

# **Growing Customers by Growing Employees**

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## **ABSTRACT**

Growing customers can be an exciting adventure. So often, we don't think about the approaches to good customer programs that enhance our business. We also don't think hard enough about the value of growing our workforce too - which results in customer growth. However, timing in our industry couldn't be better to make this effort a priority and make our customers more aware of the benefits of public transportation. It is our role as leaders to instill delight for riders so that word-of-mouth helps to grow our industry. Accomplishing a goal to achieve customer delight makes all the long hours and hard work seem worth it. Are you ready to grow your customers? Do you have an organizational culture rich in providing customer delight or a culture that maintains the status quo? If it were easy, everyone would be already achieving the goal.

Transportation leaders within our industry continually state that employees are the key to success and the most important element of operating their systems. In the past few years, our transit associations in North America have defined two main strategic goals on the development of our industry's workforce. Our transit system leaders spend endless hours on the topic of retention, recruitment, and development, and have stated that assessment, training and development should be a core requirement to any system to achieve long-range success.

It's time to ask yourself, "Why is it so difficult for training and development plans to receive a higher priority when budgets, goals, and legislation is being implemented? Do you have problems with motivating, attracting and retaining workers in your company? Ask yourself, "Why is our industry so slow to accept the fact that having programs that recognize success factors, demonstrate one's knowledge of the industry and provide the motivational skills to those they manage. Wouldn't this be the key to achieving customer delight? What are we waiting for?" In order for a vision to become a reality, our systems must begin to offer the necessary partnerships that enable our workers to grow, and our leaders to recognize and reward them. Isn't it time we focus more on development and teaching our employees how the future vision, mission and values statements must link to our every day goals of running the business well? Grow your employees - and start counting the growth of your customers!

## **INTRODUCTION**

This paper focuses on the approach for one to think differently. It will give the reader an opportunity to

see beyond the normal and create a shift in developing a commitment that looks beyond the annual budget cycle. It will involve one's employees in the decision of investment and won't let the words alone solve our industry's people and performance initiatives. Moreover, this paper will demonstrate actual results and testimonial feedback when care, recognition and reward are the tools that demonstrate leadership for our workforce.

We all want similar improvements for our organizations. For example, we want to improve our employee involvement through participation, we want to empower our workforce, we want to develop succession planning, we want certifications and enhanced technology that improves communication and training. What stops us from achieving these goals? The answer is simple. Our leadership must make the shift from traditional methods to more proactive innovative ways to sustain improvement. This will reinforce our desire to improve the quality of our services, while decreasing the cost of providing it.

This paper will also demonstrate how growing the workforce through education generates a desire to work smarter and more efficient. How teaching the right thing clearly means the incorporation of employee feedback. In addition, that listening to employees feedback about education and training, creating focus groups, working closely with the educational institutions, and onsite programs - get employees energized and motivated to do a great job for one's company - that results in growing customers.

Finally, imagine your workforce waking up every day eager to get to work on-time, happy and productive - to do a great job for the company - but also recognizing self growth and a future filled with hope.

## **PAYING ATTENTION TO THE FACTS**

Organizations ponder over the need to invest in training and development. Research shows that very few systems link the training they currently purchase and/or approve to accredited programs or acceptable college credits. The attention is on the short-term fixes, rather than the long-range outcome. Hence, the reason why we spend so much time trying to recover from lost talent, or short retention.

In our industry's effort under (PT)2, it is clear that informing everyone about the basics, the benefits, the opportunities, the choice, and the freedom are vital for making communities stronger and more vibrant. Anyone managing a multi-million dollar public transit operation today realizes that this industry employs over 450,000 people in North America and moves over 10-billion people annually. Ensuring our employees have the tools needed to be successful, improving their skills through assessment, and development will pay dividends. For example, a recent news release from the Institute announcing the unveiling of a new product called, "TranSmart 101"<sup>TM</sup>, an educational game. This game is designed as a learning model for the novice, as well as the seasoned transit person. Statistics show that playing educational games improve a students leaning experience.

What does the question, "Are employees most important?", mean to your employees? In a recent survey

conducted by Booz Allen and Hamilton, they stated that the workers feel engaged when the senior level management is not so fluid and constantly changing. Does this sound like your organization? Regardless of the approach and one's intuition that employees are most important - we must ask ourselves to define the answer of what this means for our employees.

