TheRide

2.2 Treatment of Staff

Monitoring Report for the Period: April 1, 2018 to October 31, 2018

Date of Report: November 1, 2018
Service Committee Review: November 7, 2018
Board Meeting: Thursday, November 15, 2018

TheRide board;
In accordance with the Board’s Policy Manual; I present the Monitoring report on Executive Limitation Policy 2.2: Treatment of Staff. Due to a rescheduling of all Monitoring Reports, this report is returning to the Board after only six months. While this report represents an improvement over the initial report from April 2018, several compliance steps are still in progress and will be completed by the next report in October 2019. I encourage the Board to see this report as a work in progress.

One major new element of this monitoring report is the use of staff survey results as evidence of compliance. This is our first staff survey in many years. The overall results are included throughout the report and as Attachment 1. While a snapshot right now, trends over time will provide more value in the future. Measurements of the developing skills of the agency’s leadership team is included in Attachment 2. I have also included a policy-development suggestion for the Board to consider as Attachment 3.

I certify that the information is true, however, I believe the overall report is incomplete and I will not be asking the Board to accept it. I would appreciate feedback.

Thank you,

Matt Carpenter
CEO
Ann Arbor Area Transportation Authority
Policy being monitored:

**POLICY TITLE: Treatment of Staff**

2.2 The CEO will not cause or allow employment conditions that are inconsistent, discriminatory, unfair, unsafe, unhealthy, undignified, disorganized, or unclear.

Further, without limiting the scope of the foregoing by this enumeration, the CEO shall not:

2.2.1 Operate in a manner that undermines the organization as a workplace of choice.

2.2.1.1 Operate with a work environment that devalues the humanity, creativity and knowledgeable contribution of its workforce or inhibits the recruitment of highly qualified people.

2.2.2 Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons

2.2.2.1 Fail to provide internal controls necessary to enforce such policies.

2.2.3 Allow retaliation against any staff member for non-disruptive expression of dissent.

2.2.4 Allow staff to be unprepared to deal with emergency situations.

2.2.5 Operate without an adequate labor agreement covering unionized personnel.
Executive Limitations Policy 2.2

The CEO will not cause or allow employment conditions that are inconsistent, discriminatory, unfair, unsafe, unhealthy, undignified, disorganized, or unclear.

Compliance: TBD

Current Interpretations, Rationale and Evidence:

I interpret “inconsistent”, “discriminatory” and “unfair” to mean that staff should not be treated in dissimilar ways for reasons other than performance and the same expectations and standards should be applied to all staff.

Evidence (Objective)

- **Discrimination:** During the monitoring period, one claim of discrimination was made by a former employee against the agency. An investigation by the Equal Employment Opportunity Commission (Federal regulatory body) could not reach a conclusion and closed their review. The former employee did not pursue the matter. The agency contents that the claim was without merit.

- **Grievance & Arbitration Rates:** TBD

- **Compliance with Equal Employment Opportunity Laws (EEO):** in September 2018, the Federal Transit Administration reviewed our employment practices and found no deficiencies for EEO requirements. This section of their report is reproduced below (FTA, p. 21, sec 13).

13. **Equal Employment Opportunity**

**Basic Requirement:** The recipient must ensure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination in employment under any project, program, or activity receiving Federal financial assistance under the Federal transit laws. (Note: Equal Employment Opportunity Commission’s regulation only identifies/recognizes religion and not creed as one of the protected groups.)

**Finding:** During this Triennial Review of AAATA, no deficiencies were found with the FTA requirements for Equal Employment Opportunity.

2018 Triennial Review – Ann Arbor Area Transportation Authority
Evidence (Perception)

- **Staff Survey:** Although a majority of staff (+50%) agree with fairness questions posed in the survey (below), there is room to improve. The CEO feels that these perceptions suggest a need for greater consistency from agency leadership. Specific steps are being taken and we hope to see improvement by the next Monitoring Report.

