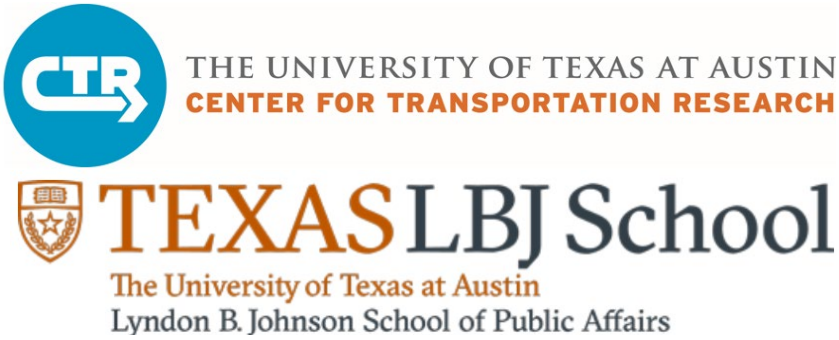

Rider 51: Driver License Services Efficiencies and Effectiveness Study

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Final Report: July 31, 2024

Center for Transportation Research at the University of Texas - Austin

Technical Report Documentation

1. Report No. DPS Interagency Contract Number 03504	2. Government Accession No.	3. Recipient's Catalog No.
4. Title and Subtitle Rider 51: Driver License Services Efficiencies and Effectiveness Study		5. Report Date Submitted: August, 2024 6. Performing Organization Code
7. Author(s) Lisa Loftus-Otway, Carolina Baumanis, Zhe Han, Susanna Gallun, Darren Hazlett, Jingran Sun, Randy Machemehl, Mike Murphy, Sherri Greenberg, Gordon Abner, Rebecca North, John Mitchell Skinner, Nicholas Becerra, Evelyn Barbaran		8. Performing Organization Report No.
9. Performing Organization Name and Address Center for Transportation Research The University of Texas at Austin 3925 W. Braker Lane, 4th Floor Austin, TX 78759		10. Work Unit No. (TRAIS) 11. Contract or Grant No. DPS IAC Contract 03504
12. Sponsoring Agency Name and Address Texas Department of Public Safety – Driver License Division 5805 North Lamar Blvd. Building A Austin, Texas 78752		13. Type of Report and Period Covered Interagency Contract November, 2023 – August, 2024 14. Sponsoring Agency Code
15. Supplementary Notes Project performed in cooperation with the Texas Department of Public Safety – Driver License Division		
16. Abstract This study was directed by the State Legislature in House Bill 1 'General Appropriations Act' Rider 51 'Driver License Services Efficiency Study'. The Legislature directed that the Study is conducted by DPS which worked through the Driver License Division to develop an Interagency Contract with the Center for Transportation Research to perform the study. CTR developed a Study Team that includes members from CTR, UT Transportation Senior Faculty, the LBJ School of Public Affairs Assistant Dean for State and Local Government Engagement, Faculty and Graduate Students.		
17. Key Words Driver License, ID Card, REAL ID, efficiency, effective, deficiency, Driver License Office, Driver License Division	18. Distribution Statement No restrictions. This document is available to the public through the National Technical Information Service, Alexandria, Virginia 22312; www.ntis.gov.	

19. Security Classif. (of report) Unclassified	20. Security Classif. (of this page) Unclassified	21. No. of pages TBD [Total count excl. cover]	22. Price

Form DOT F 1700.7 (8-72) Reproduction of completed page authorized.

Table of Contents

List of Tables

List of Figures

The following hyperlinks provide access to PDF files for Technical Memorandum 1 'Literature Review', Technical Memorandum 2 'Procedural Framework', and Technical Memorandum 3 'Deficiencies, Challenges and Obstacles in Current DLD Processes and Recommendations for Advancing Effectiveness'. The study and analysis to produce these Technical Memorandums provided the technical detail used to prepare this Report.

Combined, these files are too large to email or print for easy carrying and thus are provided as electronic files.

Technical Memorandum 1 hyperlink
Literature Review

Technical Memorandum 2 hyperlink
Procedural Framework to Guide

Technical Memorandum 3 hyperlink
Examine Deficiencies in Current DLD Processes and Recommendation for Advancing Effectiveness

Chapter 1. Introduction

In 2023, the 88th Texas State Legislature passed House Bill 1 the 'General Appropriations Act' including Rider 51 'Driver License Services Efficiency Study' to be directed by the Department of Public Safety (DPS). Rider 51 requires DPS to examine the deficiencies of the Driver License Services 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. Based on Rider 51, DLD commissioned a study containing objectives including:

Table 1 Major Study Objectives

Objective 1	The efficiencies that would be advanced by improving customer service
Objective 2	The efficiencies that would be advanced by reducing wait times
Objective 3	The efficiencies that would be advanced by procuring additional information technology
Objective 4	The efficiencies that would be advanced by incentivizing online transactions
Objective 5	The challenges in reference to items 1 – 4 above
Objective 6	Proposed timeline needed for all items 1 – 4 above
Objective 7	Potential alternatives or additional insights
Objective 8	Recommendations regarding the management and operating structure of DLD
Objective 9	Recommendations for methods of incentivizing online renewals for eligible individuals

The DLD Expert Task Group (ETG) and the Study Team members agreed that the Study Team would examine the deficiencies of the DLD division and make recommendations on how to increase DLD effectiveness and efficiency. DLD management and the Study Team agreed to use the DPS Strategic Plan definitions of *efficient* and *effective*:

- **Efficient** such that maximum results are produced with a minimum waste of taxpayer funds, including through the elimination of redundant and non-core functions.
- **Effective** in successfully fulfilling core functions, measuring success in achieving performance measures, and implementing plans to continuously improve.

1.1. Methodologies and Data Sources

The Study Team used quantitative and qualitative analytical methods to examine deficiencies, and to identify areas to improve efficiency and effectiveness. The Study Team conducted site visits of Driver License Offices (DLO), surveys of customers and staff, tailored interviews of DPS divisions that intersect with DLD, budget, IT, procurement, and driver license records analyses. Also, the Study Team held an initial workshop to discuss DLD challenges, data sources, information and reports and other sources to facilitate task evaluations. Additionally, DLD provided the Study Team with a DPS laptop with the Driver License System (DLS) database so that one Study Team member could perform data extracts, typically downloaded in Excel spreadsheets.

The following list includes examples of information that the Study Team requested and DLD provided to the Study Team.

Table 2 Examples of Information Provided by DLD

1	Business Intelligence Team (BI Team) analysis reports of operations at individual Driver License Offices (DLO).
2	The Rider 29 2023 Driver License Services Report to the Office of the Governor on the performance of DLO statewide and individually.
3	Facilities Master lists which provide detailed information about staffing, IT capacity and other facility facts for each DLO.
4	The Toyota Production System Support Center – Kaizen analysis. Carrollton Driver License Office Executive Review May 6, 2021. 'Working Together to make a difference'.
5	Division Contact Center Assessment – Final Assessment and Roadmap January 29, 2021.
6	Support to coordinate DLO site visits to observe operations and response to questions regarding DLD management, operations, and planned improvements.
7	DLD's internal performance measures, Budget, Cost allocations and Appropriations Process (CAPPS), Organizational Chart and Points of Contact at the Department of Information Resources (DIR) and the Legislative Budget Board (LBB).
8	Exceptional Item Requests (EIR) from FY 20 through to proposed EIRs for FY 25-26.
9	DLD Incident Tracking Sheet of interactions with angry or potentially violent customers.
10	Data and information about the DLD Customer Service Center.

1.2. Background and Framework

The section provides the background to this study and the framework to examine deficiencies and increase effectiveness and efficiency.

DLD has approximately 2,906 Full Time Employees (FTEs) authorized by the Legislature, of which 2,483 work at one of the 233 DLOs located statewide. The remaining approximately 423 employees work at DPS headquarters and the DLD Customer Service Center in Austin and include senior management, subject matter experts and support personnel [DPS 2023]. DLD has funding in the 2024-25 biennium of $473,776,061. Approximately 98% DLD funding is from the General Revenue Fund, 3% from Appropriated Receipts, and 1.7% from Transportation Administration Fees.

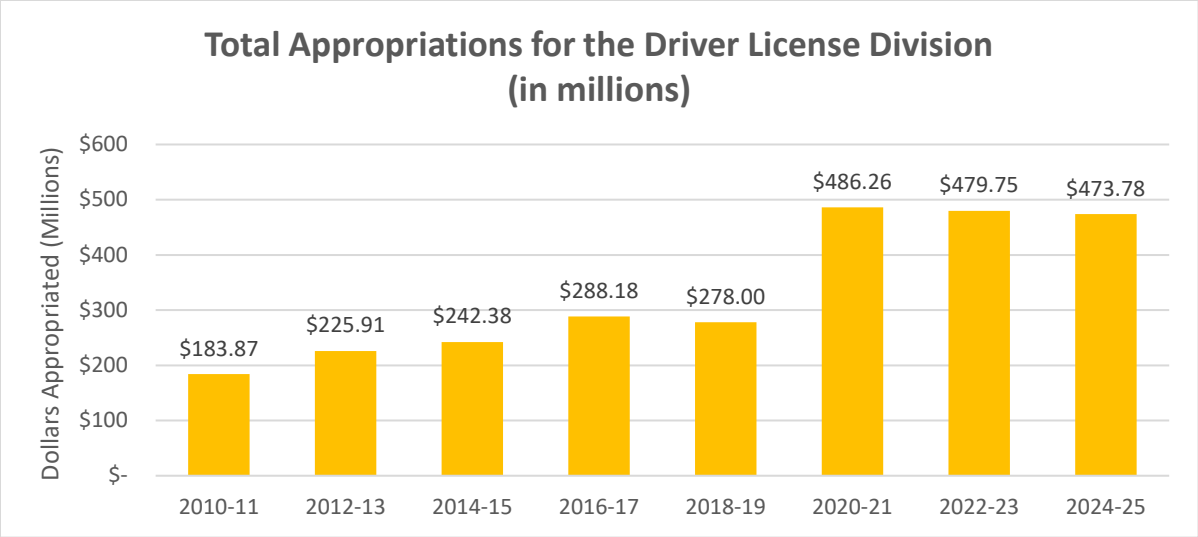


Figure 1 Total Appropriations for the Driver License Division 2010-2011 to 2024-2025

The DLD raises significant revenue for the state of Texas through driver record fees and driver license fees. For example, in fiscal year 2023 DLD raised approximately $260 million including $185 million from driver license fees (71% of revenue raised) and $75 million from driver record fees (29% of revenue raised). Driver license fees cannot be used to fund DLD operations, since Texas statutes dictate that they go to the Texas Mobility Fund (Mobility Fund).

From the 2012-13 biennium through the 2018-19 biennium, the Texas Legislature appropriated $443.1 million to the DLD via the Driver License Improvement Plan (DLIP) which funded opening 14 mega-centers and 28 other offices, remodeling/relocating 86 offices, and hiring 547.3 new FTEs (2012-13: 361.0 FTEs, 2014-15: 16.0 FTEs, 2016-17: 170.3 FTEs, and 2018-19: 0 FTEs).[1] DLD received a $212.4 million increase in appropriations for the 2020-21 biennium including $141.5 million to hire 762 new FTEs, and $51.3 million to reclassify frontline staff titles to license and permit specialists (LPS) which necessitated a pay raise for reclassified employees, and $19.6 million for new DLOs. During the 2022-23 biennium DLD received $14 million in General Revenue Funds to create a new Mega Center DLO in League City.[2]

[1] Fiscal Notes, October 2019
[2] General Appropriations Act For The 2022-23 Biennium

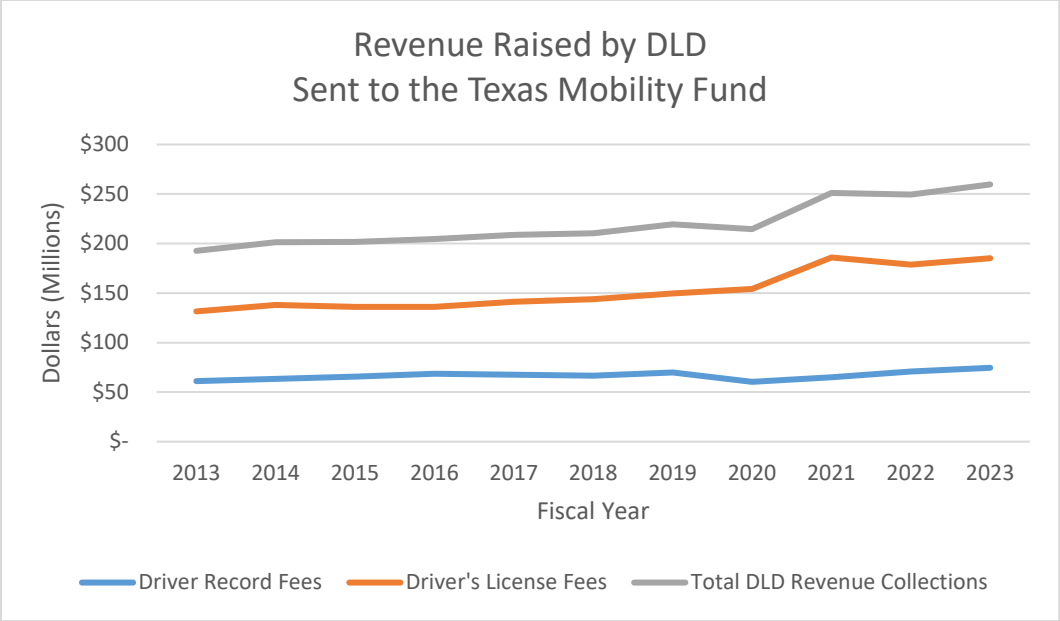


Figure 2 Revenue Raised by the Driver License Division Over Time

In 2023, DLD processed 7,509,952 transactions, of which 2,855,079 (38.0%) were performed online [DPS 2023]. DLD forecast models estimate that the overall number of driver license and ID card transactions will increase statewide by approximately 800,000 between 2023 and 2033. Current projections indicate the demand for online transactions will increase at a higher rate though many factors can affect these predictions. The Texas Demographic Center[3] has forecast the future Texas population growth using different migration rates (Figure 3). Figure 4[4] provides data about Texas population growth in the major metropolitan statistical areas [TDC 2022]. DLD has determined that population growth is the single most significant factor for predicting future DLO transaction demand [DPS 2023]. The Study Team used the TDC v2022 forecast model and the 1.0 Migration scenario, which is consistent with DLD's population forecast methods as indicated in the Rider 29 Report.

[3] Texas Demographic Center data. (V2014 = Migration rate during 2000 – 2010, V2018 Migration rate during 2010 – 2015, V2022 Migration rate during 2010 – 2020) pg. 7 DLD used TSCs 2022 data release

[4] Texas Demographic Center data. Note: 1.0 migration scenario assumes migration rates will continue at the same rate experienced in 2010 – 2020. Migration results in increases to population not related to births minus deaths. pg. 3 DLD used the 1.0 Migration Scenario

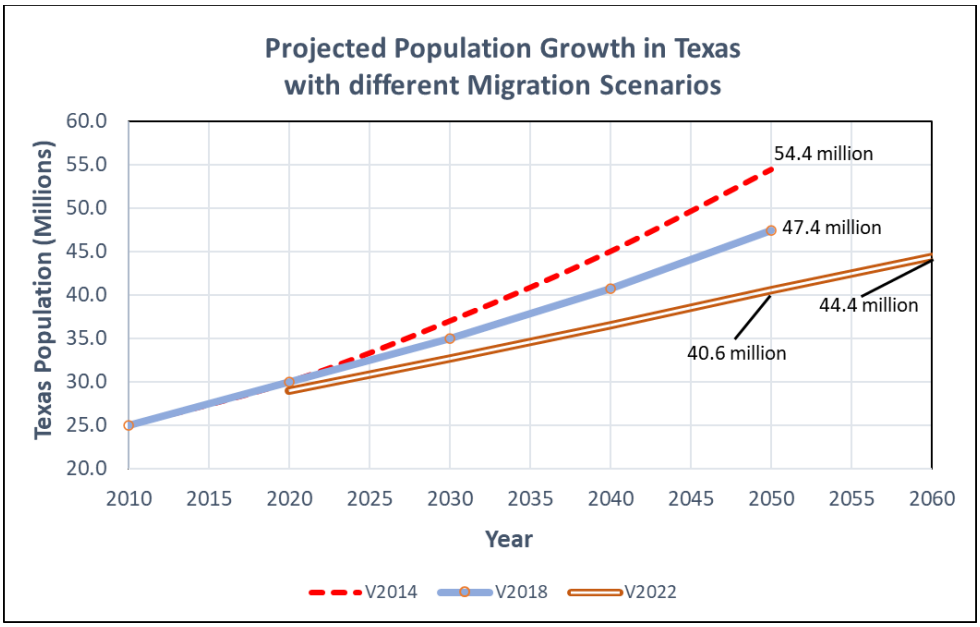


Figure 3 Texas Demographic Center –Three Different Migration Scenarios for Texas

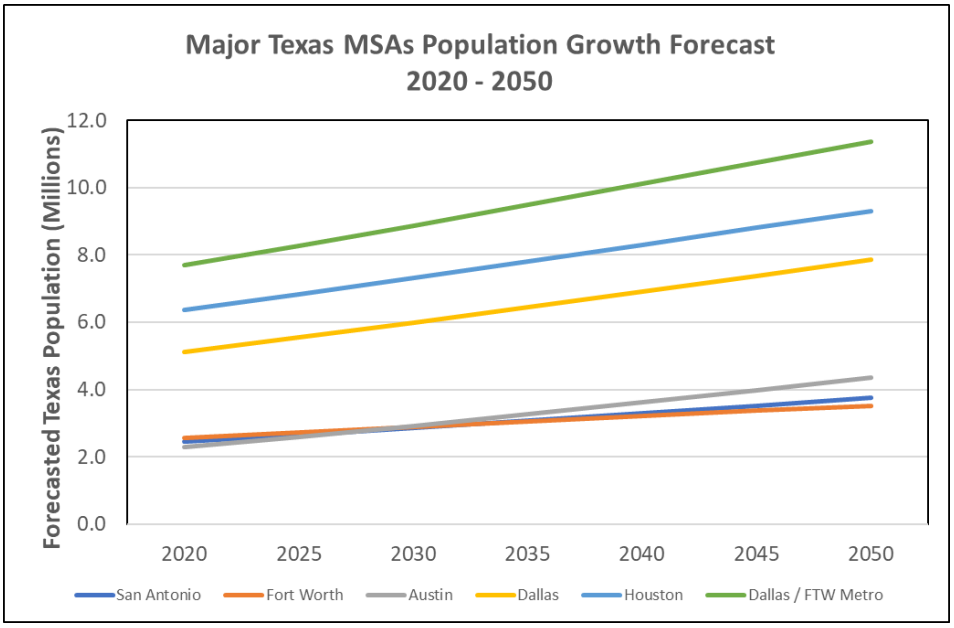


Figure 4 Forecast Population Growth in Six Texas Metropolitan Statistical Areas 2020 – 2050

According to Texas Statute state agencies undergo regular reviews by the Texas Sunset Commission (Sunset) and the State Auditor's Office (SAO). Since 2008, DLD has undergone two Sunset and SAO Reviews. Also, every two years State Agencies must submit their five-year Strategic Plan to the Legislative Budget Board (LBB) and State Legislature prior to legislative session. The Texas Legislature, Under S.B. 616, commissioned a Study in 2019 to assess DLD performance in five areas and determine if DLD should move to the Department of Motor Vehicles, stay in DPS, or become its own state agency. DLD commissioned Deloitte to conduct a

study of the Customer Service Center in 2021, and partnered with Toyota's Production System Support Center in 2021 to review Pod workstation operations in one DLO (Table 1.2).

