

# **AGENDA**

## **ASSEMBLY BUDGET SUBCOMMITTEE NO. 6 ON BUDGET PROCESS, OVERSIGHT, AND PROGRAM EVALUATION**

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## **ASSEMBLY TRANSPORTATION COMMITTEE**

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## **ASSEMBLY ACCOUNTABILITY AND ADMINISTRATIVE REVIEW COMMITTEE**

**ASSEMBLYMEMBERS PHIL TING, JIM FRAZIER, AND COTTIE PETRIE-NORRIS, CHAIRS**

**TUESDAY, APRIL 9, 2019**

**UPON ADJOURNMENT OF BUDGET SUB 6 - STATE CAPITOL, ROOM 447**

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### **Informational Hearing**

**Department of Motor Vehicles: Field Office Wait Times**

#### **Panel 1: Background and Wait Times Update**

- Kathleen Webb, Acting Director, Department of Motor Vehicles (DMV)
- Robbie Crockett, Administrative Services Division, Deputy Director, DMV
- Amanda Martin, Principal Program Budget Analyst, Department of Finance

#### **Panel 2: Evaluations of DMV's Operations**

- Jennifer Whitaker and Marilyn Standing Horse, Office of State Audits and Evaluations, Department of Finance
- Marybel Batjer, Secretary of the Government Operations Agency

#### **Panel 3: Going Forward: Current Year and Budget Year Funding Requests**

- Kathleen Webb and Robbie Crockett, DMV
- Marybel Batjer, Secretary of the Government Operations Agency
- Amanda Martin, Department of Finance

#### **Public Comment**

## Background

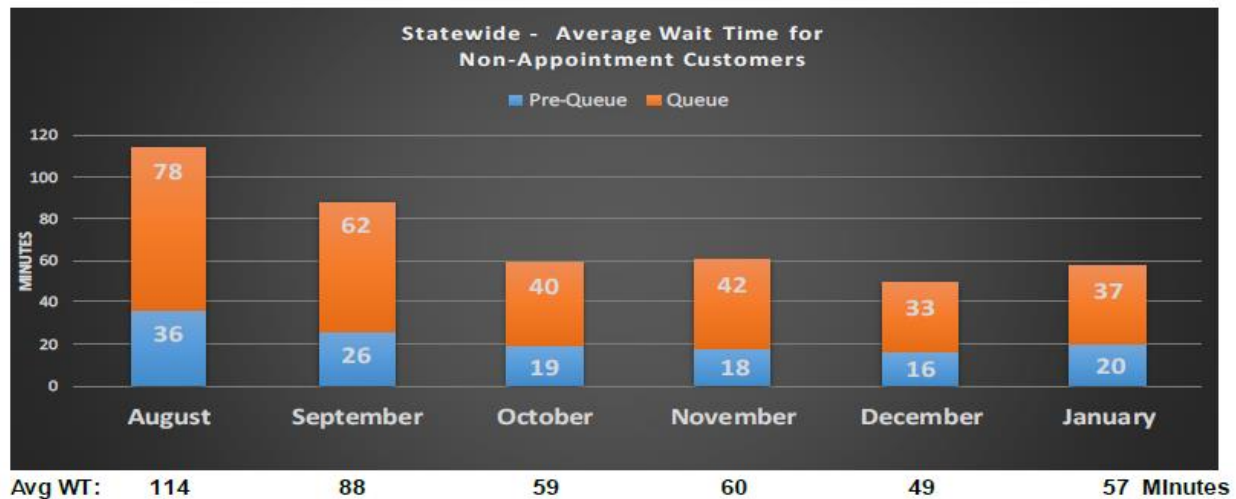
**REAL ID Act.** The federal government enacted the REAL ID Act in 2005 that requires state-issued driver licenses and identification (ID) cards to meet minimum identity verification and security standards in order for them to be accepted by the federal government for official purposes—such as accessing most federal facilities or boarding federally regulated commercial aircraft. In California, after October 1, 2020, only REAL ID compliant driver licenses or ID cards, and other federally acceptable forms of ID (such as a passport) can be used for these purposes.

The federal Secretary of Homeland Security has deemed 39 states REAL ID complaint, while the remaining states—such as California—have received an extension for compliance. California has regularly received such extensions since it began implementation in early 2018. The most recent extension extends through April 10, 2019.

