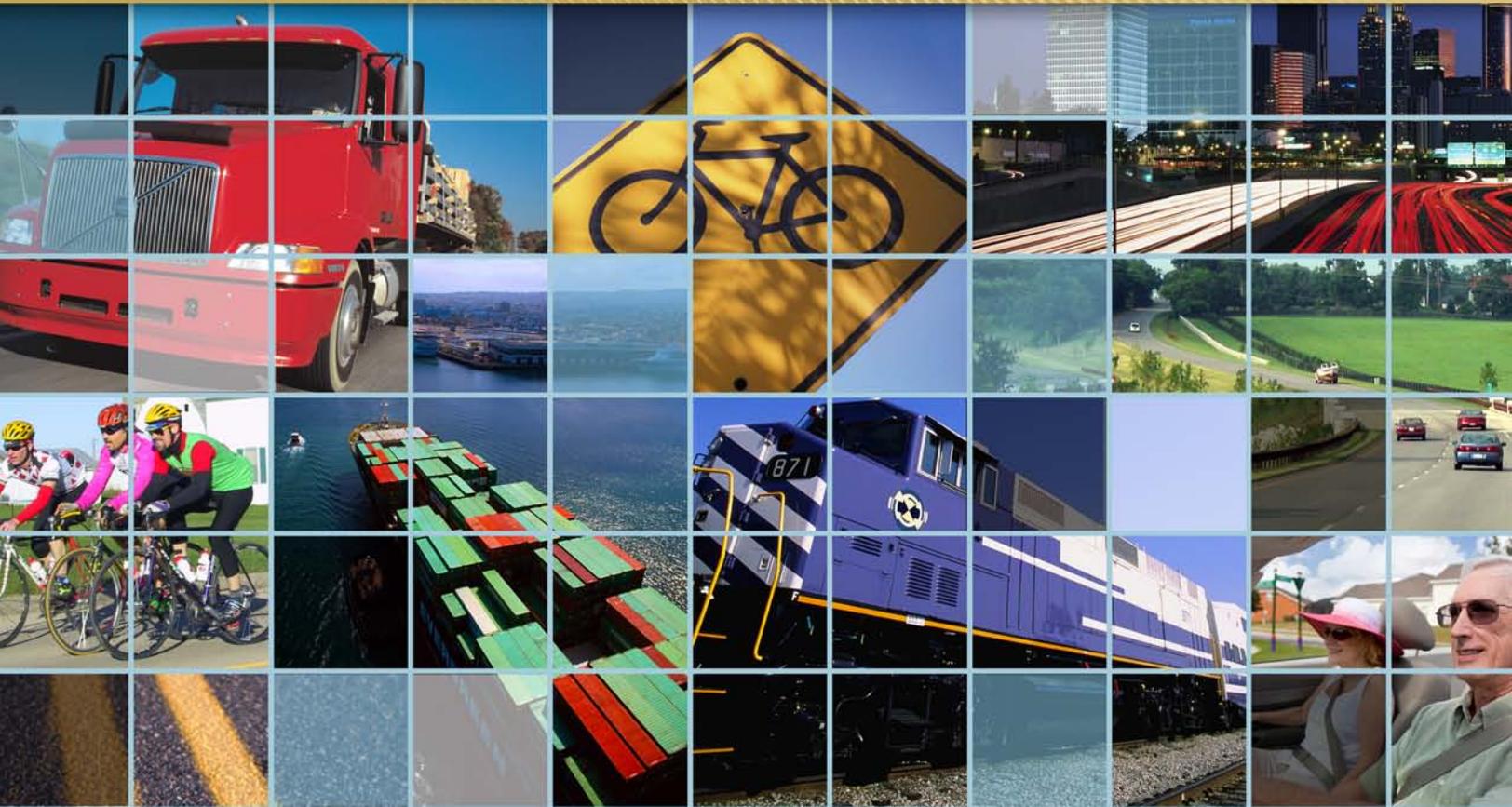


# FY 2013 – FY 2017 Strategic Plan



**FY 2014 Update**

**Organizational Performance  
Management**

**Georgia Department of  
Transportation**



# **FY 2014 Strategic Plan Update**

**Organizational Performance  
Management**

**Georgia Department of  
Transportation**

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# Executive Summary

The Georgia Department of Transportation (Georgia DOT) recognizes the value of strategic planning and regularly updates its strategic plan to reflect the current priorities of the department. Strategic planning establishes an accountable framework that supports the agency's actions and makes clear to citizens what the agency does and why.

Georgia DOT is committed to conducting business efficiently, communicating openly and collaborating effectively with its internal and external partners. This plan identifies the challenges, risks, and opportunities Georgia's transportation system will face in the coming years, and the strategies the department will use to maintain a safe and efficient transportation system.

The Strategic Plan guides the department's priorities for the next three to four years. It provides a broad roadmap, outlining where the agency currently stands, what it wants to look like in the future, and what actions it must take to get there.

## LINKING TO GEORGIA'S STRATEGIC PLAN

The Georgia DOT Strategic Plan is not done in isolation from other planning activities in the State. The Georgia DOT Strategic Plan has been prepared to be consistent with the State's Strategic Plan. The vision for the Georgia State Strategic Plan, developed by Governor Nathan Deal, is "*A lean and responsive state government that allows communities, individuals and businesses to prosper.*" The plan identifies six strategic goals in the areas of education, mobility, economic growth, health, safety and responsible and efficient government.

Georgia DOT, like all state agencies, has a role in implementing the state strategic priorities and in linking the state strategic plan to the Georgia DOT Strategic Plan. Building from Governor Deal's priorities, Georgia DOT's goals focus on planning and constructing the best set of mobility-focused projects, making safety investments and improvements where the traveling public is most at risk, taking care of the transportation infrastructure to ensure mobility and safety, and making Georgia DOT work better.

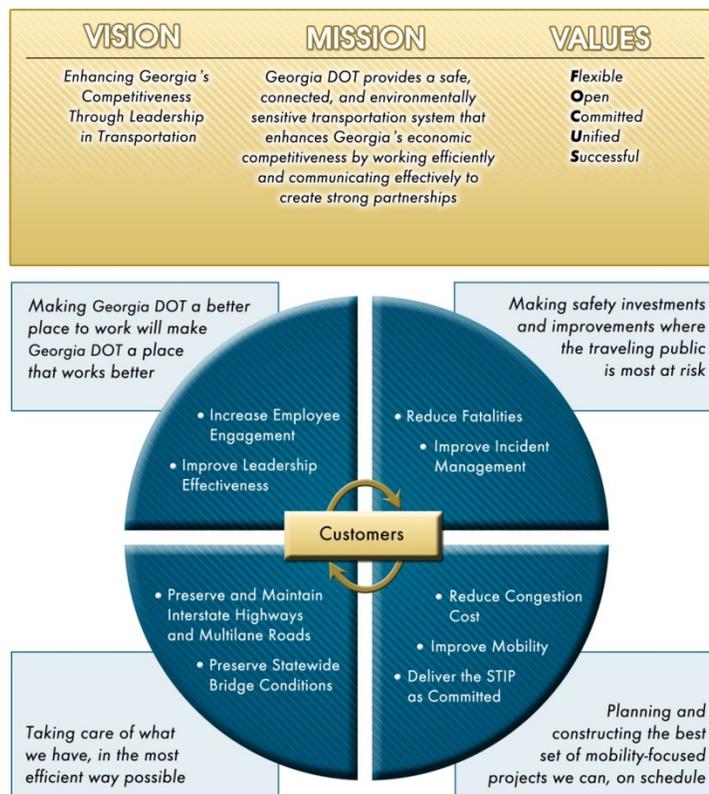
## STRATEGIC PLANNING PROCESS

To develop the 2013-2017 strategic plan, multiple approaches were used to gather internal input and feedback at all levels within the department. The State Transportation Board, Georgia DOT’s leadership team, and employees were all involved in revising the department’s vision, mission, and core values. Demographic and economic data as well as information about the department was reviewed to gain an understanding of the external and internal factors that impact Georgia DOT. This analysis informed the process of selecting objectives and strategies to accomplish the goals established in the strategic plan.

