

**FACILITIES MANAGEMENT DEPARTMENT
ORGANIZATIONAL AND DEVELOPMENT
STUDY**

April, 1985

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INTRODUCTION

This report has been prepared for Mr. George Y. Tice, Director, Facilities Management Department at his request by Mr. John J. Will, an organization consultant for the Economy and Efficiency Commission. Mr. Will is acting as a management consultant for Mr. Tice who had this study undertaken to develop recommendations for alternative organization structures that will enable the Facilities Management Department (FMD) to accomplish its mission and objectives over the long range - and is the writer of this report.

The report contains recommendations for phased-in development of the overall organizational structure required if FMD is to succeed. It contains charts which depict in a conceptual framework the functions and work that must be performed and which outline top-level reporting relationships.

This report does not contain a recommended final complete organization, cost data, or links to the County's personnel system. In order to develop recommendations at that level, a commitment is needed from the department director to adopt one of the alternatives described herein.

Information for the report was gathered from a number of sources, not the least of which was an interview process that included lengthy and wide ranging interviews with County personnel at a number of levels, including Board of Supervisors, Director, Chief Deputy, Deputy and other levels, as well as executives in private building management companies in all a total of over 40 interviews.

Other information sources were: Board letters and ordinances, pertinent documents provided by the office of the CAO, client survey results compiled by FMD, organization charts, Economy and Efficiency Commission reports, reports by the Grand Jury, and other pertinent documents. In addition to this data and the interviews, discussions were held on various appropriate topics with people who were knowledgeable about the subject matter discussed.

This information was then analyzed and synthesized with the knowledge and business experience of the consultant, and discussed with the client. This report, which incorporates his 'feed back', is the end result. I enjoyed having the opportunity to work with Mr. Tice and the other dedicated people in FMD and elsewhere in County government. I sincerely hope that the recommendations contained herein will be beneficial to FMD, and indeed, to Los Angeles County. If I can be of further assistance in the implementation stage I'd be happy to do so.

BACKGROUND

On September 13, 1983, the Board of Supervisors adopted the Economy and Efficiency Commission report entitled, "Decision-Making and Organization, Los Angeles County Government." The Commission recommended the reorganization of County government, including departmental consolidations, as a means to help achieve the stated goals of reducing the number of County departments, standardizing County processes and programs, and improving the Board's span of control. The Board instructed County departments to use the recommendations contained in the report as a general guide in the implementation of its overall objectives and instructed the Chief Administrative Officer to assume lead responsibility for implementation of the Commission's recommendations.

On September 11, 1984, the Board established the Facilities Management Department comprised of the Mechanical, Communications, Building Services Departments, and the Facilities portion of the County Engineer-Facilities.

Since that time an Executive Committee and a number of task forces have been established by the Department head, the latter to help expedite consolidation of the various administrative functions. Several interim organizations have been undergone, the most recent one having been implemented on January 14, 1985.

It was with this background that the current study was undertaken with the objective of developing recommendations for alternative organization structures that will enable FMD to accomplish its mission and objectives over the long range.

* * *

An examination of the Table of Contents will reveal that the flow of the report is to identify issues first, then to explore them by including findings and conclusions, and finally to make recommendations on them. The issues deal with internal (mostly people oriented) matters, customer service matters and organizational matters. The report is organized with these sequences in mind.

ISSUES AND CONCLUSIONS

Major Issues

The most frequently cited issues were:

- Affirmative Action
- Training and Development
- Management Style
- Delivery of Service
- Mission
- Organization Structure

Each of these is discussed in detail on subsequent pages.

Other Issues

- A need to pull at least the staff groups together into one physical location was seen as being an issue that should be addressed quickly by several high level interviewees and is a keystone of the consolidation effort by Public Works.
- Some saw Mechanical as a particularly troublesome unit in the consolidation mainly because of its impact on the overall budget and the budgets of the various departments.
- Several interviewees noted that there would be special difficulties in consolidating the information system activity, primarily because of its complexity.
- A few saw problems in integrating salary levels because of differences in salary levels in the various units that now comprise FMD.
- A few also were concerned about retaining the identity of their particular units.