Table 3 Previous Studies of DLD Related to Deficiencies

Study Information	Summary
Toyota Production System 2021 DLO Study	Toyota Production System Support Center conducted a review of the LPS pod operations at Carrollton DLO to identify potential opportunities for improved efficiency and customer service using TPS methods and Kaizen customer service philosophy. The office has three pods with 10 counters in one and 15 counters in the other two. The study identified opportunities to reduce cycle time, eliminate the need for repeated steps or procedures due to inadequate instructions, or provide clear guidance regarding how to perform an activity. The methods produced a significant reduction in overall service and lead times, resulting in a reduction from 100 – 120 minutes to a post TPS-Kaizen implementation time of 63 – 73 minutes. (TSSC 2021).
Deloitte Study of Customer Service Center Evaluation, January 29, 2021	The DPS/DLD Customer Service Center (CSC) processes an extremely high call volume routinely approaching 21,100 calls daily with 61 front line specialists and 10 lead employees assisting customers directly and 9 management positions (supervisors and managers). The CSC is a legacy system at the end of its useful life and is no longer supported by the vendor. Deloitte's evaluation found limitations result in low customer service and high call hang-up rates. Deloitte recommended two options for implementing a new omni-channel contact center 1) In-house Contact Center based on the latest technology or, 2) Cloud-based system allowing scaling capacity to meet demand without significant infrastructure investments.
S.B. 616 Study August 2020: UT Austin Center for Transportation Research and LBJ School: August 2020	This study assessed DLD's performance in five key areas (customer service, compliance/security, accountability/trust, efficiency/cost and culture/staffing to assess if DLD should move to the Department of Motor Vehicles, stay in DPS or move to own agency. Key recommendations were: • Redesign the website using a modern, user-friendly, fully functional design that displays on mobile devices and supports multiple languages. • Reduce limitations to renewing online and incentivize online transactions by offering discounts instead of charging convenience fee. • Create a dedicated Public Information Office (PIO) providing education and awareness using all social media available in multiple languages. • Develop a modern contact center to boost call center deflections. • Review salary levels every two years for competitiveness/optimum number/placement of FTEs and ask the legislature for additional FTEs to meet performance measures.
2018 State Auditor's Office Report	The State Auditor's Office (SAO) concluded that DLD did not have sufficient control over its processes and information verification activities to prevent the issuance of driver licenses and IDs to ineligible applicants. SAO recommended that DLD identify and implement additional quality control checks to ensure applications are completed with all the required documentation. SAO recommended that DLD ensure that its regional offices document and reviewed the specific DLs and IDs and type of DLs.
Sunset Advisory Commission Reports 2009 and 2018	In 2009 and 2018, the Sunset reports found a structural failure at DLD to meet customer satisfaction demands, stating the Division does not effectively meet customer needs and had worsening standards and foundational problems due to DPS control of DLD. From 2009-2018 customer service issues at the call center increased with rates for caller success dropping from 35% to 20% and wait times at DLOs grew. The Sunset review(s) recommended re-orientating DLD to a civilian business management model.

1.3. Identifying Operational and Enterprise Deficiencies

This section describes effectiveness and efficiency measures the Study Team identified at two critical levels within the DLD: operational and enterprise.

- **Operational-level measures** focus on the day-to-day activities and processes that directly impact customer service and wait times at Driver License Offices (DLOs) and the Customer Service Center (CSC).
- **Enterprise-level measures**, on the other hand, examine broader organizational functions at headquarters (HQ) that affect DLD's abilities to improve customer service, reduce wait times, procure additional information technology, and incentivize online transactions.

By examining effectiveness and efficiency at both levels, the Study Team aims to identify deficiencies at the DLO-level and across the entire DLD structure. In this study a deficiency is something that hinders effectiveness and/or efficiency in any of these four areas.

1.3.1. Data Collection and Analysis

As part of this study, the Study Team used a combination of customer surveys, employee surveys, interviews, and data analysis to identify operational and enterprise deficiencies and leveraged data from several sources, as summarized in Table 4.

Table 4 Data Sources for Identifying Deficiencies

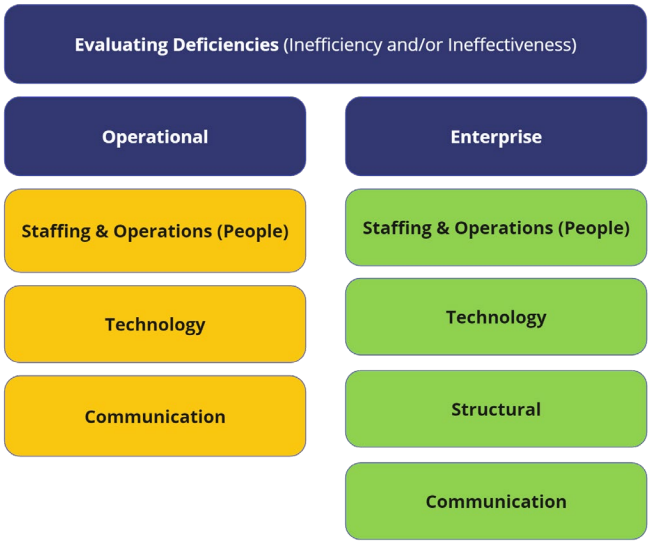
1	DLD transaction data from the appointment and the Driver License System databases
2	Employee recruitment/retention and salary data
3	Staff interviews with DLD and DPS divisions that interact/provide service to DLD in the areas of Procurement, Information Technology, Innovation and Data, Finance and Budget Preparation, Public Information and Communication.
4	Business Intelligence Team reports at individual DLOs
5	DLO site visits collected by the Study Team
6	Agency budgets, strategic plans, and other financial and operational analysis and exceptional item requests developed by DLD and DPS
7	Survey distributed to DLD staff at headquarters and the DLOs
8	Survey distributed to residents of Texas who had conducted transactions with DLD in the previous two years and had submitted an email
9	Texas population data

The Study Team considered the major goals in selecting these data sources, which are 1) improving customer service, 2) reducing wait times, 3) procuring additional information technology, and 4) incentivizing online transactions.

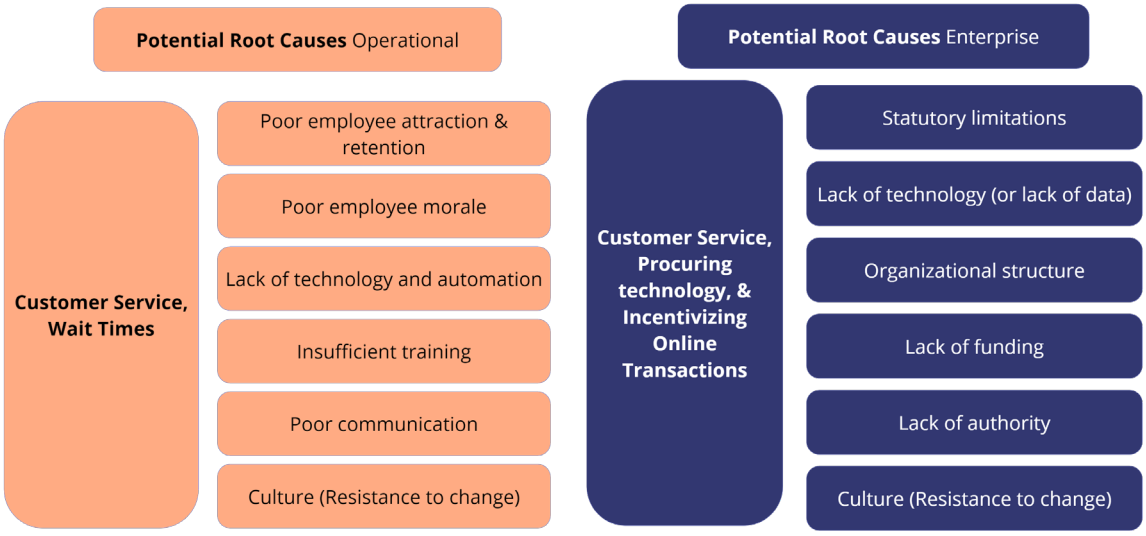
1.3.2. Categorizing and Analyzing Deficiencies

Next, the Study Team developed effectiveness and efficiency measures based on DPS Strategic Plan official measures, measures identified in data analysis, interviews, and survey metrics aligned

with customer service, wait times, procuring additional information technology, and incentivizing online transactions. Operational insights informed the analysis and evaluation of the enterprise level performance and vice versa. The Study Team broadly categorized deficiencies into major pillars under the operational and enterprise umbrellas.



The Study Team developed a list of *potential* root causes of the operational and enterprise deficiencies. Root causes include causes both in and out of DLD's control, but most are in fact outside of DLD control.



For example, root causes can include statutory limitations, lack of technology, poor communication, lack of funding, or a culture that resists change. The inclusion of a potential root cause on this list does not imply its definitive status as an actual root cause. The Study Team's objective was to develop a list that ensures a robust root cause analysis process to identify

underlying causes of deficiencies. The Study Team developed recommendations from deficiency identification and root cause analysis. Table 5 outlines key effectiveness and efficiency elements considered at the Operational and Enterprise level that guided analysis, findings, and recommendations.[5]

Table 5 Enterprise and Operational Effectiveness and Efficiency Considerations

Thematic Area	**Effectiveness:** *Assess an agency's effectiveness in serving its customers and in achieving its mission, goals, and objectives.*	**Efficiency:** *Quantifiable indicator of productivity expressed in unit-costs, units of time, or other ratio-based units.*
Potential Operational Effectiveness and Efficiency Measures		
In-Person Operations	• Customer satisfaction with process • Appointment availability • In-person transaction service times • First-visit resolution rate • Percentage of original DL/ID cards completed within 45 minutes • Percentage of DL/ID card replacements or renewals completed within 30 minutes	• Processing times for in-person transactions • Number of transactions per staff hour • Number of customers served per day • Number of transactions in DLO • Wait time in office • Cost of recruitment, onboarding, and training • Number of unplanned PTO days taken
Remote Operations	• Customer satisfaction with process • Net promotor score for online renewals	• Number of clicks in online renewal process • Completion time for mail renewals • Completion time for phone renewals • Abandonment rate
Customer Service Center Operations	• Number of inbound calls answered • Number of calls dropped	• Abandonment rate • Number of calls answered per employee
Communication	• Customer engagement metrics with website and social media	• Percentage of abandoned in-person visits due to lack of proper documentation
Potential Enterprise Effectiveness and Efficiency Measures		
Leadership & Direction	• Achievement of goals and objectives • Positive organizational reputation • Employee morale and engagement	• Number of initiatives implemented • Cost of training employees • Employee turnover rate
Program Oversight & Planning	• Policy development & implementation • Achievement of goals/objectives • Customer satisfaction	• Cost of oversight /evaluation and time spent collecting/analyzing data
Communication	• Public awareness and understanding of requirements • Number of messages published in social media/website • Percent of employee comments acknowledged • Level of employee understanding and compliance with policies • Inter-agency awareness and collaboration	• Average time to respond to public inquiries • Average time to create and distribute information • Number of employee comments acknowledged per unit time
Resource Management	• Employee recruitment and retention • Employee satisfaction • Budget adherence and variance analysis • Utilization and upgrades of technology • Use of capital project carry forward authority	• Employee Turnover Rate • Employee Absenteeism Rate • Recruitment and training costs • Time spent budgeting

[5] Effectiveness and Efficiency definitions were taken from the 2022 State Auditor's Office Guide to Performance Measure Management https://sao.texas.gov/Reports/Main/23-314.pdf and the 2012 State Guide to Performance Measure Management 314.pdfhttps://www.lbb.texas.gov/Documents/Instructions/Performance_Measures/Guide%20to%20Performance%20Measure%20Management.pdf

	• Number of riders in LAR for tech procurement • Number of resource-related bottlenecks or delays	• Cost of acquiring and maintaining human and technology resources • Time spent with resources down/out of service
Procurement Contracting	• Identification of resources needed • Quality/reliability of goods/services procured • Compliance with regulations • Number of exemptions requested	• Cost of conducting technology business analysis • Time spent on the contracting and procurement process • Time to Implement new technologies
Performance Measure Analysis	• Accuracy of data collected • Timeliness of reporting • Identification of performance gaps • Use of data in decision-making	• Cost of data collection and analysis • Time spent reporting
Risk Management	• Number/severity of risks avoided	• Time spent identifying and assessing risks

Chapter 2. Operational and Enterprise-level Findings

This section presents the findings from the operational and enterprise-level assessments. The Study Team recognizes that contributing factors can directly or indirectly influence DLDs overall effectiveness and efficiency. In addition, external contributing factors outside DLD's direct control can significantly impact operational and enterprise activities (Table 6). Recognizing them is crucial for developing realistic improvement strategies.

Table 6 Factors out of DLD control that can affect operational and enterprise activities

External Contributing Factors
Texas population growth: Rising population translates to an increase in demand for driver licenses and ID cards, potentially straining DLO capacity.
Federal & State regulations: REAL ID requirements and other evolving laws and policies can add complexity to DLO procedures.
Budgetary constraints: Unfunded mandates and limitations on budget authority can restrict DLD's ability to invest in resources and technology.
DLD project prioritization: Resource allocation for technology projects across DPS can impact the speed of procuring and implementing improvements specifically for DLD services.
Online system management: External management over the online driver license transactions can limit DLD's ability to optimize its functionalities for customer needs quickly.

2.1. Operational-level Findings

This section presents the Study Team's findings on operational deficiencies. Operational deficiencies include all of the activities occurring within Driver License Offices (DLOs) and the Customer Service Center (CSC). The Study Team analyzed data from customer and employee surveys to identify areas where staffing, technology, and communication appeared less effective or efficient in providing customer service and in promoting online services. The following sub-sections highlight key challenges and suggest improvements to increase effectiveness and efficiency in serving customers and to enhance online transaction adoption.

2.1.1. Regional Service Delivery Findings

The Study Team’s review of regional statistics did not uncover any major regional disparities in wait times. However, a gap exists in booking times for original driver licenses with the DFW Region experiencing substantially longer wait times compared to the Houston Regions. Further investigation is required to understand the root causes of this discrepancy.

The Driver License Division has divided the state into eleven regions shown in Table 11 contained in Appendix A, along with statistics about number of FTEs, vacancies, customers served in 2023, and other facts. Each DLD region manages an assigned number of DLOs to serve customers in the

region. DLD assigns resources to a region based on customer base, historical information about numbers of customers, and other factors.

The DFW Regions: 1A-Garland, 1B-Fort Worth and 1C-Carrollton have 46 small, medium and large DLOs and 4 mega-centers with 667.6 available Full Time Employees FTEs (Allocated FTEs minus Vacancies). The Houston Regions 2A-Houston, 2B-Houston, and 2C-Rosenberg comprise 34 small, medium, and large DLOs with 5 mega-centers with 686 available FTEs.

2.1.1.1. Customer Volume and Staffing

The DFW Regions served 1,544,668 customers in 2023 compared to the Houston Regions which served 1,591,102 customers. The notable difference in these two DLD regions relates to the average wait times and Booking Times for Original or Renewed Driver Licenses. However, all six DLD regions have wait times less than 30 minutes.

2.1.1.2. Wait Times

The DFW Regions average wait times are 1A- 22.8 minutes, 1B- 27.5 minutes, and 1C- 15.3 minutes (average 21.9 minutes). The Houston Regions average wait times are 2A- 15.3 minutes, 2B- 15.0 minutes and 2C- 14.5 minutes (average 14.9 minutes). Thus, the Houston Regions have an average 7 minute shorter wait time than the DFW Regions.

2.1.1.3. Booking Times

The significant difference between the DFW and Houston Regions relates to Average Original License Booking Times and Average Renewal Booking Times. The DFW regions average Original Booking Times are 1A- 33.5 Days, 1B- 36.3 Days, and 1C- 37.1 Days for an average of 35.6 Days. The Houston Regions average Original Booking Times are 2A- 8.7 Days, 2B- 5.5 Days and 2C- 2.5 Days for an average of 5.6 Days, which is 30 days less on average. The DFW Regions average Renewal Booking Times are 1A- 12.4 Days, 1B- 13.4 Days, and 1C- 16.1 Days for an average of 14.0 Days. The Houston Regions average Renewal Booking Times are 2A- 3.0 Days, 2B- 3.9 Days and 2C- 2.3 Days for an average of 3.1 Days, which is about 11 days less on average. Thus, the booking times for either Originals or Renewal Booking times for both DLD regions are within weeks of each other and indicate that on average both regions provide good service.

