPEC Committee completed its review of best practices from other State DOTs. As part of this, the Committee participated in a Federal Highway Administration Virtual Peer exchange on May 12, 2022. The following State DOT's also participated in this peer exchange: New Mexico, Arizona, California, and Virginia.
 - ✓ This action is complete.

- 6.3 Establish how each metric will be used to evaluate the prime contractor.
- ✓ A manual has been drafted and is under review.
 - ✓ Seven projects were selected for a pilot application of the draft manual. The contractors were informed of the process and agreed to participate. All these jobs are expected to be completed by Spring 2024.
 - ✓ Currently, we are 80 percent complete with this action.
- 6.4 Develop a form which will be used by the ARDOT Resident Engineer and appropriate stakeholders to document their evaluation of the prime contractor.
- ✓ The committee reviewed specific Contractor evaluation forms from other State DOT's and agreed to utilize Washington State DOT's guidelines and form as a baseline for ARDOT's form. The committee will continue evaluation of this form and guidelines to customize for ARDOT use.
 - ✓ Currently, we are 80 percent complete with this action.
- 6.5 Establish the process of compiling the completed evaluations into the project's final evaluation of the prime contractor.
- ✓ Currently, we are 35 percent complete with this action.
 - ✓ We entered a pilot phase for eight different projects which is anticipated to take several months. One of the eight jobs was not awarded to contract. The remaining seven jobs are expected to be completed by Spring 2024.
 - ✓ We expect substantial progress to be made as those projects are completed. Several of the pilot projects are nearing completion, so the committee members will soon be completing final evaluation reports on the contractors.
- 6.6 Establish a review and appeal process of the project's final evaluation of the prime contractor that is accomplished and completed prior to the results of the evaluation being published.
- ✓ This action is complete.
- 6.7 Develop guidance for the type or size of projects where this evaluation will not be used.
- ✓ Currently, we are 50 percent complete with this action.
- 6.8 Solicit stakeholder comments regarding the identified process for this recommendation.
- ✓ This effort is continually ongoing through comments and feedback from Industry, by including one committee member representing Arkansas Asphalt Paving Association, and one committee member representing the Arkansas Association of General Contractors.
- 6.9 Finalize the process for this recommendation.

Expenditures

Recommendation #7

Implement project and portfolio management frameworks

Subcommittee recommends adopting a project and portfolio management framework. ARDOT's pre-construction, construction and maintenance Project Portfolio Management systems vary in maturity. Enhancing these systems with leading Project Portfolio Management practices and a Project Management Office may allow ARDOT to more effectively budget, plan, execute, and communicate on its portfolio of construction projects and maintenance activities.

a. Implementation:

- (1) Catalog existing Project Portfolio Management capabilities and identify baseline and target;
- (2) Identify gaps in Project Portfolio Management (e.g. pre-construction resource planning);
- (3) Establish a Project Management Office and Governance, and build on existing strengths and capabilities; and
- (4) Phase deployment, develop tools, and train staff members.

b. Considerations:

- (1) Will require Department-wide effort to unify disparate initiatives and assets and build out Project Portfolio Management framework; a qualified vendor can expedite this process;
- (2) Implementation of Project Portfolio Management/project management office will be perceived as overhead, but will yield long-term benefits; and
- (3) Change management and new IT applications may be required.

Rules

ARDOT Primary Oversight: Assistant Chief Engineer - Maintenance

7A. Construction Projects

7.A.1. Evaluate the need for a Construction Project Management Office.

- ✓ The Program Management Division serves as the Project Management Office (PMO) for pre-construction projects while the Construction Division serves as the PMO for construction projects. The noted Divisions will continue in their assigned roles as this recommendation is implemented.
- ✓ This action is complete.

7.A.2. Review existing planning and project management protocols currently in use by ARDOT to determine the software used and their capabilities for construction projects.

- ✓ A new software system was implemented to assist with the planning of projects. This system allows for suggested projects to be entered into a database which streamlines the project submission process. This software will be enhanced as part of this recommendation.