## STRATEGIC PLAN

The strategy map, Figure ES-1, summarizes Georgia DOT’s vision, mission, values, goals and objectives – the core elements of the strategic plan. The plan recognizes the primary responsibility of the agency to plan, construct and maintain the Georgia State Highway System while making Georgia DOT a better agency that is committed to serving the public. This plan focuses on customers as Georgia DOT’s top priority. The strategies in this plan will move the department in the direction of its established goals.

Figure ES.1 Strategic Plan Strategy Map



# 1.0 Introduction

Georgia DOT is committed to conducting business efficiently and communicating openly with its internal and external partners. The Georgia DOT Strategic Plan identifies the challenges, risks, and opportunities Georgia’s transportation system will face in the coming years, and the strategies the department will implement to continue to maintain a safe and efficient transportation system.

Strategic planning helps Georgia DOT be a good steward of Georgia’s transportation system, focusing the department’s attention on moving people and goods safely and efficiently in the State. Strategic planning establishes an accountable framework that helps focus the agency’s actions and makes clear to citizens what the agency does and why. In a world that expects transparency and accountability, a strategic plan is an important tool to make Georgia DOT truly effective.

The department undertakes strategic planning for many reasons: to meet statutory requirements, establish common goals and objectives for the agency, and prepare for the long term. Fundamentally, Georgia DOT’s Strategic Plan focuses the vision and priorities of the agency for the coming years. It is revisited annually to ensure that the strategic direction remains relevant and consistent with the vision of current State and agency leadership and to track progress towards Georgia DOT’s goals and objectives. The 2014 Strategic Plan is comprised of four goals, each with objectives, strategies, action steps and performance measures. These strategies support the agency’s commitment to the ongoing stewardship of the state transportation system.

## An Effective Strategic Plan Will:

- Align organizational units
- Increase the time spent on core business activities
- Manage expectations
- Make the best use of resources
- Enable an agency to conduct business in a transparent and accountable environment.

## 1.1 FOCUSING ON AGENCY GOALS

The real value of strategic planning to Georgia DOT does not come from complying with statutory requirements, but from using the plan to set a direction for the agency and focusing the agency’s resources, its people, equipment and dollars, on the highest priority actions.

The Georgia DOT Strategic Plan provides a broad roadmap, for the department. At its core, the Strategic Plan answers the questions: What do we do? For whom do we do it? And what can we do to maintain a safe and reliable transportation system with constrained resources?

Developing the Strategic Plan also serves as an effective staff development activity. Georgia DOT’s Strategic Plan is intended to engage employees to help shape the agency’s direction and culture. An effective strategic planning process provides the opportunity to help employees understand the goals of the agency, and to see where they fit in and how they can contribute to accomplishing the agency’s goals.

**GEORGIA  
TRANSPORTATION  
FAST FACTS**

- 7 District Offices
- 43 Area Offices
- 148 Maintenance Facilities
- 17 Rest Areas
- 9 Welcome Centers
- 4383 Employees
- 17985 State Highway System Miles
- 6546 Bridges
- 84758 County Road Miles
- 21540 City Street Miles
- 79 Certified HERO Operators
- 14 Urban Transit Programs
- 114 Rural Transit Programs
- 540 Miles of Light Density Rail
- 96 Active Park & Ride Lots
- 104 Publicly Owned Airports

**1.2 FROM STRATEGIC  
PLANNING TO ASSET  
MANAGEMENT**

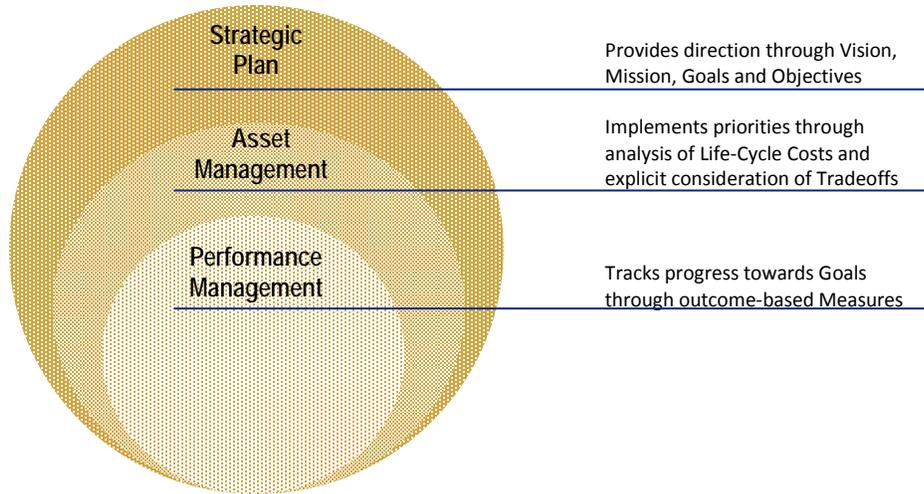
Transportation asset management is defined as:

**“... a strategic process of operating, maintaining, upgrading and expanding physical assets using sound business and engineering practices for resources allocation.”**

Strategic planning is part of an overall effort to manage Georgia DOT. The strategic plan establishes goals and objectives, identifies short-term business strategies, and sets the overall direction for the agency. From there, Georgia DOT uses performance management and asset management to help deliver on the goals and objectives set for the agency.

Figure 1.1 demonstrates the relationship between strategic planning, performance management, and asset management. Performance management is an overall approach to the management of Georgia DOT’s investment decisions that is based on tracking progress towards agency goals through the use of outcome-based performance measures. Measures of actual outcomes are important because they reflect customer priorities, compared to the inputs (labor and materials) and outputs (amount of work delivered) that drive these outcomes.

Figure 1.1 Relationship between Strategic Planning, Performance Management and Asset Management



Asset management is an approach to delivering those inputs and outputs that focuses on minimizing the life-cycle cost of investments (from planning to construction to operation and maintenance). The first phase of the department’s asset management approach focuses on pavement, bridges, the fleet of equipment and signals. The second phase will include other assets such as signs, culverts, retaining walls, etc. The asset management implementation plan outlines strategies to develop a comprehensive asset inventory, consistently manage asset data, ensure data-driven investment decisions, and institutionalize asset management as a business practice at Georgia DOT. It is based on a strategic approach to managing the transportation system and organization that explicitly examines the relationships between inputs, outputs, and outcomes.

### 1.3 LINKING TO GEORGIA’S STRATEGIC PRIORITIES

In Georgia, the State and its agencies are required by OCGA<sup>1</sup> 45-12-73 and 175 to develop a strategic plan. The Georgia strategic planning process has three components (Figure 1.2). The first component is a state strategic plan that provides the vision, direction, and priorities of the State. The second component is an agency strategic plan that aligns with the state strategic plan. The third component is a semiannual agency performance report which agencies use to report progress and performance on their strategic plan, mission critical projects and performance indicators.

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<sup>1</sup> OCGA: Official Code of Georgia Annotated.

Figure 1.2 Georgia Strategic Planning Process



The Georgia State Strategic Plan identifies six strategic goals:

- **Educated** - Developing life-, college-, and work-ready students;
- **Mobile** - Transporting people and products in a 21<sup>st</sup> century Georgia;
- **Growing** - Creating jobs and growing businesses;
- **Healthy** - Accessible care and active lifestyles;
- **Safe** - Protecting the public’s safety and security; and
- **Responsible and Efficient Government** - Fiscally sound, principled, conservative.

*“A lean and responsive state government that allows communities, individuals and businesses to prosper.”*  
 ~Governor Nathan Deal

Georgia DOT, like all state agencies, has a role in implementing the state strategic plan. In particular, Georgia DOT has a prime role in implementing the *Mobility, Safety, and Responsible and Efficient Government* goals. Georgia DOT’s goals include planning and constructing the best set of mobility-focused projects, making safety investments and improvements where the traveling public is most at risk, taking care of the transportation infrastructure to ensure mobility and safety, and making Georgia DOT work better.