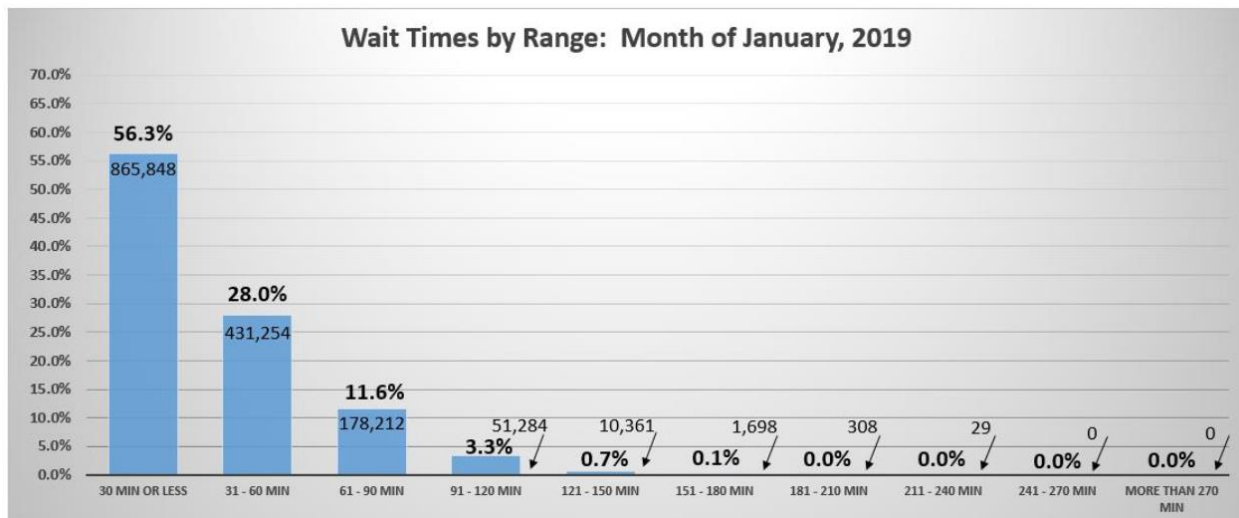
**Impact of REAL ID Implementation on DMV.** California began issuing REAL ID compliant driver licenses and ID cards in January 2018 and reports having issued about 3.4 million as of March 26, 2019. Individuals seeking compliant driver licenses and ID cards must visit a field office and provide certain specified documents that DMV staff verify and scan. This has increased workload at DMV field offices, as these transactions take longer to process than noncompliant transactions. Individuals sometimes do not bring in the required documentation and therefore must make repeated trips to the DMV in order to successfully complete the process. Additionally, more individuals—such as those who would otherwise have renewed their licenses by mail or those whose licenses expire after the October 2020 federal deadline—are visiting field offices to obtain compliant driver licenses or ID cards.

**DMV Wait Times Increased Significantly Initially, Then Dropped.** Despite receiving additional funding to support the increased workload (as discussed later), DMV field offices began reporting a significant increase in wait times mid-2018. At its peak, some individuals visiting certain offices could experience wait times of several hours.

Since then and with the addition of resources and some process improvements, wait times have dropped. As shown in the figure below, average wait times for a non-appointment customer averaged 114 minutes in August 2018 and 57 minutes in January 2019. According to DMV, it has achieved these reduced wait times through various actions, including hiring temporary workers, extending field office hours, and expanding the number of self-service terminals available for individuals to conduct transactions outside of field offices or without the assistance of DMV staff.



However, the average wait time is not indicative of everyone's experience. At the 20 DMV field offices with the greatest wait times, the average wait time in August 2018 for a non-appointment customer was 177 minutes and in January 2019 the average wait time was 95 minutes. To better reflect the range of wait times customers may experience in a field office, the figure below shows the wait times by range in January 2019. This data shows that in January 2,035 individuals waited over 2.5 hours. In contrast, in August 2018, nearly 150,000 individuals waited over 2.5 hours.



## Evaluations of DMV's Operations

The Department of Finance's Office of State Audits and Evaluations (OSAE) recently completed an audit of DMV's operations and another evaluation by the California Government Operations Agency's DMV Strike Team is underway.

**Department of Finance OSAE Performance Audit.** In September 2018, Governor Brown directed OSAE to conduct a performance audit of DMV's IT and customer service functions. The audit objectives were to 1) assess the efficiency and effectiveness of DMV's current operations and make recommendations to improve its practices and enhance the field office customer experience and 2) evaluate DMV's information technology (IT) system and its impact on the field office customer experience.

Overall, the audit was very critical of DMV's management and operations and found that its operations were not always efficient and effective in delivering services and that DMV has operated with significant weaknesses in its underlying governance structure and organizational culture. The audit finds that "without strengthening the underlying foundation supporting its operations, DMV will continue facing challenges in efficiently and effectively delivering services to its customers." The audit identifies many opportunities for improvement. OSAE's findings regarding operations and IT are summarized below. At the end of this report in Appendix A is a more detailed summary of OSAE's findings and recommendations.

DMV's corrective action plan to address the audit's findings and recommendations is due by the end of May 2019.

### Operations and the Field Office Customer Experience

- **Significant deficiencies in planning and implementation of the REAL ID program negatively impacted the field office customer experience.** The field office customer experience was significantly impacted by the implementation of REAL ID, manifested mainly by long field office wait times in summer 2018. The approach for complying with REAL ID was inconsistent in the decade leading up to implementation, the REAL ID IT project was not recognized as a priority until 2017, and DMV missed opportunities to reevaluate policy impacting the frequency customers require its services.
- **Organizational and reporting structure is outdated and does not reflect current operational needs.** The outdated organizational and reporting structure is reflected in DMV's reliance on its decades-old field office grading for resource allocation, inconsistencies in regional office oversight of field offices, and ineffectiveness of the vertical and hierarchical communication structure.
- **Budgeting and staffing approach is not focused on maximizing field office capacity.** DMV has taken steps to increase its field office capacity; however, opportunities for increasing and analyzing capacity exist related to field office service windows, absenteeism, and requesting field office positions.

- ***Appointment practices need improvement.*** Significant weaknesses in DMV's appointment practices impact customers' ability to consistently reserve appointments in a timely manner. Specifically, the appointment system allows for variations in appointment availability among regions, the reservation of duplicate appointments, and inconsistent verification of appointment authenticity within field offices.
- ***Monitoring of the field office customer experience needs improvement.*** Although DMV takes a centralized approach to collect, analyze, and review direct customer feedback, other initiatives such as the Command Center created in 2018, and Lean Six Sigma Team created in 2016, were untimely implemented and could do more to support DMV's strategic goal to provide superior customer service. Further, DMV's Internal Audit Unit is underutilized with respect to monitoring the field office customer experience.
- ***Enhancements to field office customer service were inconsistently implemented and additional opportunities for improvement exist.*** Despite DMV implementing several operational enhancements in its field offices, these enhancements were inconsistently implemented and additional opportunities for improvement exist.
- ***Field office employee development resources are inadequate.*** DMV's current training, employee transaction manuals, policies, and procedures are not comprehensive, intuitive, or regularly updated, and do not adequately emphasize customer service.

#### Information Technology's Impact on the Field Office Customer Experience

- ***Insufficient network system infrastructure and lack of monitoring processes contributed to field office outages, impacting customers' ability to obtain DMV services.*** Significant components affecting network connectivity are in need of upgrading and DMV's practices for monitoring and resolving IT related issues are ineffective. This impacts field offices' ability to consistently provide timely and reliable service to customers.
- ***Project prioritization, management, testing, and documentation practices need improvement.*** Weaknesses exist in DMV's project prioritization, defect resolution, testing, and documentation processes.
- ***Legacy computer programming language contributes to succession planning risks.*** Although DMV has taken steps towards sustaining its institutional knowledge related to Assembly, DMV faces succession planning risks because of the knowledge and skills needed to maintain the legacy language, further exacerbated by the IT workforce approaching retirement age.

**Government Operations Agency's DMV Strike Team.** In January 2019, Governor Newsom tasked the Government Operations Agency Secretary to lead a DMV Strike Team to affect change and reinvention at the DMV. The team is working on a series of efforts to streamline and enhance services to customers and begin the transition to a user-centered culture. Below is a description of some of the areas that the Strike Team has identified as opportunities for improvement and a summary of early efforts.

- **Pilot "pop-up" DMV office.** Better prepare customers and put the priority on those who must have a REAL ID. The action proposed by the Strike Team is piloting a "pop-up" DMV office in April 2019 where DMV can serve numerous employees at one site working with the employer to ensure their employees have the documentation that is needed.
- **Implement outreach campaign.** Increase public awareness through an outreach campaign that helps to ensure customers bring in the documentation they need, but also so that they do not unnecessarily visit the DMV for other transactions.
- **Facilitate documentation preparedness.** Allow customers to upload documents needed for REAL ID in advance of coming into a DMV office.
- **Streamline REAL ID processes using a contractor.** The effort to streamline REAL ID processes is underway and results are expected to begin implementation in June and July 2019.
- **Staffing.** Assess the staffing approach being used to handle the increase in customers.
- **Training.** Actions are needed to improve staff training.
- **Enhance the customer experience.** The Strike Team suggests expanding credit card use to field offices. It also suggests making changes to the DMV website so that it is easier for people to find the information they need and to conduct transactions.
- **Improve customer interactions.** Explore ways to improve the DMV call center and add on-line capabilities such as live chat.
- **Improve mailroom processes.** Examine mailroom processes to speed turnaround time and reduce errors.
- **Expand the use of kiosks.** Physically increase the number of kiosks available statewide to 200 by the end of the year and to possibly add more services to the kiosks.
- The Administration has also launched a search for a new Director of DMV and will be working to fill other key vacancies.

## Funding for REAL ID Workload

To support the increased workload related to REAL ID, the Legislature has appropriated additional resources to DMV the last few years. The figure below shows the amounts provided to DMV in the last three fiscal years and what is proposed for 2019-20. The funding provided in the past for REAL ID and proposed for 2019-20 is discussed in more detail below.

**Summary of REAL ID Funding and Positions**

<b>Fiscal Year</b>	<b>Funding (in millions)</b>	<b>Positions</b>
2016-17	\$4.5	70
2017-18	\$23.0	218
2018-19	\$46.6	550
2018-19 (August 2018)*	\$16.6	230
2018-19 (January 2019)*	\$40.4	120
2018-19 (March 2019)*	\$6.0	300
<b>Subtotal 2018-19</b>	<b>\$109.6</b>	<b>1,200</b>
2019-20 Proposed	\$242.2	2,052
<b>Total REAL ID Funding to Date**</b>	<b>\$379.3</b>	<b>NA</b>

\* 2018-19 supplemental request for funding is by Provision 2 of the Budget Act of 2018, after notification to the Joint Legislative Budget Committee.

\*\*Includes amounts proposed for 2019-20.

**2016-17 and 2017-18 REAL ID Funding.** DMV received \$4.5 million from the Motor Vehicle Account (MVA) to begin implementation of REAL ID in 2016-17. In 2017-18, \$23 million was provided from the MVA to support 218 positions.

**2018 Budget Act Provided REAL ID Funding.** In the 2018 Budget Act, \$46.6 million from the MVA was appropriated to support 550 positions. The 2018-19 budget included provisional language that authorized DOF to provide DMV with additional resources as needed no sooner than 30 days following notification to the Joint Legislative Budget Committee (JLBC).

**August 2018 Supplemental Funding Request.** An additional \$16.6 million and 230 positions were requested and provided pursuant to this authorization in August 2018 in order to help DMV reduce the significant wait times in the field offices.

**January 2019 Supplemental Funding Request.** In January 2019, DOF submitted a subsequent notification to the JLBC that it intends to provide DMV with an additional \$40.4 million to maintain existing wait times in the current year no earlier than April 30, 2019. This amount consists of (1) \$17.5 million for additional expenditures in the first six months of the current year and (2) \$22.9 million for additional expenditures in the remaining portion of the year. DMV plans to use this funding to support an additional 120 positions, as well as to maintain all the activities enacted to date (such as the extension of field office operational hours).

**March 2018 Supplemental Funding Request.** In late March 2019, DMV submitted another funding request for \$6 million that would fund the following.

- \$4.5 million for an additional 300 temporary positions to begin in May 2019.
- \$1 million for a training contract to provide one full day of training for all field office staff simultaneously, likely in June, to train staff in order to reduce transaction times, return visits, and as a result wait times.
- \$250,000 to initiate an outreach campaign for REAL ID.

**April 2019 Finance Letter.** The REAL ID funding provided in 2017-18 and 2018-19 was limited term and expires June 30, 2019. To continue the implementation of REAL ID, the Administration requests \$242.1 million in 2019-20, \$199.8 million in 2020-21, \$86.1 million in 2021-22, \$72.4 million in 2022-23, \$45.3 million in 2023-24, and \$34.4 million for 2024-25 and ongoing. The budget request is intended to address the REAL ID workload demands as well as to be responsive to the OSAE audit and Strike Team review.

The request falls into four primary categories of activities: 1) increased REAL ID workload, 2) customer service improvements, 3) operational improvements, and 4) IT improvements. The request is summarized below in more detail. The request also includes provisional language similar to last year allowing for budget augmentations if the funding provided in the budget act is insufficient. Assembly Budget Subcommittee No.3 will evaluate and consider this request more thoroughly.

#### Increased REAL ID Workload

The budget year request includes a total of \$196 million for increased REAL ID workload that includes following.

- \$150 million for 1,900 temporary positions.
- \$12.4 million for four drivers' license process centers in Los Angeles, Stanton, San Jose, and Fontana and for the cost of providing extended hours and weekends at field offices.
- \$9.8 million for expanded janitorial services.
- \$9.5 million for an outreach campaign.



- \$6 million for identity management application software for customers who use the online DL/ID card application.
- \$6.8 million for DL/ID card contract for duplicates.

### Customer Service Improvements

The budget year request includes \$17.7 million for the following efforts to improve customer service.

- \$100,000 for DMV identifiable attire such as lanyards to address an OSAE finding.
- \$2 million for a website redesign.
- \$500,000 for a Chatbot user contract.
- \$14.2 million for customer relationship management that would include live chat services.

### Operational Improvements

The budget request includes \$29.5 million for various operational improvements described below.

- \$600 for a learning management system that will combine department-wide training management, records, and reporting.
- \$1.4 million for 12 departmental training officers.
- \$700 for two mobile command units to be used for emergencies or short-term office closures.
- \$2.8 million for 30 positions to staff to the mobile command units and to operate “pop ups” for outreach events.
- \$6 million for 32 district manager positions that will be allocated to each of the eight regional offices throughout the state.
- \$900,000 for 32 vehicles for district managers (one-time and \$100,000 ongoing) to enable them to visit field offices in the region.
- \$964,000 for eight district analyst-level positions.
- \$1.6 million for software for online DL/ID replacement.
- \$8.3 million (growing to \$14.4 million in 2020-21 and ongoing) for 200 new self-service terminals.
- \$2.6 million to replace 88 of DMV’s fleet of 298 vehicles and \$1.6 million on-going for future replacements.
- \$1 million for a consultant to develop and effective governance structure.

- \$1 million for organizational change management services.
- \$150,000 for appointment system modifications.
- \$1 million (\$4 million in 2020-21) for field office assessment and redesign.

### Information Technology Improvements

The budget request includes \$17 million for IT improvements as follows.

- \$3.1 million for an IT refresh to replace IT equipment that has reached its end of useful life on a five-year replacement schedule.
- \$4.7 million for network redundancy as recommended by OSAE.
- \$3 million for document authentication devices (one-time) that have reached their end of useful life.
- \$6.2 million for 6,500 new personal computers (one-time and \$900,000 ongoing).

***Wait Times Likely to Get Worse in the Near Future.*** The DMV has processed about 3.4 million REAL ID driver's licenses and ID cards. DMV estimates it will need to process roughly 16-20 million more cards over the next few years—an annual volume that is more than double the amount DMV processed in 2018. As a result, it is very likely that even with significant investments and changes at the DMV there will continue to be long wait times that will increase significantly over the next couple of years.

## **STAFF COMMENTS**

DMV is the face of California state government for many Californians. Due to long wait times that some Californians have encountered in the last year, this has not been a very positive face. DMV must take steps to improve its operations in order to meet federal deadlines for REAL ID and to better serve the public. The pressure put on DMV by the federal REAL ID requirements has created an opportunity to reimagine DMV and reevaluate all of its business functions and operations to modernize its services and efficiencies. Such an effort is going to take a multipronged approach that involves patience, willingness to change, strategic action, education and outreach, and investment in modernizing the DMV.

The biggest challenges DMV must overcome are a lack of effective management at all levels and a culture that is resistant to change. Recently OSAE and the Administration's Strike Team have identified many opportunities for making improvements, but as the OSAE audit finds these are only effective if they are carried out consistently across all DMV field offices and if line staff are given the resources and training they need to be effective.

The Administration has proposed a multi-year approach to addressing some of these challenges. However, any efforts to improve DMV's operations will be hampered by not having strong leadership and management and the right governance structure in place. To ensure success, the Legislature will need to strike a balance between finding what activities and resources are needed for both longer-term managerial and operational reform and the immediate need to process REAL IDs. The 2019-20 budget request will be closely evaluated to ensure that it addresses findings and recommendations of recent evaluations and that it does not propose funding activities that are likely to fail without a strong foundation in place to effectively roll out and deliver service improvements.

For more information on REAL ID and the process to get a REAL ID visit:

<https://www.dmv.ca.gov/portal/dmv/detail/realid>

## Appendix A

## Summary of the Department of Finance, Office of State Audits and Evaluations Findings and Recommendations

## SUMMARY OF RECOMMENDATIONS

Finding	Recommendation
<b>1.1: Significant Deficiencies in Planning and Implementation of REAL ID Program Negatively Impacted the Field Office Customer Experience</b>	
1.1.A: Assign and Maintain Resources for Implementation of Critical Policy Changes	<ul style="list-style-type: none"> <li>For the continued implementation of the REAL ID project up to and beyond the October 2020 deadline:               <ul style="list-style-type: none"> <li>Assign a dedicated team responsible for monitoring program implementation. The leadership, roles, and responsibilities of the team should be clearly defined and communicated. The team should respond to weaknesses and issues in the program as they are identified and ensure compliance with federal and state requirements.</li> <li>Report to internal and external stakeholders regarding the implementation, weaknesses, and successes of the REAL ID project as deemed necessary.</li> </ul> </li> <li>For future significant projects with the potential for widespread impact on DMV operations:               <ul style="list-style-type: none"> <li>Develop and align plans for preparing and implementing projects with strategic goals and strategies.</li> <li>Identify the responsible parties and accountability measures to develop and monitor key project milestones, including communication with internal and external stakeholders.</li> </ul> </li> </ul>
1.1.B: Improve Collaboration and Prioritization Process for Significant IT Projects	<ul style="list-style-type: none"> <li>See Recommendation 2.2.A</li> </ul>
1.1.C: Evaluate Additional Policy Changes to Alleviate Demand on Field Offices	<ul style="list-style-type: none"> <li>Evaluate the potential for adjustments to policy and regulation to better align DMV policies and procedures with the demands of its customers, such as adjusting the frequency customers are required to seek DMV services.</li> </ul>
<b>1.2: Organizational and Reporting Structure is Outdated and Does Not Reflect Current Operational Needs</b>	
1.2.A: Conduct a System-Wide Assessment of Field Office Grading and Evaluate the Need for Additional Regional Offices	<ul style="list-style-type: none"> <li>Perform a system-wide analysis of field office grading, readjust grades as appropriate, and evaluate the impact of any adjustments on field office resources and policies. The analysis should also consider the ratio and location of regional offices assigned to field offices.</li> <li>Evaluate the equitable distribution of field offices within the regions.</li> <li>Evaluate the feasibility of increasing the number of regional offices or creating intermediate offices between regional and field offices. Creating additional offices could consist of physical, virtual, or mobile offices that rotate between field offices. The location of offices should consider the distance to field offices.</li> <li>Evaluate the cost of creating, maintaining, staffing, and supporting any additional offices.</li> </ul>

Finding	Recommendation
1.2.B: Refocus the Regional Office Roles, Responsibilities, and Support of Field Offices	<ul style="list-style-type: none"> <li>• Reevaluate DMV service models to identify opportunities to implement consistent policies and procedures at all field offices.</li> <li>• Reduce the administrative burdens, including the number of required reports, placed on field offices by reallocating responsibilities to regional offices.</li> <li>• Evaluate the value, timing, and frequency of administrative tasks and required reports and make adjustments to limit any impact on customer service.</li> <li>• Determine, document, and communicate the roles, responsibilities, reporting structure, and policies and procedures for all regional, field, and any intermediate offices.</li> </ul>
1.2.C: Establish Effective Communication Channels Between Executive Management and Field Office Employees	<ul style="list-style-type: none"> <li>• Consider moving the date of the Director's meeting to Monday mornings with communication to field office managers no later than Tuesday mornings, to provide sufficient preparation time for weekly meetings.</li> <li>• Consider communicating Wednesday morning training meeting information to field office employees via alternative methods, such as email, intranet postings, or video messages. Ensure the information is accessible by all employees.</li> </ul>
<b>1.3: Budgeting and Staffing Approach is Not Focused On Maximizing Field Office Capacity</b>	
1.3.A: Maximize the Number of Open Field Office Windows Serving Customers	<ul style="list-style-type: none"> <li>• Design weekly field office employee schedules to ensure all field office windows are open and serving customers during business hours. Allow for flexibility in the schedule to account for unexpected employee absences and assign employees to cover windows during lunch and rest break periods.</li> <li>• Evaluate the possibility of extending business hours to increase field office capacity. In lieu of requiring employees work overtime to address extended business hours, consider offering additional alternative work week schedules or part time positions. Extending business hours may depend on field office demographics and customer needs. If business hours are extended, the weekly employee schedule should stagger the start and end time of shifts to ensure all windows are staffed during business hours.</li> <li>• Evaluate the staffing levels, size, and physical layout of field offices to accommodate more service windows to further increase field office capacity.</li> </ul>
1.3.B: Improve Absenteeism Tracking and Analysis to Maximize Resource Allocation	<ul style="list-style-type: none"> <li>• Continue researching and refining the system for analyzing and calculating field office absenteeism. Absenteeism statistics should be reliable and consistently identified, regardless of the field office location.</li> <li>• Use absenteeism data to analyze trends in field office absenteeism and develop actionable solutions to respond to or reduce absenteeism to an acceptable level. For example, consider adjusting vacation approval policies or reducing overtime as a means to reducing the number of employees who are unexpectedly absent from work.</li> </ul>



Finding	Recommendation
1.3.C: Refine Collection and Analysis of Data for Resource Allocation Process	<ul style="list-style-type: none"> <li>Utilize the following factors when allocating additional field office positions:               <ul style="list-style-type: none"> <li>Transactional data to project the timing and quantity of customers likely to visit field offices, i.e., the customer's third driver license renewal or annual vehicle registration renewal.</li> <li>Calculations of historical transaction volumes compared to historical wait time statistics.</li> <li>Comparisons of projected transaction demands resulting from policy changes on current field office window capacity.</li> <li>Considerations of how absenteeism trends impact the number of employees needed to handle demand.</li> <li>Evaluations of the above data conducted for each regional and field office.</li> </ul> </li> </ul>
<b>1.4: Appointment Practices Need Improvement</b>	
1.4.A: Standardize Appointment Availability Across Regions and Customize if Needed	<ul style="list-style-type: none"> <li>Analyze the appointment system including the optimal ratio of appointment to non-appointment transactions processed at field offices. The analysis should ultimately provide actionable information so field offices can customize the number and type of appointments available to best serve the customer base of each field office, and the frequency that appointments are made available for reservation.</li> <li>Use tools such as transaction statistics, wait times, and no-show percentages to adjust the appointment ratio as needed to respond to customer demand.</li> </ul>
1.4.B: Strengthen the Appointment System to Enhance Appointment Availability	<ul style="list-style-type: none"> <li>In addition to name and phone number, require unique identifiers when reserving appointments, such as driver license or vehicle identification numbers.</li> <li>Require customers to positively identify when checking in at the field office that they were the one who reserved the appointment.</li> </ul>
<b>1.5: Monitoring of the Field Office Customer Experience Needs Improvement</b>	
1.5.A: Continue Performing Centralized Analysis of Customer Feedback	<ul style="list-style-type: none"> <li>Continue analyzing customer feedback and recognizing and coaching employees on successes and opportunities related to the feedback received.</li> <li>Consider expanding the analysis of feedback to identify statewide opportunities for efficiencies, employee training, and operational enhancements.</li> </ul>
1.5.B: Reevaluate Command Center Functions and Customer Priority Adjustments	<ul style="list-style-type: none"> <li>Replace the practice of subjective adjustments to field office customer priority with a long-term, equitable solution. Use the Lean Six Sigma Team to examine possible alternatives for this practice, such as designating field office windows as appointment only or non-appointment windows. Pilot alternatives to ensure they are effective and make adjustments based on pilot program results prior to implementing in all field offices.</li> <li>Reevaluate the duplication of efforts involved in monitoring Qmatic at the Command Center, and regional and field offices.</li> <li>Use the Command Center to gather and analyze data on state-wide wait times and appointment usage, and prepare reports for management's use based on this information.</li> <li>Evaluate whether the Command Center can replace any of the reporting responsibilities of field offices, as discussed in Recommendation 1.2B.</li> </ul>

Finding	Recommendation
1.5.C: Increase Usage of Lean Six Sigma Team to Proactively Address Customer Experience Issues	<ul style="list-style-type: none"> <li>• Support and empower the Lean Six Sigma Team to proactively identify opportunities for reduction of waste and variation in DMV processes. The team should be cross functional, i.e. composed of employees from all levels of DMV to identify problems, find opportunities for improvement, and develop out-of-the box solutions.</li> <li>• Incorporate the team into planning significant projects.</li> <li>• Educate division management regarding the capabilities of the team so they are more likely to rely on their skills and abilities when planning projects.</li> <li>• Establish a mechanism for divisions to request services from the team.</li> </ul>
1.5.D: Conduct Internal Audits of the Field Office Customer Experience	<ul style="list-style-type: none"> <li>• Update IAU's responsibilities and audit program to include audits of the customer experience.</li> <li>• Regularly conduct audits of the field office customer experience, including Lean Six Sigma Team process improvements, and provide actionable recommendations.</li> <li>• Develop a schedule to conduct field office audits to ensure timely, adequate coverage of offices.</li> <li>• Use customer service feedback data to prioritize offices to visit and subjects to audit.</li> </ul>
<b>1.6: Enhancements to Field Office Customer Service were Inconsistently Implemented and Additional Opportunities for Improvement Exist</b>	
1.6.A: Employees Should Triage Waiting Customers and Be More Easily Identifiable	<ul style="list-style-type: none"> <li>• Ensure all field offices consistently dedicate employees to triage customers in the pre-queue lines, including educating customers of DMV's accepted forms of payment.</li> <li>• Evaluate the feasibility of accepting credit cards as a form of payment in field offices.</li> <li>• Evaluate field office layouts and signage to ensure information is visible, understandable, and helpful in directing customers. Make sure signage clearly states line types and accepted forms of payment.</li> <li>• Signage should be visible to customers inside the building and those waiting in lines outside of the building.</li> <li>• Assist customers in quickly and consistently identifying field office employees by providing employees with a designated shirt, dress code, or other garment, such as a vest, identifying them as a DMV employee.</li> </ul>
1.6.B: Accurately Track and Advertise Customer Wait Times	<ul style="list-style-type: none"> <li>• Ensure field offices consistently measure its pre-queue wait times to accurately report data to the regional office.</li> <li>• Assign customers a Qmatic ticket number as soon as possible upon arrival to a field office so wait times can be more accurately tracked and reported.</li> <li>• Advertise wait times by appointment, non-appointment, and transaction type on the DMV website.</li> </ul>
1.6.C: Use Tablets to Assist Customers While They Wait	<ul style="list-style-type: none"> <li>• Ensure employees responsible for triaging lines use tablets to assist customers while they wait and assign Qmatic ticket numbers.</li> <li>• Train employees on how to use tablets effectively to assist customers.</li> <li>• If problems arise with tablets, troubleshoot and timely resolve the issue rather than abandoning use of the tablets.</li> </ul>

Finding	Recommendation
1.6.D: Offer Text Message Notifications to Customers	<ul style="list-style-type: none"> <li>• Offer all customers text message notifications upon assigning their Qmatic ticket number.</li> </ul>
1.6.E: Expand and Advertise Alternatives to Obtaining Service in Field Offices	<ul style="list-style-type: none"> <li>• Increase the quantity and locations of SSTs and expand their transaction capabilities to provide more DMV services to customers.</li> <li>• Increase the transaction capabilities of call center representatives, including the ability to accept payments over the phone, to provide another alternative to customers who otherwise could visit a field office.</li> <li>• Reassess DMV's customer delivery practices to gain an understanding of customer expectations and needs to develop alternative service delivery options.</li> <li>• Research different service delivery options offered by other state department of motor vehicles and evaluate their applicability for California.</li> <li>• Assess the risks, costs, and resource needs of possible alternatives.</li> <li>• Conduct pilot programs as necessary to analyze the impact of these alternatives on the customer experience.</li> <li>• Educate customers on any new service options to be implemented.</li> </ul>
1.6.F: Implement a Consistent Transaction Error Resolution Process	<ul style="list-style-type: none"> <li>• Develop policies and procedures, for field offices for transaction errors, i.e., holdouts, to ensure these transactions are accurately and timely identified, addressed, and resolved.</li> <li>• Consult with ISD whether certain transaction holdouts can be prevented, detected, or resolved by an IT process during the customer transactions.</li> <li>• Provide training to field office employees regarding the newly developed policies and procedures.</li> <li>• Ensure policies and procedures are consistently implemented.</li> <li>• Include in IAU's audit program steps to verify compliance with these policies and procedures.</li> </ul>
<b>1.7: Field Office Employee Development Resources are Inadequate</b>	
1.7.A: Timely Provide Comprehensive Training to New Hires	<ul style="list-style-type: none"> <li>• Timely send new field office employees to training i.e., before they are expected to assist customers.</li> <li>• Develop a comprehensive training plan for employees that aligns with DMV's strategic goals. The plan should have required core subjects, including customer service, with clear timeframes for completion. There should be separate tracks for driver license and vehicle registration so that field office managers can maintain an appropriate mix of specialized and cross-trained employees to suit their field office's needs.</li> <li>• Allow employees to attend refresher training as needed.</li> </ul>
1.7.B: Fully Implement The Four Promises Customer Service Training	<ul style="list-style-type: none"> <li>• Ensure all DMV employees are adequately trained in and implement The Four Promises customer service model.</li> </ul>
1.7.C: Expand Training Opportunities Beyond Wednesday Morning Weekly Training	<ul style="list-style-type: none"> <li>• Increase the amount of training time available outside of the Wednesday morning training meetings to ensure employees become familiar with significant new processes including changes to software or equipment.</li> <li>• Provide employees the opportunity to perform new processes in a test environment before assisting customers.</li> </ul>



Finding	Recommendation
1.7.D: Update Employee Reference Materials So They Are Comprehensive, Intuitive, and Regularly Updated	<ul style="list-style-type: none"> <li>• Timely update reference materials when changes are verbally communicated at weekly meetings.</li> <li>• Evaluate the organization of reference material on the DMV intranet so that employees can quickly locate policies, procedures, and manuals when needed.</li> </ul>
1.7.E: Reevaluate Training Branch Resources	<ul style="list-style-type: none"> <li>• Reevaluate resources allocated to the Training Branch as staffing levels change to ensure that technical and customer service training can be consistently and timely provided to field office employees.</li> </ul>
<b>2.1: Insufficient Network System Infrastructure and Lack of Monitoring Processes Contributed to Field Office Outages, Impacting Customers' Ability to Obtain DMV Services</b>	
2.1.A: Assess the Adequacy of Circuit Sizes Supporting Field Offices and Address Deficiencies	<ul style="list-style-type: none"> <li>• Assess circuit size capacity at least annually to ensure it adequately supports field office operations. The assessment should consider, at a minimum, the expected number of field office transactions and significant policy and IT changes that may impact operations.</li> <li>• Identify alternatives for circuit redundancy by researching IT industry standards and best practices, and performing an analysis to determine the resources needed to address field office network infrastructure requirements.</li> </ul>
2.1.B: Proactively Monitor Network Performance to Identify and Prepare for Potential Outages	<ul style="list-style-type: none"> <li>• Configure SolarWinds to produce warning history reports. Analyze these reports weekly to enable timely identification of potential network performance issues.</li> <li>• Develop a routine process to review and analyze circuit utilization reports. Compare the circuit usage to the established benchmark, contact field offices to determine the need for circuit size increases, and take appropriate actions based on this analysis.</li> <li>• Assign technical experts or a special taskforce to fully develop the Remedy system problem management function. Establish a monthly process to analyze incident history and identify areas of improvement to enhance customer experience in the field offices.</li> </ul>
2.1.C: Enhance the Incident Ticket Process to Consistently Prioritize and Timely Resolve Field Office IT Issues	<ul style="list-style-type: none"> <li>• Develop objective scoring criteria with specific performance metrics to ensure priorities are consistently assigned to all incident tickets.</li> <li>• Provide training to relevant employees to confirm understanding of policies, procedures, and requirements related to incident tickets. The training should be mandatory upon the employee's appointment, and then annual or biennial refresher training should be offered.</li> <li>• Reinforce Incident Management Module Process Standard to ensure all incident tickets are resolved within the required 30 days. This should include clearly communicating the policy and expectations to all responsible parties, promptly resolving outstanding tickets identified on the weekly 30/60/90 Review report, and holding employees accountable for resolution of their assigned tickets.</li> <li>• Enhance the 30/60/90 Review policy to include detailed review procedures, such as the timeliness of management review of the report, the mechanism to distribute open tickets and track resolution, and the assigned responsible employees.</li> <li>• Use the tools in Remedy to analyze tickets and generate reports on outage frequency, causes, and resolutions.</li> </ul>

Finding	Recommendation
<b>2.2: Project Prioritization, Management, Testing, and Documentation Practices Need Improvement</b>	
2.2.A: Review the Project Prioritization Process and Follow Accepted Scoring and Ranking Templates	<ul style="list-style-type: none"> <li>• Develop and implement a systematic scoring system to make objective and consistent IT project prioritization decisions. This scoring system should align score criticality with DMV's business objectives and strategic goals, and designate projects with legislative deadlines as a high priority.</li> <li>• Refine existing project scoring and ranking templates to align with the systematic scoring system, and require all relevant divisions to use the templates when submitting IT requests.</li> <li>• Ensure EGC makes prioritization recommendations following the systematic scoring system before referring to the Directorate for final decision-making.</li> </ul>
2.2.B: Resolve Critical, Serious, and Moderate Defects Prior to Project Launch	<ul style="list-style-type: none"> <li>• Define defect severity levels with objective and specific performance measures for consistent defect categorization.</li> <li>• Improve communication with relevant divisions to ensure thorough understanding by all parties of project business requirements and to help ensure sound, timely decisions are made on defect management. The testing expectations should also be clearly documented in the BRD and communicated to the testing team.</li> <li>• Ensure all defects, especially critical, serious, and moderate defects, are resolved prior to project release. If all defects cannot be resolved prior to project release, ISD should proactively work with the business unit to resolve all outstanding defects within a reasonable timeframe to minimize the impact on the customer experience in field offices.</li> </ul>
2.2.C: Complete All Required Tests Before Launching IT Projects	<ul style="list-style-type: none"> <li>• Designate responsible employees, such as project managers, to ensure all required steps in the SDLC are performed before the project is released.</li> </ul>
2.2.D: Sufficiently Document Approval and Completion of Key Project Components	<ul style="list-style-type: none"> <li>• Develop and implement policies and procedures to ensure ISD abides by all project management requirements set forth by SDLC methodology and other applicable standards, including requiring all stakeholders and key management members document their approval of the BRD, and all gaps identified in the gap analysis are resolved.</li> <li>• Establish a practice to document all meetings involving IT project decision-making, including sufficient details regarding how and what decisions were made and the responsible parties. Distribute meeting minutes to all attendees to confirm understanding, decisions reached, and promote accountability.</li> </ul>
<b>2.3: Legacy Computer Programming Language Contributes to Succession Planning Risks</b>	
2.3.A: Raise the Priority of Transition from Legacy Programming Languages	<ul style="list-style-type: none"> <li>• Prioritize transitioning from Assembler to a newer, more commonly used computer programming language. Continue existing efforts toward sustaining institutional knowledge related to Assembler until the transition is complete.</li> </ul>
2.3.B: Raise the Priority of Succession and Workforce Planning	<ul style="list-style-type: none"> <li>• Prioritize succession and workforce planning and follow the Succession Planning and Workforce Planning Models on CalHR's website.</li> </ul>
2.3.C: Finalize and Implement the SWP	<ul style="list-style-type: none"> <li>• Finalize and implement DMV's 2018 SWP. Clearly identify actions needed, responsible parties, and estimated completion dates.</li> <li>• Evaluate implementation status at least annually and make adjustments when necessary.</li> </ul>