- ✓ Additionally, the software used to track pre-construction project development activities was recently enhanced to provide additional data, which will also be incorporated into this recommendation.
 - ✓ This action is complete.
- 7.A.3. Prepare a comparison of the planning and project management protocols currently in use by ARDOT for construction projects against systems and processes used by other state DOTs to identify potential benefits from the implementation of the identified systems.
- ✓ This action is complete.
- 7.A.4. Select identified systems and processes for implementation.
- ✓ Efforts are underway to enhance our current construction project documentation software, AASHTOWARE Project. This software was developed in collaboration with other state Departments of Transportation. The new web-based system will provide additional reporting tools for project monitoring. Currently, we are working with our consultant, InfoTech, Inc., to complete customization of the software, identification, and implementation of needed changes to our current procedures while we work toward completing this upgrade.
 - ✓ Enhancement of the AASHTOWARE Project software identified the need to develop online forms to be used by our staff to document construction project activities.
 - ✓ Currently, we are 84 percent complete with this action.
- 7.A.5. Coordinate implementation of the selected systems and processes with implementation of Recommendation 3 to enhance publication of the status of construction projects.
- 7.A.6. Provide needed training to implement the selected systems and processes.
- 7.B. Maintenance Projects
- 7.B.1. Evaluate the need for a Maintenance Project Management Office.
- ✓ The Maintenance Division serves as the PMO for maintenance projects. They will continue in their assigned role as this recommendation is implemented.
 - ✓ This action is complete.
- 7.B.2. Finalize the review of existing planning and project management protocols currently in use by ARDOT to determine the software used and their capabilities for maintenance projects.
- ✓ Efforts are underway to develop and implement a Maintenance Management System (MMS). As part of this effort, we participated in a Domestic Scan Peer Exchange with other State Departments of Transportation (DOT) to learn how they utilize software to manage their maintenance efforts based on asset condition. We met with the following DOTs: North Carolina, Mississippi, and Louisiana, and visited onsite with the Texas DOT to evaluate how each state uses MMS to accomplish maintenance projects. We also evaluated National Cooperative Highway Research Program (NCHRP) reports to assist in our development of how we will use our MMS to manage our maintenance projects.
 - ✓ In November 2021, the Commission selected Data Transfer Solutions, LLC to provide this system.

- ✓ Negotiations with Data Transfer Solutions, LLC, were completed, and the contract was submitted to this Subcommittee on August 25, 2022. The Subcommittee considers this contract to be reviewed.
 - ✓ The Department executed a contract with Data Transfer Solutions, LLC, to implement this software.
 - ✓ This action is complete.
- 7.B.3. Prepare a comparison of the planning and project management protocols currently in use by ARDOT and those that will be provided by the MMS for maintenance projects against systems and processes used by other state DOTs to identify potential benefits from the implementation of the identified systems.
- ✓ This action is complete.
- 7.B.4. Select identified systems and processes for implementation.
- ✓ This action is underway and will continue as we implement the MMS.
 - ✓ Currently, we are 90 percent complete with this action.
- 7.B.5. Coordinate implementation of the selected systems and processes with implementation of Recommendation 3 to enhance publication of the status of maintenance projects.
- 7.B.6. Provide needed training to implement the selected systems and processes.

Recommendation #8

Implement best practices in construction project design

The Subcommittee recommends adopting, implementing, and documenting best practices in construction project design. ARDOT lacks formal frameworks to ensure the consistent use of best practices in construction design, limiting their ability to demonstrate cost savings and strengthen institutional knowledge. By adopting and documenting such procedures, ARDOT may reduce project costs and improve achievement of system targets.

a. Implementation:

- (1) Develop formal framework around use of performance-based practical design;
- (2) Conduct value engineering earlier in design (i.e., at 30 percent complete) and more often; and
- (3) Evaluate gap between original bid and final payment amounts to inform best practices in design.

b. Considerations:

- (1) Not all projects are well suited to or would benefit from such approaches; frameworks should identify when to use them; and
- (2) ARDOT is already employing many of these practices, so implementing recommendation will not require creation of new technical practices; rather, formalizing and documenting existing practices.

Rules

ARDOT Primary Oversight: Assistant Chief Engineer – Design

8.1. Establish formal procedures for practical design, value engineering, and a comparison of engineer's estimates against final cost.