Although these other issues won't be discussed further, they should be given appropriate priorities and addressed in the near future.

* * *

Each of the following sections contains two subsections, titled "Findings" and "Conclusions." "Findings" contains 1) a description of what the people interviewed perceive as the issue, and 2) observations and comments based on the consultant's knowledge of the situation, expertise, or general knowledge. "Conclusions" contains the consultant's summary of the kind of action necessary to resolve the issues raised in "Findings."

Affirmative Action

Findings

A number of interviewees saw the reorganization as either a problem for minorities in that they would suffer the brunt of any reductions in force or³ more frequently, as an opportunity for upward mobility. (We've got no place to go but up!). Some of these same interviewees noted that there was some concern by non-blacks that they would be overlooked, because of the heavy predominance of Blacks in Building Services and because of the strongly expressed concerns of the Black community.

The consultant notes that, because of both internal and external factors, particularly as they impact women and Hispanics, the affirmative action issue will have to be viewed in a broader context that includes these other groups.

Areas of opportunity that were seen were:

- For managers--to move into better paying departments or divisions, to be assigned broader responsibilities, and to be promoted to higher rated jobs;
- For workers--to move into maintenance type jobs and eventually into the crafts, either because their transfer would now be easier since it is all one department, or because of some job enlargement activities that might occur.

In both cases, that is manager and worker, the critical need for training and development to prepare for these opportunities was stressed.

Concerns were expressed that black managers would be the most adversely affected group of employees because of certain limitations on their experience and ability. Many of these interviewees felt that, with sufficient training and development, these managers could handle managerial positions in the new organizations.

Conclusion

Training and developmental activities need to be expanded rapidly and with the proper direction.

Training and Development

Findings

In addition to the training and development needs mentioned under "Affirmative Action" comments were made on the need to have broader gauged managers, generic managers, who can accept the delegation of added responsibilities and carry out the whole range of FMD activities as well as determining management processes to deal with them. The need to avoid parochial views was stressed.

Further comments alluded to the need to develop a management team approach which envisions a different management style from the Director down to first line supervisors.

Conclusion

The expansion of training and development activities mentioned previously needs to include executive, managerial and supervisory development as well.

Redundancy

Findings

Considerable concern was expressed. about people issues - who would be placed where, how much redundancy there would be. The general view was that there would be too many managers after the consolidation occurred, but that few lower level people would be affected - except as the result of increased contracting.

Observers also noted that, in addition to redundancies in managerial positions caused by consolidation of administrative support groups, there would probably be an excess of staff people.

The consultant notes that, if the Board's objectives of reducing levels of management is achieved, a number of 'one on one' and 'one on two or three' reporting relationships should be eliminated under the new organization structure. Thus, this would be another cause of managerial redundancy.

Elimination of redundancies is a fertile field for cost savings.

A dilemma is created by the Board's desire to effectuate cost savings while not wishing to harm employees.

Conclusion

Innovative ways of dealing with redundancy issues will have to be devised.

Management Style

Findings

Relations with the Board of Supervisors. A number of high level managers saw the need for the Director to spend a considerable amount of time working with individual Supervisors, their chief deputies and other members of the Board's staff discussing administrative, operational, policy and legislative matters both on a day-to-day basis and in preparation for their appearance of items on the Board agenda. The same would apply to dealing with the CAO and his chief subordinates. This was referred to by one interviewee as "attending to their care and feeding." This activity was seen as being a key activity of the Director and one that, in addition to responding to their requests, would take a considerable amount of his time.

The need for considerable Director's time with the Board is realistic. In each Supervisor's District, the most visible concrete evidence of his or her effectiveness to the electorate is the presence of County facilities. Therefore, managing them, their safety and their appearance is a great concern to each Supervisor. In addition, new construction or property acquisition by the County creates jobs.