I interpret “unsafe” and “unhealthy” to mean failure to take proactive steps to identify and address workplace hazards that could cause physical or psychological injury. Risks that cannot be eliminated should be managed and mitigated to a reasonable extent.

Evidence (Objective)

- **Injury Rate:** TBD
- **Safety Audit:** A outside safety audit was conducted in September 2018. Preliminary report is being reviewed by staff.
- **Harassment:**
  - During the monitoring period there were two substantiated claims of employee-on-employee harassment. Investigations were conducted, and corrective measures taken. The incidents have not reoccurred.
  - By November 2018, 95% of staff will have received training on recognizing and responding to harassment. All new hires will receive this training.
- **Safety Committee:** This working group is composed of union and non-union staff and works to jointly identify and eliminate workplace hazards. It met twice during the monitoring period.
- **Security Barrier:** Arrangements to install a reception desk security barrier have been made. Installation is planned for November 2018.
**Evidence (Perception)**
- **Staff Survey:** Based on staff survey responses, it appears that the vast majority of staff feel that the AAATA is addressing concerns about safety.

![Graph showing survey responses]

I interpret “undignified” to mean...

**Evidence (Objective)**
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**Evidence (Perception)**
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I interpret that “disorganized” and “unclear” to mean that staff understand the goals and methods of the organization, and how their work contributes to producing meaningful results.

**Evidence (Objective)**
- TBD

**Evidence (Perception)**
- Staff Survey: Survey responses in this section have some of the largest neutral scores in the survey.
Executive Limitations Policy 2.2.1

...the CEO shall not... Operate in a manner that undermines the organization as a workplace of choice.

Compliance:

In compliance.

Current Interpretation & Rationale:

I interpret “workplace of choice” to mean an appealing place to work that is able to attract and retain the high-quality workforce it requires, has low levels of voluntary pre-retirement separation, and has high overall morale. Furthermore, as compensation and benefits are addressed under policy 2.3, I interpret this policy to refer to less-tangible elements of workplace attractive such as culture, treatment and leadership.

I define leadership to mean a framework of behaviors as described by Kouzes and Posner in their book “The Leadership Challenge.” A well-established and research-based leadership development paradigm, The Leadership Challenge can also produce quantifiable scores for leadership performance. This allows an outside metric against which trends in performance can be seen.

Evidence (Objective)

- **Recruitment:** During the reporting period the AAATA recruited for 14 open positions. There were multiple applicants for each position which were, in management’s opinion, qualified.

- **Grievances:** TBD

- **Attrition Rates:** During the monitoring period there were about 288 full or part time positions employed at the AAATA and 21 staff left the organization for the following reasons:
  - 2 deaths (0.06%)
  - 3 involuntary terminations (1%)
  - 7 voluntary resignations (2%)
  - 9 retirements (3%)

  These figures are similar to the same period last year (22). In a tight labor market, the AAATA appears to be successful in retaining its staff.

- **Leadership Culture:** Since 2016, the leadership staff of the AAATA have been taking individual assessments which ask anonymous surveyors to describe the frequency certain behaviors are witnessed. Surveyors are made up of other staff, supervisors, direct reports, and people outside the agency. The cumulative scores for 12 leadership staff are displayed below. The full report is contained in attachment 2.

  In general, the assessment of leadership behaviors is relatively consistent. The line illustrating the “Average of all Observers” suggesting a leadership team that is doing many things right and has room to improve. The agency has a leadership development program and will be tracking these data regularly.
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Evidence (Perception)

- **Staff Survey/Morale:** Many of the questions asked in the 2018 Staff Survey have a bearing on whether the AAATA is seen as a workplace of choice by staff. I have chosen to highlight a few questions below. First the overall cumulative score for all responses across all categories suggests that staff perceive much is going well, but there are areas for improvement:

  ![Graph showing overall score percents for AAATA - June 2018]

  Additional detail provides more insight into employees’ perceptions of the organization. Over half of staff report some level of agreement with all but one of these questions. 71% would recommend employment at the AAATA to others. Similar numbers feel that they are appreciated and a part of something meaningful.