The 6A-San Antonio and 6B-Pflugerville Regions are smaller in terms of number of offices, FTEs, and customers served. Based on Table 11, the average wait and booking times were the same as the DFW Regions which again means that wait times are less than the 30-minute Performance Measure and booking times are on average less than one month.

2.1.2. Driver License System and Appointment Data Findings

This study primarily relied on data extracted from two key databases:

DPS Driver License System (DLS): This comprehensive database, maintained by TxDPS, stores all information captured by the DLS application. This includes details on transactions, issuances, enforcements, convictions, demographics, road test results, and any other information processed by the DLS system.

TxScheduler: This database, managed by the vendor Opus Inspection Technologies, Inc., stores all information generated by the TxScheduler application. It provides insights into DLD operations by capturing data on appointments, wait times, service times, and other daily activities within Driver License offices.

Structured Query Language (SQL) queries were coded using the DBeaver software to extract data from both sources. This integrated and analyzed data set provided the foundation for assessing DLD's effectiveness and efficiency in this study.

2.1.2.1. Issuance Trends

Issuance types for driver licenses and ID cards include in-person, online, mail, phone, offender ID cards, and other. In 2023, in-person transactions are the most common (60%), followed by online transactions (36%). Table 7 illustrates the breakdown by transaction type in 2023 for all 7,563,230 transactions.

Table 7 Issuance by Transaction Type in 2023

Transaction Type	Number of Issuance	Percentage
In-person	4,512,256	59.7%
Online	2,724,112	36.0%
Mail	77,162	1.0%
Phone	59,285	0.8%
Offender ID	11,727	0.2%
Other	178,688	2.4%

According to Figure 5, COVID-19 resulted in a decrease of approximately 1.1 million total issuances in 2020 compared to 2019. Issuance numbers have risen steadily since 2021. The average number of in-person issuances per year from 2017 to 2019 was 5,451,480 (see Figure 6 below). This decreased to an average of 4,376,130 per year from 2021 to 2023, a decline of 1,075,350 annually.

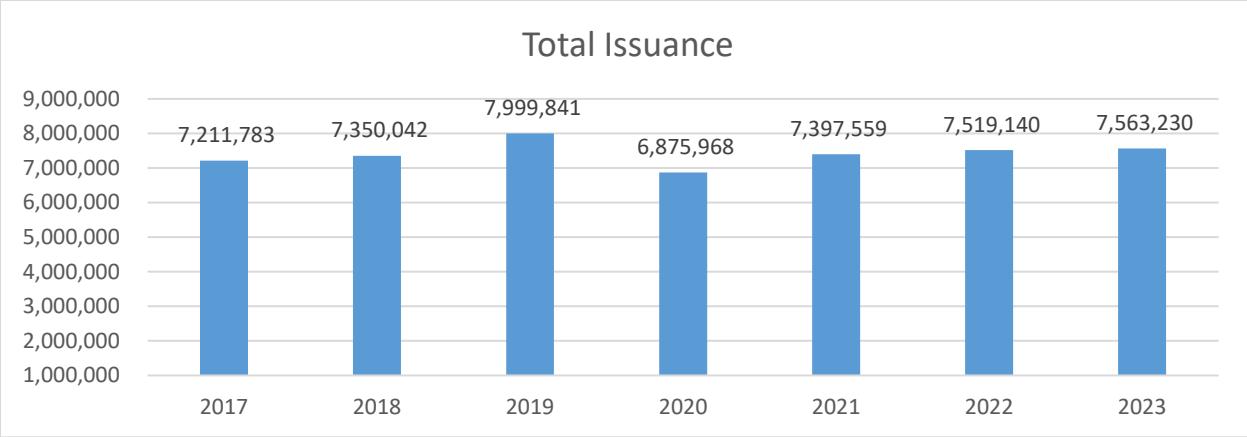


Figure 5 Total Issuance of Texas Driver License and ID Cards 2017 – 2023

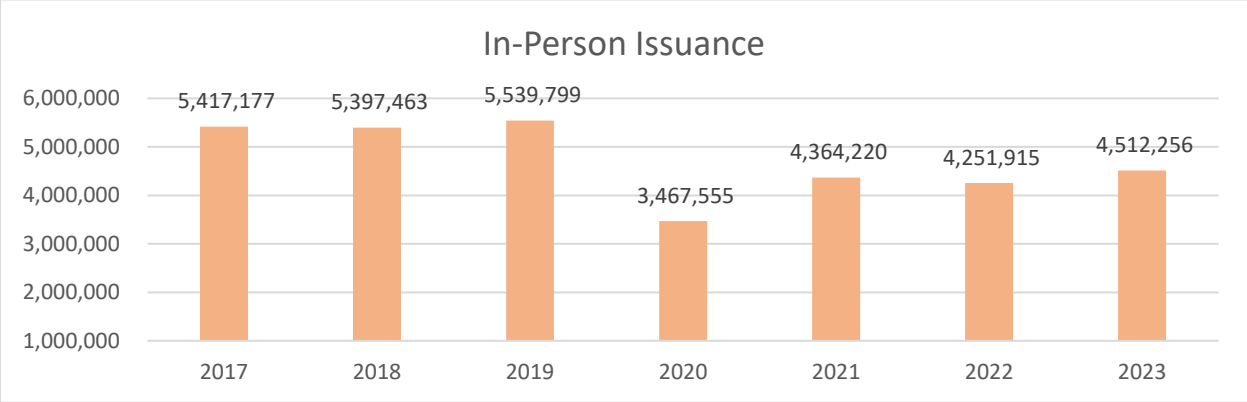


Figure 6 In-person Issuance of Texas Driver License and ID Cards 2017 – 2023

Conversely, the average number of online issuances per year increased from 1,768,247 (2017-2019) to 2,818,237 (2021-2023), representing an increase of 1,049,990 annually (see Figure 7). This data suggests a growing shift toward online transactions by customers, which is further supported by the increasing online issuance percentage from 2017 to 2023 (Table 7).

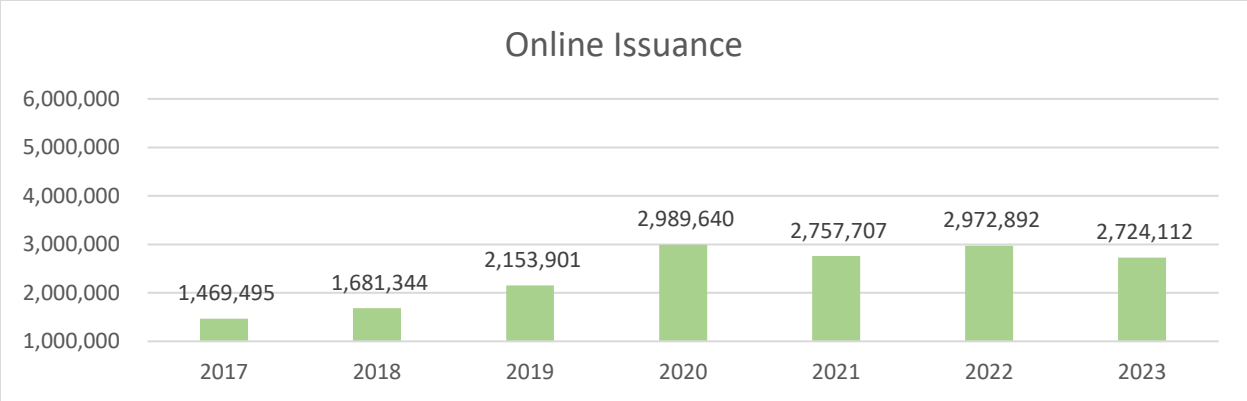


Figure 7 Online Issuance of Texas Driver License and ID Cards 2017 - 2023

Figure 7 clearly shows a rise in the online issuance percentage for the new appointment system (2021-2023), reaching an average rate of 37.6%. Hence, for every 100 Texas Driver License or ID Cards issued in 2023, approximately 36 were processed and completed online.

2.1.2.2. No Show Rates

The statewide average no-show rate for appointments in 2023 was around 27%, as evidenced by two data sources: daily appointments and total appointments. In 2023, the average daily number of booked appointments was 29,297, while the average daily number of checked-in appointments was 21,438. This translates to an average of 7,859 no-shows, which equates to roughly 27%. In terms of total appointments, the total number of appointments in 2023 was 7,656,059, with a total of 2,148,670 no-shows, again indicating a no-show rate of 27%.

Deficiency: High no-show rates result in reduced effectiveness in maximizing appointment availability and capacity at offices.

The high no-show rate of 27% in 2023 represents a significant deficiency for the DLD, as it directly reduces the available capacity for legitimate appointments. This translates to a substantial number of wasted appointment slots that could have been used by other customers. The 2023 Rider 29 Report states:

> Even with the success of the appointment system, not all customers show up for scheduled appointments. In FY23, 2,099,951 customers did not show up for their appointments (29.9% of the 7,030,222 scheduled). Appointment no-shows artificially lower the number of available appointments.

One potential approach to reduce no-shows is to implement limits on the number of appointments an individual can book associated with one email. However, DLD is hesitant to rely solely on email addresses for this purpose because families, for example, may share the same email to create appointments. If the appointment system places the limit of one appointment per email address, then families that share one email address would not be able to make appointments for more than one family member at a time. This is where alternative solutions come in as described in the next section.

2.1.2.3. Limiting Appointments with PII

Implementing a system that uses a combination of personal identifying information (PII), such as birthday and the last four digits of the Social Security number, could offer a more robust approach to limiting appointments without relying on shared email addresses. Currently, the DLD does not use PII for this purpose.

The current "appointment only" structure, combined with the limited number of same-day appointments available online, discourages walk-in customers, especially those arriving later in the day. This approach 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. Further compounding the issue is the confusing messaging between office signage, which may state "appointment only," and the DLD website, which mentions limited same-day appointments at the start of business. This inconsistency discourages walk-ins altogether.

The queuing system previously used by the DLD was flawed because it allowed people to join the line virtually, creating a queue of "ghost" appointments that never materialized. In an interview with Utah DLD[6], they discussed their approach which offers a potential solution: a system that prioritizes appointments while also allowing walk-ins. In this model, walk-in customers physically check in at the office to join a queue, ensuring their presence and reducing the chances of wasted capacity.

Recommendation: Implement a combination of appointment limits using PII and a standardized hybrid appointment and walk-in queuing system (like Utah) to significantly reduce no-show rates and maximize service capacity. This will lead to shorter wait times and improved customer experiences.

2.1.3. Customer Service Center Findings

The Customer Service Center (CSC) handles an enormous number of phone calls and emails regarding Driver License and ID Card, Appointment System, and other DLD related inquiries. The CSC also manages DPS inquiries regarding Enforcement, Driver Records, and other topics. The only methods of responding to customers is through voice or email, which is neither effective nor efficient.

Deficiency: CSC receives an exorbitant number of calls regarding obtaining a driver license or ID, which highlights a significant level of customer confusion.

The Center receives nearly 21,100 calls, emails, or Interactive Voice Response contacts per day of which most go unanswered due to a) lack of staff to answer calls manually, b) lack of up-to-date technology to support omni-channel responses, and/or 3) customer confusion around online content on the DPS website. Table 8 shows the number of contacts that were received by the CSC

[6] Interview with Utah Driver License Division. May 22, 2024.

each year from 2020 – 2023 along with the contacts answered by employees or dropped by customers.

Table 8 Customer Service Center Call Statistics 2020 - 2023

Category	FY2023	FY2022	FY2021	FY2020
No. of FTEs	81*	81	81	81
No. of Contacts Received	5,289,131	5,468,010	7,456,454	8,541,966
No. of Contacts Per Day	21,156**	21,872	29,826	34,168
No. of Contacts Answered	584,479	758,861	541,704	623,153
No. of Contacts Dropped	4,704,652	4,790,498	6,914,750	7,918,698
% of Contacts Dropped	88.94%	87.60%	92.73%	92.70%

* includes 61 employees actively answering phones and emails, 10 lead employees handling escalated customer inquiries, and 9 supervisors/managers

** Based on 250 working days per year

The cost of operating the CSC which includes salaries, equipment, IT, and contract costs is $6,709,773 per year. The CSC operations have routinely been lacking due to: call center system equipment which comprises a legacy system that is no longer maintained by the vendor; multiple, unintegrated applications that an employee must use to respond to contacts; an extremely high contact rate which is in part due to the inability of the DPS/DLD website to provide customers with clear, easy-to-understand information or a Chat Bot to answer Frequently Asked Questions; and other factors.

Attempting to fully staff a call center without integrated technology is neither effective nor efficient. For customers that want minimal touch, a phone call is much less desirable than a text or a live chat. A 2021 study by Deloitte recommended a cloud-based system to improve the CSC to implement a modern, omni-channel Contact Center that allows voice, web, Short Message Service (SMS – text messages), live chat, social media, email, and Chat Bot responses to contacts. At the time of conducting this study, DLD has entered a contract with Amazon Web Services (AWS) Amazon Connect, which is an easy-to-use omnichannel cloud contact center service.

Presenting information on the website in a clear, visually driven way can reduce the number of calls to the CSC. For example, U.S. Citizenship and Immigration Services[7] has employed a visually heavy approach to establishing the types of documents that are acceptable for establishing both identity and employment authorization. The U.S. Dept of State also employs visuals to depict citizenship evidence[8] as shown in the sample image of a U.S. Birth Certificate in Figure 8. DLD has created a REAL ID document check list where constituents can click through a series of questions to generate a tailored list of required documents for their in-person visit. This is a step in the right direction, but there is room for improvement. For example, the tool still requires mobile optimization. Another way to improve this tool would be to provide visual examples of the required documents. A visual heavy approach for required documents like that employed by the U.S.

[7] Form I-9 Acceptable Documents. U.S. Citizenship and Immigration Services.

[8] Citizenship Evidence. U.S. Dept of State – Bureau of Consular Affairs.

Citizenship and Immigration Services[9] and U.S. Dept of State[10] would help tremendously with user understanding of requirements.

Figure 8 U.S. Birth Certificate Sample Image from Travel.State.Gov

Recommendation: Fast-track the implementation of omni-channel communication (voice, web chat, SMS, etc.). This, coupled with a website content revamp featuring clear visuals for Primary, Secondary, and Supporting Identity documents (in a format similar to USCIS) can significantly reduce unnecessary CSC calls.

2.1.4. Customer Survey Findings

An examination of the Customer Survey revealed no significant deficiencies in customer service or wait times. Most respondents provided positive qualitative ratings for DLO employees. While a few responses fell below **Good**, the most (thousands) rated service as **Good** or higher. Therefore, based on the customer survey data, there are no major service-related deficiencies to report.

2.1.5. Incentivizing Online Transactions Findings

The Study Team's analysis identified technology and communication gaps as the primary factors discouraging online transactions. While some barriers like lack of computer skills, internet access, language barriers, or trust issues exist, technology can address them. For example, text message

[9] Form I-9 Acceptable Documents. U.S. Citizenship and Immigration Services.
[10] Citizenship Evidence. U.S. Dept of State – Bureau of Consular Affairs.

reminders with renewal links could significantly simplify the process for those that do not have access to a computer.

Deficiency: There is a gap between customer demand for online transactions and their ability to renew online.

The customer survey revealed a significant discrepancy between attempted online renewals and successful completions. While 33% of respondents reported renewing online, a substantial number (approximately 1,810) were informed by the website that they were ineligible. This suggests a need for clearer website messaging and potentially expanding online eligibility criteria. The major hurdle to not allowing multiple online transactions stems from 1) the need to take an in-person eye test and 2) the need to take a new picture every 16 years[11].

While the current 8-year renewal cycle and technology limitations prevent multiple consecutive online renewals, technological advancements could address these challenges. For instance, technology could allow doctors to electronically submit eye exam results to DLD. Additionally, DLD could establish clear picture standards for online submissions, allowing customers to take their own photos similar to how the U.S. Dept. of State allows self-taken passport photos and to submit electronically or by mail[12].

Customer feedback highlights the increasing demand for online services. As shown in Figure 9, online transactions in the five major Metropolitan Statistical Area (MSA)s have increased significantly (78-84%) and more than doubled in San Antonio between 2017 and 2023.

[11] 6 C.F.R. § 37.25 (2008).
[12] Passport Photos. U.S. Dept. of State. https://travel.state.gov/content/travel/en/passports/how-apply/photos.html

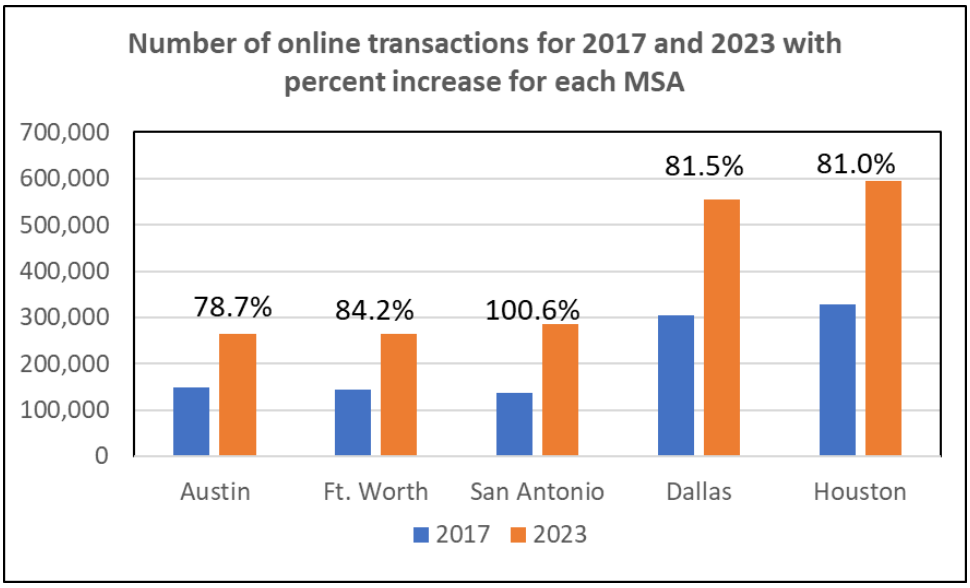


Figure 9 Number of online transactions by MSA

This data, spanning three years on either side of the COVID lockdown, suggests that online transactions will continue to rise. However, whether online transactions will reach the 50% mark (DLD's estimate of the true fraction of people eligible for online transactions) remains uncertain.