Relations with the Chief Administrative Office (CAO). While relationships between department personnel and most CAO units were favorable, the relationship with the CAO's budget group is viewed as being considerably less favorable - in some cases, adversarial. The view of field people generally is that they should be given a budget and held accountable for operating within that budget, while CAO folks view their role as somewhat more controlling in that the Board of Supervisors holds them responsible for meeting the total County budget. However, there are some field units that have good relationships with the budget group. Others see CAO people as "vacuum people" who move into an area and take control at every opportunity. Steps are being taken in the Budget Division management to ameliorate this conflict (training, transfer of field personnel into CAO, communications).

A number of interviewees felt that relationships would improve, mainly because the department head would have more clout, and thus have better control over CAO activities in FMD, but also because they saw an increased amount of contacts at lower levels in the field units where positions were being filled by people with a good history of positive relations with the CAO.

Many saw the CAO group as a necessary evil that had to be dealt with in a non-adversarial way.

Several high level managers suggested the appointment of a special liaison executive between the department head and the CAO's office.

Relations within the Department. The need to develop a true management team was expressed by several. The establishment and use of task forces in the consolidation process was almost universally viewed as a positive step, not only because it is a good way to gain and transfer knowledge, but mainly because it was viewed as a commitment to a participative management style.

A number of interviewees expressed concern that the consolidation effort was moving ahead too slowly and felt that a number of moves should be made quickly. These matters, primarily naming an administrative head and consolidating administrative support groups, have been addressed since the interviews were conducted.

Some concern was expressed that a more delegative style of management would have to be developed due to the size and the diversity of the new organization as opposed to that of the Communications Department, that top management would have to get out of the minutiae.

A number of interviewees also felt that there was a paucity of information and communication not only with managers but also with employees - that the style was a 'closed' style.

Conclusion

Management style, in its various facets, is an issue that needs to be addressed by the department head and his top staff.

The holding of the retreat in February for the top executives is a favorable step in that direction, for one aspect.

Delivery of Service

Findings - Internal

A survey of users of Facilities Management services was conducted recently by FMD management. Results indicated a need for greater client service orientation in most of the areas that now comprise FMD. They also indicated that customers felt overhead charges to be too high.

One highly placed interviewee stated his view quite cogently: "FMD's hallmark should be "SERVICE", and another saw the need for "high customer orientation."

A number of high level managers, both line and staff, saw the consolidation as an opportunity to provide better service at lower cost by re-evaluating the whole process or philosophy of delivering service. With some variations, they would adopt a building manager concept where a single individual or office would be responsible for providing a full range of services to clients / tenants." This person or office would be the focal point for customers who need make only one contact to initiate work covering a range of skills - unlike the present system where numerous county service groups must be contacted and their work coordinated by the customer.

The building management organization could be regionalized - there would be firm centralized control, according to some, and either regional or central technical support groups to cover activities that do not lend themselves to regionalization.

Benefits seen flowing from the arrangement are:

- better service;
- more responsiveness;
- reduced costs;
- affirmative action opportunities;
- increased contracting possibilities.

Although interviewees saw no objection to this concept, there are some enormous problems areas that need to be considered like:

- organization structure;
- information systems availability;
- availability of qualified personnel.

Findings - External

Private Sector

All of the private sector building management companies that were reviewed use building managers. The focal point of service is the building manager.

The following observations were made during interviews we had with private sector building management companies:

- Duties of a building manager are basically to 'keep the tenants happy.' They are responsible for overall operation of a building - mechanical systems, security, oversee alterations, cleaning, parking and for budgeting and tracking expenses.
- The building management companies we dealt with gravitate toward strong central controls and technical support, with profit accountability in the building manager. Staffing is kept to a minimum.
- Much of the work is being contracted out.
- A good cost accounting system is a necessity.
- "There is no substitute for on site building management" (limited by the building size) was the strong comment of one interviewee.
- A regional manager "can supervise 30 to 50 building managers."

Conclusions

The "building manager" concept is a viable concept that should be carefully considered.

