Rider 51: Driver License Services Efficiencies and Effectiveness Study

Background

In 2023, the 88th Texas State Legislature passed House Bill 1 the 'General Appropriations Act' including Rider 51 'Driver License Services Efficiency Study,' directed by the Department of Public Safety (DPS). Rider 51 requires DPS to examine the deficiencies of the Driver License Division (DLD) and how to increase DLD effectiveness including:

1. Improving customer service;
2. Reducing wait times through information technology to modernize customer facing services; and
3. Incentivizing online transactions.

The Study Team examined the deficiencies of the DLD division to make recommendations on how to increase DLD efficiency and effectiveness. *Efficient* and *effective* in this study are defined as:

Efficient such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions; and,

Effective in successfully fulfilling core functions, measuring success in achieving performance measures, and implementing plans to continuously improve.

Recommendations

A thorough study of DLD deficiencies and opportunities to improve efficiency and effectiveness resulted in the following Study Team recommendations:

- Reduce high turnover rates among License and Permit Specialists (LPS) by providing funding for merit raises that increase pay and retirement benefits;
- Provide funding and Full-Time Employees (FTEs) to transform the Customer Service Center to a modern, multi-channel Contact Center;
- Provide funding to redesign the Driver License System database which constrains DLD website redesign, and implementation of online paperless transactions;
- Provide funding for additional mega-centers and FTEs;
- Provide a blanket exemption to Department of Information Resources (DIR) policies that prolong purchase of niche market software products used by DLD;
- Allow DLD to accept eye exams from doctors and for customers to submit digital photos for license renewal;
- Implement Agile software development methods which are more collaborative and flexible. (i.e., Agile methodologies)

Key Findings

Improvements to Date

DLD has implemented a series of initiatives designed to address customer wait times, staff workload, communication strategies, and service delivery models. Improvements include the appointment system implementation (May 2020), increased renewal reminder lead time (2020), creation of the Business Intelligence Team (Summer 2022), and a new contract with Amazon Web Services for a new cloud-based contact center (2024).

Procurement and Technology

The DLD faces significant hurdles in acquiring and implementing the necessary technology to modernize its operations. Rigid, linear, step-by-step procurement processes, characterized by mandatory solicitation with DIR vendors and highly prescriptive specification requirements, often slow down and hinder the acquisition of innovative solutions. The DPS mean for Request For Offer (RFO) procurement is 311 days. As driver services represent a niche market, few or no DIR vendors offer the necessary applications or solutions, which frequently results in no responses and then requires obtaining an exemption, which delays procurement.

The legacy Driver License System (DLS), built on an outdated technology stack, struggles to support modern operations and is susceptible to system failures during periods of high traffic. As an example, a major outage occurred in September 2023 due to the American Association of Motor Vehicle Administrators (AAMVA) State to State (S2S) integration with the DLS which resulted in increased, unanticipated traffic demand on DLS. These factors, combined with limited IT resources and budgetary constraints, impede the DLD's ability to effectively leverage technology to improve service delivery.

To overcome the current resource limitations hindering DPS IT's ability to fully implement Agile methodologies, additional recommendations are:

- Provide funding to hire a dedicated Application Infrastructure Specialist (AIS) - specification technical FTE to speed up procurement processes under the determinations for Best Value to the state.
- Provide funding to hire additional DLD-dedicated FTEs. Create an Agile team to fill the staffing gaps required to get DL incorporated into the Agile software development framework, which is critical to enhancing efficiency and effectiveness.

Budget and Funding

Limited funding for staffing, technology upgrades, and infrastructure improvements hinder the division's capacity to address growing customer demands. Lack of Unexpended Balance (UB) authority and capital authority creates barriers in funding for IT projects, as project development, procurement, contracting and implementation may cross biennia. Additionally, the $500,000 limit on Capital Budget Authority holds back efficient technology modernization. Costs for technology projects are well over the $500,000 limit and in fact much closer to the millions of dollars range.

Public Information

The DLD's public information office struggles with inadequate resources and personnel. There is a lack of DLD-specific messaging and communication channels. Separating DLD messaging from broader DPS communications aligns with best practices in social media and communications, where successful accounts are often niche-focused and deliver tailored content.

DLD Website

DLD's website navigation is complex and convoluted, requiring users to click through multiple pages to access essential services. A lack of clear and concise information makes it difficult for customers to quickly find the information they need. The website also lacks visual examples of required documentation. Additionally, limitations in online services, such as restrictions on multiple online renewals, drive customers to DLOs and create additional burdens on the system.

Performance Measurement

DLD lacks a standardized performance measurement system for employees who assist customers, impeding its ability to optimize operations and identify areas for improvement. Establishing clear performance targets, accountability for meeting

those targets, and providing employees with access to relevant data would enhance efficiency.

Appointment System

DLD's appointment system faces several challenges that impact customer service and operational efficiency. The high rate of appointment no-shows, currently around 30% statewide, significantly reduces appointment availability, leading to longer booking times for customers. The current appointment-only structure with limited availability for same-day appointments is inefficient as no-shows can occur throughout the day, leaving appointment slots unfilled. These no-show gaps could be readily filled by walk-in customers. Additionally, antiquated systems and lack of paperless processes contribute to prolonged processing times.