## 2.0 Strategic Plan Development

The 2013-2017 Strategic Plan used multiple approaches to gather internal input and feedback at all levels within the department. The State Transportation Board and leadership team, and employees were involved in the process of revising the department's vision, mission, and core values. Demographic and economic data were reviewed, along with department data and information, to

Input and feedback was gathered at all levels of GDOT

gain an understanding of the external and internal factors that will impact Georgia DOT as it seeks to implement this plan. This analysis informed the process of selecting objectives and strategies to accomplish the goals established in the strategic plan. The potential impacts the environmental factors may have on the department are discussed in Section 6.0 – Environmental Scan.

Georgia DOT is governed by a 14-member State Transportation Board. As an important part of the leadership of Georgia DOT, the State Transportation Board provided input into the strategic planning process.

The Board's vision for the department to contribute to the State's economic competitiveness and communicate effectively with its internal and external partners provided guidance in the development of the vision and mission.

Strategic planning requires commitment from senior leadership. Georgia DOT's senior leadership team is responsible for setting the department's overall direction and targets. Members of the leadership team – the Department's Commissioner, Deputy Commissioner, Chief Engineer, and Treasurer – play an important role in developing an effective strategic plan that aligns the agency's goals with the state strategic goals and identifies the critical steps needed to achieve the vision, mission, and core values of the agency. The senior leadership team is responsible for communicating the desired strategies the department will implement to achieve the department's goals and objectives and holding division directors and office managers accountable.

Every employee of the department plays a role in accomplishing the goals identified during the strategic planning process. To gain input from the department's employees, an internal poll was conducted. The internal poll was a useful tool for allowing each Georgia DOT employee the opportunity to participate and express an opinion about the direction of the agency. The result was a mission statement that represented the views of all levels of the agency.



## 3.0 Mission, Vision, Core Values

### 3.1 VISION

The purpose of the vision statement is to answer the question, where does the agency want to be in the long term? Connecting transportation's role with the economic success of the State of Georgia is an important aspiration. Likewise, it was important that the department's vision statement capture the Governor's vision to enhance Georgia's competitiveness.

Georgia DOT's vision statement is:

*Enhancing Georgia's competitiveness through leadership in transportation*

### 3.2 MISSION

At its simplest, the mission statement answers the question, why do we exist? Through the discussions that took place over several months the best descriptors of why the Georgia DOT exists were the department's role in providing transportation leadership, the seriousness with which the department takes its responsibilities and the desire to emphasize working in partnership with citizens and stakeholders.

The mission statement for the Georgia DOT is:

*Georgia DOT provides a safe, connected and environmentally sensitive transportation system that enhances Georgia's economic competitiveness by working efficiently and communicating effectively to create strong partnerships.*

### 3.3 CORE VALUES

The purpose of the core values is to guide agency employees as they conduct their day-to-day business. The core values drive the culture of an organization and remind employees of what is important. As such, the core values provide a way to underscore the agency's desired culture.

Through the strategic planning discussion *FOCUS (Flexible, Open, Committed, Unified, Successful)* was adopted as the overall critical core value. A focused agency will know why strategic and investment decisions are being made and will be prepared to respond when challenges emerge. The Georgia DOT believes that a focused agency and focused employees are **F**lexible, **O**pen, **C**ommitted, **U**nified, and **S**uccessful.

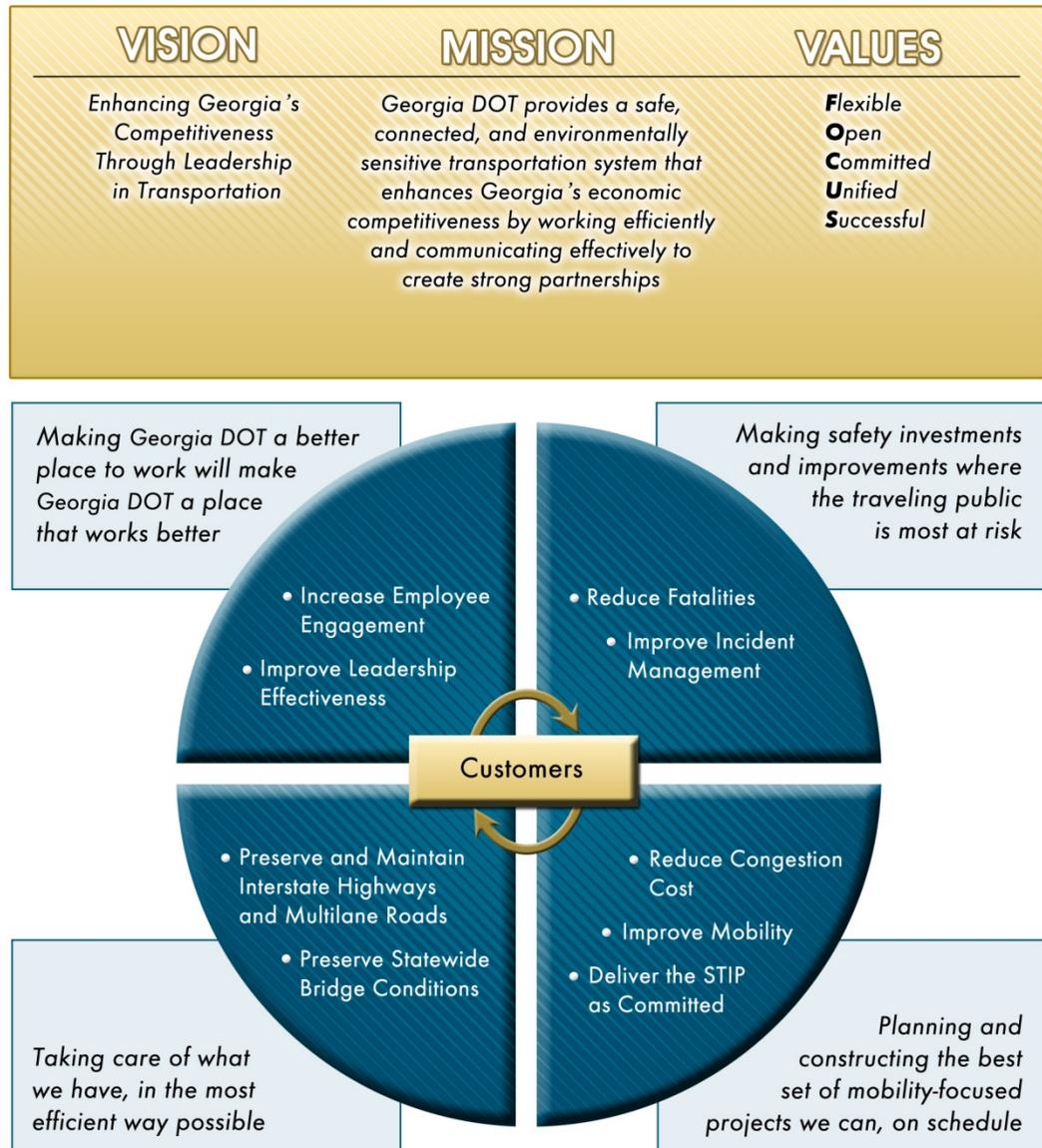
The core values for the Georgia DOT are:



# 4.0 Goals and Objectives

Georgia DOT has adopted four goals as well as objectives to be met for each goal. The “strategy map” in Figure 4.1 is a graphical representation of all of the elements of the strategic plan and shows how they fit together.

Figure 4.1 Strategic Plan Strategy Map



Once goals and objectives are identified, there are often challenges that must be addressed if the goals and objectives are to be met. Table 4.1 identifies critical success factors or actions the departments must take to succeed in accomplishing its goals and identifies the potential risks that might prevent accomplishing the goals and objectives.

