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SD Department of Transportation
Office of Research

SDDOT Organizational Health Assessment
Study SD98-01
Executive Summary

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June 1998

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TECHNICAL REPORT STANDARD TITLE PAGE

1. Report No. SD98-01-X	2. Government Accession No.	3. Recipient's Catalog No.
4. Title and Subtitle SDDOT Organizational Health Assessment		5. Report Date June 30, 1998
		6. Performing Organization Code
7. Author(s) Stephen L. Tracy & Michael Card		8. Performing Organization Report No.
9. Performing Organization Name and Address Business Research Bureau University of South Dakota 414 East Clark -- Patterson 132 Vermillion, SD 57069		10. Work Unit No.
9. Performing Organization Name and Address Business Research Bureau University of South Dakota 414 East Clark -- Patterson 132 Vermillion, SD 57069		11. Contract or Grant No. 310563
12. Sponsoring Agency Name and Address South Dakota Department of Transportation Office of Research 700 East Broadway Avenue Pierre, SD 57501-2586		13. Type of Report and Period Covered Executive Summary; February 1998 - June 1998
		14. Sponsoring Agency Code

15. Supplementary Notes
 The complete final report for this study is published as SD98-01-F.

16. Abstract

This report offers an organizational health assessment for the South Dakota Department of Transportation (SDDOT) at this point in time. This assessment and its findings must be evaluated in terms of where the organization wants to be in fulfilling its mission to its employees and to the people of the State of South Dakota.

Four objectives provided a solid foundation directing the activities and tasks undertaken to complete this study. They included, respectively, the measurement of SDDOT employees' current perceptions and level of satisfaction with their work environment; an identification of SDDOT current organizational strengths and weaknesses; the establishment of baseline organizational health data; and, finally, the creation of a organizational health survey instrument for use with this and future organizational health assessments.

The results of this study reveal, if the Department requires its employees to be motivated by means other than their personal commitment to their jobs and to the Department, then SDDOT is in relatively poor health.

The point of doing an organizational health assessment is not to pass a qualitative or quantitative an organization or its managers, but to determine a baseline from which the organization can measure and evaluate its future development. What must result and flow from the study is a determination of the activities and actions that will make an improvement in the perception and attitude of the employees toward the SDDOT so that the organization's health is improved.

17. Keywords	18. Distribution Statement No restrictions. This document is available to the public from the sponsoring agency.

19. Security Classification (of this report) Unclassified	Security Classification (of this page) Unclassified	21. No. of Pages 8	22. Price

EXECUTIVE SUMMARY

Organization Health

An Organization's health, broadly defined, refers to its ability to accomplish its mission now and in the future. An organization's health encompasses a set of measurable properties resident in the work environment, based on the collective perceptions of the people who live and work in the environment. These properties include communication, staff morale, understanding of policies (structure), work environment, staff competency, awareness of mission, work force stability, cooperation, training and professional development, work force demographics, and management skills and they directly influence the behavior of employees.

Organizational health is represented by a set of resources and competencies forming a core upon which the management of the organization can draw in addressing and overcoming the challenges they face. In order to assess an organization's health, employees' attitudes and perceptions are measured to identify strengths as well as areas of concern. Once identified, the organization must address the concerns that are mission critical in order to be successful. This report offers an organizational health assessment for the South Dakota Department of Transportation (SDDOT) at this point in time. This assessment and its findings must be evaluated in terms of where the organization wants to be in fulfilling its mission to its employees and to the people of the State of South Dakota.

Objectives

Four objectives provided a solid foundation directing the activities and tasks undertaken to complete this study. They included, respectively, the measurement of SDDOT employees' current perceptions and level of satisfaction with their work environment; an identification of SDDOT current organizational strengths and weaknesses; the establishment of baseline organizational health data; and, finally, the creation of a organizational health survey instrument for use with this and future organizational health assessments.

Focus Groups

Seven focus groups were held in locations across the state—one with executives, three with supervisory staff, and three with non-supervisory staff. Each focus group was conducted in a two (2) hour session involving a group of 12-13 peers. The supervisory and nonsupervisory focus groups were conducted in a neutral geographic location to allow participants to feel comfortable in the discussion environment. The three primary purposes for the focus groups were (1) to identify perception gaps between groups in an effort to assist in the identification of areas of survey emphasis, (2) to provide insights and additional information needed to prepare for the quantifiable survey; and (3) to

provide insights into topics where perceptions and level of satisfaction was conditional to some variable, (i.e., supervisory status).