- ✓ This action is complete.
- ✓ Practical Design – The formalization of this process has been completed and approved by management.
- ✓ Value Engineering – While Value Engineering of projects was being accomplished according to FHWA guidelines, the Design Staff revisited the process and made the following updates and additions:
 - The Value Engineering Guidelines and Procedures Manual was updated and distributed October 2021 encouraging additional projects that have the highest potential for value improvements be considered for the Value Engineering process. The additional screening criteria included, but was not limited to, the following:
 - More than one alternative solution
 - Relative complexity in design
 - Accelerated time schedule in planning and design phases
 - Opportunity for implementation of state-of-the-art practices

- Complicated maintenance of traffic requirements
- A Value Engineering Flow Chart was developed to aid Engineers in determining when a project meets the criteria for Value Engineering.
- An additional entry was added to the Design Decision Document stating the results of the Flow Chart determination.
- Additional entries will be made in the ARDOT Staff Minutes alerting staff of the Value Engineering requirements for each project.
- ✓ Comparison of the Engineer's Estimate Against Final Cost
 - Design Staff will continue to review the overruns and underruns of contract pay items when the project is completed and finalized. Any revisions to current design practices, deemed necessary by the Roadway Design Engineer, will be submitted in writing to the Assistant Chief Engineer - Design for review.

8.2 Establish the analysis which will identify benefits, cost savings, and return of investment from the use of practical design, value engineering, and a comparison of engineer's estimates against final cost.

- ✓ This action is complete.
- ✓ Design Staff record cost savings from the implementation of practical design elements during the design process. This is accomplished through the use of a Microsoft Access database which enhances our ability to perform analysis of the data. The staff will expand the recording of cost savings to the Value Engineering process if/when those savings present themselves.
- ✓ Cost Savings realized in 2021 was \$116 million.
- ✓ Cost Savings realized in 2022 was \$59 million.
- ✓ Cost Savings realized in 2023 was \$19.5 million.

8.3 Establish processes which will identify needed changes to design approach for projects most likely to have change orders that exceed estimated completion dates and are likely to benefit from practical design solutions.

- ✓ A draft Constructability Review Procedures Manual has been created and submitted to management for review. The manual will establish uniform policies and procedures for Constructability reviews within ARDOT.

Information Technology

Recommendation #9

Build an IT Governance Structure to guide the Department's IT investments

The Subcommittee recommends building an information technology governance structure to determine ARDOT's IT investments. ARDOT's IT investments have grown 155 percent since FY2016 to \$23M in FY2020 under unclear enterprise level guidance. Leading practices suggest that establishing a formal governance structure will enable the IT Division of ARDOT to support business objectives, help optimize ARDOT operations, manage enterprise risk, and meet internal and external stakeholder needs.

a. Implementation:

- (1) Lay the groundwork to establish a robust governance structure;
- (2) Establish a governance structure that identifies a cross-section of business and IT personnel to create a charter and decision making framework; and
- (3) Create and execute on a governance roadmap; measure and communicate progress

b. Considerations:

- (1) This is an ongoing process;
- (2) Leadership support is needed;
- (3) Emphasize how IT enables business performance and reduces risk; and
- (4) Cascading of enterprise level goals through the IT Division to actual underlying processes.

Rules

ARDOT Primary Oversight: Assistant Chief – Administration

- 9.1 Establish an Information Technology (IT) Governance Committee made up of ARDOT leadership including the appropriate Assistant Chiefs and Division Head that reports through the Chief – Administration to the Director.
 - ✓ This action is complete. The committee met with all District Engineers and Division Heads to inform them of the goals of this committee.
- 9.2 Establish a framework and charter for the committee.
 - ✓ Meetings were held during in June 2022 to develop a draft framework and charter.
 - ✓ The Committee adopted the final version of the framework and charter at the meeting in October 2022. This action is complete.
- 9.3 Establish governance focus areas and priorities.
 - ✓ Meetings were held in June 2022 to begin identification of focus areas and priorities for the committee.
 - ✓ The Committee adopted focus areas and priorities at the meeting in October 2022.
 - ✓ This action is complete.