**Table 4.1 Adopted Goals and Objectives**

Goals	Objectives	Critical Success Factors	Risks
<i>Making Georgia DOT a better place to work will make Georgia DOT a place that works better</i>	<ul style="list-style-type: none"> <li>• Conduct and track training activities for the 3<sup>rd</sup> Cohort of the Succession Planning Program (18 months)</li> <li>• Improve employee engagement by increasing participation rate in the next Employee Survey by 10%</li> </ul>	<ul style="list-style-type: none"> <li>• Support from the Legislature</li> <li>• Committed management</li> <li>• Establishment of effective training programs</li> <li>• Education of employees of the positive changes taking place as a result of employee survey</li> </ul>	<ul style="list-style-type: none"> <li>• External issues could distract the agency</li> </ul>
<i>Making safety investments and improvements where the traveling public is most at risk</i>	<ul style="list-style-type: none"> <li>• Reduce the number of fatalities from 1199 in CY2012 to 1158 in CY2013</li> <li>• In CY 2013, reduce the number of intersection fatalities by 10 as compared to last year</li> <li>• In CY2013, reduce the number of pedestrian fatalities by 9 as compared to last year</li> </ul>	<ul style="list-style-type: none"> <li>• Support from and coordination with various state and local agencies involved with safety and incident response</li> </ul>	<ul style="list-style-type: none"> <li>• Limited funding</li> <li>• Lack of coordination with local agencies</li> </ul>

<p><i>Taking care of what we have, in the most efficient way possible</i></p>	<ul style="list-style-type: none"> <li>• During FY2014, maintain Georgia's Interstates such that 90% or more are in "Fair" or better condition. (COPACES rating of 75 or more)</li> <li>• During FY 2014, maintain Georgia's non-Interstate roads such that 90% or more are in "Fair" or better condition. (COPACES rating of 70 or more)</li> <li>• During FY 2014, maintain 85% of State-owned bridges to meet or exceed the GDOT standard (strength and condition)</li> <li>• By the end of FY 2014, resolve 75% of all customer inquiries within the 3-day resolution time frame</li> </ul>	<ul style="list-style-type: none"> <li>• An institutionalized asset management system</li> <li>• Adequate preservation funding</li> </ul>	<ul style="list-style-type: none"> <li>• Maintaining adequate funding for preservation</li> </ul>
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<p><i>Planning and constructing the best set of mobility-focused projects we can, on schedule</i></p>	<ul style="list-style-type: none"> <li>• By the end of FY 2014, complete Plan Development and Construction of projects per the programmed year in the currently approved STIP</li> <li>• In FY2014, complete construction of 80% or more of all projects within contract time and 90% of all projects within budget</li> <li>• Make significant progress in CY 2013 on implementing MLSP projects beginning with the I-75/I-575 NW corridor and the I-75 South corridor</li> <li>• During FY 2014, continue project development activities on other key MLSP identified corridors, such as SR 400 (north of I-285); I-285, between I-75 and I-85; and I-85 north of Old Peachtree Road to Hamilton Mill Road</li> <li>• Include not less than one project from the MLSP within the 2014-2017 STIP to be developed as a P3 in calendar year 2013</li> </ul>	<ul style="list-style-type: none"> <li>• Agency-wide focus on project delivery and implementing procedures to enhance delivery and control costs</li> </ul>	<ul style="list-style-type: none"> <li>• Limited funding</li> <li>• Difficulty changing focus and finding operational approaches to congestion</li> </ul>
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## 5.0 Strategies

The department has identified strategies that, if implemented, will move the agency in the direction of the established goals. Georgia DOT has also identified measures to assess how well or if the agency has implemented these strategies. Each of the strategies has been assigned to a Division or an Office for implementation and tracking. The 2014 strategies for each goal are identified in Tables 5.1.

**Table 5.1 Goal 1 Strategies**

<i>Goal 1 – Making Georgia DOT a better place to work will make Georgia DOT a place that works better</i>			
Objective	Action Step/Strategy	Measure/Target	Division (Office) Responsible
Complete 18 month training of the third cohort of the Succession Planning Program by January 2015	Conduct and track training activities for the 3 <sup>rd</sup> Cohort of the Succession Planning Program (18 months)	Percent of the Succession Planning training completed by the third cohort by January 2015 (target 100%)	Administration ( <i>Human Resources</i> )
Improve employee engagement by increasing participation rate in the next Employee Survey by 10%	Establish a new employee survey instrument that focuses on employees and their work environment	Percent change in the Employee Survey participation rate as compared to last survey year (target 70.6%)	Organizational Performance Management

**Goal 2 Strategies**

<i>Goal 2 – Making safety investments and improvements where the traveling public is most at risk</i>			
<b>Objective</b>	<b>Action Step/Strategy</b>	<b>Measure/Target</b>	<b>Division (Office) Responsible</b>
Reduce the number of fatalities from 1199 in CY2012 to 1158 in CY2013	Continue implementation of the GA Strategic Highway Safety Plan (SHSP)	Number of fatalities in the Calendar Year (CY). (Target: 41 or less than previous CY)	Permits and Operations <i>(Traffic Operations)</i>
Reduce the number of fatalities from 1199 in CY2012 to 1158 in CY2013	Continue implementation of the Roadway Departure Implementation Plan	Number of fatalities in the Calendar Year (CY). (Target: 41 or less than previous CY)	Permits and Operations <i>(Traffic Operations)</i>
In CY 2013, reduce the number of intersection fatalities by 10 as compared to last year	Continue implementation of the Intersection Safety Implementation Plan	Number of intersection fatalities for the Calendar Year (Target 10 or less from the previous CY))	Permits and Operations <i>(Traffic Operations)</i>
In CY2013, reduce the number of pedestrian fatalities by 9 as compared to last year	Develop and implement a Pedestrian Safety Action Plan	Number of pedestrian fatalities for the Calendar Year (Target 9 fatalities or less than the previous CY)	Permits and Operations <i>(Traffic Operations)</i>

Goal 3 Strategies

<i>Goal 3 – Taking care of what we have in the most efficient way possible</i>			
Objective	Action Step/Strategy	Measure/Target	Division (Office) Responsible
During FY2014, maintain Georgia's Interstates such that 90% or more are in "Fair" or better condition.	Develop a detailed pavement management implementation process for Interstates through the Georgia Asset Management System (GAMS)	Percentage of Interstate routes at a 'Fair' or better condition (COPACES rating of 75 or more) by the end of FY 2014	Permits and Operations (Maintenance)
During FY 2014, maintain Georgia's non-Interstate roads such that 90% or more are in "Fair" or better condition.	Develop a detailed pavement management implementation process for the Interstates through the Georgia Asset Management System (GAMS)	Percent of State-owned multilane, non-Interstate roads at a 'Fair' or better condition (COPACES rating of 70 or more) in FY 2014.	Permits and Operations (Maintenance)
During FY 2014, maintain 85% of State-owned bridges to meet or exceed the GDOT standard (strength and condition)	Implement element level inspections on state-owned structures	Percent of State-owned bridges that meet or exceed the GDOT standard (strength and condition) in FY 2014	Engineering (Bridge Design)
By the end of FY 2014, resolve 75% of all customer inquiries within the 3-day resolution time frame	Decrease the response time for resolution of customer inquiries (replaces Public Opinion Poll)	Percentage of customer inquiries resolved within the 3-day resolution timeframe in FY 2014 (target 75%)	Communications

Goal 4 Strategies

<i>Goal 4 – Planning and constructing the best set of mobility-focused projects we can, on schedule</i>			
Objective	Action Step/Strategy	Measure/Target	Division (Office) Responsible
By the end of FY 2014, complete Plan Development of projects per the programmed year in the currently approved STIP	Authorize right of way (ROW) and construction (CST) phases on schedule per the approved STIP	Percent of ROW phases authorized on schedule (target 75%) in FY 2014	Program Delivery/ Engineering
		Percentage of CST phases authorized on schedule (target: 80%) in FY 2014	
In FY2014, incorporate Risk Management strategies to reduce schedule and budget project issues that delay projects	Develop a risk register matrix, heat map (or equivalent) and other risk management strategies to assist decision makers	Develop a risk register matrix, heat map (or equivalent) and other risk management strategies to assist decision makers	Organizational Performance Management
In FY2014, complete construction of 80% or more of all projects within contract time and 90% of all projects within budget	Monitor and oversee construction projects such that they are delivered on-schedule and within budget	Percent of projects constructed on schedule (target 80%) and on budget (target 90%) in FY 2014	Construction
Make significant progress in CY 2013 on implementing MLSP projects beginning with the I-75/I-575 NW corridor and the I-75 South corridor	Modify, finance and implement the Managed Lane System Plan beginning with the I-75/I-575 NW Corridor in Cobb and Cherokee counties and the I-75 South Corridor in Henry county utilizing appropriate delivery methods, as identified during project development, including: Public Private Partnerships and Design-Build delivery methods	Number of MLSP projects implemented in CY 2013	Planning