The outcomes associated with the focus groups provided a qualitative understanding of the issues and allowed for the identification of issues and areas of concern worthy of pursuit in the survey phase. In addition, the focus groups findings offer insight in areas where management can identify future actions addressing issues identified within the survey of all employees.

The major issues identified by focus group participants included: Access to Training; Losing Job Classifications and Titles; Performance Standards; Knowing When I Do a Good Job; Staff Meetings; Morale; Safety, Vehicles; Communication; and Benefits of Becoming More Efficient (since the Reorganization).

Survey Questionnaire

BRB researchers accomplished the survey administration and data collection processes by completing:

- Printing of the survey instrument;
- An initial mailing of the survey instrument (883 persons);
- Mailing of the second letter to SDDOT employees' homes reiterating the confidentiality of responses;
- Mailing of reminder notices as necessary;
- Encoding of the survey responses (731 usable respondents); and
- Cleaning of the encoded data prior to analysis.

Survey Analyses and Findings

The responses from the survey were subjected to a number of analysis procedures including demographic analyses, response analyses, domain analyses, measurement of overall respondent satisfaction, comparisons to a national standard, and comparisons of the focal group and survey outcomes.

The SDDOT employee population at the time of the survey was eight hundred seventy-five (875). Seven hundred fifty-one (751) responses were received of which seven hundred thirty-one (731) were used in the analysis. Of the twenty responses not used, fifteen (15) had been altered to make them unusable by removing the number tying the response to demographic data and five (5) were not received until after the analysis was well underway. This represents an actual response rate of eighty-five point five percent (85.5%) and a usable response rate of eighty-three point five percent (83.5%).

Demographics

Individual demographic data was acquired from the SD Bureau of Personnel, merged with the responses provided by each individual, and then coded into a format that protects the anonymity of the individual without diminishing the usefulness of the

responses. The following eight (8) demographic variables were utilized in the analysis: Supervisory Status, Employee Status, Gender, Location, Race, Job Group, Age, and Years of Service. Only two of the demographic variables were significant with respect to potential response rate bias—Employee Status and Job Group. Employee Status was defined as hourly versus salaried and hourly employees are slightly under represented in the findings. As for Job Group, the highest response rate came from the Financial, Information Service, & Legal Job Group (100%) while the lowest response rate was Equipment with sixty-seven point four percent (67.4%). Technician, Clerical, Drafting and Maintenance Job Groups also had response rates below the department-wide mean response rate. These lower response rate Job Groups are likely to be underrepresented in the survey.

Domains

Domains constituted the second area of analysis. Each Domain was defined by a series of statements designed to address different but related perceptions and attitudes within the respective Domain. The twenty (20) Domains were titled Structure, Responsibility, Identity, Reward, Risk, Communication, Working Climate, Support, Morale, Standards, Training, Conflict, Culture, Teamwork, Safety & Efficiency, Performance Appraisals, Problem Solving Initiative, Performance Measurement Initiative, Work Schedule and Purpose.

Respondents were asked to indicate on the survey the extent of their agreement or disagreement with a statement with a four (4) point scale. Strongly Agree received a value of one, Inclined to Agree a value of two, Inclined to Disagree a value of three and Strongly Disagree a value of four. Therefore, a mean score of 2.5 for a statement would represent the midpoint or point of indifference with respect to the statement. Table 1 below presents the mean score for each survey Domain. For analysis and interpretation purposes, the following ranges define whether a mean domain response represents an area of organizational strength, operational, or concern:

- Strength - A mean score between 1.00 and 1.65 indicates the behaviors and perceptions of the employees, with regard to the issue being measured, can be considered to be very consistent and strong. Therefore, this domain is not causing any concern or dysfunctional behavior at this point in time.
- Operational - A mean score between 1.66 and 2.05 indicates the behaviors and perceptions of employees, with regard to the issue being measured, are consistent, and they should be viewed as being quite positive. However, they are not as strong, nor as prevalent, as those behaviors identified with the strength range.
- Concern - A mean score of 2.06 or higher indicates the behaviors and perceptions, with regard to the issue being measured, are cause for some concern or causing problems among employees and/or management. They may not have reached the point of causing dysfunctional behaviors, but the potential is there and that possibility needs to be addressed.