Findings - External

PUBLIC WORKS CENTER - U.S. NAVY YARD, SAN DIEGO Organization

- Production group is responsible for:
 - providing all products and services;
 - assuring that all products and services are cost effective, high quality and within established performance criteria.
- Production management office is the funnel for all planned work requirements.
 - programs and schedules all planned events (except transportation maintenance);
 - determines proper allocation of PWC resources;

- evaluates work backlog and determines proper level of contract and in-house work;
- provides a single point of contact for customers for job status.
- Maintenance department is divided into zones, which are further divided into branches of maintenance - specific / minor, emergency / recurring.

Each zone is headed by a zone manager

receives schedules from Production Office; has its own shop facility;

small specialties are set up in one zone, shared by all others.

- Planning group deals with space, utilities, organization, economic analysis for construction projects.
- Management studies are conducted by Management Department which reports to the Executive Officer.
- Plans, directs and evaluates management performance;
 - reviews and evaluates effectiveness, efficiency and integrity of organization segments;
 - recommends, plans and ensures implementation of corrective action.
- Contracts Department handles contract administration - reports to Executive Officer.

Process

- Customers are charged for all work performed - NIF ("nothing is free.")
 - to recover costs, break even.
- Motto of PWC is "Service - Afloat and Ashore."
- PWC's mission is providing reliable, cost effective, responsive service to the fleet.
- They do considerable contracting out - about 1/2 of maintenance project work.
- Public Works Center makes key contracting decisions, customers can't go outside for bids but can request that PWC do so. They can also request that outside contractors not be used.

- Public Works Center owns transportation fleet - leases it out to customers.
- They set charge rates for one year.
- All work is submitted on a work request form through Production manager's office - which funnels all requests.

Conclusion

Centralized control is critical to the effective operation of FMD.

Mission

Findings

A number of interviewees remarked on the need for a mission statement or an expression of what the goals and objectives of the new organization are.

Concepts of what the mission is or should be varied from quite simple to quite complex.

- "to become the greatest department";
- "to be a cost effective, efficient service organization";
- "to reduce costs without losing efficiency";
- "to integrate services of 4 departments and provide a good level of services";
- provide a full range of services to FMD's clients ranging from the decision to build or lease through to the end of the life of the building or lease;
- providing a complete building management system that would include leasing, designing, construction, maintaining, cleaning, repairing, servicing, and disposing of County facilities.

The need for some urgency in developing a mission statement was noted by a number of the interviewees. Several felt that the Executive Committee should participate in its development.

The consultant notes that no organization is wholly free to develop its own mission statement. In the context of the overall County organization, the mission of FMD is assigned. The internal development of mission is needed to provide general agreement so that organizational, operational, and marketing decisions can be made.

Conclusion

A mission statement needs to be developed and communicated as promptly as possible. The real issue is that everyone understands it and acts on an internal comprehension of how his/her job fits in with it.

Organization Structure

Findings

The most widely discussed issue had to do with organization structure and the need for an organization structure that would do the following:

- foster an improved system for delivery of service to County departments;
- promote consolidation and integration - not merely a merger;
- provide employment and promotional opportunities for all employees at all levels, for which minorities in particular would be able to compete fairly;
- reduce costs through standardization of management information systems, administrative procedures, and interpretation of policy;
- reduce inventories, facilitate the efficient utilization of facilities and equipment, as well as personnel;
- improve implementation of the Board's contracting out policy;
- emphasize the need for training and development of all levels of employees - especially when affirmative action opportunities occur;
- strengthen long range planning activities.

Interviewees varied considerably in the amount or degree of consolidation and integration that they thought possible or desirable:

- consolidate only administrative support groups;
- consolidate administrative support groups plus logical line functions;
- building manager concept.

Chief Deputy: Most respondees felt that a Chief Deputy was necessary.

- Director to handle outside interaction - Board, CAO, public, etc. - and planning as well as other broad, long-range matters.
 - in private sector parlance, he/she would operate as Chief Executive Officer.

- Chief Deputy to see to it that day-to-day operations were conducted properly, represent Director during absences, keep Deputy informed.
 - in private sector parlance, he/she would operate as Chief Operating Officer.
- Several recently reorganized departments eliminated the position of chief deputy.

