

# Washington State Department of Licensing

2005 - 2012 Legacy and Lessons Learned

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## Chapter 1

# We are “the DMV”



It seems everyone loves to hate “the DMV.” DMV offices are common targets for comedians, television writers, and many others who delight in portraying all DMV offices as dark, soul-crushing caves and DMV workers as the slowest and surliest of all government employees. In Washington state, the DMV is us—the Department of

Licensing.

In early 2005, the Department of Licensing (DOL) was reenergized by Governor Gregoire’s new administration to battle the DMV stereotype and improve our service in many innovative ways. This is the story of DOL’s eight-year mission to make the agency stronger, more efficient, and a better servant to our state’s residents.

Like all state agencies, we’ve faced challenges, made mistakes, and were drawn into situations that we didn’t know how to solve. In the end, however, we’ve also enjoyed significant successes that have made it all worthwhile.

On the outside, the DOL looks like a simple agency. Many people only seem to see us wait on them as slowly as possible, treat them rudely, take their picture, then glue together some plastic documents in the back room and mail them out several weeks later. How hard can that be?

The truth is the agency is much more complicated than it looks and is designed to meet a very broad set of needs. We serve our customers in countless ways they never see, but that’s true for every agency and department within state government.

### OUR CHALLENGE

“I *really* don’t want to take a day off work just to renew my driver license.”

“I wonder if I should I grab my copy of *War and Peace* to kill some time while I wait?”

“If my kid doesn’t pass the test this time, I may have to keep shuttling them around forever.”

These are the types of concerns our customers have when they are forced to deal with us, no matter how infrequently that contact occurs. These were certainly common perceptions of our agency when our story began in early 2005.

We are charged with providing the highest quality service possible to our customers—and our customers include nearly every state resident over the age of 15. We do this while knowing that population growth will outpace our ability to serve customers and will ultimately make service worse, rather than better, every year if we don’t continue to reinvent ourselves.

Regardless of how well or how consistently we deliver quality service, it continues to be the primary yardstick we are measured against. As an example, after 14 months of very low wait times in our offices, we had a setback in June of 2012 and many legislators were upset and wanted us to explain ourselves. It's never good enough, long enough.

## WHO WE REALLY ARE

Everyone has an impression of the DOL that they view through the narrow prism of the particular service they need at that moment. The perception of the "DMV" has become a universal definition of government bureaucracy, inefficiency and wasted time. That's true partly because we touch more adults in our state and partly because the perception has become part of popular culture folklore. Although the services we provide span a broad spectrum, we are constantly judged by the common, negative perception of the "DMV."

Not only is DOL responsible for driver and vehicle licensing but, unlike any other state, we also license over 30 professions. From cosmetologists, tattoo artists and mixed martial arts events, to cemeteries, real estate salespeople and white-water rafters, the agency licenses these professions to ensure licensees have the necessary education and expertise to keep the public safe. We make policies, rules and procedures that attempt to not inhibit small businesses while protecting the public from unscrupulous individuals.

We support public safety by ensuring that, if you want a license of any kind, you are who you say you are and you have the experience and skill to be qualified for the license. We have to meet the demands of the Legislature as they pass laws to solve complicated policy issues and we have to maintain our credibility with both the Legislature and the Governor's office since credibility is the only currency we possess to continue to do the things we would like to do in the future.

But licensing is just where our work begins. We also have the responsibility to educate and enforce the requirements of any licensee. If you get a DUI, we ensure your license is suspended until the courts determine you are eligible to drive again. If your cosmetology salon is unsanitary, we make sure you clean it up before you can continue to serve the public.

In addition, we are responsible for collecting approximately \$2 billion in fuel taxes and licensing fees every year that support funding for our cities, counties, and sister agencies such as the Washington State Patrol and the Department of Transportation.

We serve a broader cross-section of customers, more often, than any other state agency and as a result have a very important role to play as the face of government for most of our state's citizens. Our responsibilities are certainly greater than just producing pieces of plastic with your picture on them.

## FINAL THOUGHTS/LESSONS LEARNED

We are neither as good nor as bad as any particular transaction might lead you to believe. At any time, on any day, we probably make customer service mistakes that none of us would be proud of and perpetuate the myth of the uncaring "DMV." When we get it right, most customers view it as accidental or an aberration. We simply can't get discouraged or let up. Our business

most closely resembles a large retailer with multiple stores. We have to deliver products and services that rival private enterprises to be considered relevant.