Recommendation: Establish a system where doctors can submit eye examination results and that allows customers to submit photos similar to how U.S. Dept. of State accepts passport photos to allow multiple online renewals, which would further alleviate DLO capacity burdens.

Deficiency: The DPS website's DL pages lack user-friendliness, with a convoluted navigation requiring too many clicks to reach the online renewal page.

The current website design, while understandable given the DLD's historical focus on core operations amidst resource constraints, reflects a limited user-centric approach. DPS pages are very text heavy and important links are buried in long blocks of text. Many public agencies struggle with presenting complex information in an easily digestible format. However, by partnering with a professional vendor specializing in user experience (UX) design, DLD could significantly improve the website's usability and make it easier for customers to find links that enable self-service. All paths to renew a driver license from the DPS website require clicking through at least five pages. By contrast, Texas.gov/Driver-Services only takes one click to get to the legacy online renewal page. Applying Human Factors principles, such as minimizing clicks, using clear language, intuitive navigation, and employing visuals to reduce reading burden could transform the online experience for a broader range of users.

The DR-32 Renewal Notice currently includes a banner highlighting online renewal eligibility. Additionally, a field to capture cell phone numbers has been added to the DL-14A application form, paving the way for future text message reminders. Further, DLD is exploring a mobile driver

license (mDL) program with improved communication features to better inform customers about service options. However, this program is still under development.

Recommendation: Take a two-pronged approach to improve the user experience of the DL website. 1) Content Revamp: Partner with a professional content editor to streamline website copy, making it concise, clear, and easy to understand. 2) UX Design Optimization: Engage a UX design specialist to redesign the website interface with a focus on intuitiveness, ease of navigation, and reduced user effort.

2.1.6. Employee Survey Findings

To understand employee perspectives on operational effectiveness and efficiency of the Driver License Division, the Study Team developed an online survey. The Study Team conducted the survey from June 10, 2024, to June 14, 2024, and emailed it to all DLD employees. The survey questions focused on 1) identifying obstacles to effective and efficient customer service and workload management, 2) determining the level of employee access to performance data, 3) the effectiveness of communication and feedback loops, and 4) the effectiveness of the technology available. The Study Team used Qualtrics, R, and Tableau for the analysis. For open-ended responses, the Study Team grouped answers by respondent characteristics and reviewed them qualitatively.

Out of the 3,277 email addresses invited, 1,169 employees started the survey. The email address list included generic DLD office emails in addition to individual emails. The data clean-up process only removed surveys that did not move past the demographic and respondent characteristic questions. The final analysis considers a total of 1,125 surveys (which includes 76 surveys that are less than 100% complete).

2.1.6.1.1. Demographics and Other Respondent Characteristics

The survey sample consists mostly of females (77.6%), 30 to 59-years-old (78.4%), and white (49.7%) and Hispanic (32.8%) race and ethnicity. About a quarter of respondents have been working more than 2 years to 5 years (25.5%), but nearly half have a significant work history of more than 5 years to 10 years (27.3%) or more than 10 years to 15 years (21.7%). Table 12 in the Appendix contains the detailed respondent characteristics.

In both the survey sample and the DLD population, License & Permit Specialist (LPS) is the most common job title. Table 9 shows the fraction of survey respondents that had a particular job title compared to the fraction of the DLD employee population. Note that while 2,906 employees are allotted by the Legislature, on December 1, 2023 there were 2,738 actual DLD employees.

Table 9 Comparison of Survey Sample to DLD Population

	Survey Sample	*DLD Population*
Job Title	*n = 1125*	*N = 2738*
License & Permit Specialist	74.0%	82.5%
Lead Worker	6.8%	5.9%
Supervisor	9.8%	6.1%
Assistant Manager	2.8%	1.6%
Manager	0.8%	0.7%
Senior Manager or higher	0.1%	0.3%
Other (please enter)	6.1%	2.9%

Most of the survey respondents work at a DLO (85.9%) and a few work at Headquarters (11.3%) and the CSC (2.8%). The overall survey response has a 1 to 3.5 supervisor to employee ratio (doesn't supervise others = 77.7%; supervises others = 22.3%).

For the survey respondents who work at a DLO, the vast majority work in a customer facing position (87.9%). Additionally, many worked at an DLO prior to the launch of the appointment system on May 26, 2020 (69.7%). The DLD regions that had the highest number of responses are 1A-Garland (10.6%), 1C-Carrolton (10.4%), 2C-Rosenberg (10.4%), and 3-Westlaco (11.1%). Table 13 in the Appendix shows a detailed breakdown of DLO-specific respondent characteristics.

2.1.6.2. Obstacles to Operational Effectiveness and Efficiency

Deficiency: Technology gaps, especially the lack of a paperless approach, are the largest obstacles to effectiveness and efficiency at DLOs and the Customer Service Center.

The lack of a paperless system hinders effectiveness and creates unnecessary burdens at the DLOs. Currently, offices lack the ability to accept documents electronically, forcing a wasteful and time-consuming cycle of printing at the office, scanning documents into the system, and then, shredding the printed copies. Figure 10 shows that 43.1% of employees indicated that this is **Always** a problem. According to one survey comment, printing adds on average eight minutes to the process. Another major paper-based burden falls on LPSs who must manually enter application information from paper forms completed by customers. Other states, like Georgia[13], have shown that allowing customers to pre-fill applications online can reduce transaction times by half, which translates to doubling capacity. An electronic system can further enhance efficiency by highlighting sections requiring attention, similar to Utah's[14] online application, which minimizes the time spent reviewing unchanged information.

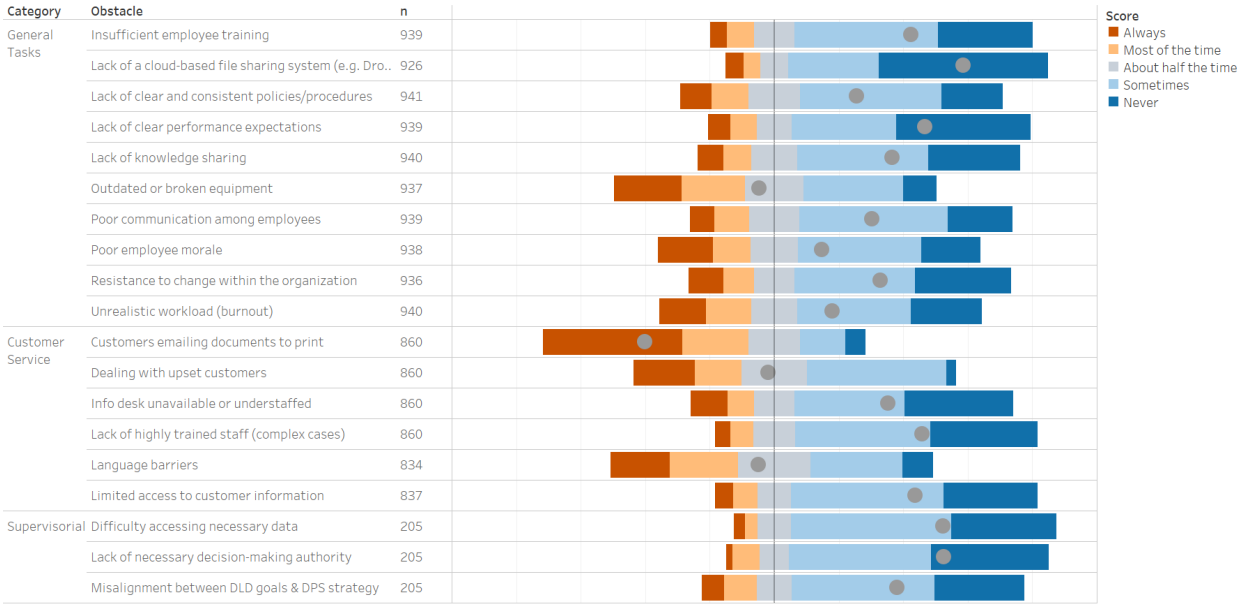
The CSC also suffers from inadequate technology, hindering its ability to serve customers effectively. The biggest obstacles are outdated or broken equipment and limited access to customer information. Figure 10 shows that 1 in 4 CSC employees mention that limited access to customer information is a problem **Most of the time**. Further, 29.1% of CSC staff indicate that broken equipment is a problem **Most of the time** or **Always**. The CSC lacks modern contact center

[13] Workshop with Texas Driver License Division. February 13, 2024.
[14] Interview with Utah Driver License Division. May 22, 2024.

software that allows for omni-channel communication (SMS, WhatsApp, chat, email, etc.) and integrated access to customer information. This is a critical gap considering the millions of calls they manage but this is a gap that DLD currently is addressing. However, even with technological advancements and call diversion techniques, the CSC will likely require additional staffing to handle the current volume of inquiries. With only 61 agents dedicated to customer support (answering phone calls and emails), the current staffing level is insufficient. Investing in a comprehensive solution that includes both modern technology and additional personnel is crucial to ensure the CSC can efficiently serve its customer base.

Recommendation: Implement a modern paperless system that includes electronic submission of documents and online applications to streamline the process for both customers and staff, which would lead to significant improvements in efficiency and customer satisfaction. Incorporate modern payment options, like Tap to Pay. Accelerate implementation of a modern omni-channel contact center and provide funding to hire additional CSC staff.

How often do the following obstacles hinder your ability to work quickly and/or accurately? (Driver License Office)



How often do the following obstacles hinder your ability to work quickly and/or accurately? (Customer Service Center)

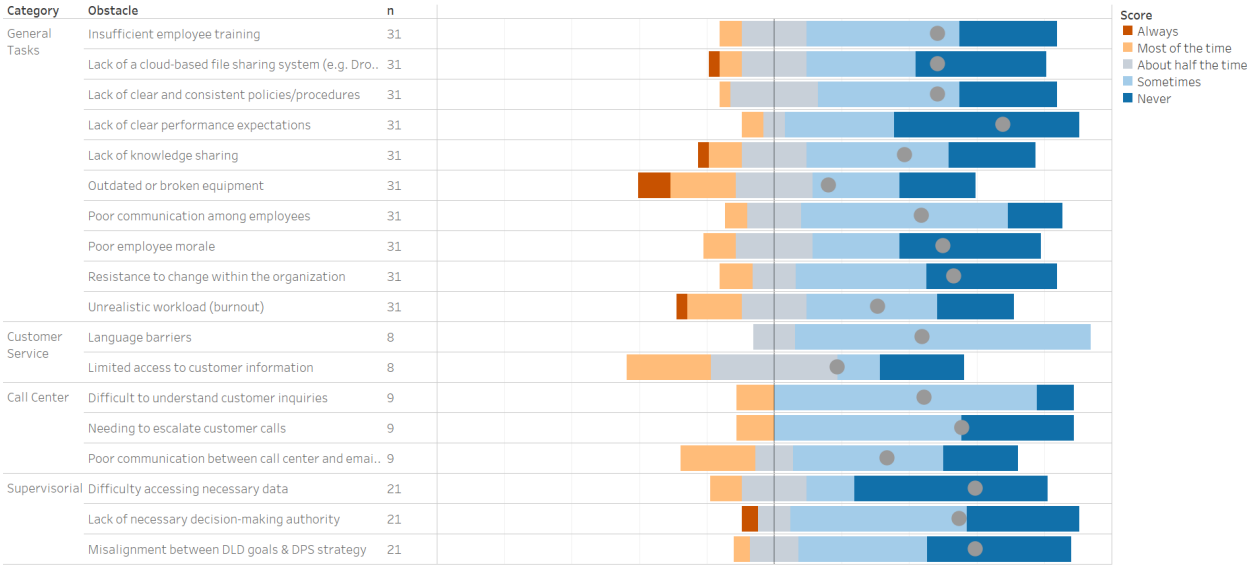


Figure 10 Obstacles to Effectiveness and Efficiency (DLO & CSC)

2.1.6.3. Performance Data and Feedback Loops

Deficiency: Lack of specific transaction-based performance targets and lack of access to performance data.

Out of 851 DLD employees asked if they have specific performance targets or goals (e.g., an average transaction speed), over one third indicated that they do not have targets or goals (Yes = 67.5%; No = 22.4%; I don't know = 10.1%). The lack of targets is mirrored in the responses from

the 97 supervisorial staff reported (Yes = 70%; No = 30%). These results reveal a gap in clarity regarding performance expectations. Of those that indicated that they do have performance targets (n = 571), more than half said they do not check their performance data (20%), or that they do not have access to their own data (33%).

Performance metrics are key to ensuring that a transaction-based business optimizes its capacity and maintains consistency. These transaction-based performance data should be easily accessible. Setting well-defined performance targets for transactions can lead to several benefits, such as increased productivity and efficiency, but it is crucial to emphasize that these targets are not about pushing people to work at an unsustainable pace. Unrealistic expectations can lead to burnout and ultimately unhappy employees. When employees feel overwhelmed and unsupported, it can negatively impact customer service.

Recommendation: Develop and communicate clear performance targets, such as an average transaction speed, to all positions that provide service to, support, or assist customers. Additionally, individuals should have easy access to their data on a live dashboard at all times.

2.1.6.4. Effectiveness of Technology Available

Deficiency: The overall technology available is not very effective in allowing staff to serve customers efficiently.

DLD employees revealed mixed perceptions regarding the effectiveness of technology for efficient customer service. All DLD employees were asked about the overall effectiveness of the technology available to them to serve customers efficiently. The response is mostly centered around the middle (moderately effective) with several groups finding the technology less than moderately effective. Employees at HQ have a more favorable view of the effectiveness of the technology available than those working at DLOs and the CSC. Locations with the least favorable views are 1B- Fort Worth, 2A- Houston, 2-C Rosenberg, and 6A-San Antonio.

According to 910 individuals, the most frequent contributor to longer than normal service times is **Incomplete application forms and missing information**. In addition, **Credit card reader issues** are the third most frequent contributor (see Figure 11 & Table 10).

Table 10 Most Frequent Contributors to Longer Service Times

Most Frequent	Incomplete applications and missing information
	Needing to go to a different area of DLO to make change for a customer
	Credit card reader issues
	Trying to translate a foreign language
	Multiple tries to get a good fingerprint
	Adjusting camera and where person is standing for photo
Least Frequent	Waiting for customer to walk up to counter

Technology can ameliorate both of these obstacles. Incomplete applications can be addressed by allowing customers to pre-fill out application forms electronically. Additionally, replacing outdated swipe-based credit card readers with tap-to-pay technology would enhance customer

convenience and potentially speed up transactions. These upgrades would align with modern payment methods that customers are accustomed to using.

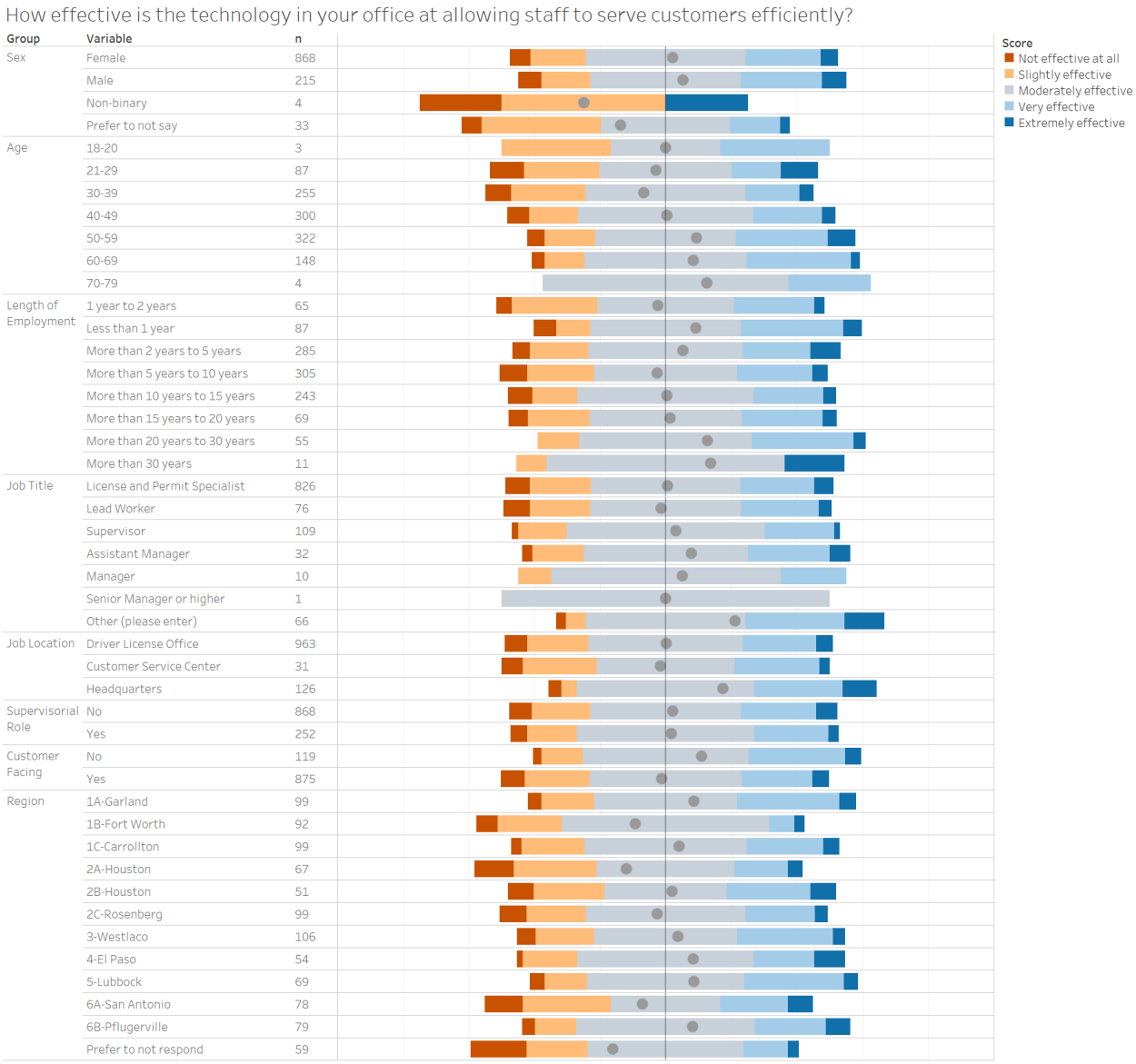


Figure 11 Employee sentiment on the effectiveness of technology overall

Out of the comments received, 29 people indicated that allowing customers to check-in up to 30 minutes prior and up to 30 minutes after their appointment (1 hour window) was problematic to wait times. According to the comments, customers tend to check-in from home or while running errands. When their number gets called, they are not physically present in the office. The DLO has to put them back into the queue, which increases wait times. The general consensus from these comments is that customers should only check-in once they are physically present on-site.