- 9.4 Establish needed subcommittees to address each focus area.
- ✓ The IT Governance Committee determined that subcommittees are not needed at this time. This action is complete.
- 9.5 Establish a framework and charter for each subcommittee.
- ✓ Since no subcommittees are needed at this time, this action is complete.
- 9.6 Establish frequency for committee and subcommittee meetings.
- ✓ The Committee established the frequency of their meetings at the meeting in October 2022.
 - ✓ This action is complete.
- 9.7 Identify KPIs to evaluate performance.
- ✓ The Committee plans to review the KPIs developed by the KPI Oversight Committee (see Recommendation 1) to determine which of those KPIs will be used to evaluate IT governance in the future. Additional KPIs may be suggested by members of the Committee for consideration.

Recommendation #10

Implement mid-term IT initiatives that can optimize business operations

The Subcommittee recommends the adoption of information technology initiatives that optimize business operations. ARDOT spends ~\$5.3M on software applications and has 300+ databases. Implementing leading data management and software application rationalization practices can deliver cost savings and unlock data value.

a. Implementation:

- (1) Build a software application and database inventory;
- (2) Assess and score each software application and database;
- (3) Identify target state for each application and database; and
- (4) Build phased roadmap for migration processes.

b. Considerations:

- (1) Requires upfront investment to yield mid-to long-term savings;
- (2) Requires leadership buy-in and change management to overcome resistance and assist staff in shifting to a new model;
- (3) Requires software application such as the planned information technology service management tool; and
- (4) Requires implementation plan for continuity of operations.

Rules

ARDOT Primary Oversight: Assistant Chief – Administration

- 10.1 Determine preliminary ARDOT data governance and application development standards.
 - ✓ This action is complete.
- 10.2 Complete the existing application and database inventory including known policies, procedures, training and database schema categorized by business function.
 - ✓ This action is complete.
- 10.3 Establish application and database scoring system based on business function relevancy, risks, and cost of ownership.
 - ✓ This action is complete for the application component.
 - ✓ The data survey and assessment being completed by the KPI Oversight Committee (see Recommendation 1) will include all data sources, and that information will be used by to score each database for the purposes of this recommendation.
 - ✓ A revised draft data survey was resubmitted to the Recommendation #1 Oversight Committee. The members of the committee will provide input regarding survey recipients. Workshops will be held for survey recipients prior to their completion of the survey.

- 10.4 Review and validate scoring assessment with internal subject matter experts.
- ✓ This action is complete for the application component.
- 10.5 Create an overall assessment for all applications and databases in the inventory, which will, in part, evaluate the security and configuration of each one.
- ✓ This action is underway.
 - ✓ Currently, we are 50 percent complete.
- 10.6 Establish a phased approach for implementation based on the needed actions as identified in the assessment as follows:
- Phase 1 – Retain as is or eliminate
 - Phase 2 – Re-engineer
 - Phase 3 – Migrate
 - ✓ Initial training with software that will be used to develop and deploy modernized applications is now underway.

Recommendation #11 – Implementation Complete

Develop critical pillars necessary to establish IT as an effective business partner

The Subcommittee recommends developing the critical pillars within ARDOT to establish the IT Division as an effective business partner. Currently, ARDOT's IT Division is not able to definitively articulate what services it will deliver, when it will deliver them, and its standards for effective delivery. Implementing an information technology service management framework may yield enhanced IT service delivery, improved internal customer satisfaction, and reduced IT costs.

a. Implementation:

- (1) Establish baseline policies and procedures, and preliminary service catalog;
- (2) Select appropriate software tools; and
- (3) Establish a long-term IT Service Management Plan that includes appropriate communications and training to staff, and mature service catalog.

b. Considerations:

- (1) Yield quick wins by establishing a basic service catalog and standards, capturing IT demand, and tracking requests;
- (2) Include recommended project management infrastructure in the long-term information technology service management plan; and
- (3) Communication and training will be critical to mitigate resistance to change.

