DMV PEAK PERFORMANCE REVIEW

FEBRUARY 9, 2012

FOR THE PERIOD COVERING: 2009-2011 (BASE CASE)

This is DMV’s 4th Peak Performance Meeting.

Attendees:
Cary Kennedy (CFO), Dave Edinger (CPO), Cindy Bosco (Sustainability), Steve Ellington (Treasurer), Scott Martin (BPA/BMO), Derrick Kuhl (BMO), Laurel Bandy (BMO), Illya Scott (DMV), Tony Frazzini (DMV)
DMV’s vision is attainable! It aligns with the Citywide vision in the following ways:

•Citywide: DMV touches a large population citywide. It’s constituents are dealerships, fleets and other entities, and the individual customer.

•Everyone matters: DMV strives to provide excellent customer service and reduce wait times because everyone matters. DMV coordinates with the State to reduce vehicular crimes because everyone’s safety matters.

•World-class: While Denver Motor Vehicle cannot compare itself to DMVs in other states because CO has stricter standards for titling than other states, they do measure themselves against other CO counties. The Vision is to become the leader in the Motor Vehicle industry in state of CO. Denver County is 001 of 68 counties in the state.
DMV’s mission aligns with the mayors priorities in the following ways:

• Safety Net- DMV impacts Safety Net by complying with State and National vehicular crime-related regulations and programs to prevent title fraud, title washing, cloning, alterations, protect abuse victims through the address confidentiality program, and detect fraudulent drivers licenses.
  
  • DMV has a large enforcement role in keeping vehicular crime at bay.
  • DMV will not issue a title on anything that is not road worthy, thereby keeping Denver’s streets safe.
  • DMV trains staff to prevent crime.
  • DMV coordinates with other safety agencies through the stolen vehicle identity program. Stolen vehicles are flagged by police, and DMV puts a hold on the VIN.
  • DMV is working with state to align names on Drivers Licenses and Titles on new transactions to comply with state statute.
  • DMV is launching an initiative to track renewal tabs to prevent fraud.

• Customer Experience
  
  • DMV is one of the most visible Customer Experience agencies in the city.
  • DMV has daily contact with a variety of constituents
  • DMV strives to provide excellent customer service
DMV has identified their priorities for a Better, Faster, Stronger DMV in their strategic plan.

DMV is focusing on Strategies 1&2 and beginning to work on Strategy 3.

DMV is going through a culture change to empower management and decrease turnover. DMV believes this is the foundation for strategies 3-5.

- Ex: DMV addressing employees texting at the counter
- Ex: Managers are being held accountable for daily deadlines (balancing and batching)
- Ex: Branch managers are now dealing with customer complaints directly.

DMV leadership has a commitment to change public perception that DMV is providing poor customer service.
Legend identifies symbols used to visually demonstrate DMV’s progress on key metrics.

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
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<tbody>
<tr>
<td><img src="image" alt="Green Circle" /></td>
<td>Current metric meets or exceeds the goal or standard</td>
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<tr>
<td><img src="image" alt="Yellow Triangle" /></td>
<td>Current metric is within an order of magnitude of the goal or standard</td>
</tr>
<tr>
<td><img src="image" alt="Red Square" /></td>
<td>Current metric is outside of an order of magnitude of the goal or standard</td>
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<tr>
<td><img src="image" alt="Up Arrow" /></td>
<td>Current metric is trending positively from the last reporting period (making progress towards the goal or standard)</td>
</tr>
<tr>
<td><img src="image" alt="Down Arrow" /></td>
<td>Current metric is trending negatively from the last reporting period (moving away from the goal or standard)</td>
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A color and direction will be combined to form the following:
DMV has narrowed down their Mission Level Metrics to these 6 key performance indicators, which will be tracked throughout Peak Performance to assess progress and areas for improvement.