Staffing and Salaries

The DLD grapples with significant staffing challenges due to low salaries and limited career advancement opportunities. 90% of all DLD employees hold positions in which their salary falls below 50% of the designated range. High turnover rates result in knowledge loss, increased training costs, and compromised service delivery. Understaffing across DLOs contributes to extended wait times and diminished customer satisfaction.

DLD Internal Communications

The Business Intelligence Team (BIT) visits DLOs and conducts extensive reviews of staffing, appointment layering, ad hoc messaging, and other factors that affect efficiency and effectiveness. However, additional insights can be gained through interactions between Regional Managers and DLO Supervisors who have demonstrated excellent service in the various DLO performance areas. Figure E.1 illustrates the relationships between cumulative distribution curves for appointment booking times from the customer surveys in the Houston and DFW Regions. Based on discussions with Regional Managers and Supervisors, it was determined that staffing vacancies, high turnover rates and other factors result in much different booking times in the DFW Regions than in the Houston Regions. As of this writing, there were 33 vacancies in the Houston and 61 vacancies in the DFW Regions. Vacancies vary over the year and tend to reach a maximum in July – August.

However, lessons learned and insights gained through careful observation of operations at each DLO, experimentation, and management experience might not be shared across DLOs within a Region or from Region to Region. Increased information sharing between Regions is highly recommended.
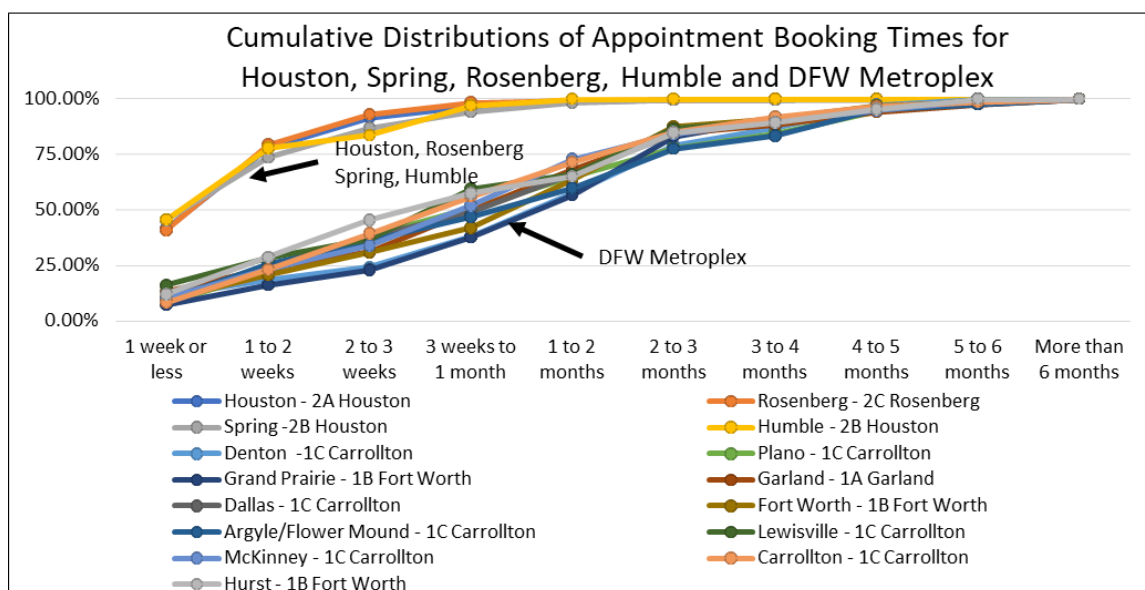

Figure E.1 Cumulative Distribution Curves for Appointment Booking times, Houston Regions & DFW Metroplex

Customer Service Center

DLD's Customer Service Center (CSC) experiences high call volumes, indicating a need for improved service delivery. The CSC's reliance on outdated technology and insufficient staffing levels hinders its ability to provide timely and effective assistance to customers.

Approximately 21,100 voice, email and Interactive Voice Reponses are received daily by the CSC which has 61 staff to respond to calls using multiple outdated, unintegrated systems that slow down response times and restrict options to communicate with customers. The current call drop rate exceeds 88% which frustrates customers who want to obtain information about getting a new driver license or renewing a driver license or ID card.

A modern multi-channel Customer Contact Center is needed along with additional FTEs that have access to voice, email, text, chat, and social media links that are seamlessly integrated. An updated DLD website would also help reduce the number of deflected calls that arrive at the CSC, since the website could provide easy access to Frequently Asked Questions (FAQ), chat bots and other resources including one-click access to diagrams and photos of documents required to prove citizenship and residency. Other states, such as Utah and Georgia, and the U.S. Citizenship and Immigration Services use photos with pointers to help customers understand what a document must contain to meet requirements.

Figure E.2 is an example of an acceptable U.S. birth certificate for use in obtaining a passport, REAL ID DL, or ID card. Customers are often frustrated that the birth certificate given to them by their parents from the hospital is not a valid birth certificate. This even includes birth certificates provided by hospitals at U.S. military installations in the U.S. and abroad. This is a Department of Homeland Security requirement though customers often blame DPS for refusing to accept documents the customer believes are valid.

Figure E.2 Illustration of an Acceptable U.S. Birth Certificate from Travel.State.Gov for Passports

For further information about this study contact the CTR Research Supervisor.