Recommendation: Change policy to only allow check-in to occur once the customer is on-site.

Deficiency: The appointment system is not very effective in helping walk-in customers without a prior appointment.

DLO employees revealed a mostly neutral response with respect to the appointment system helping walk-in customers with no prior appointment (see Figure 12). Respondent categories that fall toward a negative view include those working less than one year at DLD, supervisors, and regions 1C- Carrolton, 6A-San Antonio, and 6B-Pflugerville. Generally, supervisors are the ones who are tasked with controlling the publishing of appointments and adjusting the system on the fly.

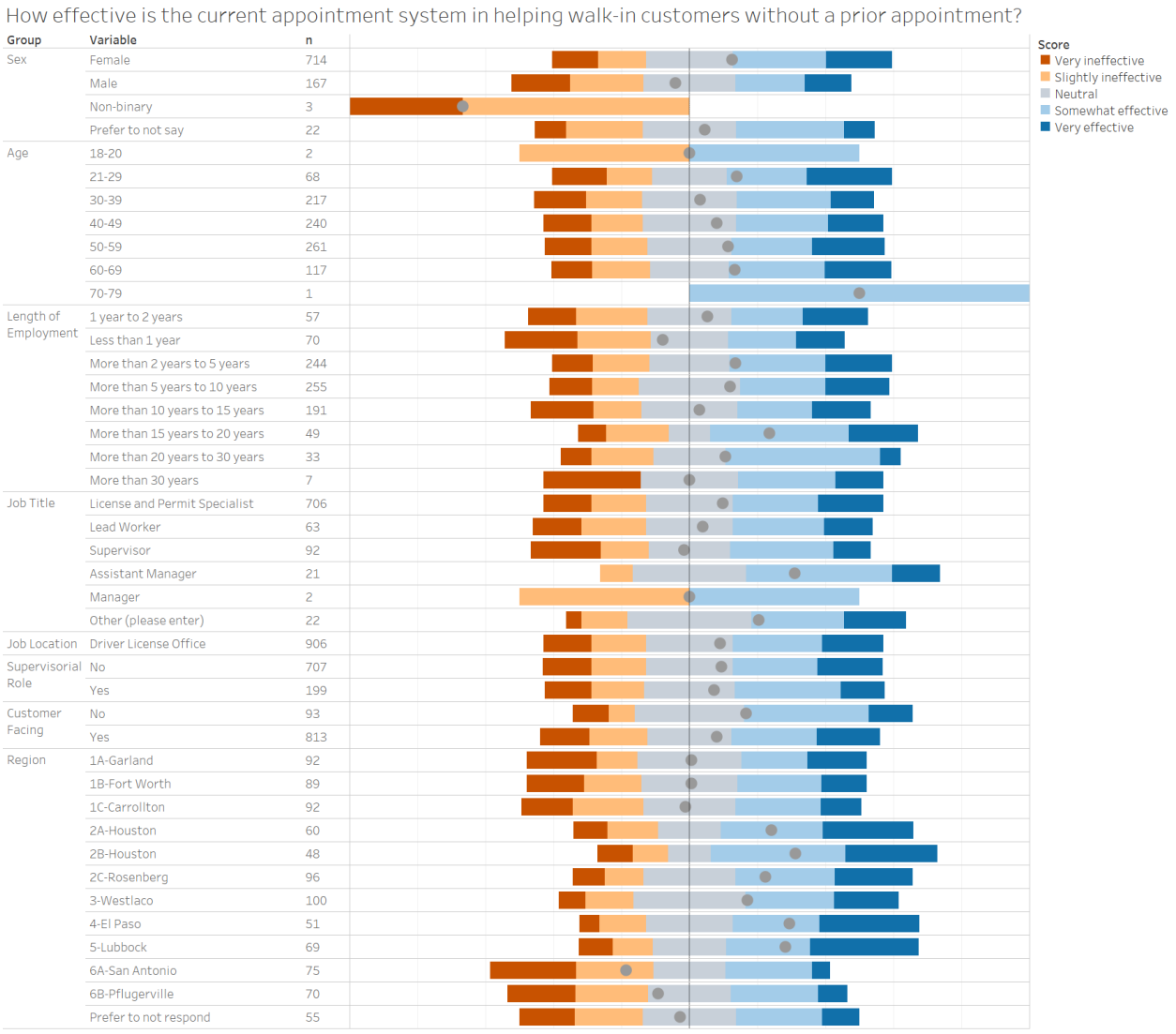


Figure 12 Employee sentiment on the effectiveness of appointment system in helping walk-in customers

Recommendation: Procure a modern paperless system that includes electronic submission of documents and online applications; Develop and communicate clear performance targets, such as

an average transaction speed, to all positions that provide service to, support, or assist customers and provide employees easy access to their data.

2.1.7. Site Visit Findings

The Study Team conducted site visits to nine driver license offices (DLOs): Austin North, Austin Northwest, Austin South, Dallas South Mega Center, Fort Worth Mega Center, Houston North, Leon Valley Mega Center, Midland Mega Center, and Spring Mega Center. After reviewing all nine site visit reports, several themes emerged regarding deficiencies and ways to improve effectiveness and efficiency. Below, we identify key takeaways regarding deficiencies and offer recommendations for addressing barriers to effectiveness and efficiency that build on the current strengths of the DLOs.

Deficiency: High vacancy rates among DLO staff.

Vacancies among DLO staff directly impact the number of customers that DLOs can serve and the speed with which they can serve them. The high vacancy rates were most visible during the site visits via the empty spaces at the counters and the information desks. DLO staff shared the difficulties they are experiencing in recruiting and retaining staff and identified some root causes. The main cause of the high vacancy rates is that the salaries of DLO employees are not competitive, especially in large cities. Given the low salaries, it is common for DLO employees to work more than one job to cover their living expenses. It is also common for DLO employees to leave their jobs for opportunities at other state agencies or DPS HQ. For example, other agencies typically pay more than working at a DLO and HQ offers more flexible schedules (work from home). Relatedly, DLO employees do not receive merit raises, merit bonuses are scarce, and few promotion opportunities exist for DLO employees.

Deficiency: High no-show rates.

High no-show rates reduce appointment availability, which is one of the primary complaints among customers. Technological limitations are one of the primary root causes of the high no-show rates. Reminder messages help reduce no-show rates, yet there is no automated appointment reminder system in place. While some DLOs send ad hoc messages reminding customers about upcoming appointments, they do so manually. Further, DLD does not have a system in place that makes it easy for customers to cancel an existing appointment. Lastly, DLD does not clearly communicate with the public about how and when they publish appointments. While the online appointment system usually provides customers with appointments that are weeks or months out, DLOs also intermittently make numerous same-day and next-day appointments available on the website. Many customers who book an appointment far out eventually find they can potentially book an appointment sooner by constantly checking the website. When they get an appointment with a nearer date, they end up with two (or more) appointments, and after going to an appointment, they fail to cancel the other or others. While the appointment system does not allow a customer using the same account to book multiple appointments of the same service type – customers have

found ways around this limitation in order to game the system. This booking of excess appointments would be circumvented with clearer communication upfront.

Deficiency: Lack of clear communication with the public about the paperwork necessary for their appointment.

When a customer must make more than one trip to a DLO to complete their transaction successfully, the capacity (volume of customers) the office can serve is reduced. While the DLD website provides information about what customers need to bring to complete their transactions successfully, the information is sometimes not easy to find, interpret, and is difficult to read visually. Customers would benefit from a system that allows them to input their information and receive tailored advice about what they need to bring based on their customer profile and situation. The DLD also does not have a significant social media presence. Social media could help drive customers to the specific information on the DLD website so that more customers are getting accurate information.

The DLOs showed several strengths, including dedicated and knowledgeable staff, sustained efforts among staff to conduct triaging and walkthroughs, fast processing times, and plenty of in-person waiting room seating. On the ground, supervisors and leads are doing the best they can with manual, on-the-fly appointment modifications to manage missed appointments and accommodate walk-ins. Supervisors with years of experience have the benefit of being able to do this well, however, a technology could provide a system that requires less reactivity and more proactivity and managing the lost capacity from missed appointments.

Recommendation: Increase staff salaries to reduce vacancy rates; automate and standardize the ad hoc messaging reminding customers of upcoming appointments; simplify the process for appointment cancellations, reducing barriers to successful cancellation of appointments by customers; improve the website to make information more accessible and clearer and build out the website to generate tailored information about what customers in various circumstances need to bring for their visit; and develop a social media presence to bolster effective, clear communication with the public.

2.1.8. Business Intelligence Team Findings

The current iteration of the Business Intelligence Team (BI Team) started in June 2022 and conducted its first office visit in August 2022. As of June 12, 2024, the team has visited 54 offices. There are 20 more visits scheduled through November of 2024. Following each office visit the BI Team produces a report. Each report is divided into the following sections: office statistics, which includes information like region, staff size, average daily transactions, wait times and appointment availability; observations and suggestions, which lists any challenges and potential solutions; notable procedures, which acknowledges best practices; staff concerns; and key points, which provides a quick summary of the report's main takeaways. These reports offer a detailed glimpse into areas of strength and challenge for each DLO.

The research team reviewed all 41 BIT reports that were available to us. The challenges listed in the BIT reports varied from office to office; however, there were common trends among the various DLO's. We identified 13 themes and logged nearly 200 challenges across the 41 reports (see Appendix; Table 14). The top five challenges are as follows:

Appointment publishing: This refers to the method by which DL offices are choosing to release or manage the availability of their appointments. Solutions proposed for these challenges include first-in, first-out (FIFO) publishing, optimizing the ratio of long to short appointment availability and better layering the availability of appointments so that offices can accommodate peak times.

Ad-hoc messaging: Related to combating no-show appointments, ad-hoc messaging is automated reminders sent to appointment holders that alerts them of their upcoming appointment and the required documents to bring. This can reduce the number of times a person visits a DL office as well as can reduce no-shows. Currently, reminders are sent two days before. Data from 20 million appointments showed that three is the magic number of reminders[15]. To successfully remind people of their appointments, reminders should be automatically scheduled at three weeks, 3-5 days, and three hours before the appointment.

Morning procedures: Many offices noted that their morning protocols are critical to ensuring the smooth operation of the rest of the day. Establishing morning procedures were cited as challenges in many offices, with proposed solutions being to better use check-in counters or kiosks, properly vetting documents and assigning a second employee to manage morning triage when the DL office opens.

Same-day appointments: DL offices have conflicting protocols around whether they offer same-day appointments. While the DLD website says most offices offer them, DLD does not provide a clear list of which offices do offer them and which do not. Better communicating to customers how to access same-day appointments can reduce long lines in the mornings.

Vacancies/staffing: Many DL offices across the state experience high staff turnover and are plagued by vacancies that are difficult to fill. The BIT reports noted this trend, offering solutions like reducing Class C tests and creating a network communication system for DL offices to temporarily request employees from other, better-staffed offices.

Recommendation: Automatically schedule reminders at three weeks, 3-5 days, and three hours before the appointment for a total of three reminders to reduce no show rates.

2.2. Enterprise-level Findings

This section explores deficiencies that may be hindering DLD's overall effectiveness and efficiency at an enterprise-level. The focus is on broader challenges that extend beyond the day-to-day activities at individual DLOs and the CSC. These include limitations in staffing, technology, approval processes that create bottlenecks, or communication gaps that impede

[15] Three is a Magic Number. Frequency and Timing of an Optimal Appointment Reminder Strategy. SolutionReach.

initiatives. Specifically, this section considers how these factors affect the procurement of new information technology needed to modernize customer-facing systems. Identifying these enterprise-level challenges is the first step to identifying solutions that streamline operations and optimize service delivery across the entire DLD.

2.2.1. Procurement and Technology

2.2.1.1. Procurement and Technology

Procurement and implementation of technology is a complex, multi-year, and expensive process. Multiple divisions and staff across DPS and DLD and interactions with the State of Texas Department of Information Resources (DIR) are necessary to identify technology solutions, draft requirements and business case, budget effectively, issue procurement solicitations, develop contracts, and then implement and test new technology across the DPS and DLD systems and in DIR managed platforms such as Texas.gov and Texas by Texas. The DPS mean for RFO procurement is 311 days. The complex statutory/legislative process is a function of the size and missions of the DPS, DLD, and DIR, the nature of our biennial legislative cycle in Texas, and adherence to ensuring the best value in procurement for the state is met.

Deficiency: Limited interaction with vendors and requirements for highly prescriptive specifications hinders the procurement of new technologies, creating a structural barrier to innovation.

The challenges in creating and gathering requirements for modernization of DLDs systems are many, but a significant one is the development of specifications for new technologies, such as Automated Information Services (AIS) in the Request for Information (RFI), Request for Offer (RFO), and Request for Proposal (RFP) process. DPS Procurement and IT Divisions noted the challenge around the AIS technical expertise gap. The ability to have sufficient staff bandwidth that has this type of specialized knowledge for development and specifications writing in the current waterfall technology process model that DLD is using. Texas law authorizes the exchange of information between an agency and a vendor related to future solicitations, but there are statutory and other limits to how much interaction may occur. This leads to challenges in identifying unique business needs tailored to DLD and its infrastructure to obtain long term value for the state. If requirements are documented poorly, it is hard to change later, as business needs evolve. This deficiency is a structural barrier since current statewide procurement practices are not designed for innovation, agility and flexibility for users that bring cutting edge technology solutions to taxpayers. DPS noted that a dedicated AIS specification drafting person would speed up procurement processes under the determinations for Best Value to the state.

The challenges in creating and gathering requirements for DLD's systems modernization are compounded by the current approach. While the process in Texas often positions the state's business teams as the sole experts ("business drives technology"), the reality is more nuanced. State teams are undeniably experts in their *pain points* and day-to-day operations. However, **vendor communities possess a deeper understanding of cutting-edge solutions and best**

practices in modernization due to their ongoing specialization in this field. For complex tasks, like procuring technology to modernize a legacy system, state staff may only encounter such a project once in their career, while specialized vendors navigate these processes daily. This reliance on state teams to draft highly specific specifications, **areas where they may lack the specific technical expertise**, creates a structural barrier to innovation. The current approach can lead to:

- Stifled innovation due to a lack of exposure to the latest solutions.
- Procuring technology that is outdated by the time of implementation.
- Other negative consequences stemming from a mismatch between identified needs and available solutions.

State staff remain invaluable in identifying and communicating their pain points, but procurement policies and practices should acknowledge the crucial role of vendor expertise and input in crafting optimal solutions.

Recommendation: Provide funding for a dedicated AIS-specification technical FTE who would speed up procurement processes under the determinations for Best Value to the state; and provide the authority to publish draft Request for Offer (RFO) for technical solutions to the vendor community for feedback prior to the final RFO to reduce barriers to effective and efficient procurement of technology.

Deficiency: Waterfall procurement and software development are not very effective for obtaining modern software and technology solutions.

The current Department of Public Safety (DPS) IT development and procurement model uses a traditional **waterfall** approach, which is a sequential development process that does not allow the next phase of the project to begin until the previous phase has been completely wrapped up (analysis, design, development, and testing, for example). The waterfall approach is less effective for modern software and IT solutions compared to **Agile** project management (an approach based on delivering requirements iteratively & incrementally), which thrives in environments with rapidly evolving technologies and changing landscapes, like law enforcement. Agile project management allows phases to overlap. DPS IT noted that it is moving toward using Agile software development processes. With rapidly emerging technology and a constantly changing landscape in law enforcement, more agile and flexible procurement laws and policies are needed. Statutes, rules, policies, and Texas Comptroller guides are prescriptive and detailed on specifications during the procurement and DIR contracting processes, creating structural barriers that prevent the use of the Agile process for technology acquisition. The barrier limits the path to IT solutions as it prevents deviations from plans, even when new technologies emerge that can more effectively and quickly solve a business need.

DPS IT has built an in-house Agile framework for software development, which includes Scrum teams and Kanban efforts. **Kanban** and **Scrum** are popular agile project management frameworks, each offering distinct approaches to organizing and executing work.

- **Kanban** employs a visual system to manage workflows, focusing on continuous delivery and process improvement.

- **Scrum** provides a structured framework that involves short, iterative development cycles known as sprints, led by a Scrum Master who facilitates the team's progress. Regular meetings, called scrums or stand-up meetings, are held to assess tasks, address obstacles, and ensure alignment towards project goals.