Rules

ARDOT Primary Oversight: Assistant Chief – Administration

- 11.1 Evaluate industry standards and protocols for Information Technology Project Management (ITPM).
 - ✓ This action is complete.
- 11.2 Select a preliminary set of ITPM tools, templates, and success metrics.
 - ✓ We have selected SmartSheet Enterprise as our project management software which provides us with tools and templates we need to measure our success metrics.
 - ✓ This action is complete.
- 11.3 Establish and provide training to staff members to implement the ITPM tools, templates, and success metrics.
 - ✓ This action is complete.
- 11.4 Complete implementation of the Information Technology Service Management (ITSM) already selected and installed at ARDOT including:
 - Service desk capabilities;
 - ✓ This action is complete.

- Service catalog management;
 - ✓ This action is complete.
- Risk management;
 - ✓ This action is complete.
- Asset catalog;
 - ✓ This action is complete.
- Project Management capabilities including tracking and reporting.
 - ✓ This action is complete.

11.5 Establish a multi-year long-range plan for management and use of the ITSM.

- ✓ This action is complete.

People Capabilities

The Rules for Recommendations 12 and 13 should be combined into one set of actions since they are so closely connected.

Recommendation #12

Ensure staff can develop in their careers at the Department

The Subcommittee recommends developing a career development plan for ARDOT employees. Nearly half of ARDOT staff do not believe they can advance their careers there, and its turnover is rising. By developing career ladders and lattices, ARDOT may increase retention, reduce turnover-related costs, strengthen its talent pipeline, and improve morale. In addition, the Subcommittee recommends the State Highway Commission establish a merit pay system for employees of the Department that incorporates performance evaluation standards, including an employee's attendance, completion of projects and assignments, and increased competence in the employee's job duties.

a. Implementation:

- (1) Verify roles at high risk of turnover and important to succession planning;
- (2) Conduct compensation study;
- (3) Develop and publicize career, skill, and salary progression;
- (4) Promote buy-in among staff for the performance-based pay and evaluation practice; and
- (5) Implement a merit pay system that incorporates employee performance evaluation standards.

b. Considerations:

- (1) Ability to promote may be limited by low turnover in desirable positions – consider career lattices when traditional career ladders are inaccessible; and
- (2) Career development activities are closely aligned with training and knowledge management.

Recommendation #13

Improve staff capabilities to align with current/future organizational needs

The Subcommittee recommends ARDOT improve staff capabilities to align with the current and future needs of ARDOT. Staff and supervisors report that training resources are limited. By strengthening training, ARDOT may improve job satisfaction and retention, increase productivity, and instill confidence in staff who then become more willing and able to take on greater responsibility within the ARDOT.

a. Implementation:

- (1) Align trainings to job descriptions and career planning activities;
- (2) Identify and fill training gaps;
- (3) Assign trainings as part of performance evaluation process;
- (4) Reinstitute manager training;
- (5) Consider cross-training in high turnover districts and positions; and
- (6) Consider formalizing on-the-job, practical training.

b. Considerations:

- (1) Training will likely need to be updated over time, for example as new equipment is used or new programs are developed;
- (2) Training need not be restricted to entry-level roles, senior level employees can benefit as well; and
- (3) Priorities must be identified to focus rollout on training where it will have the most impact.

Rules

ARDOT Primary Oversight: Assistant Chief – Administration

12.1 Continue to monitor turnover and identify high turnover positions that are important to ARDOT's continuity of operations for accomplishment of the Strategic Plan.

- ✓ This action is complete.
- ✓ The most common reasons for turnover and the groups of employees which appear to be the least engaged are identified biannually as part of the Employee Engagement Survey. The survey results are used to refine our Workforce Strategic Plan which supports the overall ARDOT Strategic Plan and enhances our ability to provide continuity of operations.
- ✓ We calculate turnover rates by job category quarterly to identify trends and high turnover groups. This information is used to identify actions that can be taken to increase retention and enhance our ability to provide continuity of operations.

12.2 Continue implementing the existing Workforce Strategic Plan, and adjust as needed, in order to mitigate the impact of turnover and increase employee engagement.

- ✓ This action is complete.

- ✓ The Workforce Strategic Plan is adjusted every two years upon receipt of the Employee Engagement Survey results and is also adjusted as needed when the ARDOT Strategic Plan is revised.
- ✓ The Workforce Strategic Plan has been updated to correspond with the 2023-2028 ARDOT Strategic Plan.

