

NDOT

Performance Measures

Nevada Street and Highway Conference

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Presentation Overview:

- What are Performance Measures?
- Why use Performance Measures?
- NDOT's Strategic Plan.
- NDOT's 15 new Performance Measures.
- Requirements under Assembly Bill 595.
- Closing thoughts on Performance Measures.



What are Performance Measures?

Performance measurement is the use of data and statistical evidence to determine progress toward specifically defined organizational objectives. Many organizations develop their performance measures in conjunction with a *strategic plan*.



NDOT's Strategic Plan: Mission and Vision

Mission:

Providing a better transportation system for Nevada through our unified and dedicated efforts.

Vision:

The nation's leader in delivering transportation solutions; improving Nevada's quality of life.



NDOT's Strategic Plan: Core Values

- Integrity – Doing the right thing.
- Honesty – Being truthful in your actions and your words.
- Respect – Treating others with dignity.
- Commitment – Putting the needs of the Department first.
- Accountability – Being responsible for your actions.



NDOT's Strategic Plan: Goals

- Optimize safety
- Be in touch with and responsive to our customers
- Deliver timely and beneficial projects and programs
- Efficiently operate the transportation system
- Effectively preserve and manage our assets
- Be the employer of choice
- Innovate



Performance Management Process



Why should NDOT use Performance Measures?

Four primary functions:

- External Communication
- Internal Communication
- Business Management
- Decision Support

Required by AB 595



NDOT Performance Measures- Administration

1. Reduce Work-Place Accidents
2. Provide Employee Training
3. Improve Employee Satisfaction
4. Streamline Agreement Execution Process
5. Improve Customer Outreach/Satisfaction



NDOT Performance Measures- Planning

6. Reduce Congestion on the State System



NDOT Performance Measures- Operations

7. Streamline Project Delivery – Bid Opening to Constr. Complete
8. Maintain State Roadways
9. Maintain State Fleet
10. Maintain State Facilities
11. Provide Continuity of Business Operations



NDOT Performance Measures- Engineering

12. Reduce Fatal Crashes
13. Streamline Project Delivery –
Project Environmental Stage to
Bidding
14. Maintain State Bridges
15. Streamline Permitting Process



Typical details for each Performance Measure

4. STREAMLINE AGREEMENT EXECUTION PROCESS (Goal 4)

Performance Measure: Percentage of Agreements executed within 45 days from when division submits agreement, to date when fully executed.

2007 FY (Base Number): 5%

Yearly Target: 50%

Ultimate Target: 95%



4. STREAMLINE AGREEMENT EXECUTION PROCESS (Con't)

Measurement and Supporting Data:

Use agreement log.

Strategies for Improvement, Short

range: Conduct Agreement training for Department staff, consultants, contractors, and local government agencies.

Long range:

Formally assess the agreement process every three years.



STATE OF NEVADA
DEPARTMENT OF TRANSPORTATION

Performance Measures



Susan Martinovich, P.E.
Director

Jim Gibbons
Governor

December 31, 2007



Assembly Bill 595 Measures include:

- Created new revenue streams
- Annual report on Performance Measures
- Annual Report on Benefit-Cost analysis for projects over \$25M
- Project priority rationale
- Quarterly or annual status reporting on selected projects



What does the Benefit Cost Ratio really measure...

- Project initial costs, design & construct
- Project future costs (lifecycle maint.)
- Other costs: environmental mitigation
- Highway user costs: time, safety, etc.
- Project value/benefits: reduced travel time, safety, operating costs, emissions reduction, etc.



Using the Benefit Cost Ratio for project prioritization

- Project with $BC > 1$ generally good, as benefits are greater than costs.
- Higher BC generally a “better” project.
- Sometimes, makes sense to complete projects with lower BC! (Cost Effectiveness)
- Can it ever make sense to complete a project with a $BC < 1$???



Some closing thoughts...

*"The truth of the matter is that you
always know the right thing to do.
The hard part is doing it."*

General H. Norman Schwarzkopf



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Some closing thoughts...

"Good politics and good engineering don't always mix."

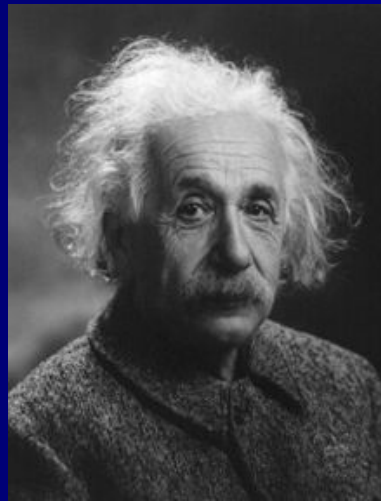
Ruedy Edgington, Former Assistant Director
Engineering, NDOT



Some closing thoughts...

"... politics are only a matter of present concern. A mathematical equation stands forever."

ALBERT EINSTEIN (1879-1955)



Parting thought on Performance Measures...

*"In God we trust,
all others bring data."*

An unsourced quote often attributed to American statistician and quality control pioneer William Edwards Deming (1900-1993). This quote has also been a motto of NASA for several decades.



NASA Dryden Flight Research Center Photo Collection
<http://www.dfrc.nasa.gov/gallery/photo/index.html>
NASA Photo: EC94-42789-3 Date: October 1994 Photo by: NASA

STS-68 Landing at Edwards

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**Thanks
for your attention!**

Questions?