## Chapter 2

# One Vision, One Voice

In early 2005, newly elected Governor Christine Gregoire appointed Liz Luce as the Director of the Department of Licensing. What she found was an agency with many separate functions acting mostly independent of one another. Something as simple as a consolidated view of the agency budget or a consistent method for delivering data and analysis for stakeholders, including the Legislature, was very difficult to achieve. Decisions were made by each of the assistant directors based on their own divisional interests rather than the interests of the agency as a whole.

Customer service challenges were compounded by tensions within the agency. Until 2005, licensing services for vehicles, drivers, and businesses/professions were each handled separately within DOL. Each division had its own budget, computer systems, and staff loyalties, and activities were not coordinated between the three divisions. This lack of coordination increased wait times and the length of transactions, adding to customers' frustration. Office staff would need to switch between computer systems to perform different kinds of tasks. Customers often could not conduct multiple transactions on a single visit, and each division had different eligibility standards and required that customers present different documents to secure a license. These inconsistencies between divisions created conflict among our employees and confusion among our customers.

## MAKING THE CONNECTION

### **Our Mission**

*One vision, one voice, working together for a safer Washington.*

### **Our Vision**

*Great people, great service – excellence every time.*

One of Director Luce's first initiatives was to break down the silos that plagued the agency by creating a vision that everyone could understand and rally behind. Historically, executive management undertook updates to DOL's mission statement, yet the words and their meaning failed to connect with many staff. Realizing the importance mission and vision statements play in every workplace, a cross-section of staff from across the agency

was assembled to develop and propose mission and vision statements that would resonate throughout DOL. Through weeks of work the mantra of "One Vision, One Voice" was born.

During the next few months, budget operations and a new research and planning unit were consolidated into a new Finance and Administration Division to work toward consolidated management and control of agency budget resources and data for better decision making. In less than a year, DOL gained a clear sense of direction, staff began to see themselves as employees of a unified department, and Liz proved her ability to lead a divided staff, earning credibility and support throughout the agency.

Liz's belief in the strength of a unified agency began a transformation that continued through development of agency core values and a sharp focus on creating an even greater connection to

the agency by increasing and measuring employee engagement. Early in 2009, a task force of staff and supervisors was commissioned to recommend specific strategies Executive Leadership could implement to better help staff connect with the agency, its leadership, and work performed by the agency. Many of their recommendations were woven into new approaches to internal communications at the agency and division levels. The work Liz championed has given all of us an identity that enables us to consider the achievement of extraordinary things as the operating standard for a diverse and complex agency.

### **Task Force Recommendations**

- *Show us where we are going.*
- *Show us you care (and listen to us).*
- *Show us we make a difference.*
- *Create an organization of excellence.*

## CUSTOMER FIRST

DOL has a long-standing commitment to external customer service. In the early 1990s, it was the centerpiece of our mission statement. However, agency-wide support and understanding of the exact meaning of customer service was always a point of debate and customer service was thought to be something that was only delivered at the “front counter.”

*“We need to put the needs of the customer at the center of the organization and then expand out from there.”*

*- Alan Haight*

In mid-2008, Deputy Director Alan Haight began to have private conversations with a few members of the Executive Team regarding his concerns about the sustainability of the current organization structure and the challenges it posed to delivering quality service across the entire customer base. His belief was that the agency

needed to put the needs of the customer at the center of the organization and then expand out from there. These discussions were scheduled on calendars under the subject NVNG that stood for “Nothing Ventured, Nothing Gained.” Keeping these conversations confidential was of primary concern because no one wanted to cause staff concerns about a subject that might not lead to anything.

The agency had historically been organized around the type of license being issued. The three primary customer facing divisions were organized around drivers, vehicles and business and professions. As a result, decisions made were localized by license type and led to inefficiencies in information technology prioritization as well as inconsistencies in how customers were served. As an example, at that point in time, customers could renew their vehicle tabs by mail and change their address online; although neither option was available to driver license customers. These inconsistencies made no sense to customers who were common customers of both divisions.