Conclusion

Develop an organization structure that promotes the achievement of FMD's goals and objectives.

Areas For Consolidation

Findings

Most interviewees felt that centralization of the administrative support groups could be readily accomplished for all support groups, with some anticipated difficulty noted with Data Processing and MIS and warehousing.

Although several people suggested that line functions be included with administrative duties under a deputy, others felt quite strongly that to do so would cause the administrators to lose their independence in reporting results of line functions to the Director and Administrative Deputy.

Several thought that some administrative support should be retained in field units.

Other consolidations in addition to the administrative support groups, were suggested and included for information purposes:

- Mail
- Mobile radios in automotive craft
- Warehousing
- Business machines to DOC
- Engineering elements in Communications with Capital Projects
- Power plants (could report to building superintendent)
- Cleaning, maintenance, repairs, minor alterations, leasing and lease management, space planning
- B S and Mechanical
- Line crews - Mechanical and Communications
- Maintenance of security devices to Communications and shuttle services - transportation of supplies.
- Drapery and upholstery should be in B S
- Custodial, security, parking
- Similar mobile functions
- Small electronic motor maintenance in Communications

New groups or activities that were suggested were:

- planning group, by several respondents especially at high levels
- work measurement
- operations review
- consolidation coordination
- executive liaison to CAO/Board
- property control
- training

It was felt that certain activities should have direct access to top level management like:

- affirmative action
- contracting
- security
- planning
- CAO liaison
- information systems

Conclusion

There are many opportunities to consolidate functions and activities that should result in improved services or lower costs. These could be centralized in a support or technical services group available to each building manager.

There is a need for more planful and reflective activities in order to manage this large and diverse organization.

RECOMMENDATIONS

Affirmative Action

- Maintain high visibility reporting level for Affirmative Action unit until concerns are allayed - then consolidate with Human Resources.
- Be sensitive to Affirmative Action issues when making placement decisions. Use Affirmative Action Compliance Office for consultation.
- Support expanded Training and Development effort.
- Develop a plan of action that includes objectives and timetables, preferably to be accomplished when Phase 3 of the organization structure occurs.

RECOMMENDATIONS

Training and Development

Training and Development staff should be increased to accomplish a larger and more concentrated training and development effort than heretofore, and added to a consolidated Human Resource Bureau in Phase 2.

It should make a detailed analysis of training and development needs that develop or will develop as a result of the implementation of the new organization structures, and provide training and development sessions by its own personnel or through contract services.

It should also review, through techniques such as interviews, past performance appraisals, psychological assessments, skills inventory, and the like, other employee needs and be prepared to advise employees on how to satisfy them using such means as skills training, lateral transfers or other job rotation schemes, counseling, job enlargement and the like - in addition to the traditional seminars, workshops and lectures.

Training and Development should work closely with the Training Development Task Force and with line managers in developing long range training and development objectives.

RECOMMENDATIONS

Redundancy

If redundancies occur as expected by most interviewees, they will be mainly in the managerial and staff ranks. In addition to the "golden hand-shake" that will be available in some cases and the usual efforts to retrain and reassign personnel in openings that occur in other departments as well as placing them with contractors; it is recommended that the County utilize other methods of easing the effects of consolidation, for example outplacement and special severance or termination pay.

Outplacement is a method of assisting employees who no longer have assignments in the organization to market their skills and abilities so that they can reenter the workforce elsewhere. It is not re-training employees, nor is it a placement activity. It concentrates on developing job-hunting skills, but does not actually seek jobs for the employees. The amount of assistance offered usually varies with the level of employee displaced.

Special severance or termination pay is a form of payment, usually based on years of service, designed to assist employees financially while they are looking for work.

Both programs have a number of different variations. The consultant would be pleased to supply a copy of an approach used by one organization and would be pleased to assist in the process for recommending such programs to the appropriate people in Los Angeles County.