However, DLD has not been incorporated into the agile framework yet. The plan to incorporate DLD into the Agile framework has been on hold since 2022. The reason for the hold is resource constraints, including needing additional Scrum Masters (a professional coach and guide who ensures the team understands the scrum framework and its principles, values, and practices), aids for Scrum Masters, business analysts, and Agile Integrators (responsible for pulling together and coordinating separate teams and sections). These resources are needed to break-up software requirements into an agile fashion, such as themes, epics, and user stories.

An Agile framework is absolutely critical to enhancing effectiveness and efficiency. The current waterfall approach to DLD's software hinders adopting more efficient and responsive IT solutions. An Agile team for DL's software would offer significant advantages:

Increased Agility and Faster Delivery: Agile allows for adjustments throughout development and faster delivery of working features, ideal for evolving environments like DLD's.

Improved Quality: Agile's iterative nature promotes continuous testing and integration, leading to higher quality software solutions.

Recommendation: Implement and integrate Agile procurement as a policy for technology projects. Additionally, provide funding for additional DPS IT FTEs to create an Agile team to fill the staffing gaps required to get DL incorporated into the Agile software development framework.

Deficiency: Procurement vendor certification requirements (TX-RAMP) add time to the process when time is of the essence.

Procurement vendor certification requirements were noted as a barrier and challenge for technology provision. Texas required that state agencies as of January 1, 2022, may only enter or renew contracts to receive cloud computing services that comply with Texas Risk and Authorization Management Program: TX-RAMP (TXR) certification requirements. This creates challenges for efficiently finding vendors, as TXR certification for vendors can take up to one year and can be costly, and vendors may choose to not pursue certification. This is a legislative and structural delay outside of DPS or DLD control. DIR noted that vendors may have TXR certification while the product itself is not yet TX-RAMP certified. However, if the rule applies to the product, according to DPS Procurement, this creates delays as the vendor must get provisional certification to contract with DPS using that particular, uncertified product, which can take up to a year. This creates inefficiency in the procurement process, especially if this timeframe falls over into a new biennium and if capital authority is not authorized for this cost to roll forward.

Recommendation: Re-evaluate the TX-RAMP requirement to enable agency leadership to document and accept risk in certain cases, including while waiting for vendors to be able to complete the TXR certification process, to enable agencies to enter into a contract that is not considered void statutorily when the risk of not having the contract is greater than the risk of the TXR certification process not yet being complete. This would also require the agency's cyber team to review and weigh-in on risk to ensure it is tolerable.

Deficiency: DIR Mandate for technology projects leads to significant exemption requests.

Texas State Agencies are *required* to purchase hardware, software, and technical services through DIR under statute. Under DIR's statewide procurement authority, DIR establishes and manages contracts that state agencies can use under three program areas (1) Cooperative Contracts program; (2) Shared Technology Services (STS) and (3) Telecommunications. Most DLD IT solutions are over $5 million, according to DPS, so there is some flexibility to choose to use the DIR contract rather than go to the open market. For a contract with a value of more than $5 million but not more than $10 million, an agency may opt to utilize DIR cooperative contracts or may make the purchase using the RFO purchasing method. DPS Procurement indicated that since September 1, 2020, they have requested 193 DIR exemptions (146 were approved, 39 were withdrawn, 7 were denied and one had no final determination).

For IT services under $5 million, the procurement process for driver services is often delayed due to no responses from the DIR vendor community. As driver services represent a niche market, few or no DIR vendors offer the necessary applications or solutions. The current process mandates soliciting DIR vendors first, but due to their limited offerings, this frequently results in no responses and then requires obtaining an exemption, which delays procurement. Obtaining a blanket exemption for driver services would streamline the process and expedite the acquisition of required IT solutions.

Recommendation: Consider requesting a blanket exemption for DLD for IT services to enhance efficiency.

Deficiency: Aging Driver License Legacy System hinders effectiveness and efficiency, including integration with modern solutions and architecture cannot handle high surges in traffic, which can lead to unexpected outages.

The DLS Legacy system was developed in 2005 with a complex rules engine and back-office processing. Modernization is challenging due to technical, resource, and financial constraints. Modernizing legacy systems is a challenge in many state agencies. Making changes to the current DLS system is extremely costly and is time prohibitive as it is written mostly in Java (a very old programming language). Java developers are becoming scarce and more expensive to bring in. As an example, a major outage occurred in September 2023 due to the AAMVA State to State (S2S) integration with the DLS which resulted in increased, unanticipated traffic demand on DLS. S2S allows any state that is issuing a document to check with Texas to see if any type of document has been issued previously to their customers. DLS was down for a week managing this process. If

architected correctly, for example, if DLS had been in the cloud, then auto-scaling to manage the traffic could have prevented this outage.

If DLD were to migrate non-sensitive or less critical applications to the cloud while keeping mission-critical or highly regulated systems on-premises due to security or compliance concerns, some programming tasks could be easier. This approach would allow DLD to leverage the benefits of cloud computing, such as scalability, flexibility, and cost-effectiveness, while also maintaining control over certain sensitive data or critical systems. However, it also means adjustments to Texas Scheduler, and DLS are costly in terms of time and person power. Additionally, while the hybrid model allows agencies to tailor their infrastructure to their specific needs, the lack of integration creates problems. For example, in the crime records division of DPS, DPS wants to replace an application, but as the DLS is not written in XML (a modern language) that creates a challenge in how applications integrate with DLS. DLD is using a phased approach to cloud adoption, with DPS using an AWS Amazon cloud managed by STS, which is a DIR managed cloud product offered by Rackspace.

According to the IT Division, the DLS legacy system is holding back modernization in some ways. For example, with a DBQ database engine and moving to the cloud, it is much more efficient to just build something using cloud native services, rather than lifting and shifting or re-hosting the DLS. A cost-efficient solution would be that DLD replace DLS with a modern licensing system, "out of the box" built with "off the shelf" software as a service (SaaS), with some customizations to make it DPS-specific. If DLD were to replace DLS with a proprietary cloud hosted licensing app that is already developed, DPS-IT could use a cloud-friendly database engine to easily ensure reliable data exchange moving forward. However, this is currently not possible with current DPS IT staffing constraints.

Recommendation: Fund modernizing the DLS legacy system. It is the core component for improved efficiency and effectiveness, reducing wait times, improving customer service and facilitating customers shifting to online transactions.

Deficiency: Unfunded Legislative Mandates add to Timeline and Budget Constraints for IT Improvements.

Legislative changes that are unfunded create not only a need for alterations to DLS or new technology solutions which may necessitate more IT work, tweaks and fixes to the legacy DLS system, put a new priority into the priority list, and impact the DLD budget in implementation costs. As an example, HB 1275 in the 88th Legislature required DLD to allow a person who is sixty-five or older with a REAL ID to apply for an ID card online if their driver license card is surrendered. This was an unanticipated and unfunded change. It required staff time to develop the change specifications, and DIR implement this component, as online application services are hosted under DIR controlled Texas.gov and must be paid out of DLD budget.

Recommendation: Require LBB to send to the Legislature fiscal impact statements for all proposed legislation that could significantly impact IT resources and budgets. This will allow for a more transparent and collaborative approach to IT project planning and budgeting.

2.2.2. Budget and Funding

The central deficiency the Driver License Division (DLD) is experiencing regarding its budget is simply insufficient funding and lack of flexibility in using these funds.

Deficiency: Lack of Unspent Balance (UB) Carryover Authority and the $500K limit on Capital Budget Authority hinders efficient technology modernization.

AIS contracts are all capital projects which last over a longer period and exceed legislative and fiscal biennia and cost millions of dollars. Lack of UB authority and capital authority creates barriers in funding for IT projects as project development, procurement, contracting and implementation may cross biennia. Cost for technology projects are well over the $500,000 range and they are much closer to the millions of dollars range.

Structural barriers occur because of appropriations laws and rules governing (i) budgeting process and (ii) major information resource Projects. Most DLD IT capital projects exceed two years, crossing into new biennia. While DLD may have an Unexpended Balance (UB), it must have legislative authority to move funds from one year to the next, or from one biennium to the next biennium. UB authority would assist DLD in managing legacy modernization of the Driver License system and other technology upgrades that have been identified in its IT plan, LAR and exceptional item requests. For example, the Attorney General's Office in its LAR for FY 2022-2023 had included Rider 19 "$33,059,998 in Strategy A.1.1, Legal Services, and $8,187,301 in Strategy E.1.1, Agency IT Projects". This authority would not increase the actual DLD budget, since it merely would provide latitude to manage these complex projects.

Recommendation: Grant automatic UB authority across biennia for technology and construction projects that would apply to the funding and capital authority associated with the project.

2.2.2.1. Budget and Funding

The staff highlighted three root causes that have created a climate of insufficient funding. First, they noted that the level of appropriations that the DLD has received is inadequate to address the growing demands on the DLD due to rapid population growth in the state. While the DLD received an injection of funds from the Driver License Improvement Plan, those funds have not been enough to meet the demands of its growing customer base.

The second root cause stems from the unfunded mandates placed on the DLD by the federal and state governments. The DLD regularly must find funds in its operating budget to implement policies for which the Division was not appropriated additional funds. Such mandates take away from funds that could be used to grow the Division's capabilities to serve customers in a timelier fashion.

The third root cause emanates from how the DLD is funded. The DLD is not self-funded; the funds it generates go to the Texas Mobility Fund, and the DLD is funded through appropriations instead. If the DLD were self-funded, its funding might better reflect the level of demand on the Division. The Division could seek approval to add on a customer fee to its transactions, which it could keep, but staff opined that such a fee would be viewed unfavorably.

The Division noted several strategies it uses to maximize its current funds and to increase its funding. First, it has decided to focus its exceptional item requests (EIRs) on technological upgrades rather than additional staff because it believes technological upgrades can have a much bigger impact on customer service capacity than additional staffing. Second, it highlights metrics that illustrate its inability to serve customers in a timely fashion in its Exceptional Item Requests (EIR). Third, it is in a pilot program with the Comptroller's office to get live budget data. Lastly, the Division uses funds from vacant positions to fund one-time expenses.

2.2.2.2. Unfunded mandates

The DLD often receives legislative mandates from the Texas Legislature without a requisite increase in appropriations necessary to finance the implementation of the mandate. DLD implemented six unfunded mandates requiring $633,707 in the fiscal year following the 87th legislative session and requiring $1,199,745 over the subsequent three fiscal years. DLD implemented six unfunded mandates requiring $9,857,968 in the fiscal year following the 88th legislative session and requiring $8,471,946 over the subsequent three fiscal years.

2.2.2.3. Exceptional Item Requests

Exceptional Item Requests (EIR) are requests for funding beyond the baseline level made in Legislative Appropriations Requests (LAR). DLD submitted one EIR for FY20-21, two for FY22-23, and three for FY24-25.

DLD made an EIR titled "Increase Customer Service Center (CSC) Capacity" for FY20-21 with the aim of receiving funds that would help enhance the performance of its customer service center so that it would have the capacity to answer 100% of the calls it receives and the ability to answer calls within 5 minutes. At the time of the request DLD, was only able to answer 14% of the calls it received and the average time to address its calls was 6 minutes. To address this lack of capacity, the EIR requested funds for 580 new FTEs, 72.5 indirect FTEs to support the divisions, and Customer Relations Management (CRM) software. This request was not fulfilled.

For the following fiscal year, FY22-23, DLD made an EIR titled "Increasing Driver License Services Capacity to Lower Wait Times." The EIR aimed to fund new workstations and additional FTEs in "areas that are experiencing the longest wait times, the greatest growth in population, or a combination of the two. The EIR identified 12 target regions to expand workstations and FTEs. This request was not fulfilled.

The DLD made a second request for FY22-23 titled "Implement federally mandated State-to-State Program for REAL ID Compliance." The State-to-State (S2S) program is a component of the federal REAL ID Act and is an electronic verification system which aims to ensure that individuals do not have multiple Driver Licenses or IDs across states. The EIR sought approximately $2 million in funds annually to maintain the S2S electronic system and funds for approximately 34 new FTEs to resolve duplicates and errors found in identification records. This request was not fulfilled.

DLD made three EIR's for FY24-25. DLD submitted an EIR titled "Driver License Customer Service Center (CSC) Staffing." Similar to the EIR titled "Increase Customer Service Center (CSC) Capacity" submitted for FY20-21, this one aimed to enhance the ability of the DLD to handle customer calls and e-mails. This EIR sought funds for an additional 389 FTEs. The DLD estimated that with 389 new FTEs it could answer at least 50% of customer contacts by FY25. The EIR also sought $8.5 million for technology improvements to better manage calls. This request was not fulfilled.

The second EIR for FY24-25 was titled "Implement federally mandated State-to-State Program for REAL ID Compliance." The aim of this request is similar to the EIR submitted for FY22-23 with the same name, to provide sufficient staffing and technology to properly implement the S2S program. With this EIR the DLD requested approximately $2M per year to support the S2S electronic system, funds for approximately 33 additional FTEs to support processes related to the S2S system, and funds for approximately 4.2 additional indirect FTEs for agency support staff. This request was not fulfilled.

The third and final EIR for FY24-25 was titled "Reduce Booking Time Statewide." As its name suggests, the aim of this EIR was to reduce booking times such that customers across the state would be able to book an appointment within 60 days for all appointment types. The EIR sought approximately $282 million for additional staffing, $2 million for biometric equipment, and $57 million for facilities costs. This request was not fulfilled.

Recommendation: (1) increase funding for the DLD in the capital budget, authorizing a higher capital budget authority than the current $500,000 limit given to DPS for information technology purchases, (2) authorize Unexpended Budget (UB) authority for information technology procurement, and (3) prioritize funding unfunded technology-related mandates.

2.2.3. Staffing and Salaries

The Study Team performed an analysis of employee turnover and pay scales to understand the current state at DLD. The Study Team conducted the analysis to ascertain if turnover is a problem and investigate the salary structure, as it may have an impact on turnover. The following represents the findings of the study of DLD turnover and the analysis of DPS jobs and salaries.

Deficiency: High employee turnover is a significant deficiency within the Driver License Division (DLD), particularly for lower-paid positions.

SAO's annual report for FY 2023 shows that turnover is a problem statewide and is higher in lower paid positions. Statewide turnover in the LPS job family is 11.8%, which exceeds DPS turnover for all positions (9.7%).

Understaffing due to employee turnover is a big issue at DLD, with staggering turnover costs (estimated currently at $6.5 million to $26 million). In reviewing the staffing issue in a holistic manner, many of the most understaffed DLOs are in urban areas. All Mega Centers are in urban areas. Likewise, large, and most medium size DLOs are in urban areas. Employee turnover in 2023, by job title, shows LPS II had a 22.9% turnover rate. This is higher than the 18.7% statewide turnover rate reported by the SAO. These are entry level employees that DLD needs to fill the ranks of higher LPS levels. LPS demographics show that LPSs are approximately 80% female in all job titles. This has remained constant for at least the last six years where data is available. Smaller DLO offices can still suffer from turnover, but there are many that are fully staffed. Attracting staff that can speak foreign languages can also fill an efficiency gap that was evidenced in the employee survey.

The major root causes that contribute to this deficiency are uncompetitive salaries and limited merit pay, and they are delineated in the subsections below.

2.2.3.1. Uncompetitive Salaries

An analysis of salary structures revealed that LPS (II to V) positions offer a wide salary range (Classification B14 to B20), but virtually all people in any given LPS title are paid the exact same salary. In addition, 90% of all DLD employees hold positions where their salary falls below 50% of the designated range. Long term data shows a dip in employee separations after reclassifications and salary increases in September 2020, but after about a year from that date, separations again climbed. There has been a spike in separations in July for the past 3 years. Figure 13 shows all LPS titles and the current salary and service time of all LPS employees. LPS IV and LPS V positions are fewer as they are lead worker or managerial type positions, which are filled by competitive job postings and not career ladder promotions.

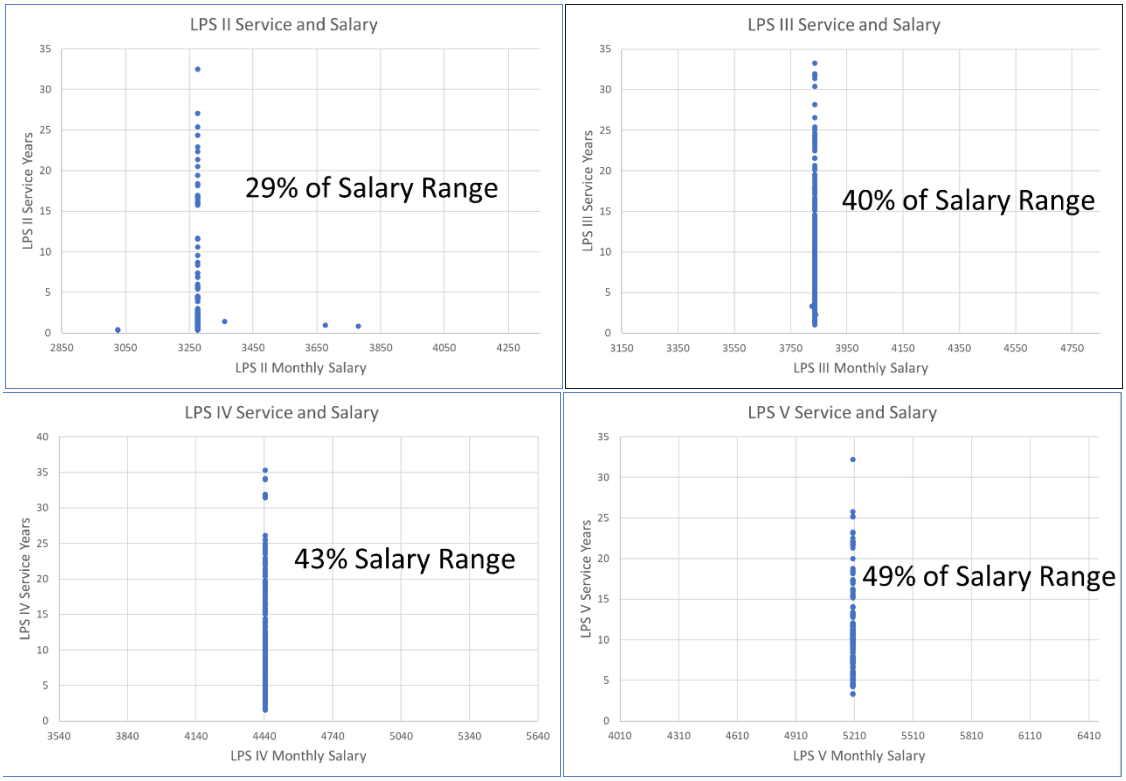


Figure 13 LPS Salaries and Service Time

The employee survey developed by the Study Team asked 1,082 DLO employees if they work another job to make ends meet and about one third indicated that they do (Yes = 32%, No = 46%, Prefer to not say = 22%), which presents an unsustainable long-term situation in terms of work-life balance.

