



OCTA ORANGE COUNTY TRANSPORTATION AUTHORITY

California's Orange County Transportation Authority Fills Leadership Pipeline with Focus on Core Competencies

Agency Purchases Copyright to Integrate Zenger Folkman's Core Competencies Across Talent Management Lifecycle

THE CHALLENGE

The Orange County Transportation Authority (OCTA) is Orange County, California's primary transportation agency. The OCTA oversees bus and rail service, as well as freeway, street and road improvements, vanpools, ride sharing, taxi administration and long range transportation planning. With more than 1500 employees, including about 1000 in the transit division (i.e. bus drivers, mechanics and service workers) and 500 administrators, OCTA is a complex organization with competing goals and limited resources requiring a dedication to competency—or skills and knowledge to do the job—in everything it does.

OCTA employees tend to have a long length of service (more than 13 years on average), which means a lot of continuity and deep experience. In fact, in 2005, the American Public Transportation Association named OCTA America's Best Public Transportation System for its record ridership gains in the bus and the Metrolink commuter trains that it operates or funds.

Extensive length of service, however, can also mean that leadership bench strength is not very deep. Currently, more than 53 percent of OCTA's managers in the Transit Division are eligible for retirement. In the Maintenance Department, that number is closer to 60 percent. Within the next five years, OCTA anticipates that between 75-80 percent of their Transit managers will be retirement eligible. As a result, the organization needed to plan for succession along its leadership pipeline. While OCTA wanted to hire from within, it needed to base these hiring decisions on more than

just technical abilities alone. According to Julie Espy, OCTA's Manager of Training and Development, this proved unsuccessful several times, when the technical person didn't have the leadership skills needed to advance to a supervisory position.

As a result, OCTA faced the possibility of bringing in new leaders from outside.

"If you bring in one or two from the outside, that's fine, but you bring in 15 new people, cultures change, and we didn't want that," Espy said. "Hiring from the inside builds pride and increases morale. They know our culture, they know how things run, and their ramp up time is much shorter. Many of our supervisors want to fill that leadership pipeline. We want to do all we can to make that possible."

THE SOLUTION

In the past, OCTA offered basic training and hoped people would actually participate in this training. When Mark Schaff joined the Training and Development team with a strong finance background, Training and Development decided to implement more skill development and metrics-based training. This included finding a 360-degree assessment program to evaluate—and then further develop - the leadership skills of leaders within the organization.

As Schaff researched third-party leadership programs, the discussion quickly turned to a focus on core competencies, so he began looking for a program that would offer the "optimal" number of competencies. Zenger Folkman's confidential, customizable 360-degree assessment, part of its *Extraordinary Leader* program, was the

The Challenge

- In 2006, OCTA faced dramatic retirement across the organization, so it needed to develop a strong pipeline of leaders as well as advance its ability to access – and then develop - the skills of each employee in hopes of promoting from within.

The Solution

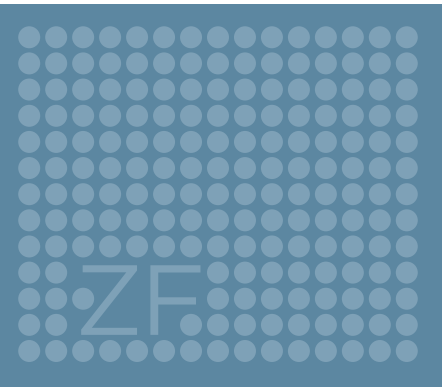
- OCTA implemented Zenger Folkman's 16 core competencies (based on its *Extraordinary Leader* program) throughout the organization.

The Results

- The core competencies language is now the lexicon of the entire organization, from bus driver to CEO. OCTA is developing strong leaders from within as much as possible and is beginning to see greater retention, more engaged employees and stronger leaders in every position.

About OCTA

- The Orange County Transportation Authority (OCTA) is the public sector transportation planning body and mass transit service provider for Orange County, California.



only one that met the criteria—with the following 16 core competencies nicely aligning with OCTA's goals:

- Takes Initiative
- Practices Self-Development
- Displays High Integrity and Honesty
- Drives for Results
- Develops Others
- Inspires and Motivates Others
- Builds Relationships
- Collaboration and Teamwork
- Establishes Stretch Goals
- Champions Change
- Solves Problems and Analyzes Issues
- Communicates Powerfully and Prolifically
- Connects the Group to the Outside World
- Innovates
- Technical or Professional Expertise
- Develops Strategic Perspective

OCTA also entered into an intellectual property agreement with Zenger Folkman that allows them to implement these competencies throughout the organization.

“I had heard of Jack Zenger and loved his approach to leadership, that leaders don't need to intimidate to get results,” Schaff said. “I further appreciated how he'd combined this approach with Joe Folkman's analytics to create an extensive leadership program with the ideal combination of 16 core competencies. During the initial purchasing process, however, our senior management asked why we couldn't just create our own competencies. We told them that it was important for a third-party party to handle all of the data, be objective, and maintain anonymity. Also, Zenger Folkman had the data with which to compare results. It was a great—and much needed—fit.”