  ![Graph showing score percents of statements for AAATA - June 2018]

  **Engagement**
While there are areas for improvement, there does not appear to be a crisis of confidence among staff regarding the desirability of working at the AAATA. Nevertheless, the CEO is not satisfied with these scores. Specific steps are being taken and we hope to see improvement by the next Monitoring Report.
Executive Limitations Policy 2.2.1.1

The CEO shall not... Operate with a work environment that devalues the humanity, creativity and knowledgeable contribution of its workforce or inhibits the recruitment of highly qualified people.

Compliance:

TBD

Current Interpretation & Rationale:

I interpret this policy to mean that the AAATA should foster a team environment where staff are empowered and helped to develop, and that the organization encourages and uses staff input.

Evidence (Objective)

- Please see leadership skills scores on page 7 for “Enable Others to Act” and “Encourage the Heart”.

Evidence (Perception)

- Staff Survey: Several survey questions provide insight into how staff perceive the team environment at the AAATA. The CEO is not satisfied with these scores. Specific steps are being taken and we hope to see improvement by the next Monitoring Report.
My Manager
Score Percents of Statements for AAATA - June 2018

- My manager makes it easier to do my job well
- My manager cares about my concerns
- My manager helps me learn and grow

Effectiveness
Score Percents of Statements for AAATA - June 2018

- AAATA encourages different points of view
- New ideas are encouraged at AAATA
- Senior managers understand what is really happening at AAATA
- At AAATA, we do things efficiently and well

Monitoring Report: 2.2 Treatment of Staff
Executive Limitations Policy 2.2.2

The CEO shall not... Operate without up-to-date, clear, available, written, and enforced personnel rules or contracts that clarify standards and expectations, provide for effective handling of grievances, and protect against wrongful conditions, such as nepotism and unfairly preferential treatment for personal reasons

Compliance: Not in compliance.

Current Interpretation & Rationale:

I understand this policy to mean that expectations for staff and management must be clear, so that everyone understands the rules of the workplace. Staff should know what is expected of them, as well as what they can expect of their employer. This is in order to ensure accountability and continuous improvement.

I interpret “up to date” to mean that personnel rules must be compliant with current legislation, contribute to an attractive workplace, comprehensively address known HR risks, and be a tool that helps the organization achieve its mission. Furthermore, these rules must be in written format (English), readily available to staff, and written in a manner that is as easy to understand as is practical.

In the case of non-unionized staff these rules will be developed by the Manager of Human Resources and approved by the CEO. For unionized staff these expectations will be negotiated and documented as appropriate.

Evidence (Objective)

Objective

- **Non-Union**: The AAATA does have a handbook of personnel policies for non-unionized staff. However, the CEO and Manager of HR agree that is it out of date, does not meet the needs of the organization, and likely does not comply with the Board policy. Rather than document the shortcoming of the existing handbook, a new handbook of personnel policies will be developed and put into effect by the middle of 2019. Pursuant to policy 2.11.1.5, the CEO is hereby giving the Board repeated notification that he intends to change staff rules via a wholesale updating of personnel rules for non-unionized staff.

- **Union**: For unionized staff, the policies requirements are addressed in a negotiated labor contract. See also policy 2.2.5 below.

Evidence (Perception)

TBD
Executive Limitations Policy 2.2.2.1

The CEO shall not... Fail to provide internal controls necessary to enforce such policies.

Compliance:

TBD

Current Interpretation & Rationale:

I interpret this policy to mean that staff and management are held accountable for following personnel rules, and that all rules are applied in a consistent and timely manner. The AAATA must have mechanisms in place to monitor compliance, and correct noncompliant behavior, whether that be through coaching, training or disciplinary actions. Such internal controls should be written down and documented when used.