- **Service Time**: The time a customer is served at the counter.
- **Customer Wait Time**: The time a customer waits from the moment they pull a number until they are called to the counter. DMV’s goal is to reduce the average Customer Wait time to 40-45 minutes by Dec. 2012
- **Manual Renewal Rate**: The number of customers who renew registration by coming to a branch and renewing in person. DMV’s goal is to reduce the Manual Renewal Rate to reduce wait time.
- **Online Renewal Rate**: The number of customers who renew registration using the online renewal system (CO Interactive).
  - Online payment options are echeck and credit card.
- **Mail-In Renewal Rate**: (also called ‘Lock box’) The number of customers who renew registration by mailing in their renewal with a check.
  - DMV does not break out renewal by type in every-day operations. Renewal by type is broken out for Peak Performance to track progress on key metrics.
  - All Online and Mail In renewals are processed in the Processing Center.
- **Error Rate**: Error rate is a combination of 3 error reports. DMV’s goal is to reduce the error rate by .5% by Dec 2012
  - One from the state: errors that cause paperwork to be returned to DMV.
  - One from CSTARS: which generates a report of entry errors; Some are
• Between 2009 and 2011 the Online Renewal Rate has increased by 7 percentage points!

• In 2011 the Manual Renewal Rate decreased by 5 percentage points! This indicates DMV is moving the needle on online renewal rate.

• Although “manual” renewals have decreased, the “overall” wait time increased due to attrition rate, level of competency with new employees, new statutes that require more actions, delay with Pay Port, new forms requirements, etc.
• Uptick in July 2009 caused by Processing Center losing 3 FTE’s that month. The 2 remaining FTE were answering phone calls and processing the same volume, thus production was limited.

• Two Saturday Overtimes in December 2011 helped reduce the backlog to 153. However, the annual average is on par with 2010.

*Backlog has increased since 2009. Backlog remained relatively static from 2010 to 2011.
Error rate is a combination of 3 error reports: One from the state: errors that cause paperwork to be returned to DMV. One from CSTARS: which generates a report of entry errors; Some are legitimate errors and others are exceptions. One is generated by Amy Martinez's group.

DMV commits to dropping error rate because errors mean double processing, thus adding to the backlog.
As a part of ACE, Branch Dashboards are utilized at monthly manager meetings.

DMV is also doing weekly mini-dashboards to help keep staff accountable and respond to problems immediately.
Key Tactic 1.03: Establish management policies and procedures that include corrective action, coaching, and counseling as well as procedures for recognition and encouragement to motivate employees. (A.C.E.)

- Monthly “Communication” Meetings with staff (implemented in August 2011)
- Balancing and Batching (to be completed by 11:00 am daily established in 2009)
- $200 Drawer and End of Day Cash Handling Policy/Procedure (implemented in November 2011)
- Inventory Procedure (pending due to be implemented in February 2012)

DMV has implemented existing and created new policies to support Strategy 1, Tactic 2
The average Service Time has remained relatively the constant. Slight increase is due to short staffing, competency of new employees. It takes 2 years for a new employee to become completely proficient and DMV currently has 8 new employees.
• Time at the counter has stayed pretty static and is within a tolerable range. Overall, DMV had fewer transactions in 2011 than 2010.
• Slight increase in average service time is due to short staffing, the competency of new employees, new processes, forms, and constantly changing State legislation.
Improvement Efforts

- DMV & TS collaborating on making web site changes to increase web traffic
  - Online renewal data from Q1 2012 will show if website changes have impacted renewal rates

- ACE Program
  - Monthly Meetings
  - Inventory Process
  - Fund Management
  - Time Management
  - Training
  - Investment in Employees
For the April meeting, DMV will begin to develop strategy 3 by making a list of proposals to encourage customers to renew online and through lock box to reduce lobby wait times. DMV will also focus proposals on reducing the back log and working with fleets and dealerships to process bulk orders more efficiently.
Update on Data Development

- Data identified in Metadata & Strategic Plan that DMV does not currently have:
  - Employee Satisfaction
  - Transactions/employee/hours worked
  - Reconciliation Errors
  - Proposals to CSTARS
  - Proposals Accepted

- Working with CSA to develop FTE data to support Strategies 1 & 2

- DMV developing reports to gather all CSTARS-based data monthly