RECOMMENDATIONS

Management Style

Relations with the Board of Supervisors. Although the Director should spend a considerable amount of time with the individual supervisors and their chief deputies, as well as the CAO and his key subordinates, by explaining items on the Board's agenda and selling his program, this fact needn't interfere with the efficient operation of the department nor need it lead to the appointment of a chief deputy. Once the department head's credibility has been established, the amount of time required can be reduced. Moreover, he can delegate or appoint a high level person in the department as his liaison officer with the Board and the CAO.

Relations with the CAO's office The existing relationship -- to the extent that it is adversarial -- will have to change to a more cooperative one. This will take effort on both parts.

A philosophical change will have to occur within the Department to help create a climate for cooperation with the CAO's office and an effort made to understand the nature of the role of the different parts of the CAO's office.

A conflict resolution program should be implemented, with the assistance of a facilitator, to minimize the areas of conflict and to gain a better understanding of each other's role. The consultant would be pleased to discuss different models that might be used for the conflict resolution process.

Relations within the Department. FMD is a large department with many people and many diverse activities. Managerial delegation of responsibilities is essential for the department to be able to operate effectively. This can best be approached by using a team effort and a participative approach. Continuance of the executive committee is recommended, if not as a decision-making group at least as a discussion and policy making body.

Personnel should develop a program that will enable the Director to open up communications with lower level managers and employees. What is envisioned by the consultant is a series of relatively informal techniques as opposed to formal newsletters or magazines. The consultant would be pleased to discuss this in further detail with the Director and/or Personnel.

RECOMMENDATIONS

Delivery of Service

The organizational recommendations deal with organizing for the "one-stop service" concept, or building manager concept, which is what we are recommending.

Ideally, one could consider the Facilities Management Department as a building management and development company whose job is to plan space and provide services to other County departments at a cost and quality level that is competitive with the private sector. (In the future, FMD might be in a position to accept building management and development contracts for clients outside the County organization.)

FMD would manage buildings, provide building services and would charge a fee for the services. Although its clients are somewhat captive, these clients could request bids for similar services elsewhere and, when substantial differences occur, elect to accept those services from elsewhere - with Board approval after it has reviewed the impact of such a decision on a County-wide budget or policy basis.

A building manager, supported by central staff, would be responsible for providing all pertinent services to tenant/clients. The proposed scheme suggests that all planned work be processed through a central focal point for estimating, planning, scheduling and coordinating the work, while emergency and routine work would be processed by the individual (or possibly, regional) building manager.

Because of the large number of facilities involved, the County would be divided into regions which in turn would be divided into districts, if we retain a geographical distribution, which we recommend, or by type of facility if we wish to go to a functional basis. The district basis would be easier to administer, I believe, and would provide for a greater diversity of tasks thus allowing a better developmental opportunity for workers.

RECOMMENDATIONS

Mission

A mission statement should be developed and communicated as soon as possible. The process should include participation of different levels of management. Following is a recommended procedure:

1. Send a copy of initial draft to each member of your top team - Executive Committee, Directors and Chief Deputies, or whatever. Ask them to develop their own version of a mission statement. Their version could be: major revisions, additions or deletions - or a whole different approach. In any event, they should be prepared to discuss their version and come to an agreement of what the mission statement should contain at a later meeting.
2. Have this meeting to discuss the mission statement, resolve differences, and agree on a final version. At this time you should have someone help you run this meeting as a facilitator. This could be one of the personnel folks within FMD, someone from Effeta Williams' group, or an outside consultant. The seminar in February is an excellent forum.
3. Once the rest of the team agree, you would decide whether or not you have any objections or changes and explain or resolve them with your team, thus finalizing the mission statement.
4. The next step would be to send it out to all deputy directors (and those above them, if any) for their comments and suggestions. If these are numerous or substantial you would want to discuss them with your team and decide on a final version.
5. Send the mission statement to each and every employee in FMD with an exhortation to support the accomplishment of the mission.
6. After your overall organization structure is decided on, ask each of your immediate subordinates to follow the same general procedure to develop a mission statement for each subunit of FMD down to some logical level.

Early in the process, and throughout, you should touch base with the CAO, Board and possibly the Economy and Efficiency Commission, since FMD will not be the sole decider of its own mission.

