Developing New Organizational Structures

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Why is a new organization needed for new fare systems?

- Extract more Efficiency with new systems
- Move from cash processing to data processing
- Define decision makers in new areas
- Control over resource allocation for supporting new technologies
- Improve communication on processing issues
- Enhance Internal Control over electronic transactions
- Enhance reporting and analysis capabilities
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- Goals of Reorganization
  - Fewer heads – consolidate / coordinate management resources
  - Clear understanding of transaction - build direct experience in tasks
  - More Control on processes – focus on specific mission
  - Establish clear responsibilities – remove finger-pointing across depts.
  - Improved communication
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- What functions in organization?
  - Revenue Department
    - Design fare media or merely sell?
    - Design fare technologies or merely install?
    - Design fare policies or merely implement?
    - Sales – internal and external outlets?
    - Maintenance – bus, rail, facility?
    - Transportation?
    - Processing?
    - Internal Revenue Control?
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- Where functions from?
  - Sales from Marketing
  - Maintenance from Operations
  - Revenue Control from Audit
  - Cash Processing from Finance
  - Transportation from Operations
  - Policy Development from Policy / Finance
  - Equipment Design from Engineering
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- How define new structure?
  - Group by mode – bus v rail
  - Group by function – maintenance v sales
  - Group by type of transaction – cash v digital
  - Segregate review from performance
    - QC or Control Review separate from Operations
    - System Development separate from Analysts
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How implement?

- Define specific goals
  - Transactions / Processes to handle
  - Responsibilities

- Define Organization Chart
  - Heads available and sources
  - Placement considering responsibility
  - Budgetary impacts – old and new departments

- Plan assigned resources
  - Space, Vehicles, Utilities – with sources
  - Specific persons – with sources
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Director - Revenue

Revenue Systems
- Maintenance
- Transportation
- Processing (Cash Room)
- Revenue Collection (Vaulting)

Revenue Policy
- External Outlets
- Internal Outlets
- Patron Services
- Smart Card Operations

Sales

Revenue Control
- POP Inspections
- Revenue Audits
- Revenue Analysis

Revenue Operations
- Revenue Systems
- Sales
- Revenue Control
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How implement?

- Discuss with new management personnel
- Describe benefits to contributing depts.
  - More time to focus on their primary mission
  - Avoid handling / responsibility for money
- Get all approvals
- Announce to involved parties
- Announce to company
- Execute
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- Types of change with new technology
  - Fewer heads for cash handling
  - Fewer heads for sales
  - More heads for reporting and analysis
  - More systems management heads
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Who needed to implement?

- Senior Management
- New Group Management
- Assistance from current responsible parties