For years we have talked about the ability for one to repeat their company vision and mission statements word-for-word. Most can't, because we don't educate them or demonstrate it ourselves. Over 80% of our industry is made-up of front line workers and front line supervision. Making the commitment to improve this industry by training, developing and creating a sense of urgency about recognition, will bring our future reality into perspective. Careful planning, endless communication and dedication to change the paradigm, is what gets us to the next step of improvement. As Dr. Covey's habit number three states, "Put First Things First", we must put our employees first and dedicate resources to do the right things.

Finally, the true test of success is when the "buy-in" occurs from one's employees and results one never thought could be achieved become the way of business. Are your employees prepared for the change? What do they think about growing customers? Do your survey's say we don't need to listen or get our employees involved? What do your customer complaints say about the attitudes of your employees? Do commendations outweigh complaints? Is recognition through a certified workforce part of your plan? It's time to make a call for action, and create the investment in your employees at every level of your organizations.

## **CERTIFIED DESIGNATIONS**

Last month, at the APTA Bus Conference in Minneapolis, Manuel Hererra, from RTD Denver presented a paper titled, "Assessment, Training and Certification." He introduced the process requirement for certification that emulates a similar program with the Professional in Human Resources (PHR) organization. Mr. Hererra stated, "The framework (of the PHR) can also be used as a construct for the development of any training program (in transit) that requires validation."

The intent of the lecture is to introduce a goal for a transit certification process to validate the mastery and competency of a given body of knowledge. He goes on to state, "Certification requires assessment by an independent professional organization. The role of this organization is to verify the five characteristics that the Department of Labor says distinguish a profession from other occupations, namely:

1. National Organization - a unified group that can speak with one voice for its membership and foster development of the profession.
2. Code of Ethics - established standards of behavior relating to fairness, justice, truthfulness and social responsibility.
3. Research - Applied research to advance the profession.
4. Body of Knowledge - Through a codification process defines the body of knowledge for the discipline.
5. Credentialing - An independent credentialing organization that sets the professional standards for the

discipline and defines eligibility requirements for the certification examination.

Certification sets the professional standards in the field and establishes the basis for higher order functioning of the discipline."

In April, 2000, Judy Williams wrote an expert advice article about professional certifications and the use of designations. She went on to explain certifications as a license which represents a standard of professional requirements that enable one to perform a certain job or function.

For example, in 1985, the Convention Liaison Council, has sponsored the Certified Meeting Planner (CMP) designations, representing the most important function of a professional meeting planner. She went on to state, "It represents the standard of excellence in today's industry." Over 5,457 planners worldwide have earned the designation. The designation means one has minimal experience, education and training, including being employed in that industry.

The lasting effects of certification designations truly mean something. Most industry professionals in that industry have now considered a high level of support, citing advantages from improved knowledge, confidence, peer recognition, respect, and an innate gratifying sense of satisfaction for setting such a goal and achieving it.

Similar to the meeting planner certification, transit certifications are structured to ensure intellectual competence is combined with the appropriate understanding of the industry, and includes a broad base of hands-on experience.

While the merits of obtaining a designation are still too new to report, many transit personnel agree that the steps along the way to become a recognized seasoned professional in the transit industry is the step in the right direction.

## **CONTINUING EDUCATION**

Corporate support for employee study programs, partnerships with educational institutions and the mass of e-learning programs available today is where our industry must envision its attention. One must truly understand the learning model of Bloom's Taxonomy. This model demonstrates a cognitive level of applications from knowledge to evaluation. For example, the knowledge level is the "who, what where, when" level. The comprehension is the "why and how" level. Bloom's model further takes one through application, analysis, synthesis and finally evaluation again. The final evaluation level contains elements of all the other levels. It requires one to make judgments about the worth, value, or quality of an idea or an item. This is an excellent model for decision cognitive learning. Moreover, online learning is becoming a common way to learn as well.

It's always exciting to be involved with a new strategy and a new beginning, but being sure that our industry's definition of education is in place, takes careful planning and understanding from the start.

The timing is perfect to move ahead with new innovations and programs - as initiatives for workers retention, initiatives to educate the public and a new federal government to support our industry is a great beginning.