After months of preparation, we unveiled to agency staff the concept of reorganizing the agency functionally. The concept involved the reconstruction of drivers and vehicles into front office (customer service) and back office (records management, program policies and unique programs like motorcycle training) as well as moving the Dealer Services unit and Drive Training School Program to the Business and Professions division since they more closely

resemble the regulatory programs of professional licensing. In this way, we could assure that there was a champion for the customer that always protected the consistency in the delivery of services to all of our customers. It additionally provided a cross-check to policy development that impacted customers since the two divisions had to agree on any changes before they could occur.

Our initial plan was to take 12 to 18 months to implement the changes but, after a few weeks staff began pushing us to move faster. The promise of moving the agency to improve customer satisfaction proved to be a catalyst that made it too attractive to wait.

As thoughts about service delivery and service channels changed, so did thoughts about what constituted quality customer service. When the Customer Relations Division was created in 2009, division staff developed and proposed a Customer Service Promise and supportive standards to better explain the meaning of customer service. As exceptional external customer service required agency wide support, early in 2012 the service promise was adopted as the agency-wide commitment. Each division is tasked with the responsibility to identify standards to use in measuring commitment and the quality of customer service, whether with internal or external customers.

#### **Customer Service Promise**

*We will be friendly and helpful -  
every time.*

The service promise is now used as the cornerstone of customer service training, which is required of all staff.

### **FINAL THOUGHTS/LESSONS LEARNED**

Our staff has proven over and over again that their capacity for, and willingness to, change is much greater than we give them credit for. We, at the executive level, obsess about when and how to make changes because we *fear* the disruption and possible negativity that may result. Change shouldn't be made capriciously but if the need can be clearly articulated, the staff will support it. It is much more interesting to be on a train going somewhere than sitting idle on the tracks.



## Chapter 3

# Public Safety Shouldn't Be An Accident

A couple months into the new administration, several issues surfaced regarding the agency's oversight of the driver training programs. In Washington, young drivers under the age of 18 must enroll in and pass a certified driver training curriculum either through a public school district or a private drive training school. In 2002, the Legislature moved the driving-school program from the Office of Superintendent of Public Instruction and gave it to the DOL because of declining public school budgets for driver education. At that time, there were 119 private traffic safety schools and 407 instructors. In June 2005, there were 214 schools with more than 800 instructors.

Rumors of hidden ownerships and shoddy training of our teen drivers became a focal point of concern. The Tacoma News Tribune ran a series of stories titled "License to Shill," noting allegations that some driver instructors were not licensed at all.

*"The number one killer of our children is auto accidents, and this is a really critical fix."*

- Liz Luce

These stories were very disturbing to Director Luce. It became clear that strengthening our regulatory authority tools and raising the minimum standards for instructors and school owners was necessary. In hearing testimony the Director said, "the number one killer of our children is auto accidents, and this is a really critical fix." That next legislative session, HB 2898 was passed increasing background check requirements at commercial driving schools, expanding the definition of fraudulent business practices, increasing the frequency of state inspections, and expanding student curriculum requirements to include information on intermediate driver's license requirements and restrictions.

## REDUCING FATALITIES

Another challenge posed early in Director Luce's tenure was a growing concern about the increasing incidence of fatalities and serious injury crashes involving motorcycle riders. The Washington Traffic Safety Commission, of which Luce was a commissioner, was actively pursuing a long-term effort to eliminate traffic fatalities titled "Target Zero." In addition, the Governor had begun a rigorous review of issues across the spectrum of state government titled, "Government Management, Accountability and Performance or GMAP," which had taken the issue of motorcycle fatalities as a point of primary interest.

The agency was instrumental in establishing a motorcycle task force comprised of industry group members, riders and other interested parties, which led to successful legislation to strengthen the requirement for motorcycle endorsements for all riders. In addition, our work with a state-wide, multi-agency At-Risk Driver Task Force on "at-risk" driving behaviors for drivers between the ages of 18-21 has resulted in an early warning letter process which points out the increased risk to those individuals who are cited for unsafe driving behaviors. Over the next year,

we expect to be able to begin comparative analysis to determine the effectiveness of the early warning letter campaign.

## WE HAVE A PROBLEM

In the spring and summer of 2010, we became aware of a growing incidence of potential driver license fraud. Some driver licensing office employees had been arrested for fraudulently issuing licenses to individuals who didn't meet our identity and residency requirements, and an increasing number of individuals were applying for new licenses in our state from states which had recently enacted lawful presence laws.