12.3 Continue to establish how pooled positions can be used to properly align our employee's compensation with their competencies and responsibilities.

- ✓ This action is complete.
- ✓ During the State Fiscal Year (SFY) 2022-2023 appropriation cycle, we incorporated the use of pooled positions for the first time. Approximately 64 percent of our appropriated positions were pooled, giving us flexibility to create career ladders and lattices for our employees.
- ✓ For SFY 2024-2025, we submitted a plan to expand existing pools and add additional pools. Our budget proposal was approved by the full legislature and enacted, which means approximately 97 percent of our appropriated positions are pooled, giving us even greater flexibility to provide opportunities for employees to advance their careers, within budget constraints.

12.4 Identify and publicize the steps required for advancement within career paths with respect to competencies, experience, training, and certifications.

- ✓ This action is complete.
- ✓ We placed Human Resources Specialists in every District to improve communications with field employees and give employees direct access to someone who can help with career development and coaching.
- ✓ We implemented a Career Path Promotion Program that allows employees to promote along established career paths by meeting certain measurable objectives. Eligibility criteria is published so that employees are aware of the objectives they must meet to be eligible for consideration.
- ✓ A centralized library of Career Path Promotion Program documents, that include steps in the process and minimum requirements, was created on our Intranet and linked through our Human Resource Information System. All employees have access to this information.
- ✓ Career Path Promotion Program documents have been developed for the most common career path promotions and are available to employees and supervisors as stated above. Additional career path promotion processes and associated documents will be developed and published as needed.

12.5 Consider the benefit of a compensation study.

- ✓ This action is complete.
- ✓ We hired an experienced Classification and Compensation Specialist to analyze compensation trends, develop a compensation strategy, monitor market conditions, and conduct ongoing job analysis for key positions and also upon request to ensure pay and job duties are in line. We believe this continual process is preferable to a one-time compensation study.

- 12.6 Evaluate the ACE employee performance evaluation process to ensure that the accomplishment of training, attendance, completion of projects and assignments, and increased competencies are taken into consideration.
- ✓ This action is complete.
 - ✓ We took actions to ensure that the performance evaluation process includes competencies related to self-development (training), dependability and/or reliability (attendance), completion of assignments, and technical competence.
 - ✓ Our Administration also emphasizes manager accountability for accurate ratings.
- 12.7 Continue to identify and fill training gaps and prioritize training where it will have the most impact.
- ✓ This action is complete.
 - ✓ In 2019, we conducted a Training Needs Assessment which helped us identify gaps regarding how best to deliver training to different groups and barriers to participation. Many employees requested more hands-on equipment training, as well as more leadership development opportunities. This reinforced our belief that our top priorities should be the development of a Maintenance Training Academy and a Leadership Development Program.
 - ✓ Since the implementation of our Learning Management System, we continually expand online learning opportunities. This is important due to the number of employees and supervisors citing a lack of time to attend classroom training.
 - ✓ We increased our Workforce Development staff, to create a team of professionals who are dedicated to expanding and enhancing our training programs, publishing learning paths, developing curriculum for online and classroom training, and coordinating the Leadership Development Program and Maintenance Training Academy.
 - ✓ We have Health & Safety Officers in every District, to achieve greater focus on work zone safety training and expansion of the Maintenance Training Academy.
 - ✓ The Health & Safety Officers also deliver the newly mandated Entry-Level Driver Training (ELDT) program to all employees whose positions require a commercial driver's license (about 75 percent of our workforce). This program includes classroom and behind-the-wheel training.
 - ✓ All employees receive a refresher course in Anti-Fraud and Ethics Code, and all new employees complete this course as part of their orientation within the first 90 days of employment.
 - ✓ Work Zone Safety training is offered to all maintenance employees, and all new maintenance employees receive it as part of their orientation.
 - ✓ Training Needs Assessments are conducted at least every three to five years, and the results are used to make adjustments to our training program.
- 12.8 Encourage supervisors to utilize employee development plans, including training and other activities, as part of the performance evaluation process.
- ✓ This action is complete.
 - ✓ The Achieving Career Excellence (ACE) system provides the tools supervisors need to quickly and easily assign performance tasks, goals, learning, and development plans. These can be created and assigned anytime throughout the year, or as part of the annual performance

evaluation process.