The OCTA started implementing the core competencies in one division, with mid-level managers—and then branched out throughout the entire organization.

Employees complete a talent assessment based on the competencies that asks them to self-score and then compare their scores with those of their immediate supervisor. This provides a baseline score both personally and divisionally, and allows them to develop their strengths as well as close any gaps in their scores. Subsequent training teaches these employees how to develop—and apply—the core competencies vital to their jobs.

“Our goal is to integrate the core competencies into our employees' work from the first day on the job, whether a manager or bus driver or mechanic—and then implement them into their development training,” Espy said. “Each employee learns to understand where they are right now, and what competencies will be needed to succeed in the next position. The scores also allow the management team to assess who should be moving up the pipeline and who would succeed in cross-divisional assignments. Focusing on competencies allows us to focus on the key skills that leaders need.”

The management team also uses the core competencies in the initial hiring process. In fact, OCTA developed an algorithm tool, based on the core competencies, to help managers determine the 1-3 key core competencies each job requires. According to Espy, OCTA's CEO Darrell Johnson recently used the tool when determining the three competencies he wanted in his deputy CEO—Strategic Thinking, Champions Change, and Networking - and was then able to find the right person to fill the role.

THE RESULTS

The 16 competencies are now a part of OCTA's culture, increasingly so at a higher level within the organization. For example, according to Espy, more managers, not just the CEO, are implementing specific competencies in hiring and within overall discussions. She hears them talk about their employees' ability to build relationships, inspire and motivate others—or their lack of skills in these areas.

“It's been a six-year cultural move to embed core competencies as the

foundational element at every level of the organization,” Espy said. “And it's working. This isn't the language of managers; it's become the language, the lexicon, of all OCTA employees.”

Patrick “Paddy” Gough, Executive Director of Human Resources and Organizational Development, couldn't agree more.

“With my background as a 30-year Colonel in the Marine Corps, where we used competencies extensively, bringing the competencies to OCTA seemed like a no-brainer,” Gough said. “Once I saw the Zenger Folkman competencies and realized how they mapped to the Marine Corps competencies, I understood how powerful they could be for my entire division and OCTA as a whole.”

According to Gough, as OCTA integrated the competencies into all aspects of the talent management life cycle, it became even more clear how important they are.

“For example, we now have a repeatable, sustainable, and well-documented process of selecting high potentials (by ranking them on the core competencies),” he said. “No longer is it the ‘nod, nod, wink, wink’ backroom method of selecting people that are political favorites, but who may not have the critical competencies needed to take a leadership role. Further, using competencies at the beginning of the talent management life cycle, by integrating them into the recruitment and selection process, allows us to make a better hire from the start. And finally, I'm excited about the opportunity to use the data gathered over time with 360-degree evaluations and talent reviews to allow us to make more informed, data-driven decisions about training interventions and development at all levels.”

Lance Larson, OCTA's Executive Director of Government Relations, directly relates an experience he had to the “networking” competency—or more fully defined, the ability to develop associations with those outside the organization and linking OCTA to those groups to accomplish team goals. During a meeting of mayors and city council members, one approached Larson to ask about OCTA's purpose. He briefly

explained OCTA's purpose and the services it provides, including MetroLink.

"When he said he had never been on a train, I arranged to accompany him on the train to a meeting we were both attending," Larson said. "I didn't use the trip to corner him or to lobby on behalf of OCTA. I simply shared information, mostly when asked, and invited him to meet me on the train. While I've obviously ridden the train before, riding together made it a new and positive experience for us both. Since then, he has been an OCTA advocate, promoting the use of rail to his constituents."

As Larson further explains: "We can't always perceive the value of what we bring when talking about OCTA with local partners or citizens. The value of connecting ourselves to the outside world is much broader than these experiences. As we develop a habit of connecting ourselves and our coworkers with those around us, whether constituents, vendors or government agencies, we leverage our capacity and expand our personal ability—and our effectiveness increases significantly."

Espy agrees.

"Thanks to this partnership with Zenger Folkman, our employees are learning how to inspire, how to motivate, how to reach out to others, how to develop their subordinates, how to stretch goals and solve problems," Espy said. "We know that these skills can be taught and developed. By combining Zenger Folkman's 16 core competencies across our talent management life cycle, coupled with *The Extraordinary Leader* program for our management teams, we are seeing these skills put into practice every day."

Zenger Folkman helps organizations flourish by increasing the effectiveness of leaders at all levels. Our unique, strengths-based development methodology enables leaders to move faster and higher. Each offering is solidly grounded in research, utilizing our extensive empirical database. The end results are statistically significant improvements in how leaders lead, how their employees engage and how their companies profit; allowing both leaders and organizations to soar to new heights.