<p>During FY 2014, continue project development activities on other key MLSP identified corridors, such as SR 400 (north of I-285); I-285, between I-75 and I-85; and I-85 north of Old Peachtree Road to Hamilton Mill Road</p>	<p>Modify, finance and implement the Managed Lane System Plan beginning with the I-75/I-575 NW Corridor in Cobb and Cherokee counties and the I-75 South Corridor in Henry county utilizing appropriate delivery methods, as identified during project development, including: Public Private Partnerships and Design-Build delivery methods</p>	<p>Number of project development activities on key MLSP identified corridors in FY2014</p>	<p>Planning</p>
<p>Include not less than one project from the MLSP within the 2014-2017 STIP to be developed as a P3 in calendar year 2013</p>	<p>Include within the Statewide Transportation Improvement Plan (STIP) projects utilizing Public Private Partnership delivery methods as identified within the Managed Lane System Plan (MLSP)</p>	<p>Number of projects from the MLSP within the 2014-2017 STIP developed as a P3 in the 2015-2019 STIP</p>	<p>Planning</p>

The strategic objectives identified in this plan will be used as a guide for the Department. By adopting strategic objectives for each goal, the agency can track progress being made towards accomplishing its goals. Progress is tracked and reported biannually to the Georgia Office of Planning and Budget to create a transparent process and to provide accountability to the public.

## 6.0 Environmental Scan

There are demographic, political, and economic trends that both shape the need for the services provided by the Georgia DOT and influence how Georgians perceive the department. Prior to determining the optimal strategies to achieve the goals adopted by the department, a scan of Georgia's current environment was

Environmental scan  
provides context for  
Georgia DOT  
strategic planning

conducted to build a context and help guide GDOT's strategic planning towards a preferred future. The environmental scan provides data and information that paints a picture of the environment in which the agency operates. That information can then be used to select realistic and feasible strategies that will effectively address the State's transportation needs.

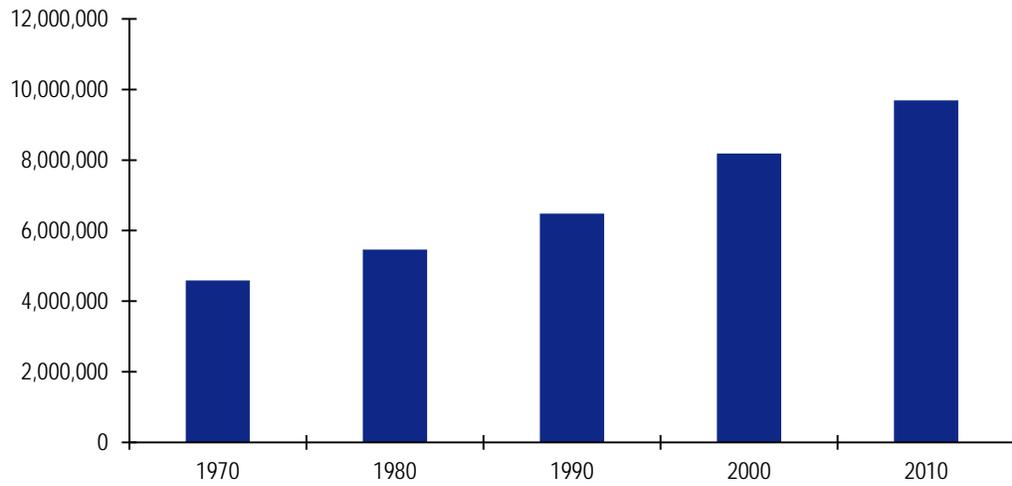
The following section analyzes high-level demographic and economic indicators to illustrate the current economic and demographic climate in which Georgia DOT operates.

### 6.1 DEMOGRAPHICS

Demographics are fundamental in determining the size and extent of transportation demand and the types of transportation services required to accommodate the needs of Georgia residents.

#### Population Growth

Today, Georgia ranks among the fastest growing states. Georgia's population more than doubled between 1970 and 2010 adding more people than all but three states. Even though the rise in population has recently slowed with the recession, Georgia has maintained higher growth than the U.S. average. The State's transportation system must accommodate the needs of an increasing number of residents, retirees, businesses, and workers, and do so reliably, safely, and efficiently.

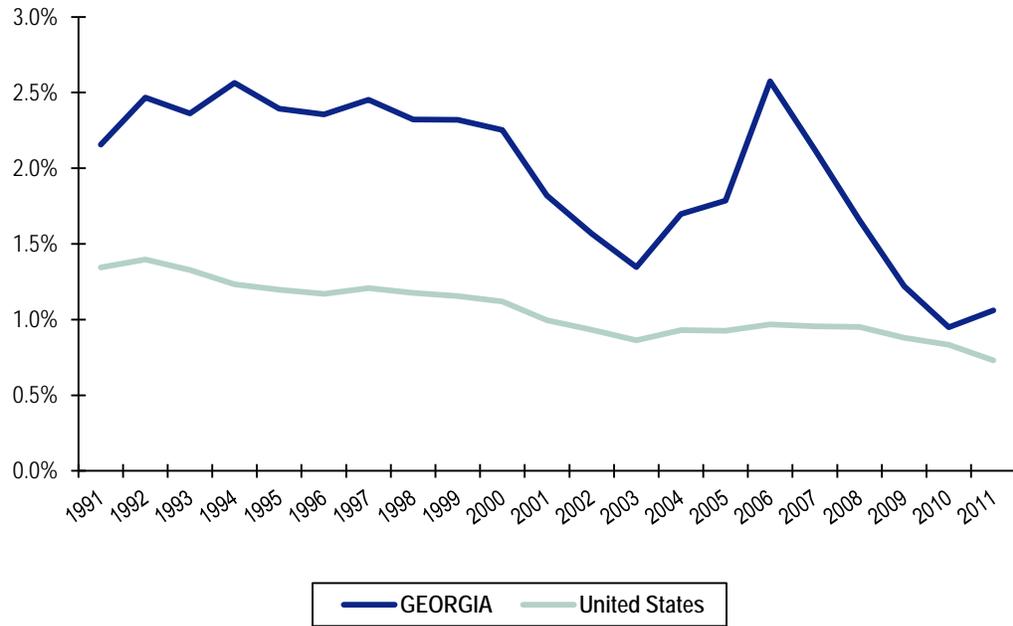


Source: U.S. Census Bureau.

Population growth also has a direct bearing on transportation demand. Georgia’s population reached 9.8 million in 2011, and during the prior decade surpassed New Jersey to become the eighth largest state in the country.

Although Georgia has been among the fastest growing states for much of the nation’s post-World War II growth, it has recently seen a slowdown in the pace of this growth. Figure 6.2 shows recent annual population growth rates for both Georgia and the U.S.

Figure 6.1 Annual Rates of Population Growth, Georgia and the U.S. 1991-2011



Source: U.S. Census Bureau.