Evidence

TBD
Executive Limitations Policy 2.2.3

The CEO shall not... Allow retaliation against any staff member for non-disruptive expression of dissent.

Compliance: TBD

Current Interpretation & Rationale:

I interpret this policy to mean that the organization should be open to constructive internal critiques and criticisms, and that staff should not suffer professionally for voicing a dissenting opinion in a constructive manner.

However, I further interpret this policy to mean that staff can be disciplined for disruptive, non-constructive, or insubordinate expressions of dissenting opinion.

the ways in which some perspectives are shared can be inappropriate, ie disruptive, and are not protected. Types of expressions considered disruptive include, but are not limited to: insubordination, slander, spreading false information, malicious gossip, and failing to follow establish protocols for expressing concerns. Such disruptive expressions can hurt the team atmosphere, undermine accountabilities, or cause other negative problems. Issues like this should be dealt with through normal supervisory accountability channels for coaching and discipline.

Enacting this policy requires that the organization must establish clear protocols for how staff can constructively express disagreements and make those protocols available to employees.

Evidence (Objective)

- Existence of documented protocols for expressing dissent. Current protocols unclear. Rules for non-union staff will be updated by the middle of 2019.
- Anecdotal history of staff being able to express dissent without repercussion.

Evidence (Perception)

TBD
Executive Limitations Policy 2.2.4

The CEO shall not... Allow staff to be unprepared to deal with emergency situations.

Compliance:

In compliance

Current Interpretation & Rationale

I interpret this policy to mean that staff will receive training for all reasonably foreseeable emergencies including: active shooter in workplace, fire, tornado, train derailment, and first aid emergencies. Furthermore, the workplace will be equipped with the appropriate emergency and first aid equipment, and signage.

Furthermore, I interpret this policy to mean that the AAATA is ready to respond to emergencies in the community and to natural disasters, and that staff have received adequate training to know how to respond to requests for assistance from emergency services personnel.

Evidence (Objective):

- New staff orientation includes safety training
- Number and type of emergency drills and training provided in monitoring period:
  - Two fire drills
  - Two severe weather drills
  - Active shooter in workplace Almost all staff have received this training.
- Presence of appropriate safety equipment and signage. Testing of present equipment:
  - Fire extinguishers are checked monthly.
Evidence (Perception)

- **Staff survey**: Over 80% of staff reported that they feel the AAATA has prepared them for emergency situations.
Executive Limitations Policy 2.2.5

The CEO shall not... Operate without an adequate labor agreement covering unionized personnel.

Compliance: In compliance.

Current Interpretation & Rationale:

I interpret this polity to mean that the AAATA should have a labor agreement that complies with Policy 2.2.2 and 2.2.2.1. I further interpret “adequate” in this case to mean reasonable and affordable from the AAATA’s perspective given the negotiated nature of such contract.

I am able to operate service without a contract if negotiations have not been successful. As a negotiating position it must be clear that I am not required to have a contract, and that the Board does not expect me to acquiesce to any demands in order to have a contract.

Evidence (Objective)

In July 2017 TheRide agreed to a five-year contract with all unionized personnel. The contract will expire in March 2022.
CEO Notes

- Please see attachment 3.

(To be filled in based on Board action after submission)

Policy: 2.2 Treatment of Staff

Date Submitted: November 1, 2018
Date of Board Response: November 15, 2018

The Board has received and reviewed the CEO’s Monitoring Report references above. Following the Board’s review and discussion with the CEO, the Board makes the following conclusions:

Executive Limitations Report  (select one)

The Board finds that the CEO:

A. Is in compliance
B. Is in compliance, except for item(s) noted.
C. Is making reasonable progress toward compliance.
D. Is not in compliance or is not making reasonable progress toward compliance
E. Cannot be determined.

Board notes: