



## Board Report

File #: 2023-0570, File Type: Contract

Agenda Number: 25.

### EXECUTIVE MANAGEMENT COMMITTEE OCTOBER 19, 2023

**SUBJECT: METRO LEADERSHIP ACADEMY**  
**ACTION: APPROVE CONTRACT AWARD**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed price Contract No. PS87481000 to Southern Methodist University to serve as the academic partner for the Metro Leadership Academy Program, in the amount of \$1,002,750 for the three-year base term, and \$366,050 for the first one-year option and \$379,550 for the second one-year option, for a total Contract Value of \$1,748,350, subject to the resolution of any properly submitted protest(s), if any.

#### **ISSUE**

The Metro Leadership Academy Program (MLA) is an internal leadership development program to address two major challenges: succession planning and employee retention. First, 30% of Metro employees are eligible to retire and 62% of Metro employees will be eligible to retire within the next 10 years. Second, Metro has committed to an ambitious work plan as it builds the fastest-growing public transportation system in the country. To prepare and develop the leaders of today and tomorrow, a qualified academic partner is necessary.

Since MLA's inception, Metro has retained an academic partner to teach the leadership cornerstones of the program. The current contract expires December 31, 2023, and a new contract award is recommended to ensure continuity.

#### **BACKGROUND**

Metro created MLA in 2015 as a 12-month program. Participants are drawn agency-wide from both Contract and Non-Contract positions, representing all levels of leadership from front-line to senior executive positions. The first 40-person cohort launched in January 2016. Along with academic leadership courses, Metro's Senior Leadership Team teaches department specific competency courses.

MLA provides employees the framework and tools to understand their personal leadership style, and how to adapt to a changing environment within the industry and workplace. Participants graduate from MLA with a renewed appreciation of their potential, a new understanding of high-quality business connections, and a stronger sense of how to maximize their influence. Each cohort

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presents a group project and recommendations to address current business challenges to executive management. Since the inception of MLA, Metro has adopted seven projects for implementation.

Metro has accepted 280 employees into MLA and 235 employees have completed and graduated from the program. Each December, MLA hosts a graduation, maintaining a 97 percent completion rate. Due to the pandemic the 2020 cohort was combined with the 2021 MLA year for a total of 38 graduates. While participation in MLA does not guarantee promotion, 42 percent (98 out of 235) of graduates have received a promotion and 22 percent (52 out of 235) of the graduates were promoted twice. Graduates often participate in annual recruitment seminars during the MLA application period, and they share the positive impact MLA has had on their personal and professional growth. Many continue to engage in other development programs including SEED LA seminars and serve as mentors.

## **DISCUSSION**

The MLA academic partner is responsible for the development, implementation, and evaluation of the leadership program. The academic partner serves as a facilitator for a curriculum that teaches participants leadership competencies with the goal of shaping graduates for opportunities in leadership at Metro.

- In addition to MLA, the academic partner will provide Leadership Engagement Training. The Leadership Engagement Training targets those not accepted into MLA by offering an opportunity for participants to complete a 4-hour virtual training. The training will focus on enhancing communication and fundamental leadership competencies to keep employees engaged as future MLA participants.

## **DETERMINATION OF SAFETY IMPACT**

Approval of this item will have no impact on safety standards for Metro customers and employees.

## **FINANCIAL IMPACT**

The funding of \$300,000 for this service is included in the FY24 budget in cost center 6220, Talent Development, under project number 100001, General Overhead.

Since this is a multi-year contract the cost center manager and Chief People Officer will be accountable for budgeting the cost in future years, including any option exercised.

### **Impact to Budget**

The source of funds for Project 100001 is General Overhead funds, comprised of federal, state, and local funds. These funds are eligible for bus and rail operating costs.

## **EQUITY PLATFORM**

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Metro's Leadership Academy is an inclusive program for employees at all levels. In partnership with the Civil Rights, Race, Equity & Inclusion Department, MLA cohorts are aligned with Metro's long-term goals and a direct representation of Metro's workforce in the following areas: Contract/Non-contract job classification, gender, ethnicity and Union representation.

Since the beginning of MLA's implementation in 2016, this partnership has resulted in each cohort being equally represented by gender, with at least half of the cohort being female. Additionally, Talent Development has increased its outreach efforts agency-wide, resulting in the 2023 cohort being equally represented by both gender and Contract/Non-Contract job classification. This work will continue to evolve so that representation of each cohort remains inclusive of all people.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The staff recommendation supports the following Strategic Plan Goals:

- Strategic Plan Goal 3: Enhance communities and lives through mobility and access to opportunity
- Strategic Plan Goal 4: Transform LA County through regional collaboration and national leadership
- Strategic Plan Goal 5: Provide responsive, accountable, and trustworthy governance within the Metro organization

The MLA supports these goals by developing staff in the competencies needed to build skills for setting a strategic vision, acting as a champion for change, effective decision making, managing resources, building effective teams, and managing diversity. This program engages leaders at all levels and supports succession planning efforts. MLA further supports Metro's promise to deliver on its mission of providing a world-class transportation system that enhances quality of life for everyone in Los Angeles County.

### **ALTERNATIVES CONSIDERED**

Staff has considered using in-house Metro resources to perform this work; however, this approach is not recommended as Metro does not have subject matter experts on staff to perform this work.

The Board of Directors may choose not to authorize the Contract award for this program; however, this alternative is not recommended as this Contract is critical to the professional development of employees within the agency.

### **NEXT STEPS**

Upon Board approval, staff will execute Contract No. PS87481000 with Southern Methodist University for the 2024 Metro Leadership Academy Class that begins in January 2024.

### **ATTACHMENTS**

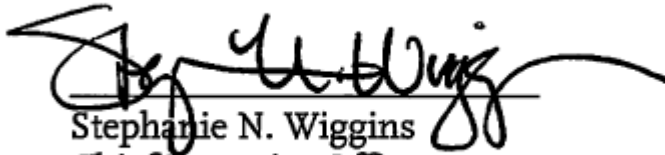
Attachment A - Procurement Summary  
Attachment B - DEOD Summary

Prepared by: Maria G. Meleandez, Deputy Executive Officer, Talent Development  
(213) 922-5259  
Dawn Jackson-Perkins, (Interim) Executive Officer, Talent Management

(213) 418-3166

Debra Avila, Deputy Chief Officer, Vendor/Contract Management (213) 418-3051

Reviewed by: Seleta Reynolds, Chief Innovation Officer/(Interim) Chief People Officer (213) 922-4098



Stephanie N. Wiggins  
Chief Executive Officer