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May 14, 1997 Revision Date  
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TO: BOARD OF DIRECTORS

FROM: LINDA BOHLINGER  
INTERIM CHIEF EXECUTIVE OFFICER

SUBJECT: LEADERSHIP AND MANAGEMENT TRAINING:  
MEMORANDUM OF AGREEMENT, OPTION YEAR

### RECOMMENDATION

Approve the negotiation and execution of a one-year option to the Memorandum of Agreement with the John E. Anderson Graduate School of Management, University of California, Los Angeles (UCLA) for the continuation of the Transportation Leadership and Management Training Program (TLAMP) for a not-to-exceed annual cost of \$837,574 in FY 98.

### ORGANIZATIONAL IMPACT

This action will allow MTA to continue TLAMP training for its management and supervisory staff. TLAMP provides a sustaining base for organizational change and development as identified in the Coopers & Lybrand Organizational Assessment Management Action Plan, approved by the MTA Board on February 26, 1997. The management skills, increased team work and departmental cooperation gained through TLAMP has improved performance, process improvement and customer service.

### BUDGET IMPACT

The FY 98 proposed budget includes \$837,574. This will allow for 180 managerial and supervisory staff to participate in the second year of TLAMP at a not-to-exceed cost of \$637,574 for tuition and UCLA facility costs and a maximum of \$200,000 for companion services in support of MTA's vision, mission and strategic goals. MTA staff, in collaboration with UCLA, is actively seeking grant funding sources to provide additional revenues to MTA for the program.

### ALTERNATIVES CONSIDERED

The first alternative considered is to discontinue TLAMP in FY 98. The second alternative is to reduce the scope of the program. Neither of these alternatives is recommended. TLAMP is one of the most important improvements MTA has undertaken so far according to the organizational assessment recently completed by Coopers & Lybrand and adopted by the Board. An alternative approach would be to staff up to provide TLAMP-like training in-house. While advisable in the long term to do more management training in-house, the TLAMP faculty has received excellent reviews. Coopers & Lybrand also found that the tuition cost is reasonable in comparison to similar training programs.

## **BACKGROUND**

As directed at the April 1997 Board meeting, staff obtained clarification from Coopers & Lybrand (Attachment 1) on their assessment of the effectiveness of the Transportation Leadership and Management Program (TLAMP). This review was done as part of the Board-directed Organizational Assessment completed in December 1996. TLAMP was jointly developed by MTA and UCLA to provide comprehensive management and leadership training for MTA staff. The initial program was sponsored and endorsed by the Federal Transit Administration in the form of a matching grant. TLAMP stresses ways for achieving customer satisfaction, community problem solving and strengthening of internal controls. The Program is also an on-going training opportunity to create high performance teams that will lead the MTA's continual improvement process.

On September 25, 1996, the Board approved the negotiation and execution of a one-year Memorandum of Agreement between MTA and UCLA for TLAMP at a cost not to exceed \$403,594, with an additional \$182,150 in Federal participation. It is anticipated that by the end of FY 97, approximately 189 staff will have participated in TLAMP at a total cost of \$622,390. The initial MOA included two one-year options of which MTA is seeking to exercise the first of these option years in FY 98 at a not to exceed cost of \$837,574.

The second program year calls for six academies, affecting 180 managers and supervisors at a tuition and facility cost not to exceed \$637,574. The increase reflects a 2.4% increase in program costs in FY 98. The second year agreement would contain up to \$200,000 for companion services to address organizational needs and consultant training recommendations at a cost not to exceed \$200,000. Specific services include work with program participants; in-depth program management training; the development of other MTA tailored training activities and related organizational development services. Companion services already utilized in FY 97 include the Executive Team Building and Vision Retreats to develop MTA's vision, mission and strategic goals. Other anticipated companion services are facilitating an organizational development master plan and a pilot project management training program as recommended by Coopers & Lybrand's Organizational Assessment. Using companion services to train staff to serve as internal consultants is one way MTA can augment the capabilities of TLAMP alumni.

## **DBE PARTICIPATION**

The Equal Opportunity Department recommends that a DBE goal be waived for this procurement. The factors cited for the waiver were a lack of: (1) identifiable subcontracting opportunities and (2) sufficient number of DBE firms capable of providing the required services.

## **ATTACHMENT**

1. Evaluation of TLAMP by Coopers & Lybrand
2. FY 98 TLAMP Leadership Academy Course Topics

Prepared by: **Cindy Kondo-Lowe, Human Resources Manager - Employee Development**

  
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**TERRY MATSUMOTO**

**Interim Deputy Chief Executive Officer**

Attachment 1

Ms. Linda Bohlinger  
Interim CEO  
Los Angeles MTA  
One Gateway Plaza  
Los Angeles, CA. 90012-2932

7 May 1997

**Subject: Clarification of the C&L recommendation to continue with TLAMP training**

Dear Ms. Bohlinger:

This is in response to the Board's request for clarification of our recommendation in the recent Organizational Assessment to continue with TLAMP training as part of the organizational renewal program.

As you will recall, part of our study included almost 100 individual interviews, eight focus groups, and a 470 person employee survey. Collectively this research revealed significant problems in management style, performance and teamwork at the MTA--in part, vestiges of a poorly executed merger. Feedback was almost unanimous that the TLAMP program was a very positive intervention to help build stronger leadership and more effective management communications and teamwork throughout the agency. Clearly, stronger leadership and management will be critical to creating a higher performing organization, and to finally eliminating the remaining cultural and organizational divisions as a result of the merger. For this reason, TLAMP and programs like it are essential to the future development of the MTA organization.