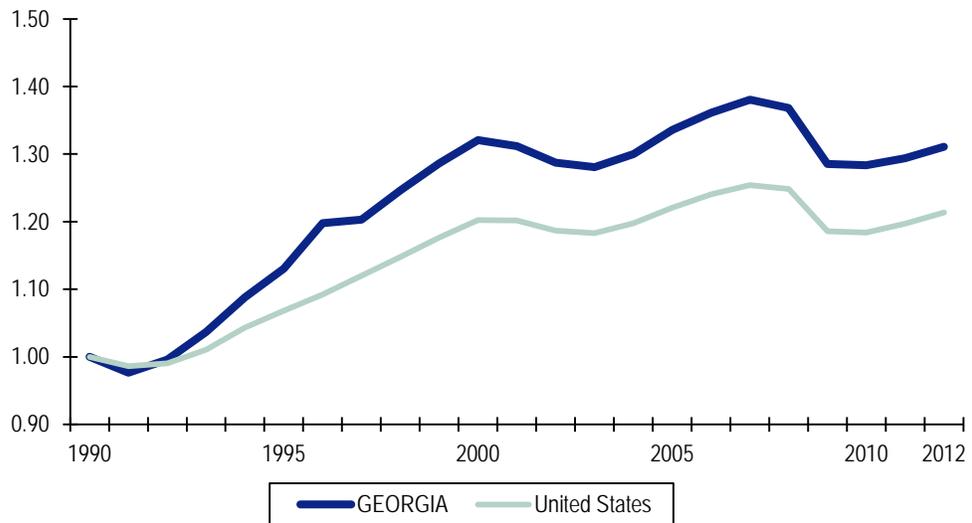
## 6.2 ECONOMIC INDICATORS

Even though Georgia’s population growth has recently slowed, it has not stopped. Consequently, demand on the State’s transportation system continues to grow as more people translates to more drivers and more trips. Georgia’s economy also contributes to demand for the movement of people and goods. Economic growth, like population, increases trips and volumes for all transportation modes.

### Employment and Unemployment

The Georgia economy employed 4.7 million people in 2013. Similar to population, Georgia has also experienced substantial long-term increases in jobs, more than doubling between 1970 and 2010 (see Figure 6.3). Jobs translate into trips as more people commute, shop, and buy services, and are also a reflection of overall business activity affecting freight. Until recently, Georgia’s job gains have far exceeded the nation’s. Despite this long record of sizeable employment gains, the impact of the recent recession on Georgia’s jobs was worse than the nation’s (see Figure 6.5).

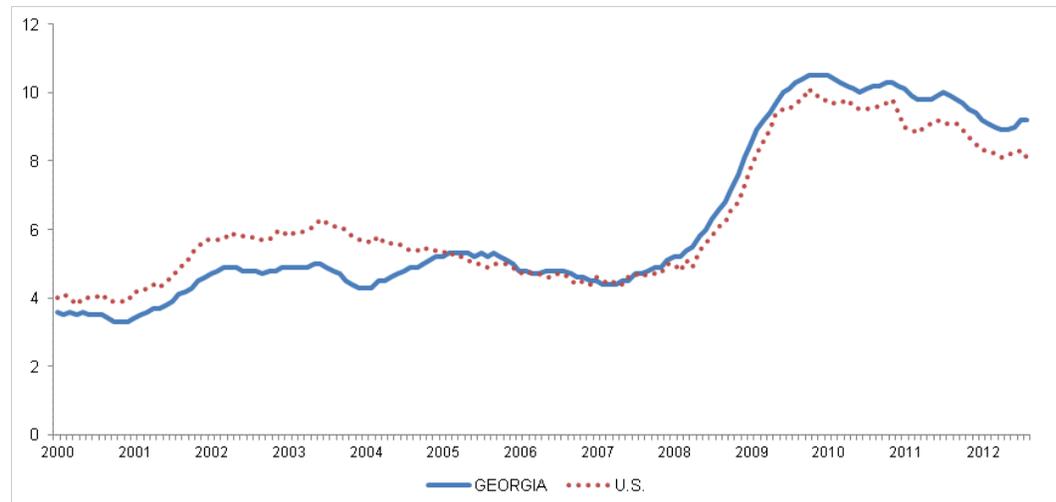
Figure 6.2 Jobs Growth, Georgia Compared to the U.S.  
1990-2012 (Jobs Growth Index, 1990 = 1.00)



Source: Bureau of Labor Statistics, Current Employment Statistics (CES).

Georgia’s unemployment rate has exceeded the nation’s since 2008 (Figure 6.3), resulting in a loss of 7.0 percent of its total jobs during the recession compared to 5.6 percent for the U.S. While the recent recession and today’s slower growth may temporarily relieve some pressure points on Georgia’s transportation network (e.g., highway congestion and bottlenecks), existing and new problems will likely immerge as job growth and the economy begin to recover and grow more robustly.

Figure 6.3 Unemployment Rate, Georgia Compared to the U.S., 2000-2012  
*Unemployment Rates in Percent*



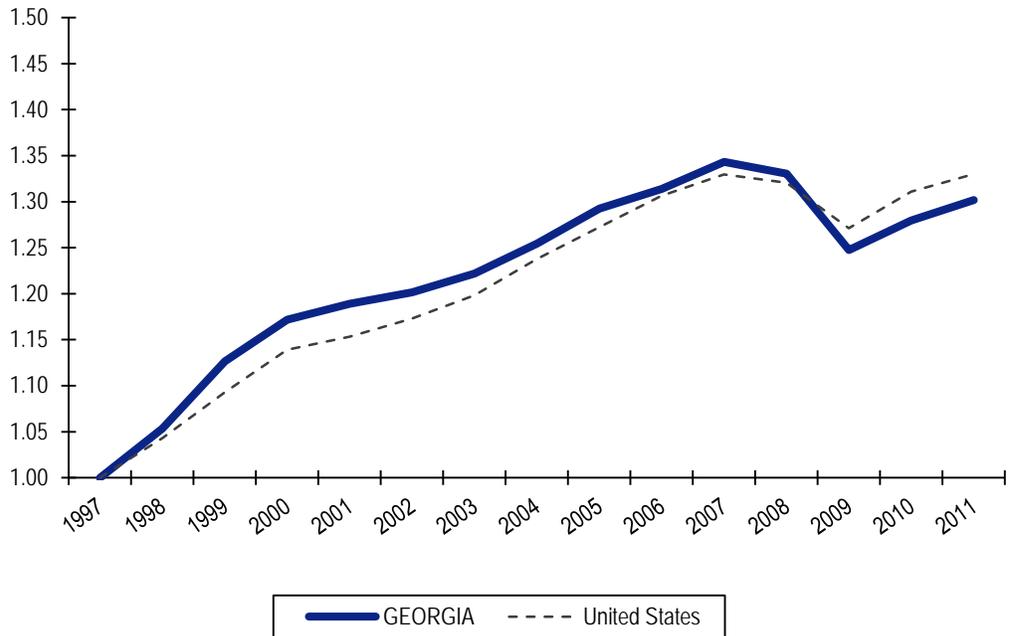
Source: Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS).

### Gross Domestic Product

Georgia’s transportation system underpins the State’s \$420 billion (2012 dollars) economy (an economy roughly similar in size to South Africa and Argentina). Georgia’s gross domestic product (GDP), a universal measure of economic size and activity, grew by 11 percent between 2000 and 2011 (adjusted for inflation), well below the 17 percent increase in the U.S. GDP posted over the same period (see Figure 6.5). Because Georgia combined fast population growth with slow economic growth over the past decade, the State’s per capita gross product was the second worst performer among the states after Michigan, registering a 6.9 percent drop between 2000 and 2011.