Continuing education must have meaning and supported by the need to learn something. In addition, it should always add value to our goals, whether personal or business. Most organizations are weak to support the notion that a core course requirement should be a standard for our industry. Allowing staff to take courses that don't add value to an organization is a waste of time, effort and money. Few organizations have made the commitment and include the goals and programs specific to help educate their work force. In this environment of hurry-up and learn for the sake of reporting a completed goal - it is time to rethink how our educational goals are setup and how our budgets must match those goals.

Sandy French, president of Northern Lights Communications Group, believes strong support for continuing education has to be a given in the successful corporate culture today. On the other hand, he states that empirical evidence suggest that, something like a person going off for a two-day seminar or course, is not something that can change or improve a company very quickly. He states, "Companies at the top have goals and objectives that need to be translated down to individuals. They should be asking, what core competencies does one need to help achieve our business results?"

Corporate support for employees' education - whether through partnerships with an institute, university or e-learning - has to move up a notch and be recognized as a driver for better performance, employee commitment and employee retention.

## **THE GROWING CHALLENGE**

This past summer, the APTA Business Members newsletter, August 2001, featured a story about workforce development initiatives. Stephanie Pinson, Gilbert Tweed Associates wrote the article.

We all have a challenge. The challenge of improving our national investment in transit, when "growing pains"; "high turnover" and worker "scarcity" are at unprecedented levels. How do we expect our people structure to operate successfully in an increasingly technological workplace? The article expressed the need for a core issue to be on everyone's mind. How do we improve our ability to attract and retain talented, highly educated and motivated employees into the transit industry better than we do currently?

Years ago a common phrase was used during a speech at the University of Pennsylvania and can't help but be restated here. "If you always do what you have always done, you will always get what you always got." In other words, we must change what we have been doing to retain and motivate workers - and create new innovations and pioneer new methods to address this issue.

In October 2001, the National Transit Institute and the APTREX Institute entered into a letter of agreement that demonstrates the commitment on both organizations to dedicate resources to help the transit industry workforce begin to see the value of education. The linking of course work to areas of



need will enable growth for employees and results for transit systems. NTI provides training courses committed to the transit industry. APTREX provides the certification testing and assessments to candidates that apply for certification. Together, it is a formula for our workforce to achieve results not previously achieved.

The Transit Research Board (TRB) has announced a TCRP project F-11, which includes Human Resources Study of Workforce Development in North America Transit Industry. The study will have a benchmarking focus, which is an essential part of addressing transit workforce issues, as well as, solutions that can come from both public and private sector.

Look at your own organization and first seek to understand - what has your company done different in the last two-years to address this issue? What goals are set for your organization that link to this issue? What employee involvement has been coupled with the creation of the objectives to achieve success in growing your customers by growing your employees?

Let's look at MARTA in Atlanta. They have instituted employee development that links employee assessment to the course requirements. They give incentive to the workers to achieve a professional certification at the successful completion of the training. The elements of change are done through grass roots methods. Employees are getting trained in areas they need to be trained. The results will be profound in the years to come.

At San Mateo County Transit District, the dedication to see that the workforce remained informed of industry information and changes in new products, new information and other important news events. In addition, that training and development are viewed as being an integral part of their retention programs and an important part of their customer services goals.

At Long Beach Transit, they are looking to include a structured tuition reimbursement program for transit certification. Once the employee completes the program, they are rewarded and recognized for completion of a program that demonstrates knowledge and commitment to the transit industry.

At New York City Transit Authority, they include a comprehensive tuition refund program which reimburses employees \$4000 annually for job related training, requiring a "C" or better on most courses. In addition, certification programs and professional licenses are paid direct by the Transit Authority. Similar at Central Ohio Transit Authority, professional license and certifications are paid for direct by the employer.

At Houston Metro, the focus was with the front line supervisory staff. Starting at the first line manager position, helps an organization achieve succession planning for future promotional opportunities. Helping employees making the transition from the hourly ranks to the management ranks. The recognition and assessment they receive is priceless in developing their career path in the transit industry.