- ✓ Supervisors are advised of the availability of these tools and encouraged to utilize them.

12.9 Continue providing manager training both in-house and by utilizing our existing external partners.

- ✓ This action is complete.
- ✓ Most of our existing supervisors completed a Dale Carnegie leadership training program and many also completed UALR's Leadership Academy.
- ✓ All new supervisors attend Supervisor Onboarding training to help them make the transition to leadership, provide Day 1 need-to-know information, and give them team-building skills from the start. Follow-up training is also provided on the hiring process and performance management within the first 90 days of placement for a new supervisor.
- ✓ Each year, all District and construction managers attend a two- or three-day conference with an agenda focused on leadership and communication strategies.
- ✓ Each year, approximately 20 ARDOT leaders attend the American Association of State Highway and Transportation Officials Management Institute. This is a four-day intensive course which is specifically designed to develop leadership skills of upper level management staff in the transportation industry.

12.10 Implement a Leadership Development Program to further develop existing leaders at all levels, as well as to prepare future leaders.

- ✓ This action is 50 percent complete.
- ✓ The first phase of the Leadership Development Program is underway, which prioritizes first-time and first-line managers. One hundred and fifteen (115) managers have completed the program and more are anticipated to complete the program.
- ✓ Future phases of the program will include basic leadership development opportunities for employees who consider themselves future leaders, as well as more advanced leadership training for middle managers and executive leaders.
- ✓ Twelve administrative officials participated in a 360-degree feedback pilot program. The program included three professional coaching sessions based on the feedback received from participants. We evaluated the benefit of this type of program, and plan to incorporate it into future phases of the Leadership Development Program.
- ✓ For SFY 2024-2025, we submitted a plan to add two Workforce Development Specialists to our staff. One of them will help facilitate and coordinate the Leadership Development Program.
- ✓ Online learning paths have been published in ARDOT University to allow employees who consider themselves future leaders to voluntarily enroll in these courses to begin building the skills needed for future leadership roles. This group of employees will be considered "Level 1" of the Leadership Development Program once it is fully implemented.

12.11 Continue cross training in high turnover areas and for high turnover positions.

- ✓ This action is complete.
- ✓ The positions and areas with the highest turnover are in our field maintenance offices. We recently introduced a method for maintenance supervisors to track/record new employee on-the-job training when learning how to drive single and multi-axle dump trucks.
- ✓ We have formalized and automated a process by which employees can submit training

requests to their supervisors for cross-training opportunities. The online cross-training and on-the-job training request form has been developed and made available to employees.

12.12 Complete implementation of the Maintenance Training Academy, which offers formalized practical training, including but not limited to equipment operation.

- ✓ This action is complete.
- ✓ Health & Safety Officers in each District are implementing Phase 1 of the Maintenance Training Academy (MTA) during New Hire Orientation twice a month, covering the Safety Manual, drug and alcohol testing, and basic safety procedures.
- ✓ The MTA team was expanded to include members from the Human Resources, Equipment & Procurement, and Maintenance Divisions. The team selected Phase 2 topics for all four quarters of the 2023 training year. Those topics with the highest priority for development and delivery were: Preventive Maintenance, Tractor/Mower Safety, Situational Awareness, Snow Plow & Defensive Driving, and Chainsaw Safety.
- ✓ Preventive Maintenance, Tractor/Mower Safety, Work Zone Safety, Situational Awareness, Defensive Driving (which includes a segment on snow plows) and Chainsaw Safety courses are now being delivered on a regular basis.
- ✓ The final phase of the MTA is to offer equipment operation training to employees via simulator. The simulator trailer has been secured, allowing us to transport the simulator to various locations and Districts across the state. The 2024 training schedule for the simulator has been developed, giving employees the opportunity to learn basic operator skills on a backhoe, wheel loader, motor grader, dozer and excavator in a safe, controlled environment.