In Washington State, we have three primary thresholds for receiving a driver license. First, you must have sufficient documentation to prove who you are. Second, you must be able to prove you are truly a resident of Washington State and not simply coming here to "flip" a license from another state and then return there. Third, of course, you need to prove you have the skills and knowledge to operate a motor vehicle. In recent years, most states had passed lawful presence laws, which required individuals to also prove they are legally in the United States. We are in the unique position, along with New Mexico, of not requiring lawful presence and had become somewhat of a magnet for individuals who cannot prove they are legally in the country to attempt to get licenses.

As a result, our offices were becoming inundated and wait times had skyrocketed to all-time highs. It wasn't uncommon for customers to wait well over an hour for service, on average, statewide. Evidence of "handlers" flying individuals into our state for a fee and then coming to our offices to try to facilitate the transaction was common. We found ourselves in a quandary of how to prevent suspected unlawful behavior without the legal authority to ask about lawful presence.

Over the course of the next few months, as the pressure continued to mount, we gathered data, took field trips to our offices to see the impact for ourselves and conferred with the Attorney General's Office about potential solutions. By early fall, we were ready to implement a new process which would require any applicant for a first-time license to go through an interview process to prove their Washington State residency, if they didn't have a Social Security number. Our plan was to issue these applicants a plain sheet of paper as a "temporary driving authorization" document until they could return with the necessary proof of residency.

By early 2011, the volume of suspicious activity declined some, but not enough to give us much comfort that we had solved the problem. Our data continued to show a significant influx of applicants without social security numbers, which was a clear aberration from our historical numbers. After hours of continued discussions, we arrived at a theory that individuals were continuing to come to us because they were satisfied to get the temporary driving authorization form as it would serve of proof of being in the United States at a point in time, in case the Dream Act was ever enacted by the federal government. From that working theory, we adjusted our office procedures to do nothing for individuals without a social security number until they returned, at a time of our choosing, to go through a state residency document review. From the moment we implemented these new procedures, applicant volumes dropped back to historical

levels and while we still have individuals applying for licenses who cannot prove they live in the state, we have successfully overcome the perception as a state of opportunity for license fraud.

This crisis taught us to closely look at the data we have at our disposal to help inform policy decisions about issues we are faced with, and that the problems we face are not always as simple as they seem on the surface.

## SERIOUSLY?

Sometimes protecting the public is not only thankless but borders on the absurd. In 2008 a salon owner in Kent began providing fish pedicure services to the public. This is a service that involves the use of fish that eat (nibble) the dead skin off of the feet of clients, a practice used in other countries to reduce the symptoms of psoriasis. The department became aware of this service via a public news report and quickly set into motion a research study of the practice and its potential risk to the public and applicability to the cosmetology laws. Other states within the nation were charged with the same task and Washington was the first to decide to ban the practice due to the inability to sanitize the implements used in the pedicure, which was the fish.

In 2009, the former administrator of the Professional Athletics program, was honored by reporter Ken Schram with a Schrammie award for “shutting down” Seattle Semi-Pro Wrestling (SSP). Since Washington State law defines professional wrestling as a “form of sports entertainment,” even absurd acts that endanger the participants or patrons need to be regulated. Eventually, the promoter was ordered to be properly licensed or stop promoting their events. There was much controversy, because the promoter believed they were only doing theater and not wrestling. It’s understandable since the wrestling show consisted of a man in a banana suit performing fake kung fu moves and a husky everyman who likes to irritate environmentalists by boasting about chopping down trees.

## FINAL THOUGHTS/LESSONS LEARNED

It is far too easy for regulatory activities to become a “necessary evil” rather than a primary point of emphasis that requires the same level of attention that customer service activities receive. Complacency creeps into our daily routines and we take for granted that when we catch licensees doing things they shouldn’t, as long as we take steps to correct the problem, we have done all we could have done. Our learning was that we needed to become more proactive rather than simply reacting to events. Preventing bad things from happening is a more effective means of protecting the public than only taking action after the fact.

## Chapter 4

# It's Never Been Done Before; But Yes Ma'am



In December 2005, Premier Gordon Campbell of British Columbia and Governor Christine Gregoire of Washington State jointly wrote President Bush to discuss concerns about the possible negative impacts of implementing the Western Hemisphere Travel Initiative (WHTI), which required a passport for entry into the country for returning U.S. citizens. Meeting this new requirement had enormous potential impacts to our citizens. Less than 20 percent of our

population had current passports and we had never had to prove our citizenship to enter from the Canadian border. Therefore, an alternative solution was critical to prevent disruption of the trade and travel relationships with Canada. With the impending deadline of the June 2009 and 2010 Olympic Games that was just around the corner in Vancouver, B.C. the importance of developing an alternative solution was important for our citizens.