As you also know, we have recommended not only continuing with TLAMP as a foundation for management development at the MTA, but building on it with additional management training such as the recommended MTA Program/Project Management package. This program is being designed to develop critical project management skills and to further improve cross functional teamwork in the context of building the needed project coalitions necessary to help keep projects on time, on budget, and meeting performance objectives. Also important in this is the "Front-line Supervision Certificate" (FCS) program, launched this year to provide MTA supervisors, most of whom have never had any supervisory training, with the fundamental, real-world leadership, supervisory, and people management skills they need to deal effectively with the day to day challenges of managing operating unit performance. Together these basic building blocks form a management training package that should be an integral part of the MTA's renewal program for many years to come. While the investment in these programs is not insignificant, their long term value to the organization should be much greater.

Having said that, I think it is important to look at the benefits that have already resulted from TLAMP. In addition to the salutary affect that TLAMP is having on the MTA's organizational climate, we have observed the following positive outcomes from TLAMP. It has:

- Prompted the Executive Team's action to clarify the MTA's vision, mission and goals which was presented to the Board and approved in April of this year. This will be the basis of the annual strategic and operational planning system now being developed.
- Fostered a new approach to objective setting and performance management whereby all executives have developed a clear set of performance objectives and measures of performance.
- Helped to strengthen management teamwork starting at the top of the organization.
- Clearly prompted a keener interest in the organizational assessment and generally increased management's sense of urgency and commitment to implementing its recommendations.
- Increased resolve by the Executive team to take quick action and follow-up to Board directives and actions.
- Increased interest in, and understanding of the need for change management and organizational renewal.
- Spurred improved management communications through development of the Executive Team, the monthly senior management meeting, CEO report, Metro Family, and greater use of voice and email.

I have listed several other observations in an attachment.

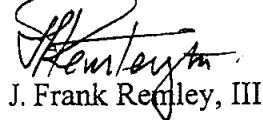
Over time the payback should also result in economic and operating productivity gains. *As a matter of policy, the Board should rightly begin to expect a higher level of performance from management and the organization at large as "proof of the pudding."* To this end we have proposed the idea of a "balanced scorecard" for the Board to track overall agency performance in a variety of key areas. We also have proposed the use of other performance indicators such as the annual Climate Survey that should be used to benchmark and measure individual management performance. In essence, TLAMP is an integral part of the overall organizational improvement program and should be reviewed from year to year in terms of its contribution and value to that effort.

I have been involved in management development and training for almost 30 years. This sort of investment in developing core management competence in a large operating organization such as the MTA is extremely cost effective and value added. In essence it is an investment in the health and well being of the organization and especially its leadership. Today, successful enterprises are investing more than ever on developing their human resources, especially managers, to operate at a high level. To many organizations it is not just to improve performance, but a matter of

survival. As I understand it, the cost of TLAMP is actually quite reasonable, if not modest for leading edge management training of this nature, duration and quality.

I hope that this helps to clarify why we recommended continuation of TLAMP as an important part of management and organizational improvement at the MTA. Please don't hesitate to call if you if you need further input or elaboration on our recommendations.

Very truly yours,



J. Frank Retley, III  
Director

c. Pat McLaughlin  
Shirley Maimoni

*Attachment*  
*Additional TLAMP Observations*

- The emphasis on setting objectives, establishing performance measures, and managing for results is consistent with efforts of the leadership team to focus the entire organization on performance management and producing measurable results; it is critical that this message be consistent, clear, and accepted as sound management practice and an important part of the MTA's management culture;
- A major goal of the program is to build leadership skills, attitudes, and behaviors;
- Because each class includes cross functional groups and different levels of management, it has a very positive effect on building teamwork, cooperation, and communications across the organization;
- TLAMP includes important follow-up work designed to foster continued team building and to reinforce lessons learned; in this sense it is not just a nice, one time training event, but rather a cultural intervention aimed at truly changing (and improving) management behavior at the MTA;
- It is intense, mind opening, and demanding of participants, both in their examination of what constitutes a productive leadership culture at the MTA, and in their own self examination; in doing this, it trains management staff in state-of-the-art management methods and attitudes;
- It is what we would consider high quality training with well regarded, first class faculty--it is considered an honor to be selected to attend TLAMP and a positive step in ones career as a manager.

## **FY 98 TLAMP Leadership Academy Course Topics**

### **Organizational Leadership Academy (10 Day Program)**

- Day 1: In-Basket Assessment Tool; Leadership and Management; and Organizational Development
- Day 2: Mind Map (issues facing leaders in organizations today); Organizational Change and Involvement
- Day 3: Strategic Planning; Developing Unit Strategic Plans
- Day 4: Risk Taking and Innovation; Media Power and Politics
- Day 5: Informal Networks and Organizational Communication; Ethics
- Day 6: Building High Performance Teams
- Day 7: Building High Performance Teams (continued)
- Day 8: Solving Complex Organizational Problems; Reengineering Operations and Processes
- Day 9: Constructive Confrontation and Conflict Mediation; Effective Meetings; and Group Decision Making
- Day 10: Personal Development Plans; Group Project Presentations

### **Team Leadership Academy (5 Day Program)**

- Day 1: Norms; Organizational Changes; and the Role of the Team Leader in Change
- Day 2: Leadership; Teamwork in a Matrix Organization; and Team Problem Solving Processes and Model
- Day 3: Performance Management; Personal Style Assessment
- Day 4: Developing High Performance Teams; Team Development Model; Informal Communications Networks; and Team Meeting Facilitation
- Day 5: Simulation Exercise; Taking Charge of Change; Personal Values; and Personal Development Plans