In contrast, law enforcement positions use a structure with service time minimums and salary steps, promoting internal mobility and demonstrably leading to salary progression (Classification C). Figure 14 shows Trooper salaries and service times. Troopers have six steps within the salary title allowing upward mobility in the same job title. Data shows that they do indeed progress in salary.

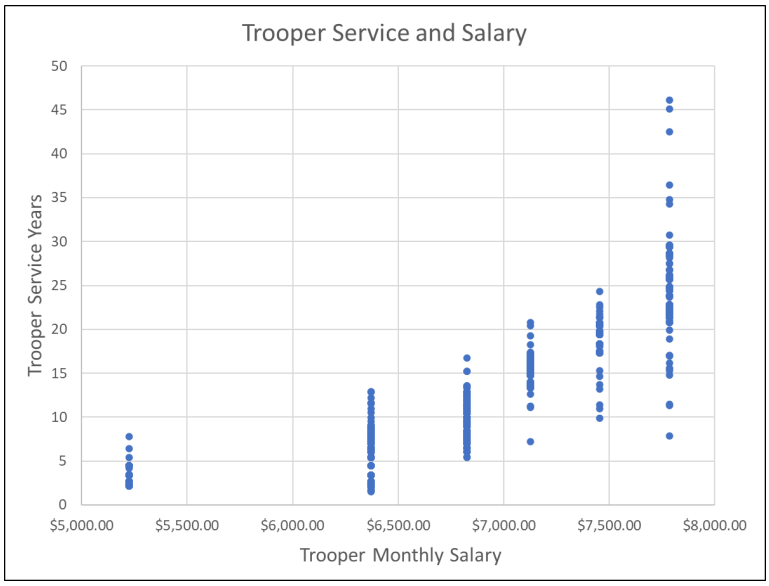


Figure 14 Trooper Salary and Service Time

The State Auditor's Office (SAO) job competitiveness evaluation underestimated DLD's issue due to their assumption of a salary distribution centered on the midpoint for each job level, which is not the case for DLD. The SAO evaluated state job classifications for salary competitiveness but did not recommend any change for LPS titles statewide. Because 90 percent of all DLD full time employees are paid at less than 50% of their salary range, any analysis, according to the standards of SAO, underestimates DLD salary competitiveness.

2.2.3.2. Limited Merit Pay

Texas law allows for two types of merit pay: salary increases or one-time bonuses. Currently, DLD only offers one-time bonuses, due to budgetary constraints hindering long-term salary adjustments.

Recommendation: Increase all LPS pay at least to the midpoint of the salary range, which would need about $5 million. In addition to a pay increase, additional funding should be provided so that DLD can provide permanent merit increases rather than one-time merit payment (similar to Troopers) and offer higher salaries within range for positions in hard to fill locations to improve staff attraction and retention.

2.2.4. Public Information Office

DLD serves a unique role within DPS. As a customer-focused entity, the DLD interacts directly with the public on a daily basis, providing essential services related to driver licenses and identification cards. Effective communication with the public is paramount for the DLD to ensure citizens are aware of important updates, application processes, and eligibility requirements.

This section emphasizes the importance of DLD-specific communication strategies. 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. With a vast amount of critical information to share with the public, the DLD requires dedicated communication channels to ensure messages are easily accessible, clear, and not hard to find in the midst of information from other DPS divisions.

From the interview with Public Information Office (PIO) of Texas DPS, two main deficiencies emerged. Below are the main deficiencies, and recommendations for addressing barriers to effectiveness and efficiency that build on current strengths of the DPS Media and Communications Office.

Deficiency: Lack of DLD-specific public information campaigns on DLD-specific channels, highlighting the positive work of the DLD and addressing common questions and complaints of the public.

PIO has not yet undertaken public information campaigns on social media for DLD due to resource constraints. Much of the focus has been on reactive rather than proactive communication, since most of the work comprises responding to the media.

This deficiency is due in large part to being understaffed. PIO has been in a rebuilding mode since January 2024, and only became fully staffed as of early June. The team now includes a media person, a social media person, a Press Secretary, and a Deputy Press Secretary.

A top priority is to move from being reactive to proactive. Specifically, the goal is to initiate public information campaigns that address commonly asked questions and common complaints from the public and the positive work of the DLD.

Recommendation: Provide funding to hire a DLD-specific Communications and Social Media Manager (CSMM). The CSMM should develop and manage new DLD-specific social media pages and launch public information campaigns that address common questions and complaints of the public, as well as common misconceptions that the public has of driver license and ID card requirements. The CSMM should also highlight the achievements and contributions of the DLD on social media.

Deficiency: Lack of consistent meetings between DPS Media and Communications Office and DLD.

Since the rebuilding of the PIO office, there have not yet been regularly scheduled meetings with DLD leadership.

A root cause seems to be lack of staffing and relatedly a focus on staffing the Office and reacting to urgent matters, mainly media inquiries.

PIO indicated that a priority moving forward is to meet regularly with DLD leadership and hear about their positive achievements and also common questions and complaints from the public so that the team can communicate about these matters in proactive public information campaigns.

Recommendation: Have the CSMM operationally report to DLD but be part of the PIO division. The CSMM should be fully integrated with DLD staff to gain in-depth knowledge of common questions, complaints, and misconceptions from the public, and new initiatives, which can be highlighted or addressed in public information campaigns, as well as the achievements and contributions of the DLD.

2.3. Effectiveness and Efficiency Achievements to Date

DLD has implemented a series of initiatives designed to enhance both effectiveness and efficiency in serving the public since 2020. These efforts address customer wait times, staff workload, communication strategies, and service delivery models. Below are some key achievements to date.

2.3.1. Customer Experience Improvements

- **Appointment System Implementation (May 26, 2020):** Replaced the queuing system with an appointment-based system, allowing customers to schedule visits based on DLO capacity. This reduced wait times and improved staff workload management.
- **Renewal Reminder Extension (Beginning 2020):** Increased renewal reminder lead time from 60 days to 180 days before expiration (June 6, 2021). This allows customers more time to renew their licenses and potentially reduces visits to DLOs.
- **Driver License and CDL Term Extension (Starting June 2020):** Extended the validity period for Driver Licenses (DLs) and Commercial Driver Licenses (CDLs) from 6 and 5 years to 8 years, respectively. This lessens the administrative burden for both customers and DLO staff.
- **Customer Satisfaction Increase:** Customer satisfaction has risen by 7% since FY20 and maintained that improvement through FY23.

2.3.2. Operational Enhancements

- **Business Intelligence Team (BI Team) Creation (Summer 2022):** Established a team focused on identifying and sharing best practices among DLOs to optimize booking processes and wait times. The BI Team has generated 45 reports offering customized guidance to DLOs for improving customer experience.
- **Knowledge Base Implementation (Ongoing):** A knowledge base that serves as a central source of truth is being developed to provide readily accessible information for DL employees. Confluence will serve as the platform for the knowledge base.
- **Continuing System Updates:** Ongoing updates are being made to the Scheduler, DIR's Texas by Texas (TxT) platform, DLD website, CSC, and the Driver License legacy system (DLS). For example:

- DLD recently entered a contract with Amazon Web Services (AWS) Amazon Connect, which is an easy-to-use omnichannel cloud contact center service.
- For the appointment solution, several enhancements are coming in January 2025 to improve the experience for both customers and supervisors/leads, including effortless cancelations.

2.3.3. Strategic Initiatives

- **League City Mega Center Funding Secured ($14.0 million):** Secured funding for a new Mega Center driver license office in League City, which will expand service capacity.
- **Public Information Office (PIO) Establishment (2024):** Created a new Public Information Office within DPS to enhance communication strategies.
- **Innovation and Data Office (IDO) Establishment (2024):** Established a new Innovation and Data Office (IDO) to drive continuous improvement through data analysis and innovative solutions.
- **DLD Video Services Contract (In Progress):** Awarded bids for a video services contract to create informational resources for customers and staff regarding obtaining driver licenses.
- **DIR Shared Services Program Opt-In:** Following a legislative change, the DLD gained the ability to leverage shared services offered by the Department of Information Resources (DIR).

Chapter 3. Recommendations and Timeline Considerations

Based on all of the data collected, new technologies have the greatest potential for reducing wait times and transaction times, as well as increasing successful transaction rates and improving the customer experience in the shortest implementation timeframe. Adequate funding, employees and office capacity are also essential to provide excellent customer service and to address increased transaction capacity; however, modern technology may offer more immediate advantages.

3.1.1. Recommendations to improve customer service and wait times

3.1.1.1. Staffing and Operations

Ensuring a motivated and efficient workforce is crucial for delivering exceptional customer service. These recommendations focus on fostering a positive work environment by establishing clear performance metrics, providing staff with real-time data access, and addressing staffing challenges through competitive salaries and merit-based rewards. Recommendations are:

- Develop and communicate clear performance targets, such as an average transaction speed, to all positions that provide service to, support, or assist customers. Employees should have easy access to their data on a live dashboard at all times.

- Increase all LPS pay at least to the midpoint of the salary range, which would take about $5 million. In addition to a pay increase, additional funding should be provided so that DLD can provide permanent merit increases rather than one-time merit payment (similar to Troopers) and offer higher salaries within range for positions in hard to fill locations to improve staff attraction and retention.

3.1.1.2. Technology

To significantly improve customer experience and operational efficiency, these recommendations focus on modernizing DLD's service delivery model. This includes implementing appointment scheduling limits, a paperless system for electronic submissions, streamlining contact center operations, and enhancing the appointment scheduling process. Recommendations are:

- Implement a combination of appointment limits using PII and a hybrid appointment-walk-in system to significantly reduce no-show rates and maximize service capacity. This will lead to shorter wait times and improved customer experiences for everyone**.**

- Procure a modern paperless system that includes electronic submission of documents and online applications to streamline the process for both customers and staff, which would lead to significant improvements in efficiency and customer satisfaction.

- Fast-track the implementation of omni-channel communication (voice, web chat, SMS, etc.) and provide funding to hire additional CSC staff.

- Enhance appointment solutions to prioritize customers with appointments but integrate it with a queueing system that allows walk-ins to wait in line rather than scheduling them to come at a later time or make them go to a different location.

- Implement automatic reminders 3 weeks before appointment, 3-5 days before appointment, and 3 hours before appointment to reduce no show rates.

- Change policy to only allow customers to check-in once they are physically present on-site to reduce wait times.

- Establish a system where doctors can submit eye exam results and that allows customers to submit photos (similar to how U.S. Dept. of State accepts passport photos) to allow multiple online renewals, which would further alleviate DLO capacity burdens.

3.1.1.3. Communication

To enhance public understanding and streamline the customer experience, these recommendations focus on improving DLD webpage clarity and accessibility, using visuals for document identification, and establishing a dedicated social media presence managed by a DLD-integrated Communications and Social Media Manager (CSMM). Recommendations are:

- A two-pronged approach to improve the user experience of the DL website. 1) Content Revamp: Partner with a professional content editor to streamline website copy, making it concise, clear, and easy to understand. 2) UX Design Optimization: Engage a UX design specialist to redesign the website interface with a focus on intuitiveness, ease of navigation, and reduced user effort.

- Feature clear visuals for Primary, Secondary, and Supporting Identity documents (in a format similar to USCIS) on DLD/DPS website.

- Establish a dedicated social media presence for DLD. DLD-specific Communications and Social Media Manager (CSMM) should develop new DLD-specific social media pages and manage the content creation. CSMM should operationally report to DLD but be part of the PIO division. The CSMM should be fully integrated with DLD staff to gain in-depth knowledge of the common questions, complaints, and misconceptions from the public, new initiatives, which can be highlighted or addressed in public information campaigns, as well as achievements and contributions of the DLD.

3.1.2. Recommendations to improve procurement of information technology

3.1.2.1. Staffing and Operations

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

- Provide funding to hire a dedicated 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 absolutely critical to enhancing effectiveness and efficiency. These positions should include additional Scrum Masters, aids for Scrum Masters, business analysts, and Agile Integrators.

3.1.2.2. Contracting and Procurement Processes

Procurement and implementation of Technology is a complex, multi-year, and expensive process. State contracting rules, which were developed under a waterfall procurement process rather than today's agile procurement process, also add to the complexity in developing the next generation of software to provide driver license issuance.

- Provide the authority to publish draft RFOs for tech solutions to the vendor community for feedback, prior to the final RFO, to reduce barriers to effective and efficient procurement of technology.
- Implement and integrate agile procurement as a policy at the state level and in DPS/DPS-DLD.

3.1.2.3. Structural and Approval Challenges

These complex statutory/legislative processes, while a function of the size and missions of the DPS, DLD, and DIR, produce structural and approval bottlenecks. The procurement process is structured to ensuring the best value in procurement for the state is met, which may not always lead to efficiency in procuring technology. Recommendation is:

- Re-evaluate the TXRAMP requirement to enable agency leadership to document and accept risk in certain cases, including while waiting for vendors to be able to complete the TXR certification process, to enable agencies to enter into a contract that is not considered void statutorily when the risk of not having the contract is greater than the risk of the TXR certification process not yet being complete. This would also require the agency's cyber team to review and weigh-in on risk to ensure it is tolerable.

- Authorize a blanket exemption for DLD for IT services.
- Authorize a higher capital budget authority than the current $500,000 limit given to DPS for information technology purchases.
- Authorize Unexpended Budget (UB) authority for technology procurement.

3.1.2.4. Funding

As noted throughout this report, funding of DLD is insufficient to meet the needs and expectations of the Legislature and the residents of Texas in 'getting my driver license'. It is expensive to make improvements or fixes to the legacy DLS. Therefore, a move to a new system will require significant funds to procure a modern DLS type system.

- Fund modernizing the DLS legacy system. It is the core component for improving efficiency and effectiveness, reducing wait times, improving customer service, and facilitating customers shifting to online transactions.
- Increase funding for the DLD in the capital budget.

3.1.3. Recommendations to incentivize online transactions

Streamlining the Driver License (DL) website is crucial for enhancing public access to information and improving the overall user experience. The recommended two-pronged approach focuses on both content clarity and user interface design. Recommendations include the following:

- Content Revamp: Partner with a professional content editor to streamline website copy, making it concise, clear, and easy to understand.
- UX Design Optimization: Provide funding to hire a UX design specialist to redesign the website interface with a focus on intuitiveness, ease of navigation, and reduced user effort.

3.1.4. Timeline considerations

The Study Team in discussions with DLD division and DPS IT, Procurement and IDO divisions, noted that developing a timeline for implementation of recommendations to reach the goals set out in Rider 51 is complex. Given the importance of a driver license as a critical document that legitimizes a person's identity and facilitates participation in many aspects of modern life, mistakes cannot be made in the approaches taken to facilitate improving effectiveness and efficiency in DLD service provisions. Modernizing the DLS is without doubt a critical factor to improving customer service and improved efficiency and effectiveness, reducing wait times, and facilitating customers shifting to online transactions.

The DLS also integrates into other DPS systems for law enforcement purposes, and under interstate compacts and agreements with the American Association of Motor Vehicle Administrators

(AAMVA) systems and other state to state systems. As an example, Texas is a member of the Driver License Compact. The Driver License Compact (DLC) was created to provide uniformity among member jurisdictions when exchanging information with other members on convictions, records, licenses, withdrawals, and other data pertinent to the licensing process.

Federal mandates must also be considered in this process, as at some points states must modernize their systems to federal regulatory requirements. The Department of Homeland Security has indicated that participation in the State-to-State (S2S) verification service is required for a state to be REAL ID compliant, as the REAL ID Law requires that states ensure that a person holds only one REAL ID credential. S2S is managed by AAMVA, but grants are available to the states to offset costs associated with the implementation and operation of the S2S service. A DLS outage in September required the addition of infrastructure due to AAMVA's S2S system integration with the DLS and the increased, unanticipated demand in traffic on DLS. DLS was down for a week managing this process.

Multiple factors also interact and play a role in what is realistically achievable. What might be considered quick wins or easy targets could be achieved within a biennium if the legislature provides funding. Looking at the IT Roadmap that was shared with the Study Team, projects are averaging anywhere from 4 quarters (12 months) to 10 quarters (40 months), depending upon complexity. Modernizing DLS is currently placed into FY2027 Q1. Looking at procurement alone, DPS Procurement Division noted that the mean for RFO procurements is 311 days. Add to this developing a business case, developing specifications, negotiating the contract, and then developing, implementing and testing a product.

Chapter 4. Conclusion

The Driver License Division (DLD) faces significant challenges in delivering exceptional customer service. Budgetary constraints, staffing shortages, and outdated technology are major barriers hindering efficiency and creating long booking times to get an appointment. Booking time is the number of calendar days between the date a customer schedules an appointment, and the date of the appointment. However, this report is not just a problem statement; it proposes a comprehensive set of recommendations to improve DLD's effectiveness and efficiency.