Because of the economic and cultural benefits related to those games, Governor Gregoire and Premier Campbell expressed concern that costly identification requirements could dissuade families and travelers from crossing the U.S./Canadian border. Governor Gregoire and Premier Campbell met again in June 2006. At that meeting they co-signed a letter to President Bush and Prime Minister Harper restating that a passport requirement could significantly impact tourism between the two countries.

During an Executive Session of the Pacific Northwest Economic Region (PNWER) Conference held in Edmonton, Alberta on July 18, 2006, Department of Homeland Security Secretary Chertoff expressed a willingness to consider passport equivalent documents and pilot projects that addressed the requirements outlined by the Western Hemisphere Travel Initiative (WHTI.) Following Secretary Chertoff's remarks, Governor Gregoire and British Columbia Premier Campbell agreed to develop an alternative license document in lieu of passports or other federal documents for land border crossings between the two jurisdictions.

*"We need to really flesh out this idea of driver license technology B.C - WA for border I.D. ASAP"*

*Note from Governor Gregoire to Liz Luce*

Immediately following that meeting Governor Gregoire passed a note to Director Luce that said, "We need to really flesh out this idea of a driver license technology B.C.-WA for border I.D. ASAP." Director Luce responded by pulling together a strong team within the DOL, and coordinating with her counterparts in the Insurance Corporation of British Columbia (their equivalent of DOL) and within the private sector. She also engaged potential federal partners by going from agency to agency, knocking on doors and soliciting their involvement and support. She was convincing and ultimately very successful. In March 2007, after months of collaboration with the Department of Homeland Security, Governor Gregoire

and Secretary Chertoff approved and signed a memorandum of agreement to initiate the Enhanced Drivers License (EDL) program.

## FOCUS, FOCUS, FOCUS

Out of this collective and never before experienced joint effort, the concept of an EDL was developed that could be used in lieu of passports or other federal documents for border crossings between the two jurisdictions. The pilot had to demonstrate the feasibility of establishing mutually agreed upon requirements and processes that enable the use of driver licenses as proof of identity and eligibility to travel between the jurisdictions. We had to convince our federal government and Canada's to allow us to give it a try.

The department soon realized it needed to dramatically strengthen its current driver licensing processes by increasing document security, improving the identification verification processes, and the use of new authentication technology. Now that we had the go-ahead for the pilot, we had to figure out how to deliver it technologically.

A team of individuals from across the agency came together to figure out how to get the program running. These individuals were dedicated to this project full time, and the rest of the agency was directed to make any necessary adjustments to allow this one project to take precedence over everything else we were doing. The challenges and scrutiny by our federal partners were enormous as this was the first time any state had been given the authority to mirror a process normally reserved for the federal government.

In January 2008, the launch of the Washington Enhanced Drivers License Program was the first of its kind in either Canada or the United States. Since implementation within Washington and British Columbia, several other states and Canadian provinces have followed suit and implemented similar programs. Currently, in addition to Washington and British Columbia, Vermont, New York, Michigan, Ontario, Manitoba, and Quebec are issuing enhanced drivers licenses. California and Oregon have contacted DOL, expressing their interest in developing an EDL and have received our lessons learned.

In April of 2011, a "Ready Lane" was designated at the Blaine Peace Arch Port of Entry dedicated to Radio Frequency Identification (RFID) equipped documents to facilitate more rapid movement through the Port of Entry. The EDL and Passport Cards are the only WHTI alternative documents so equipped. To date, over 360,000 Washington citizens are in possession of enhanced driver licenses and the number increases by approximately 1,500 per week. Development of the enhanced driver license was a milestone success for Washington State.

## FINAL THOUGHTS/LESSONS LEARNED

The EDL project gave the entire agency a boost in confidence that we could figure out any problem presented to us. It gave us a working model of creating small teams of experts from across the agency that dropped everything else to work on the issue until it was solved. This lesson proved to be especially important to us as the economy worsened in 2008 and we had to marshal our forces to anticipate and adjust to significant changes in our agency funding.

## Chapter 5

# Don't Let A Perfectly Good Crisis Go To Waste

In early 2008, as the national and local economies worsened, it was obvious to everyone that budget pressures would come sooner rather than later. Even though DOL is primarily funded by transportation funds as opposed to the general fund, we believed we would need to make significant changes to the way we did business to avoid potential layoffs in our workforce.

### THE GREAT RECESSION

We began having regular sessions at our weekly Executive Team meetings to identify cost-saving ideas and develop strategies to make permanent cost reductions. Some recessions are short-lived and so temporary cost reductions, which do not have to be sustained, can be useful. This wasn't shaping up to be one of those recessions. We also believed we would be smart to ask for help from our staff to identify things that didn't make sense to them, but that the Executive Team might not be aware of.

Our initial efforts were focused on scenarios of 5, 10 and 15 percent permanent reductions in spending which would have amounted to \$45 million dollars per biennium at the upper end of that range. During this time, we instituted an online "Idea Bank" to capture ideas from our staff to help us achieve our budget cuts.

One of the first ideas we received was from a unit in the agency that had a print job that ran on one of their printers every night that amounted to hundreds of sheets of paper. This wasn't an uncommon practice except for the fact that the reports that were being printed out hadn't been used by anyone for months if not years. They simply took these reports every morning and shredded them. This idea and many others like it, allowed us to make significant early headway on cost reductions.

### TRANSFORMING GOVERNMENT

During the summer of 2008, the Governor, as part of her "21st Century Government Reform" initiative, asked all state agencies to submit a list of potential ideas that, even if controversial, could help to demonstrate the work that was going on to transform state government. We submitted a list of our "top ten" ideas, which included the consolidation of several licensing offices to potentially reduce costs by approximately \$4 million each biennium. As the fall planning season wore on, we had many conversations within our agency and with the Governor's Office about our list and began some preliminary planning around where and how we might accomplish those tasks. We were somewhat complacent however, because we didn't really think we would be asked to close offices due to the highly-charged political nature of the decision. We clearly underestimated the Governor's desire to "take on" the status quo.

## UH-OH

Washington Governor Christine Gregoire delivered her fifth annual State of the State, and second inaugural address January 2009, in the midst of a growing recession. With state revenues declining along with the economy, government efficiency was a top priority for the Governor. We were advised a couple of days in advance that a mention of our office consolidation efforts would be made in her speech. As we all came together around a television in the director's office, a growing sense of dread crept over us as she directed the Department of Licensing to close 25 of its 66 field offices. The Governor planned to streamline government operations, and wanted DOL to serve as an example for the rest of the state.

As an agency vilified by the public for long wait times and confusing procedures, we had been working diligently in recent years to improve both customer service and our public image. We knew that recommending specific field offices to close would be widely unpopular among the public, and that the state Legislature would need to approve the final recommendations. In preparation, we had sought advice from other states that had tried to consolidate local licensing offices, and had heard one basic message: "Lots of luck!" Our research with other states found that no one had been successful on this scale in the recent past. A few states had managed to close an office or two, but the magnitude of this potential change was unprecedented.

Within hours of the Governor's announcement, our phones were burning up with requests from legislators and legislative committees to present them with a detailed plan for office consolidation. The Legislature had been unaware of the Governor's plans. For many state and local elected officials, our offices were a highly-visible symbol of state services, and closures in their jurisdictions could mean great inconveniences for their constituents. The public already thought visiting the DOL was an inconvenience, and wasn't likely to be pleased by the closures and the prospect of longer drives to unfamiliar offices.

Every legislator was concerned about the LSO in his or her own district. Though many legislators might have supported closing some offices, none wanted offices closed in their own communities. Many didn't believe that we could actually close the offices we intended to close and save money.

Legislators were particularly vocal about the unique needs of rural areas, where closures could be detrimental to whole communities. One senator asked:

"Do you really understand our community well? It's a lot of old folks, and they don't stray far from town. Thirty to forty miles to travel for them is a real hardship."

When we emphasized the new self-service options available to customers, several members cited the inability of seniors and other vulnerable populations to access services online and argued that the increased travel distances to the nearest LSO would be prohibitive if their local offices were closed.

Though we had not expected a great deal of enthusiasm for the plan, we were surprised by the vehemence of the legislative reaction. Some members were particularly vocal in their disapproval of the plan. Not one of the members supported our recommendations. We knew that we had turned a corner in the perception of the potential catastrophe that legislators and the

public expected when, in October of 2009, on the eve of our final batch of office closures, the Seattle Times ran an article on the front page of the Sunday edition, above the fold, about our efforts to consolidate offices. What we had feared might be a negative article about the effects of reducing office locations turned out to be a very positive story about all the effort we had made to help customers conduct their business more efficiently through self-service offerings. The article headlined “Hate to wait in line? Many can renew online instead,” became a significant source of pride for all of us involved in a very difficult project.

## FOCUS SOME MORE

*“Customers should to be able to renew their license on a lunch hour rather than a vacation day”  
- Alan Haight*

Building on our newly reorganized structure, and our experience with the success of the EDL project, we once again focused all of our efforts on expanding self-service options across the state to absorb the growing demand for services, improve customers’ experiences and radically move transactions out of our offices to self-service channels. While Washington State’s population was growing by roughly 1% annually, changing demographics meant the need for licensing services was expected to grow at an annual rate of 4%.

We began to radically change our service delivery model by opening up new opportunities for online transactions such as license renewals and replacements, putting self-service kiosks in both licensing offices and other public offices, ordering driving records online, offering email renewal notifications, offering address changes online, and accepting debit and credit cards in our offices.

We began our efforts to develop new self-service transactions with a long list of ideas that had been put on hold for several years due to other priorities. Our focus followed the simple target of Deputy Director Haight that, “customers should be able to renew their license on a lunch hour rather than a vacation day.” The initiatives ranged from truly new services such as driving records and replacement licenses online to enabling mail-in renewals and rewriting our website to make self-service a more prominent part of our external message.

One of our first initiatives came within a week of releasing to the public when we discovered the design would probably cause confusion rather than assist in solving the problem. When we discovered this problem, we realized that we had not had enough oversight on the process design and messaging. We immediately put the project on hold and established a regular semi-weekly agency-wide 21<sup>st</sup> Century Progress meeting with an open invitation to anyone in the agency that had an interest in the subjects being discussed on each agenda. Our idea was to have all of the subject matter experts in the room to discuss each of the projects in detail every two weeks. The meetings generally had about 40 people in attendance and were limited to no more than an hour. These became the catalyst for idea sharing and knowledge transfer that supercharged our efforts.

Over the next 36 months, we increased the adoption of self-service transactions by 500%, moving nearly 700,000 annual transactions out of our offices. The pressure on our office staff



decreased as wait times went down, and they were now able to focus on ensuring each customer was given more personal attention and deliver on our service promise.

## FINAL THOUGHTS/LESSONS LEARNED

Although the original plan was to close 25 offices, we ended up completely closing 11 offices and reducing the hours or days of operation in an additional 14 offices to meet the assigned budget reductions. Our main lesson learned was that our initial plan, as proposed to the Legislature, should have included more than 25 offices. We were naïve in thinking that we would be successful in closing all of those on the original list, and once the list was made public, it became very difficult to add any additional offices to the list as some came off. In hindsight, we should have proposed a list of more than 25 offices, and then worked with the Legislature to settle on the final 25.

In addition, the major criteria we originally used to select the proposed 25 offices included simple factors such as office size, staffing issues, and leases which were expiring soonest. As we refined the plan, we developed more sophisticated criteria for proposed office closures, including travel distance for customers, cost-per-transaction for each office, average number of core transactions performed each month in each office, the capacity for remaining offices to absorb the increase in workload, and the expected ability to achieve a specific level of driver license renewals in the community through online, self-service kiosk, or mail-in activity. These new criteria allow us to better understand the impact of any proposed office closure on public service, the community, and the budget.

Much like the EDL effort, narrowing our focus to achieve extraordinary accomplishments was possible and gave everyone a sense of accomplishment that has led to greater job satisfaction and more pride in the organization.

## Chapter 6

# What's Next?

The agency has become more nimble, flexible and sophisticated in our use of data to make business decisions over the last eight years, and is well positioned to pursue strategies that will allow us to exploit our strengths to make it the best "DMV" in the country. However, there are risks we can identify today and "known unknowns" that we have to anticipate and prepare for in the next few years.

### TRANSITION RISK

The next year will be a time of transition for all of state government. A new administration in the Governor's office, and potentially at the agency, will be disruptive to staff. The fear of what a new administration may bring will cause many staff to hunker down and lay low until they know for sure what new management expects of them.

It's human nature for individuals to look at self-preservation during times of transition and to protect their turf rather than cooperate with each other. If we let that happen, shame on us. As we identified in Chapter 2, an enormous amount of work has gone into organizing the agency into a structure where the whole is much stronger, and more effective, than the sum of its' parts.

Organization structures are fragile though. That's one reason they get changed so often. Our biggest risk over the next year is the structure and collaboration we enjoy today will break down and devolve back into an organization of rigid silos that can't get anything done for the common agency good, or that we become too careful to take the calculated risks we have become accustomed to for fear of making a mistake. Either cause will lead to a lack of purpose and an undoing of a lot of hard work over the last eight years.

### REAL ID

Congress passed the REAL ID Act in 2005 which sets out requirements for driver license and identification cards which can be accepted for official purposes such as entering federal buildings and boarding airplanes for domestic air travel. The deadline for implementing the act has been extended twice from December 2009 to the current deadline of January 15, 2013.

In June of 2007, the Legislature passed legislation prohibiting the implementation of the act until federal funds were made available to fully fund REAL ID and until other privacy and security concerns be met.

The Department of Homeland Security has recognized the EDL has a comparable program so it is compliant with the requirements of the act. However, at some point in the future, as verification systems are developed by DHS, we will be required to use those systems with the EDL. There will be a cost to join and ongoing costs to receive information, which will be in conflict with the current state law.

In order to be recognized as “fully compliant,” we would need to ensure that all of the documents we offer are compliant, which would require the authority to either require proof of legal presence for individuals we license or the authority to create a tiered system where individuals would be issued a document (EDL, Real ID compliant or regular personal driver license) based on the documents they present at issuance.

Because of the looming deadlines the Legislature has renewed interest in conversations between now and next session on the proper path forward for the state. Any changes to our state’s position on REAL ID will have significant operational impacts from a systems development and operational implementation perspective.

## SERVICE QUALITY

Our success depends on our ability to quiet the complaints about service quality and wait times long enough for customers and stakeholders to take notice of all the great things we do. In order to assure our ability to provide quality customer service as transaction volumes grow, we have to look at planning horizons of three to five years rather than a biennium at a time.

We have three major initiatives in process over the next two years to continue to enhance the service we provide and build more ability in our offices to handle the inevitable increase in transaction volumes.

- License Express is a customer portal that allows customers to manage all of their driver and vehicle licensing needs in one convenient location. It will be introduced to market in August or September of 2012 and should increase our rate of adoption for self-service transactions.
- HB 1635 is a bill that was passed in the 2011 legislative session, which allows us to partner with private driver training schools and school districts to provide knowledge testing and skills testing outside of our offices. Each skill test we conduct today takes anywhere from 20 to 30 minutes. By moving a portion of this activity to business partners, we can use our office staff to service counter transactions and reduce wait times.
- In the 2012 legislative session, we received authority to move from a five-year driver license cycle to a six-year cycle. This change will reduce office visits by approximately 150,000 per year for simple renewals. This too will allow us to continue to provide more timely service in our offices.

## LEAN PROCESS IMPROVEMENT

We have embraced Lean process improvement methodologies within the agency to help us become more efficient and effective in the resources we have at our disposal to build for the future. Our expectation over the next year is to find more efficiency through process improvement that will enable us to add resources to our Information Services Division to accelerate more development for customer service improvements and make some room in our budget if more cuts are expected in the 2013 legislative session.

## FINAL THOUGHTS

There have been many challenges during the last eight years and there will continue to be just as many in the next eight years. That is the nature of public service. The future for the agency is bright however, primarily because of the talent, expertise and dedication of everyone that come to work every day to serve the public.

We have accomplished a lot over the last eight years but we have much more to do to be where we want to be as an agency. A lot of our conversation over the last five years in particular, has revolved around building on three behavioral attributes: courage, pride, and belief.

- We need to have the courage to suggest bold changes that aggressively move the agency forward. Courage overcomes complacency and accepting the status quo.
- We need to continue to build a world-class service organization so that our entire staff can take pride in where they work and what they do. Pride makes us more confident and able to successfully face our challenges.
- We also need to have a strong belief that we can solve problems we haven't seen before. We have been successful at doing that over the last few years and have proven we are talented enough to figure things out.

These attributes will sustain the organization into the future as the preeminent customer service agency in the state.