## **WHERE DO WE GO FROM HERE**

Like any organization that seeks to grow customers, the goal setting element tends to be an area that most people believe they either understand or have a - "been-there-done-that" mentality. Therefore, most people disregard the complexity of the entire process of goal setting and goal monitoring. I suggest that one test their staff to really see how well they understand the goal setting process - and don't accept the "we know how to do that" answer.

The goal of your workforce should be to have a complete understanding of the transit industry, the direction the transit industry is heading, and how your organization synergizes with that goal to improve your own system. It is also important to have self-motivation of your employees, but being sure they have the knowledge and awareness where to acquire that information. Our workers should be given the opportunity to be recognized as a transit leader and work hard for your system and our industry goals. So, the question, "Does a transit certification program help to grow employees?"

In 1993, the American Public Transit Exams Institute, an arms-length organization, began to conduct research on the topic of education, training and development. The results were very clear. Little was done to link assessment, training and development to industry knowledge based programs. Further, the evidence suggested that the budget dollars for training, tuition reimbursements and development were constantly challenged and reduced. Years of attempts to create transit certification programs were rejected because of the misunderstanding, poor development and lack of desire to be innovative on the "soft- skill" topics.

Today, the certification process has several extensive steps to be taken before one can be certified. Similar to the Professional Human Resources criteria explained earlier. It is also suggested that one reads the, "Candidate Handbook for Certification", provided by the APTREX Institute.

The first step begins with an application and reference letter submission. The application is then reviewed and points assessed to determine eligibility to test. The review is a series of steps including one's experience, education, contribution to the industry, participation, budget, people responsibility, internal and external responsibility. Once eligibility to test is complete, the test is taken. The test is a two-hour exam inclusive of multiple-choice, reading comprehension and a written exercise. Once the test is completed, a candidate must meet the minimum required points to become certified in the category one is seeking. Moreover, the accreditation is conducted by the ITCRB (International Transit Certification Review Board), which governs the entire certification process from application review to final certification approval. There are six levels of certifications offered to the transit industry and they are as follows:

- " CERTIFIED TRANSIT FIRST LINE MANAGER - CTFMSM
- " CERTIFIED TRANSIT SECTION MANAGER - CTSCMSM
- " CERTIFIED TRANSIT DIVISION MANAGER - CTDVMSM
- " CERTIFIED TRANSIT DEPARTMENT MANAGER CTDMSM
- " CERTIFIED TRANSIT EXECUTIVE MANAGER - CTEMSM
- " CERTIFIED TRANSIT BOARD MEMBER - CTBMSM

The years of research and development conducted by the Institute remains the key ingredient that enables the transit industry to receive the benefit of knowledge-based testing. In addition, this information is used to further the requirements for assessment, training, development and certification criteria.

The certification results achieved to date provide invaluable information to transit systems looking for ways to educate and motivate the workforce. As of this publication, (185) certification exams were in the planning stages, with (105) transit personnel filing applications and being approved for taking the examination. (71%) of the personnel achieved successful scores and earned certification. (16%) of those registered are still in the testing cycle, and (29%) of the personnel that tested did not achieve a certification. There are (80) tests remaining a work in process.

The second key element in the certification process is the feedback assessment given to each individual. We call this element the time to be a "meaningful specific", instead of a "wondering generality." The feedback informs the candidate the exact areas of strength and weakness. Working on one's weakness through this method is a form of self- assessment. An employee is not being told by their supervisor, or at a performance evaluation session. The results are their own. In addition, the transit systems' training department also gets feedback to understand the specific training that they should be offering to their workforce. Again, a wonderful feedback mechanism that tells the story where one should be spending their time and money on training and development. Finally, most workers are motivated to get a certification, or keep their certification, because the requirement forces education in the right areas. For example, to re-certify in three years - one must demonstrate that they have achieved 10 units of continuing educational credit. Others go out on their own to get the training they need. Win-Win!

## **WE SHOULD LEARN SOMETHING EVERY DAY**

One will know that when they are called a professional student, they realize that the dedication to learning has been met. We should foster the same challenge in our workforce to become professional learners and learn something new every day.

