

Incentivizing Employees: How Baltimore Avoided More than A Million Dollars in Costs



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Intro

- What?
 - Employee Incentive Program
- Why?
 - Reduce operating costs
 - Improve service levels
 - Increase customer satisfaction
- Baltimore's results
 - \$1,152,593 cost avoidance over 12 months

PART I: Before



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Part I: Before

1. Operational readiness
2. Engaging consultant & defining project scope
3. Gathering baseline data (financial & operational performance)
4. Stakeholder identification & MOU
5. Info sessions and briefings
6. Educating personnel

Consultant and Program Scope

- Timelines and timeframes
- Identify key performance measures
- Sharing structure
- Costs to measure
- Personnel eligibility

Data: Identifying measures

Deciding what data to measure

- Vendor costs
- Inventory
- Supplies
- Salaries

Why these?

- Employee-driven
- Easy to understand and measure

Data: Collection and Analysis

Where do these data come from?

- FASTER
- Expenditure Data
- General Ledger Data

Focus on clear, consistent, auditable data

Data: Baseline

Make a baseline

- Goal is realistic, not aggressive
- Be ready to adjust for anomalies



Stakeholders and Briefings

- Department of Finance
- Department of General Services
- Office of the Labor Commissioner
- AFSCME Local 44
- Managerial and Professional Society
- City Union of Baltimore
- Elected Officials
- Employees

Marketing and Education



PART II: During



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Data Extraction & Analysis

- Keep an eye on anomalies
- Plan for possible adjustments (e.g. weather emergencies)
- Identify opportunities for future improvements

Program Operation

- Report regularly to your team
 - Monthly meetings
 - Public information
 - Sense of ownership

Date: February 21, 2019
 Gain Sharing Period: Jan - Jun
 Gain Sharing Month: February

Availability- If you miss 4 days, Monthly Availability is NOT MET
 If you miss 3 months in a Period, NO Gain Sharing Check

Vehicle Type	Daily Target	Yesterday		# of Days Missed this Month	# of Months Missed
		Actuals	Met?		
LoadPackers	86	91	●	0 /4	0 /3
Medics	30	49	●		
Ladder Trucks	17	22	●		
Pumpers	36	40	●		
Marked Police	309	445	●		
Non-Essential	87.5%	92.7%	●		

Availability	
Met	●
Not Met	●
Caution	●



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End of Period

- Review of performance with working group
- Allocate amounts to 3 groups
- Confirm eligibility
- Facilitate payroll
- Coordinate celebratory event



PART III: After

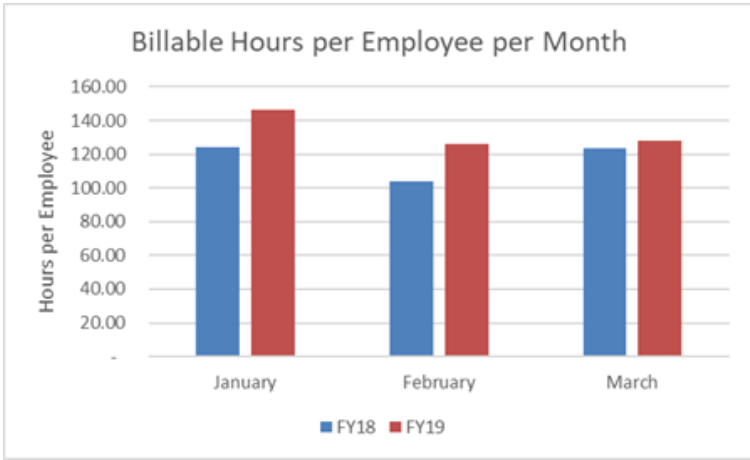


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Results

- Same staff consumed more work
- Staff delivered more direct labor hours
- Staff took less leave time



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Results

- Process Improvements
 - Parts Management
- Greater sense of employee ownership
- Avoided Costs
 - Over \$1.1 million saved in our first 12 months

Going Forward

- Lessons learned
 - City leadership buy-in
 - Flexibility: benchmark setting
 - Employee and Manager engagement and ownership
 - Meaningful incentive
 - Pomp and excitement
- Baltimore's Next Steps
- Potential for expansion

Questions & Open Discussion

THANK YOU!



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