The Training, Teamwork, Morale, and Performance Appraisals domains have the most positive outcomes, while the Reward and Work Schedule domains offer the least positive outcomes with domain means of 3.12 and 2.84, respectively. While some individual statements such as "My job, directly or indirectly, serves the citizens of South Dakota" attained a mean score as low as 1.36, clearly in the strength range, no overall domain mean was in the strength or operational range. In all, nine statements were in the strength or operational range.

It should be noted that these ranges establish a high standard for the SDDOT. The theoretical mean of the distribution is 2.5. This can be viewed as a point of indifference, the point at which the perception of the statement or domain is split between those agreeing and disagreeing.

Table 1

Domain	Mean	Domain	Mean
Structure	2.69	Training	2.28
Responsibility	2.69	Conflict	2.69
Identity	2.72	Culture	2.74
Reward	3.12	Teamwork	2.33
Risk	2.66	Safety and Efficiency	2.75
Communication	2.56	Performance Appraisal	2.44
Working Climate	2.61	Problem Solving Initiative Performance	2.64
Support	2.75	Measurement Initiative	2.62
Morale	2.35	Work Schedule	2.84
Standards	2.57	Purpose	2.51

Overall Mean for the SDDOT   2.63

Overall Job Satisfaction

Overall job satisfaction was measured using a five (5) point scale. The ranges used to evaluate overall job satisfaction were: Strength - an average score of 4.20 or above, Operational - an average score between 3.70 and 4.19, and Concern - an average score of less than 3.70.

The SDDOT survey population scored a 3.19 which, according to the above scale, falls within the concern range for the overall organization. The national comparison group (a national sample of 801 respondents, at least 18 years old, and employed greater than 30 hours a week) scored 3.99, within the operational range.

Using the demographic variables to break down job satisfaction, differences were noted for all except gender. The Central Office (3.27) had the highest overall job satisfaction

when the data was viewed by location—not in the operational range. When viewed by Job Group, the Executive Job Group (4.29) revealed the highest level of job satisfaction, while the Maintenance Job Group (2.92) had the lowest level. Job satisfaction decreases with years of service. Supervisors (3.53) indicate a higher level of satisfaction than either Nonsupervisors (3.16) or Lead Workers (3.04). Salaried employees (3.69) tended to report a higher level of job satisfaction than hourly employees (3.13).

National Comparison Survey Statements

In addition to the national comparison of overall job satisfaction, a series of twelve (12) national comparison statements were surveyed. The results from these survey statements for the entire department are depicted in Table 2. National comparison evaluation ranges encompass: Strength – mean score of eighty-four percent (84%) agreement or above, Operational – mean score between seventy-four percent (74%) and eighty-three percent (83%) agreement, and Concern – mean score of less than seventy-three percent (73%) agreement.

Table 2 - National Comparison Questions

National Comparison Statement	SDDOT Percent Agreed	National Comparison Percent Agreed
1. At work, I have the opportunity to do what I do best every day.	56.2%	82.0%
2. My supervisor or someone at work seems to care about me as a person.	76.0%	82.0%
3. I know what is expected of me at work.	86.0%	97.0%
4. In the last seven days, I have received recognition or praise for good work.	24.1%	60.0%
5. At the SDDOT, my opinion seems to count.	43.7%	82.0%
6. There is someone at work who encourages my development.	43.8%	70.0%
7. In the last six months, someone at work has talked to me about my progress.	63.4%	62.0%
8. This last year, I have had opportunities at work to learn and grow.	69.0%	84.0%
9. My associates (fellow employees) are committed to doing quality work.	76.7%	86.0%
10. The mission of the SDDOT makes me feel my job is important.	55.6%	59.0%
11. I have the materials and equipment I need to do my work right.	66.1%	85.0%
12. I have a best friend at work.	41.6%	57.0%

For Statement 3, with eighty-six percent (86.0%) agreeing to this statement, it is clear that SDDOT employees know what is expected of them at work. This falls in the strength range for the SDDOT. The results for two other Statements (2 and 9) fall within the operational range. The SDDOT also scores better than the National Comparison Sample in the area of someone at work talking to you about your progress. The area in most need of improvement is the reward and recognition area (Statement 7). Only twenty-four point one percent (24.1%) of SDDOT employees agreed with Statement 4 that they have received recognition or praise for good work in the past seven days, clearly an area of concern.

