



Board Report

File #: 2018-0598, **File Type:** Contract

Agenda Number: 34.

**EXECUTIVE MANAGEMENT COMMITTEE
NOVEMBER 15, 2018**

SUBJECT: METRO LEADERSHIP ACADEMY

ACTION: AWARD PROFESSIONAL SERVICES CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD a three-year firm fixed price Contract No. PS54336000 to Southern Methodist University Cox School of Business, to serve as the academic partner for the Metro Leadership Academy (MLA) Program, in the amount of \$858,552, effective December 2018 through December 2021; and
- B. APPROVE Contract Modification Authority specific to Contract No. PS54336000 in the amount of \$85,855.

ISSUE

The MLA is an employee development program is an internal leadership program to address two major challenges. First, 30% of Metro employees are eligible to retire and 60% of Metro employees are eligible to retire within the next 10 years. Secondly, Metro has committed to an ambitious work plan as we build the fastest growing public transportation system in the country. If we do not prepare our Agency and develop leaders, we may face a great gap that cannot be filled with a simple hiring process.

Since its inception, an academic partner has been retained for the implementation of the MLA. The current contract expires December 31, 2018 so a new contract award is recommended to ensure continuity.

BACKGROUND

The MLA was initiated in 2015 by Metro's Chief Executive Officer, Phil Washington. Participants are drawn from both contract and non-contract employees agency-wide. The first 40-person cohort was launched in January 2016. The Academy is a 12 month program that features both academic leadership courses along with Metro's Senior Leadership Team providing real-world learning as it applies to Metro.

Since the inception of the MLA program there have been 120 employees who participated from all Managing Departments within the agency. Below are demographics of the MLA participants from 2016-2018.

- Gender: Female 53% - Male 47%
- Workforce: Non-Contract 59% - Contract 41%
- Age: Over 40 years of age 54% - Under 40 years of age 46%
- Ethnicity: Asian 14.17%
African American 29.17%
Hispanic or Latino 32.5%
Native Hawaiian or Pacific Islander .83%
White 16.67%
Two or More 6.67%

The MLA provides employees the framework and tools to understand their personal leadership style and the changing environment within our industry and workplace. Participants graduate from the Academy 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 is also required to present a group recommendation. Since the inception of the MLA, three out of eight recommendations have been implemented by management. And while participation in the Academy does not include a guarantee of promotion, 32% (38 out of 117) of graduates have received a promotion and five of the graduates have been promoted twice.

DISCUSSION

The MLA academic partner will be responsible for the development, implementation and evaluation of the leadership program that is targeted to engage all levels of leadership in the agency. The academic partner serves as a facilitator for curriculum that teaches participants leadership competencies with the goal of having these graduates serve as the next generation of leadership in the transportation industry.

In addition to the MLA, the academic partner will provide Leadership Engagement Training and Senior Leadership Team Training. The Leadership Engagement Training is for those not accepted into the MLA, which will serve as an opportunity for participants to enhance their communication skills and achieve results in the workplace as well as retain their interest in the MLA. The Senior Leadership Team training will focus on leadership competencies consistent with what is taught in the MLA and will provide methods to emphasize and accelerate the use of these competencies in the broader organization.

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 \$240,000 for this service is included in the FY19 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 Human Capital & Development 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.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The staff recommendation supports Metro's 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 within Metro to both support succession planning efforts as well as enabling Metro to deliver on the 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 sufficient resources and subject matter experts available to perform this work.

The Board of Directors may choose not to authorize the Contract award for this project; however, this alternative is not recommended as this Contract is critical to the development and training of Metro's growing workforce.

NEXT STEPS


Upon Board approval, staff will executive Contract No. PS54336000 with Southern Methodist University Cox School of Business to prepare for the 2019 Metro Leadership Academy Class that begins in January 2019.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

Prepared by: Patrice McElroy, Executive Officer, Talent Management
(213) 418-3171

Reviewed by: Joanne Peterson, Chief Human Capital & Development Officer
(213) 418-3088
Debra Avila, Chief Vendor/Contract Management Officer
(213) 418-3051



Phillip A. Washington
Chief Executive Officer