MBTA Review
Topic: Workforce

March 19, 2015
Case Study: Collective Bargaining, Rollover, Retros, and the GIC

Collective Bargaining

- **Local 589 CBA Negotiations Begin**
- **Lodge 264 establishes wage pattern**
- **MBTA files for expedited mediation; 589 objects**
- **Mediation sessions (eight)**
- **Local 589 Arbitrator Selected**
- **589 Interest Arbitration (22 Hearings)**
- **Arbitrator Issues Award; MBTA Appeals**
- **MBTA withdraws appeal**

Transportation Reform
- Ends collective bargaining over health care

Local 589
- **FINALLY goes into GIC**

GIC Transition
- **$64M in Retroactive Wage Increases**
- **$10.5M Annual Cost to MBTA for H&W Trust**
- **$71M Projected GIC Savings Not Realized**

- **560 Non-Union employees transfer into GIC (FY11)**
- **1,557 Union employees & retirees (FY11)**
- **1,935 Union employees & retirees (FY12)**
- **315 Police union employees & retirees**
- **301 MBTA employees & retirees**
- **Local 589 Finally goes into GIC**
## Employee Availability

**Defined as:** The expectation that each member of the MBTA team will be in place, on time and available to work on a predictable basis.

**Absenteeism:** Any reason that prevents an employee from being able to perform their assigned job duties at their normally scheduled work period.

**Recording:** Since 2014 the Authority has moved from manual or spreadsheet entry to a integrated data warehouse to improve reporting.

<table>
<thead>
<tr>
<th>FY14 Days per Employee</th>
<th>Trans Supv</th>
<th>F/T Bus Operators</th>
<th>F/T Motor Persons</th>
<th>Maint Supv</th>
<th>Machinists</th>
<th>Maint Support</th>
<th>ALL MBTA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg # of Emp</td>
<td>430.6</td>
<td>1296.3</td>
<td>247.5</td>
<td>310.7</td>
<td>350.2</td>
<td>172.7</td>
<td>6275.2</td>
</tr>
<tr>
<td>% of Employee</td>
<td>45% of MBTA Employees</td>
<td></td>
<td></td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maximum Work Days</td>
<td>261</td>
<td>261</td>
<td>261</td>
<td>261</td>
<td>261</td>
<td>261</td>
<td>261</td>
</tr>
<tr>
<td>Contract/ Benefit Leaves</td>
<td>35</td>
<td>31</td>
<td>34</td>
<td>33</td>
<td>35</td>
<td>31</td>
<td>30</td>
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<tr>
<td>Baseline</td>
<td>226</td>
<td>230</td>
<td>227</td>
<td>228</td>
<td>227</td>
<td>230</td>
<td>231</td>
</tr>
<tr>
<td>FMLA</td>
<td>9.3</td>
<td>13.9</td>
<td>12.0</td>
<td>4.8</td>
<td>2.8</td>
<td>5.2</td>
<td>7.6</td>
</tr>
<tr>
<td>SICK</td>
<td>4.8</td>
<td>9.5</td>
<td>5.9</td>
<td>4.6</td>
<td>4.6</td>
<td>4.6</td>
<td>6.3</td>
</tr>
<tr>
<td>WorkComp</td>
<td>1.3</td>
<td>4.3</td>
<td>3.4</td>
<td>2.9</td>
<td>9.1</td>
<td>5.8</td>
<td>3.7</td>
</tr>
<tr>
<td>Other Scheduled / Unscheduled Absences</td>
<td>9.2</td>
<td>9.6</td>
<td>13.0</td>
<td>6.6</td>
<td>2.4</td>
<td>4.6</td>
<td>9.5</td>
</tr>
<tr>
<td>Available</td>
<td>201.11</td>
<td>192.89</td>
<td>192.90</td>
<td>209.16</td>
<td>207.56</td>
<td>209.52</td>
<td>203.74</td>
</tr>
</tbody>
</table>
Workforce & Retirement Eligibility (as of January 1, 2015)

- 6,342 (MBTA) Employees
  - 1,069 Eligible to Retire Today (17%)
  - +505 Eligible to Retire in 3 Years ........................................1,574 (25%)
  - +393 Eligible to Retire in 5 Years ........................................1,967 (31%)

- 1,143 Managers (All Levels)
  - 313 Eligible to Retire Today (27%)
  - +142 Eligible to Retire in 3 Years ........................................455 (40%)
  - +70 Eligible to Retire in 5 Years ........................................525 (46%)

- Average Age of Current Workforce Is 46.7 years
  - Significantly Higher than the National Average

- Based on 9 years of historical data, 48% of all MBTA non-disability retirements occur within 1 year of reaching eligibility
  - 62% within 2 years of reaching eligibility
  - 68% within 3 years of reaching eligibility
  - 74% within 4 years of reaching eligibility
  - 78% within 5 years of reaching eligibility
## HR BY THE NUMBERS