Focus Group Issues

Table 3 presents a cross-reference listing of focus group issues to relevant survey domains and, in some case, statements.

Table 3 - Crosstabulation of Focus Group Issues to Domains

Focus Group Issue	Domain of Interest or Questions
Access to Training	Training Domain
Losing Job Classifications and Titles	Reward Domain, Statement 8 Support Domain, Statement 2 Purpose Domain, Statement 4
Performance Standards	Performance Appraisal Domain
Knowing When I do a Good Job	Reward Domain
Staff Meetings	Communication Domain
Morale	Morale Domain
Safety	Safety & Efficiency Domain
Vehicles	Safety & Efficiency Domain
Communication	Communication Domain
Benefits of Becoming More Efficient	Safety & Efficiency Domain

The survey domains were designed specifically to address general issues as well as specific issues raised by the focus groups. Losing Job Classification was addressed through a series of statements. While SDDOT employees are not satisfied with the opportunities for further career advancement (Reward Domain, Statement 8, M=3.25) and they feel that management has not made an effort to talk with them about career goals (Support Domain, Statement 2, M=3.25), their responses to "SDDOT is effective in getting me to meet its needs and contribute to its effectiveness" (Purpose Domain, Statement 4, M=2.40) indicate that employees are likely to make personal sacrifices to ensure the organization meets its goals.

Conclusions

This study defined organizational health as the ability of an organization to accomplish its mission now and in the future. The Department of Transportation has a clearly defined set of competencies and routines, and can use these to achieve its mission.

However, if the SDDOT requires its employees to be motivated by means other than their commitment to their jobs and their commitment to the SDDOT, then it is in relatively poor health.

Most employees perceive that they are loyal to the SDDOT. However, they do not discern that SDDOT is loyal to them. They tend to believe that SDDOT's mission is important and they are personally and professionally committed to a mission of providing for the transportation infrastructure of the entire state. SDDOT employees are willing to make personal sacrifices to accomplish that mission. Further, they perceive that their job is important because of that mission, and that the people they work with are committed to this mission. The majority of SDDOT employees personally like the people they work with and they feel that their co-workers treat them with respect. Nonsupervisors and Lead Workers do not perceive that management views their job as important.

While most employees are not very satisfied with their job at SDDOT, there is relatively little risk of turnover when this perception is combined with a relatively high degree of identification with the SDDOT. However, this identification, because of its relationship to turnover, should be monitored.

Reward, Work Schedule, and Support are the three domains in most need of positive intervention and improvement. While the Communication domain is perceived as more positive than these three domains, many of the organizational issues may be addressed and improved by better communications.

Recommendations

It is most important to keep in mind that while the results of this study do not, on initial review, seem to bode well for the SDDOT, undertaking of the process is the first step in improving the organizational health. In this initial step, employees have described an organization that has several difficulties. Rewards are insufficient, communication between supervisors and subordinates is poor, conflict is hidden, trust of the department and its officers is low, and individuals think that the actions taken to increase efficiency have come at a high personal and professional cost. Yet, without these measures having been obtained, little would be likely to change in the future.

The point of doing an organizational health assessment is not to pass a quantitative or qualitative judgment on the organization or its managers, but to determine a baseline from which the organization can develop and grow. What needs to follow is a concerted effort at determining activities and actions that will bring improvements to the organization. Changes proposed to be introduced to the SDDOT should be thoroughly explained to employees within the context of what issue is being addressed and what the expected outcomes will be.

BRB researchers recommendations to SDDOT management include:

- Make all efforts to present future organizational changes to policies, procedures, and/or activities in a clear and straightforward manner to employees providing simple and understandable rationale for the proposed decision or change;
- Use the existing Problem Solving Initiative to suggest alternative strategies to address the issues of work scheduling, cost effectiveness of seasonal employees and inmate labor, classifications and pay ranges, paperwork demands, inspection issues, and other issues identified in the assessment process;
- Provide training for supervisors in the areas of meaningful performance appraisal feedback, methods for rewarding employees, conflict management/facilitation skills, problem solving skills and how to hold effective staff meetings;
- Gain the respect of your staff by acting on the results of information gained in this survey, be credible and consistent in actions, and commit to the process over the long-run; and
- Repeat the survey process within twelve to eighteen months to assess changes in the organizational health as a result of implementation of new policies and/or procedures.