The consultant notes that a process similar to the one suggested has been followed in part and that a mission statement has been developed.

A copy of one form of mission statement that might be used as an example follows in Appendix A.

RECOMMENDATIONS

Organization

Objectives sought to be achieved by new organization structure are:

- Improve delivery of service;
- Consolidate administrative support groups;
- Provide for planning of mission and objectives;
- Reduce levels of management - no increase in the number of managers;
- Pinpoint responsibility;
- Enhance
 - Affirmative Action
 - Contracting
 - Productivity
 - Cost Accounting System
 - Employee Development
- Standardize Management Information Systems;
- Reduce inventories;
- Increase delegation;
- Overcome resistance to change.

Each alternative of Phase 3 accomplishes, or facilitates accomplishment of these goals.

The appendix contains organization charts for recommended organization structures for three phases of organization change. In reality, they represent a continuum or spectrum of change wherein a number of modifications which move toward achieving the objectives of the new organization structure can occur over a period of time. A time frame for reaching Phase 3 will depend on the ability to train people in the new organizational concept and how to manage the building management one stop service mode - and on the ability to develop suitable accounting systems. The target should be within the time frame as recommended in the Board Order, that is September 1986.

We recommend Alternative B because it provides that each area of criticality reports to the Director -- future, external relations, high visibility, operations and control. We like Alternative C the least because it puts the Director too close to the day-to-day operating activities. It does not allow him to concentrate on planning, control and external activities.

Phase 3 contemplates that the present concentration of efforts on MIS (especially FIRM), contracting, security and productivity will have been successful and that these activities no longer need special emphasis, visibility and attention. If this is not the case, they should remain where they are until success has been achieved.

The main characteristics of the structure recommended for Phase 3 are:

- It provides for a concept of a new form of delivery of service where clients need deal only with one contact in order to get desired service.
- Building managers would be the primary client contact and have the primary responsibility for providing that client with tenant services.
- All line departments report to the chief line office, who could be called the Chief Deputy.
- Other positions reporting directly to the Director are:
 - those that are future oriented (Planning and Development). A small group is contemplated. It should not handle day to day matters.
 - those that are related mainly to interactions external to FMD (Relations). This group could be split between administrative and support groups.
 - those that are control or administrative functions affecting the whole department (Administration).
- The chief line officer has not only all line functions reporting to him but also operations administrative staff and technical and facilities support groups. The position then has responsibility for the complete system of service delivery. Facilities Development, because of its high visibility and high dollar impact, could report directly to the Director. If this was done, scheduling and priority setting procedures would have to be developed between Facilities Department and Operations Administration.
- It effectively consolidates the old departments by completely disbanding the old organizational structures and in so doing, breaks up the 'ghettoes' where ethnic groups are limited to unskilled, low paying jobs and minority managers are stuck in low paying departments.
- It presents opportunities for minorities to move into jobs requiring more skills in that it reduces specialization, removes departmental barriers to transfers, and provides vehicles for upward mobility: for workers - custodians to general maintenance to skills; for managers - custodian managers to building managers or to managers of broader units.

- Since it would not be implemented until September, 1986, it provides time to develop a manpower plan for the new organization which will include consideration of issues involving redundancy, affirmative action, and management development.
- It provides a conceptual framework for the overall organization structure and a basis for developing organization structure at the next organization level.

The writer strongly recommends the abolition or at least close scrutiny of any one-on-one reporting relationship because it wastes resources, increases the levels of management and confuses communications. This is true regardless of what stratagem is used to disguise this type of reporting relationship.

The benefits of the Chief Line Officer (CLO) concept are:

- it places responsibility for all day to day activities in one person;
- it places planning control and external relations with the department head who should concentrate on these activities;
- it maintains checks and balances by placing Administration under the department head;
- it increases the span of control of the Director;
- it eliminates the need for the one-on-one reporting relationship that is usually associated with a Chief Deputy.

* * *

The other side of the contracting issue is that FMD may become so proficient in building management that a considerable amount of contracting in-house occurs. Although cost accounting systems and contract administration and negotiation activities would become more critical, no significant organization issues are contemplated.

* * *

With respect to areas for consolidation, a study of the nature of the instant study is not intended to exhaust all possibilities. One of the techniques for accomplishing this is to develop a chart on which all functions that require significant resource commitments are listed on one axis and the old organization units are listed on another. A review then occurs that will show areas of potential overlap, as well as, underlap.

* * *

The appropriateness of including Fleet Management and Fleet Maintenance in the Facilities Management Department should be reviewed. Although there are some interactions between the groups, the automotive function does add another dimension of diversity that creates management difficulties and is not essential to the accomplishment of FMD's mission.

On the other hand, current technology has created a linkage between computers and telecommunications that will strengthen in the future. At the appropriate time, the appropriateness of consolidating EDP with Telecommunications should be reviewed.

RECOMMENDATIONS

Implementation Plan

A. Implementing Study Recommendations

1. Present study to Executive Committee for their criticism and ultimate endorsement. The approach should be - this is where we would like to go, what's the best way of getting there? Make appropriate revisions. Develop a timetable for implementation and a plan of action that will get you there. (Facilitator recommended)
2. Discuss proposed organization with CAO to get his comments and endorsement. Make appropriate revisions. If major revisions, check with Executive Committee.
3. Discuss proposed organization with individual Supervisors and their Chiefs. Make appropriate revisions. If major, check with Executive Committee.
4. Make appropriate contacts with Economy and Efficiency Commission.
5. Present CAO/Board with recommendations on new organization structure.
6. Name unit heads and have them develop specific organization structure for their respective units.
7. Name a high level executive to coordinate 'roll-out' activities of unit heads and task forces and to provide advice and counsel to unit heads in their organization efforts. Provide appropriate staff.

B. Implementing Organizational Change

1. Establish a leader for consolidation effort (per earlier recommendation).
2. Task forces to study consolidation candidates for line functions need to be established. These task forces should be given clear missions as well as leadership and direction.
3. Develop and communicate mission statement for FMD per previous recommendation.
4. Develop and communicate mission statements for divisions, branches and other appropriate groups, using participative approach.
5. Review mission statements to see that they support the overall mission, do not conflict with each other, and do cover all major objectives.

6. If there is an apparent overlap, it should be resolved in a constructive, team building manner. Techniques like responsibility charting are recommended.
7. As new managers are placed (or have recently been placed) consider team building efforts like the Management Transition Model, copy attached.
8. Revitalize Training and Development Task Force to consider new problems/challenges resulting from new organization structure, per previous recommendations.
9. As task forces develop consolidation, candidates implement these recommendations as appropriate.

The consultant is currently working with the Assistant Director on developing and communicating a mission statement and in utilizing task forces to facilitate the consolidation effort. He will be pleased to assist in other aspects of the implementation plan.

APPENDIX A

DRAFT

The mission of Facilities Management Department (FMD) is to develop and implement a facilities management design which offers County employees a superior level of services that are within FMD' 5 purview in a cost effective, efficient and economical manner that support Board policies on affirmative action, contracting, consolidation and productivity that is competitive with private sector services. The facilities management design or system includes all those functions and services necessary to plan) design, construct, lease, maintain) and manage County facilities and to provide services necessary to enable County employees to operate in a safe and cost effective manner.

In accomplishing this mission, the department will:

- Develop and implement a consolidated organization structure by _____;
- Provide safe and efficient facilities for County employees and the public;
- Design a system for delivering services to County employees that reduces the number and level of contacts necessary to procure proper service and support;
- Implement a cost accounting system that is compatible with the Auditor's needs and provides FMD with meaningful operational data;
- Develop and implement an affirmative action program that will continue and enhance upward mobility of minorities and women, particularly through training and development activities;
- Develop a productivity improvement program and contracting program that will enable the Board to meet or exceed its goals;
- Establish a system of objective setting that will reward employees who meet or exceed challenging goals and objectives that will enable FMD to achieve its mission and to become the best run department in Los Angeles County and eventually in the State of California;
- Others?