<table>
<thead>
<tr>
<th>Management # Employees</th>
<th>Jan 1, 2005</th>
<th>Jan 1, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unaffiliated</td>
<td>243</td>
<td>194</td>
</tr>
<tr>
<td>Affiliated Management</td>
<td>847</td>
<td>996</td>
</tr>
<tr>
<td>Affiliated Non-Management</td>
<td>5,130</td>
<td>5,152</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,220</strong></td>
<td><strong>6,342</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Part/Full-Time # Employees</th>
<th>Jan 1, 2005</th>
<th>Jan 1, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part-Time</td>
<td>568</td>
<td>550</td>
</tr>
<tr>
<td>Full-Time</td>
<td>5,652</td>
<td>5,792</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,220</strong></td>
<td><strong>6,342</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Regular/Temp # Employees</th>
<th>Jan 1, 2005</th>
<th>Jan 1, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular</td>
<td>6,181</td>
<td>6,329</td>
</tr>
<tr>
<td>Temporary</td>
<td>39</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,220</strong></td>
<td><strong>6,342</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Average Age &amp; Tenure</th>
<th>Jan 1, 2005</th>
<th>Jan 1, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>45</td>
<td>47</td>
</tr>
<tr>
<td>Tenure</td>
<td>12</td>
<td>11</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Average Salary</th>
<th>Jan 1, 2005</th>
<th>Jan 1, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unaffiliated</td>
<td>$74,171</td>
<td>$96,221</td>
</tr>
<tr>
<td>Affiliated Management</td>
<td>$63,817</td>
<td>$84,860</td>
</tr>
<tr>
<td>Affiliated Non-Management</td>
<td>$51,834</td>
<td>$69,229</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$54,338</strong></td>
<td><strong>$72,509</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retirement Eligibility</th>
<th>Jan 1, 2005</th>
<th>Jan 1, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>207</td>
<td>313</td>
</tr>
<tr>
<td>Non-Management</td>
<td>555</td>
<td>756</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>762</strong></td>
<td><strong>1,069</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual Turnover</th>
<th>CY 2008</th>
<th>CY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary Turnover</td>
<td>7.53%</td>
<td>4.59%</td>
</tr>
<tr>
<td>Involuntary Turnover</td>
<td>1.51%</td>
<td>0.95%</td>
</tr>
<tr>
<td><strong>Total Turnover</strong></td>
<td><strong>9.04%</strong></td>
<td><strong>5.55%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Average Days Absent</th>
<th>CY 2013</th>
<th>CY 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Employees</td>
<td>20.91</td>
<td>20.13</td>
</tr>
<tr>
<td>Not Including Employees</td>
<td>8.10</td>
<td>7.68</td>
</tr>
<tr>
<td>Out 30+ Days</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Vacancies

FY2015
Budgeted Headcount = 6603
Actual Headcount = 6460
Budgeted Vacancies = 143

In place vacancies may be higher based on sector budgets, and attrition and labor agreements.

Challenges
- Fiscal Capacity
- Departmental Needs
- Service Priorities
- Legal Commitments
- Succession Planning
- Time to Hire
- Competitive Wages
MBTA Workforce Initiatives

➤ Strategic HR Planning and Development

➤ Workforce Development & Training

- Standards-Based Training - Career Ladders/Apprenticeships, MassDOT U
- Mentoring & Management Development
  - “Lifting As We Climb”

➤ Partnerships & “Shared Solutions”

- **Super Maxx** - Transit Management Leadership Program
  - (NY MTA; SEPTA; TTC; NJT; CTDOT; MBTA)
- **TransStem** Gateway Pilot (Madison Park High School/RCC)
  - School & Work-Based Learning Programs
- **GLX “WIN”** Program & Springfield Facility
  - FTA Grant Application (Railcar Repairer, Machinist & Fueler)
Integration: Services & Factors

- Mass General Laws
- Human Resources Division/EOANF
- Executive Branch vs. Authority
- External Approval Processes

Comptrollers Office

State ITD

IT Systems & Infrastructure

Internal guidelines and procedures

Collective Bargaining

FTA/FHWA & Regulatory Oversight

Signatory requirements

MassDOT

- HR Services
- Classification/Compensation
- Staffing
- HRIS/Processing
- Leave/Benefits
- Policies
- General Services
- Payroll

Shared Services

- Employee Relations
- Employee Programs
- MassDOT University
- GIC
- Joint Recruitment
- Drug & Alcohol Testing
- Workers’ Compensation

MBTA

- HR Services
- Classification/Compensation
- Staffing
- HRIS/Processing
- Leave/Benefits
- Policies
- Occupational Health

Civil Service

State Retirement Board

MBTA Private Retirement Fund

Integrated Service Agreements & Sharing of Costs

External Approval

Processes
Workforce Takeaways

- **MassDOT-wide Business Risk Assessments**
  - 7 of Top 20 MBTA Risks Are Workforce Related
  - No Comprehensive “People Plan”

- **Recruitment & Retention**
  - Aging Workforce & Employee Retirements
  - Critical “Scarce Skills” Transit Specialty Areas
  - Urgent Need For Frontline Operations & Maintenance Pipeline
  - Succession Planning (All Management Levels)
  - Multi-year Staffing Levels & Plans

- Define a Clearer HR Strategy that is linked to Broader Business Strategy and Service Quality

- Develop a Multi-year Workforce Plan in Order to Accurately Identify and Forecast Talent Needs

- Develop competitive wages when compared to the private sector for certain programs and titles, including vehicle maintenance and engineering programs

- **Technology Enablement & Implementation**
  - Continued development towards integrated HR information management