In recent years, the transit business has not experienced rapid growth in employment. The employee development programs were always the first to be cut. Systems emphasized their commitment by allowing the one-day seminar to be the training instrument and this resulted in expensive training with little results. The current employment condition in this industry has caused a disincentive and has brought a burgeoning need to improve the level of training and education within the transportation sector. Our transit associations have expressed a high level approach to improving workforce initiatives, such as, training, hiring, and retention. The key element begins with knowledge based understanding and feedback from those that live it everyday. Processes aimed at these objectives and can assist the industry with an on-going credible process to instill success.

What have we learned from the process of transit certification? Our statistics tell the story and give us the information required to make improvement where improvement is needed. Spending the limited



resources in areas that give us the best payback. Why would we not take advantage of this approach? Does it appear too simple? Look at your own system and determine the factors that lead to this conclusion.

### **Figure 1 - Certification Results as of March 1, 2002**

In figure 1, this chart represents the four series of certification exams taken to date, which range from the entry level E101 to the department head level E401. The bars represent the relative correct answers by section. Each bar represents the different sections of the test, from A to G. While the section topics have some consistency in content, the level of difficulty increases with the progression of the test one is taking. For example, a math problem in the E101 section A, will be more difficult in the E401 exam. However, each exam is different. Levels E101 and E201 do not have a section G.

The results of the examinations taken to date represent a common pattern seen throughout the last twenty-five years in the transit industry. Areas of weakness include, grammar, writing, math, accounting, finance, budgeting, transit governance, statistics, planning, leadership and strategic planning. Areas demonstrating strengths include, transit terminology, multi-modal knowledge, and basic supervision.

What is very clear in this chart is the division and department level managers show a steep decline in understanding governance, and strategic planning. This means our succession planning requires attention. In addition, that we are not focused heavily enough on developing our managerial ranks to be our transit system leaders for the future.

We learn something everyday. When you have the results --- do something besides waiting for another day. The time to begin is now!

## **CONCLUSION**

The North American transit industry has over 450,000 transit workers, of which, 158,000 are supervisory, with over 100,000 in support operations to the industry. These workers have long been known for commitment and dedication for their years of service. They have provided over 10-billion transit trips to their customers in 2001. This 50 billion-dollar industry is lacking the innovation to workforce initiatives that will help us move toward customer delight. Assessment, development and certification are processes that ensure commitment by their personnel, in return, will provide the quality services to the customers they serve.

The initiative to develop and educate more of our transit personnel can no longer wait. Many years of research and development have indicated the need to invest in the employees and provide excellence in development. The programs are a unique opportunity that puts together a successful certification process specifically focused on meeting the needs of today's transit managers, as well as, preparing oneself for tomorrow's transit objectives.

It begins now with doing the right thing for our industry. With these principles and sound leadership, we will only succeed, not just for today, but for many years to come. When they feel good, our customers will feel good. When you grow your employees - they will grow your customers. Lao Tzu once said, "A journey of a thousand miles must begin with a single step." Make the commitment to your employees ---- stay focused and do the right thing. Thank you.

## TESTIMONIALS

"It is a distinguished honor to receive certification as a transit professional.. The transit based certification process based on experience and education in areas such as business, management, and operations, serves as a benchmark for the organization by establishing a higher degree of excellence in the transit profession. This measure of excellence promotes higher professional standards and achievements for the employee and MARTA, and helps justify the public's trust in our services. Employees receiving the certification are held in high esteem by the organization and serve as role models for others to follow and emulate. This certification process has been a valuable experience that I would encourage and recommend for others interested in distinguishing and promoting themselves as professional managers and leaders in transit organizations."

- Kenneth McDonald, MARTA

"The reason that I pursued the CTDM credential is because it reflects my philosophy of continuous improvement. I am an enthusiastic supporter of the transit certification program as it establishes a code of professional standards, allows for recognition and fosters continuing development and promotional opportunities for transit professionals. I believe that the Transit Industry will gain stature and credibility with this certification program resulting in the ability to successfully recruit the highest caliber human capital for its needs."

- Manuel Herrera, RTD Denver

"I was very excited about hearing the news that I passed. It was much tougher than I expected, but it was worth it. This is an excellent opportunity for the industry to keep good people. This certification process was very meaningful to me, as it will enable me to keep my skills current and move-up in the transit business."

-- Charles Kalb, AC Transit

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The views presented in this paper are solely the author's and do not represent those of any of the systems named above.

## ENDNOTES

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