The Study Team conducted a comprehensive analysis to identify areas for improvement. This included customer service and DLD employee surveys, interviews, a workshop with the ETG, field visits to Driver License Offices, obtained Business Intelligent Team (BI Team) Reports and other study publications by professional consultants, and obtained data either directly from DLD personnel or using a DPS laptop and the DLS database. Based on this information, the Study Team identified deficiencies that relate to customer service and wait times, procuring technologies to enhance customer facing services, and incentivizing online transactions to reduce in-person visits to DLOs.

The Study Team categorized deficiencies as operational-level if the impact primarily affected DLO operations in the field or as enterprise-level if the impact primarily affected HQ and its ability to plan for the future and manage risk, obtain sufficient funding, conduct budget management, procure technology systems for statewide implementation, forecast future trends, and develop strategies or internal performance measures to meet future needs.

The Study Team identified recommendations to address operational and enterprise deficiencies to improve efficiency and effectiveness related to improving customer service, implementing customer facing technology strategies that can reduce wait times, improve reliability and enhance efficiency by increasing the number of customers served. However, although appointment booking times, no-show rates and employee turnover were not directly cited among the study objectives, the Study Team believes these performance considerations are very important in meeting customer service expectations and improving efficiency and effectiveness.

Though DLD reported average booking times in the Rider 29 Fiscal Year 2023 Driver License Services Report to the Office of the Governor, there is no performance measure for booking time. Booking time is often cited by customers, the media, and in the Study's Customer Survey as a concern. Long booking times can cause frustration and concern among driver license holders who are unable to find an appointment before their driver license date expires. This can affect the ability of a citizen to keep their job or to get a job based on conversations with customers outside mega-centers visited by the Study Team during this study.

High no-show rates further limit appointment availability. The no-show rate is the percentage of customers with an appointment who did not arrive at a DLO on the appointment date (29.9% on

average in 2023 per the Driver Services FY23 Report). High no-show rates artificially lower the number of available appointments.

Also, the Study Team identified recommendations to reduce employee turn-over rates which also can improve customer service and reduce wait times. As stated in the DLD 2023 Report to the Governor's Office:

> "Customer satisfaction follows the count of authorized FTEs. Customers want to complete their business at DLOs quickly and efficiently without long wait times."

In 2023, there were 328 LPS vacancies reported by DLD in the Combined Organization and Strength Charts (an excel spreadsheet showing DLD regions and filled and vacant FTE positions) primarily among the DLO and mega-center staff. The Study Team also found that a high turnover rate exists among LPS IIs.

The Study Team found that although DLD awards one-time merit increases to selected employees who demonstrate high performance, DLD does not have an annual merit-increase budget or plan for awarding merit increases to employees which increases their monthly salary and retirement benefits. LPS employees, who comprise a large percentage of DLD FTEs, typically have the same salary for the same grade level across the state (LPS II, III, IV or V) which also supports that annual merit increases are not awarded. Further, the pay level for LPS employees is in the lower quarter of the salary range for this job title, rather than at the 50% range as is assumed by the SAO when evaluating statewide pay scales. Thus, the Study Team believes that a pay level that is well below 50% of the allowable pay range and lack of a merit system affect high turn-over rates for LPS IIs which exceeds 22% annually. This reduces the ability of an understaffed DLO to serve customers, increases employee training costs, and results in a percentage of LPSs being new and only able to process less complex transactions. The result is longer waiting times, fewer customers processed, and longer booking times.

Moving forward, the path toward DLD effectiveness and efficiency requires a multi-pronged approach:

Budget and Staffing

At the heart of DLD's concerns lie financial limitations. Unfunded legislative mandates compound this issue by further straining the budget. Inadequate salary compensation restricts the ability to hire and retain qualified staff, impeding efficient operations. DLD is further constrained by limited FTE positions in critical areas such as the CSC. By providing additional FTE positions for customer communication positions DLD can address the growing gap in customer demand. Next, tackling staffing issues requires a competitive compensation strategy. Raising the pay for License and Permit Specialist (LPS) positions to the midpoint of the salary range will improve retention rates. This should be coupled with a system for awarding merit increases and incentivizing high performance.

Modern Technology

Technology plays a pivotal role in modernizing DLD. Implementing a paperless process will bring significant efficiency gains. Additionally, establishing appointment scheduling limits will help eliminate long appointment booking times and wasted capacity. Further, enhancing the CSC with omni-channel communication options will provide greater flexibility and convenience to DLD customers and divert calls from customers. The effectiveness of these initiatives can be further maximized by implementing clear performance metrics for staff and providing real-time data access. This can empower employees to continuously improve their service delivery.

Modernizing DLD's legacy systems, particularly the DLS, is critical for long-term efficiency gains. However, complexities surrounding federal mandates and system integrations necessitate a realistic approach. Unspent balance (UB) authority for technology modernization is vital. Further, granting DLD an exemption from standard IT procurement practices, such as ability to publish draft RFOs for technology solutions for vendor community feedback prior to development of the final RFO, will allow greater agility and faster implementation of technology solutions.

Modernizing IT procurement processes requires additional measures. Hiring dedicated IT staff will facilitate agile software development practices, allowing for quicker and more responsive software updates. Streamlining contracting procedures through draft RFO publication and implementing agile procurement practices will eliminate unnecessary delays. Additionally, re-evaluating the TX-RAMP requirements for risk management will ensure sufficient risk mitigation without hindering progress.

Communication

Encouraging online transactions will significantly reduce in-person wait times and streamline the customer experience. To achieve this, DLD website needs a complete overhaul. Content should be clear, concise, and easy to understand, guiding users intuitively through the process. A user-friendly website design, optimized for mobile devices, will further encourage online transactions.

DLD currently lacks a dedicated public communications channel. Establishing a targeted social media presence, managed by a DLD-dedicated Social Media Manager, is critical to address public concerns and disseminate vital information that can impact customer service. This comprehensive communication strategy will not only reduce confusion but also foster a sense of trust and transparency with the public.

Conclusion

Implementing the recommendations within this report necessitates an unwavering commitment from leadership, legislative support, and collaboration between DLD staff and stakeholders. With unwavering dedication to these proposed solutions, DLD can achieve significant progress toward exceptional customer service, reduced wait times, and a more attractive and efficient online experience. This comprehensive strategy aligns with Rider 51's objectives and paves the way for a future-proof DLD that meets the needs of its customers.

Appendix A. Additional Visuals

Table 11 DLD Regions with statistics including Customers served, number of FTEs, Vacancies, Workstations and other factors

1	2	3	4	5	6	7	8	9	10	11	12
Region	Number of Small, Medium or Large DLOs	Number of Mega Centers	Customers Served in 2023 at DLOS	Nr. of FTEs	FTE Vacancies	Available FTEs	Nr. of BCS Workstations	DLD Region Population	Average Wait Time (this Region) Minutes	Average Original License Booking Time (this Region) (Days)	Average Renewal Booking Time (this Region) (Days)
1A - Garland	14	2	460,704	257	56	201	151	3,524,564	22.8	33.5	12.4
1B - Fort Worth	13	1	545,804	251	47	205	126	2,988,070	27.5	36.3	13.4
1C - Carrollton	20	1	537,160	258	50	208	136	2,725,644	15.3	37.1	16.1
2A - Houston	5	2	459,729	246	43	203	139	4,373,929	15.0	8.7	3
2B - Houston	23	1	631,361	262	44	218	115	2,144,428	15.1	5.5	3.9
2C - Rosenberg	6	2	500,012	260	52	208	121	1,939,377	20.4	2.5	2.3
3 - Weslaco	21	2	504,711	251	36	215	133	2,411,332	14.4	9.5	3.6
4 - El Paso	23	1	343,385	193	43	150	92	1,521,574	10.5	9.3	3.9
5 - Lubbock	48	0	287,364	166	28	138	98	1,406,583	6.6	10.2	5
6A - San Antonio	23	1	511,838	251	56	195	122	3,337,761	21.4	37.3	14.5
6B - Pflugerville	23	1	464,454	243	96	147	124	2,873,746	22.0	35	15.3
Totals or Average	**219**	**14**	**5,246,522**	**2638**	**551**	**2088**	**1357**	**29,247,008**	**17.4**	**20.4**	**8.5**

Note: Starting with Column 1 **Region**, Data for columns 1 – 4, and 10 – 12 was obtained from the FY 2023 DLD Report to The Office of the Governor. Data for columns 5 – 6 was obtained from the Combined Organization and Strength Charts October, 2023, Data for Column 8 was obtained from the 2023 DLD Facilities Master List, Population Data for Column 9 was obtained from the Texas Demographic Center. BCS = Biometric Capture System.

Note: The number of vacancies varies from month to month depending on hiring success, departures, region of the state, the economy, competitive salary rates and other factors. Major metropolitan areas tend to have the highest vacancy rates and turn-over rates.

Table 12 Overall Respondent Characteristics

Characteristic	Value
Sex	*n = 1125*
Male	19.1%
Female	77.6%
Transgender, non-binary, or another gender	0.4%
Prefer to not say	2.9%
Age (years)	*n = 1125*
18-20	0.3%
21-29	7.7%
30-39	22.7%
40-49	26.9%
50-59	28.8%
60-69	13.2%
70-79	0.4%
80 or older	0.1%
Race and Ethnicity (Select all that apply)	*n = 1125*
American Indian or Alaskan Native	4.3%
Asian	3.8%
Black or African American	21.0%
Hispanic or Latino	32.8%
Middle Eastern or North African	0.3%
Native Hawaiian or Pacific Islander	0.7%
White	49.7%
Prefer to Self-Describe	3.1%
How long have you been working for DLD?	*n = 1125*
Less than 1 year	7.7%
1 year to 2 years	5.8%
More than 2 years to 5 years	25.4%
More than 5 years to 10 years	27.3%
More than 10 years to 15 years	21.7%
More than 15 years to 20 years	6.2%
More than 20 years to 30 years	4.9%
More than 30 years	1.0%
Job Title	*n = 1125*
License and Permit Specialist	74.0%
Lead Worker	6.8%
Supervisor	9.8%
Assistant Manager	2.8%
Manager	0.8%
Senior Manager or higher	0.1%
Other (please enter)	6.1%
Do you work at DLO, HQ, or CSC?	*n = 1125*
Driver License Office	85.9%
Headquarters	11.3%
Customer Service Center	2.8%
In your role, do you supervise other employees?	*n = 1125*
Yes	22.3%
No	77.7%

Table 13 DLO-specific Respondent Characteristics

Characteristic	Value
Did you work at DLO prior to appointment system (May 26, 2020)?	*n = 1097*
Yes	69.7%
No	30.3%
*Do you mainly work in a customer facing position?**	*n = 998*
Yes	87.9%
No	12.1%
Do you make the work schedule for your office?	*n = 998*
Yes	21.6%
No	78.4%
At which office location do you work? (Region)	*n = 954*
1A-Garland	10.6%
1B-Fort Worth	9.6%
1C-Carrollton	10.4%
2A-Houston	7.0%
2B-Houston	5.3%
2C-Rosenberg	10.4%
3-Westlaco	11.1%
4-El Paso	5.7%
5-Lubbock	7.2%
6A-San Antonio	8.2%
6B-Pflugerville	8.3%
Prefer to not respond	6.2%

* Also asked to respondents indicating they worked at the CSC

Table 14 Challenges Logged from BIT Reports

Challenge Category	No. of Challenges Recorded	Solutions Offered
Appointment Publishing (FIFO/Layered/ratios)	**60**	Expand publishing frequency in APPLUS by publishing appointments in consistent intervals to increase availability for the public. Example: 10% - 180 days out, 20% - 90 days out, 30% - 30 days out, 20% - 7 days out, 20% - same day
		Combine long and short appointments when publishing in TX Scheduler, enabling customers to select based on their needs
		The FIFO method will increase the long appointment ratio to 2:1
		By adjusting the long and short appointments to an approximate ratio of 2:1, the current long appointment availability should decrease over time
		Increase general appointments during higher no-show time slots (e.g. between 09:00-11:00)
Ad-Hoc Messaging	**20**	Expand the use of ad-hoc messaging to include both long and short applicants. Leads can alternative to send ad-hoc messages daily or weekly to customers, to reference documents required and serve as a reminder of the next day or upcoming appointment.
		Utilize the Ad-Hoc messaging feature in APPLUS to provide reminders the day before the appointment regarding required documents
		Establish a routine of sending weekly ad-hoc messages to all customers by appointment type. Send messages once per week for appointments scheduled the following week.
		Streamline the messaging process by utilizing pre-set messages that can be copied and pasted into the message window
Morning Procedures / Vetting	**19**	Customers with appointments should have their documents checked at the information desk to decrease customer wait times
		Provide customer office email to send documents if they have forgotten etc. or wish to check / print when applicable
		Have a second employee or lead / supervisor assist with the morning triage at the kiosks and information desk in the morning
		Create QR codes to hand out to customers and post in visible areas that direct them to the DPS website
		Verify documents of customers with a long appointment at minimum. Vetting reduces customer wait times and decreases employee service times
		Send first round of customers with appointments directly to workstations to avoid congestion at the entrance upon opening. Then direct remaining customers to the information desk for document check
Same-Day Appointments	**17**	Publish the bulk of same-day appointments as Generals for customers to obtain early in the morning and throughout the day at their convenience online
		Make verbal announcements in the morning while outside about same-day appointments; available Monday-Friday starting at 8am. This will help to discourage long lines from forming outside the building in the early morning hours
		Publish Fast Tracks daily to assist local residents at the kiosk, and limit the waiting outside the DLO
Vacancies & Staffing	**13**	Temporarily request personnel assistance from other driver license offices in the area. The Mega Centers typically have more staff available and could assist at the typing stations until new hire training is complete and vacancies are filled

		As vacancies exist, reduce Class C road tests. This will allow the extra employee to work at a station to process customers. The number of long appointments can be increased on the days with reduced road test appointments
		Create a communication system so smaller offices can easily ask large offices and mega centers to provide personnel assistance when short staffed. This provides a good opportunity for an LPS to cross-train and learn operational procedures in a small to medium DLO. This is also another way for supervisors to build strong working relationships with each other and their staff
		While vacancies exist, reduce or temporarily eliminate Class C road tests
Service Time	**11**	Remind staff of the importance of closing tickets appropriately, especially when leaving a station to cover another position, during lunch and breaks and departure for the day.
Staff Recognition	**10**	Highlight the office's successes and areas that can use improvement. Include transaction totals and office Google Reviews.
		Post team activity monthly or quarterly to keep everyone aware of their productivity and the public's perception of the office
		Acknowledge individual achievements with employees one-on-one. This motivates them to continue striving for excellence and setting higher personal goals
		Implement a monthly / quarterly staff recognition program with diverse categories. Candidates can be nominated by staff or chosen by leadership. Examples include: Friendliest LPS, Best Team Player, Most Individual Goals Met. Example Rewards: Workstation or work-shift choice for the day/week, Employee Parking space for the week/month
Appointment Template	**9**	Based on recommendations of appointment changes, the template of appointments can be configured using combined long and short appointments layered publishing from 180 days to Same-Day and a mix between general and kiosk appointments
		Update templates to remove those that are obsolete, making it easier to train others, and quicker to add the newly configured systems
Employee Schedule	**8**	Replace the 4/10 work shift with a global standard 5/8 schedule for all staff
		Rotate staff to different stations weekly (instead of daily).
		Prioritize keeping typing stations and the information desk filled throughout the day
		Ensure staff are ready to handle morning schedule by having 2/3rds of LPSs begin before 8 am
		Prioritize the morning triage and filling the typing stations
		The Class C testers can rotate with counter positions during summer weather
Office Efficiency	**8**	When the lead is acting as the office supervisor for long periods of time during the week, they should be granted further discretion and capacity to make decisions. This can reduce some of the phone calls and red tape for approvals
		Create a mobile information desk with a computer in the lobby to assist with customer questions, pre-typing, vetting applications during peak customer volumes
Return Customers	**8**	Utilize DPS only or Fast Track Appts to give return customers same-day appointments to retrieve documents and reduce customer stress
		Publish DPS Only Appointments (combine longs & shorts) for employees to use for return customers. Set the slot size to 60 minutes for employees to quickly identify in TX Scheduler. These appointments are not available to the public online or at the kiosk in the office. They can provide flexibility for office staff
Leadership	**6**	Rotate Office Duties - Creating a rotating schedule for supervisors and leads to managing the weekly employee schedule, publish appointments, send ad-hoc messages, and maintain monthly reports. This will promote cross-training for everyone
		Visit With Your Direct Reports - Individually meet with employees at least semi-annually to discuss their personal stats, career interests, and goals

		Increase Transaction Volume - Provide clear expectations to motivate staff to process more transactions
		Increase leadership visibility - Make frequent rounds by walking the floor and through the pods each day. This will make leadership more accessible for questions and customer complaints.
		Schedule Regular Supervisor Meetings - Bi-weekly meetings among supervisors will keep everyone on the same page regarding policy interpretation, office procedures and personnel issues
		Schedule Regular Staff Meetings - Quarterly staff meetings keep employees informed and updated regarding office initiatives, encourages participation and problem resolution
		Implement Rotating Schedules - Create a rotating schedule for supervisors and leads to manage the weekly employee schedule, publish appointments, send ad-hoc messages and monthly reports
		Improve Office Efficiency - Work together to improve office flow and keep typing stations filled throughout the day
		Increase Transaction Volume - Motivate staff to increase their transactions processed. Establish personal goals for each employee to achieve over a six-month period and hold them accountable
		Employee Motivation - Encourage healthy competition and recognize top performing employees by metrics. These metrics can include the number of transactions processed, Class C Skills Tests administered, and reduced service times
		Visit Other Mega Centers - Supervisor visits to other high performing mega centers, creates an opportunity to observe and ask questions regarding operations and APPLUS Management. This observation could provide a chance to engage with other supervisors and learn more about other offices of equal size and resources
Class C Road Exams	**5**	Reduce Class C road exams to three days a week. More long appointments could be added on the days when Class C appointments are not scheduled. Road tests could be increased from 6 to 8 appointments on the reduced days. Possibly consider eliminating road tests to focus on processing more transactions