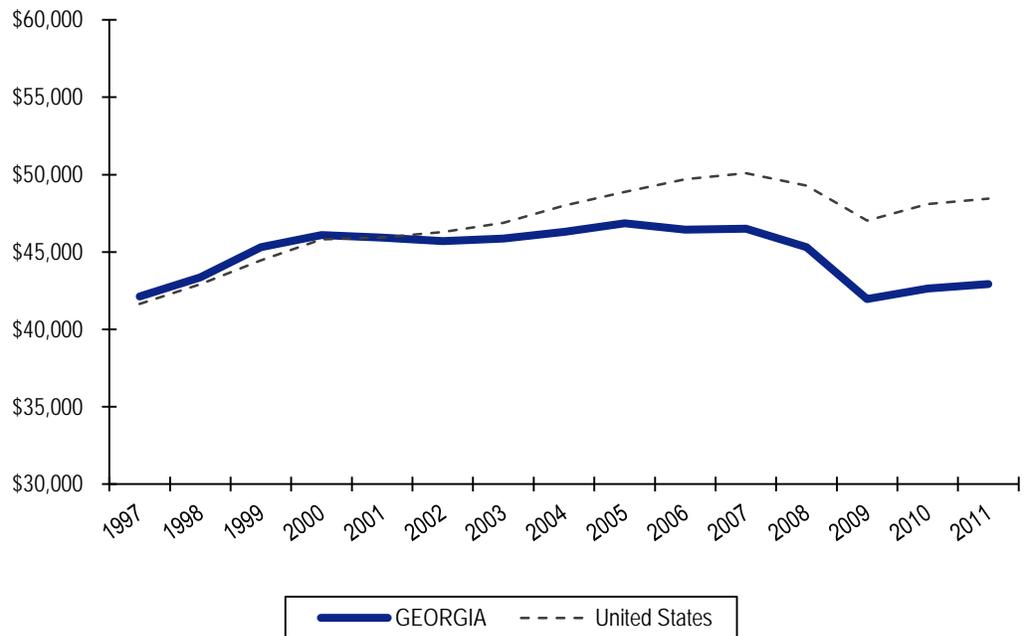
Georgia’s economy is dynamic and its competitiveness in the world market is fostered by the efficient movement of goods to keep costs down and customers supplied. The transportation network also brings people together for face-to-face meetings and links businesses to opportunities in distant markets, both global and domestic. All businesses need Georgia’s transportation network and services to provide safe, reliable travel for workers. Georgia’s transportation network provides the foundation on which industries crucial to the State economy can grow.

**Figure 6.4 Georgia GDP Growth Compared to the U.S.**  
 1997-2011 (GDP Growth Index, 1997 = 1.00)



Source: Bureau of Economic Analysis.

**Figure 6.5 Real GDP Per Capita, 1997-2011**  
 Georgia Compared to the U.S.



Source: Bureau of Economic Analysis; figures in inflation adjusted 2011 dollars.

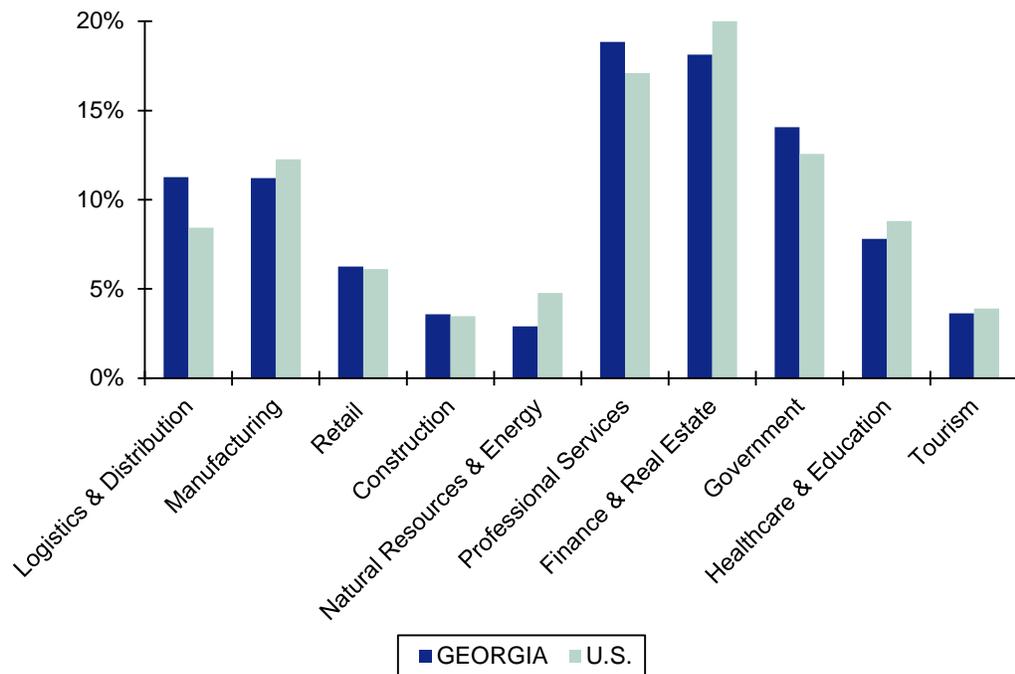
### Industry Mix - Georgia's Economic Structure

Georgia's economic structure helps to define transportation needs in the State. Several "freight-intensive" industries (mining, agriculture, manufacturing, energy, construction, retail, and logistics, and distribution) have a significant impact on trucking, rail, air cargo, and deep sea shipping needs. The tourism industry has clear transportation needs, both for freight (deliveries to restaurants and hotels) and visitor access and mobility.

Compared to the nation, defining characteristics of the Georgia economy include industry concentrations in logistics and distribution, a freight-intensive industry, and professional services, including engineering, architecture, scientific research, accounting, and marketing. The services sectors, including professional services, continue to be the largest contributors to Georgia's overall economic output. Freight services industries tend to move more time-sensitive goods (e.g., overnight parcel post). The trucking and air modes have historically dominated parcel shipments, but railroads have responded by offering scheduled services and improved reliability to handle these types of shipments.

Figure 6.8 shows the contribution of each major industry sector to Georgia's GDP compared to the U.S. Although not the State's largest economic sector, the relative significance of Georgia's logistics and distribution sector compared to the U.S. can be easily seen.

**Figure 6.6 Structure of the Georgia Economy Compared to the U.S., 2011**  
*Industry Share of the Economy*



Source: Bureau of Economic Analysis.

Strategic improvements to Georgia's transportation system to improve the movement of goods and people can help to augment the overall competitiveness of the State's industries and economy.

### **Economic Impact on Transportation**

Transportation is strongly impacted by the economy. A thriving economy creates more demand for transportation throughout all transportation sectors. The trends indicate that while the recession has had an impact on Georgia's economy, Georgia remains one of the largest economic drivers in the Southeast. As a result it is critical that Georgia DOT pursues strategies which will provide efficient movement of goods and people and keep pace with Georgia's growing economy.

## **6.3 LEGISLATION**

Georgia DOT is governed by legislation approved by the Georgia General Assembly. In recent years, several pieces of legislation have had a significant impact on Georgia DOT. The most impactful, recent legislation House Bill 277, better known as the Transportation Investment Act (TIA) of 2010, created 12 special tax district regions and allowed each region the option to levy by referendum a 1 percent sales tax for 10 years to build projects selected by elected leaders of local governments in the specified region. Citizens in each region voted on the proposed sales tax increase in a July 31, 2012 referendum and it was passed in the regions of Central Savannah, Heart of Georgia and River Valley. Most project delivery will be the responsibility of Georgia DOT, working with local governments. HB 277 (TIA) will require the redirection of resources and manpower to manage the delivery of projects implemented under the regional sales tax program levied by individual regions at their discretion.

The following bills passed by the Georgia General Assembly also have significant impact on transportation in the State and the operational procedures of Georgia DOT:

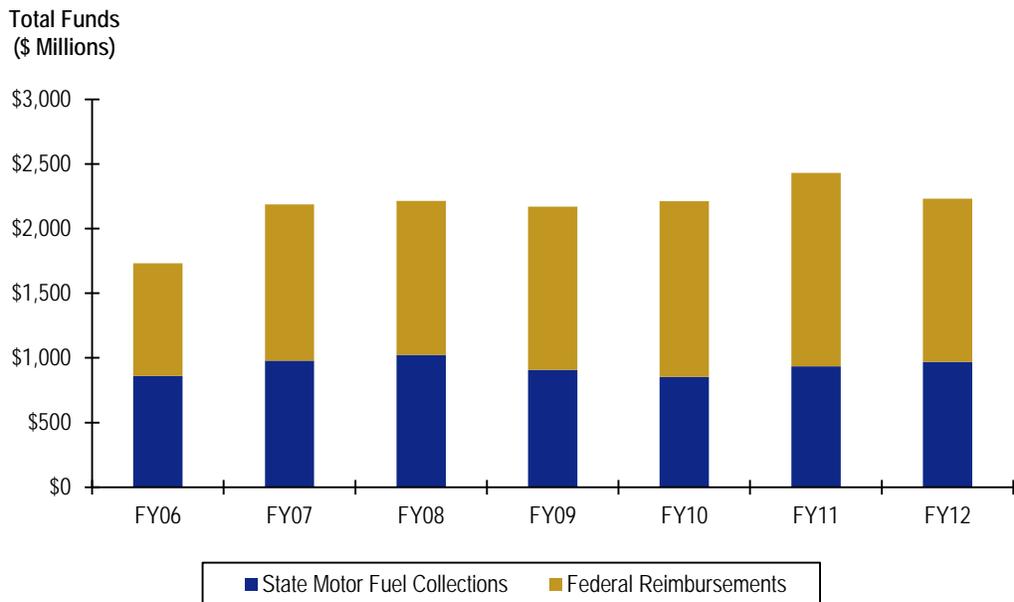
- **SB 170** amends the design-build statute to allow for 2-phased "best value" procurements that can weigh both bid price and technical/qualitative considerations (e.g. delivery time, greater cost/benefit) and creates a streamlined 1-phase low-bid process.
- **HB 202** designated the State Freight Corridor and exempted those corridors and the interstates from congressional balancing. The bill also raised the Value Engineering (VE) requirement from \$10M to \$50M.
- **HB 211** exempts school systems from the motor fuel excise tax from July 1, 2013 to June 30, 2015 for school buses.
- **HB 371** subjects liquefied natural gas, when used as a motor fuel, to the motor fuel tax.

- **SB 168** does not allow for a bidder to be ranked lower in the evaluation of a bid based on a lack of previous experience with a job the size for which the bid or proposal is issued. This is limited to not more than 30% greater in scope or cost.

## 6.4 FISCAL INDICATORS

Georgia DOT has two primary sources of revenue: state motor fuel taxes and Federal funds. The Federal dollars are called “reimbursements” because the State must first pay for construction work before billing the Federal government for reimbursement. Figure 6.9 presents total revenue from State and Federal sources.

**Figure 6.7 Georgia DOT Revenues**  
*FY 2006-2012*



Source: Georgia Department of Transportation Budget Office

The impact of the recession can be seen in the motor fuel tax collection numbers. Though collections have recovered they still lag the pre-recession numbers and it is not yet known if the collections will fully rebound. With the introduction of more fuel efficient and electric vehicles and travel numbers lagging historic travel growth, motor fuel tax collections may flatten or decline slightly.

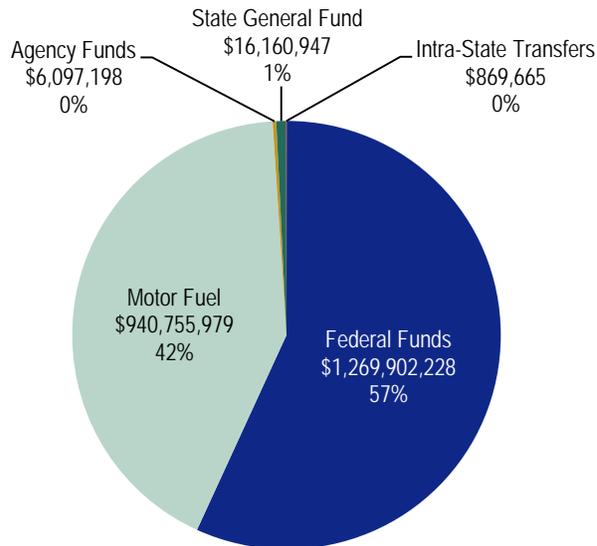
The increase that can be seen in the fiscal year 2010, 2011, 2012 Federal reimbursements are a reflection of the increased spending from the American Recovery and Reinvestment Act. Federal funds are expected to be stable for the next two years but the long-term outlook continues to be uncertain as the current

level of transportation spending cannot be sustained by the Federal highway trust fund as currently configured.

Figure 6.9 shows the average appropriations from each funding source over the four-year period from FY 2008 to FY 2011. As shown, nearly 60 percent of Georgia DOT’s budget appropriations come from Federal funding and 42 percent comes from motor fuel taxes (MFT). Agency funds, intrastate transfers and appropriations from the State General Fund combine for a total of 1 percent.

With this dependence on Federal funds and MFT, funding for transportation in Georgia is vulnerable to any changes in the policies that impact MFT and Federal transportation.

Figure 6.8 Average Appropriations from FY 2008 to FY 2011



Source: Georgia Department of Transportation Budget Office

Due to the lack of sustainable funding for transportation, continuing to provide the level of service Georgians have become accustomed to going forward presents a challenge. Georgia relies heavily on reimbursements from the Federal Highway Administration (FHWA), however those funds could decrease over the next few years.

MAP-21, the Moving Ahead for Progress in the 21st Century Act, was signed into law by President Obama on July 6, 2012. Funding surface transportation programs at over \$105 billion for fiscal years (FY) 2013 and 2014, MAP-21 is the first long-term highway authorization enacted since 2005.

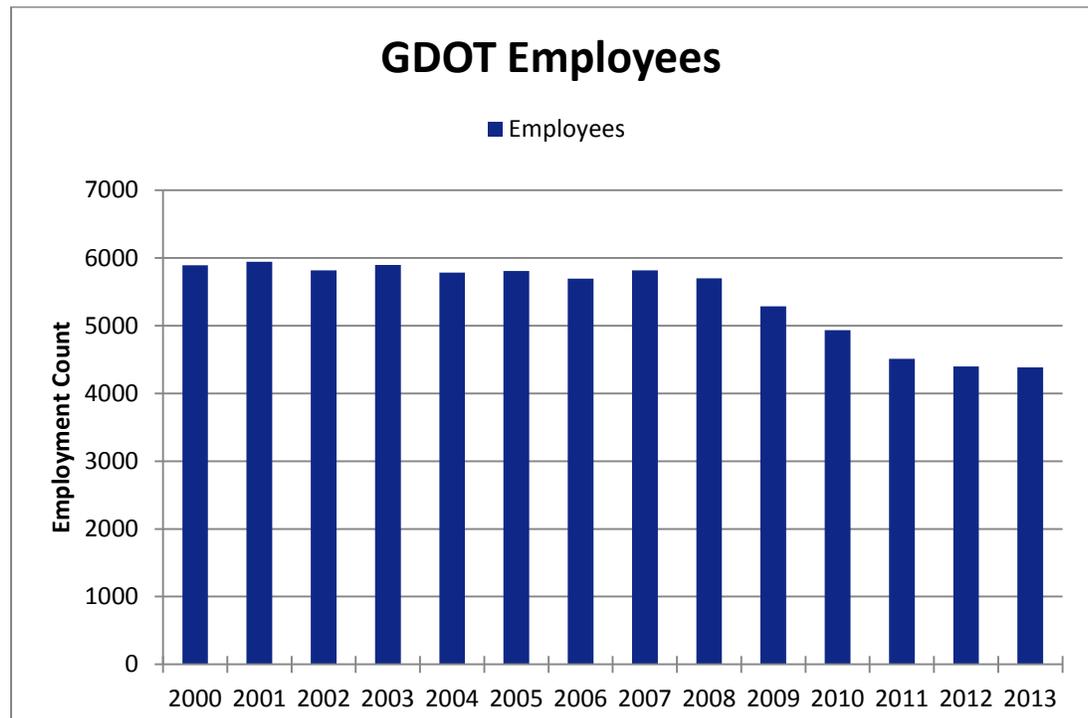
## 6.5 WORKFORCE TRENDS

Georgia DOT considers its workforce one of its most valuable assets. The Department is committed to maintaining a skilled and experienced workforce by providing training and professional development activities that enhance its workforce. The number of employees at Georgia DOT has declined since 2008 and continues to decline each year. As of June 5, 2013, Georgia DOT had 4,383 employees.

Thirty percent of the workforce is within five years of retirement. Forty-two percent of the senior leadership is within five years of retirement and 49 percent of Georgia DOT office heads are within five years of retirement.

From July 1, 2011 to June 30, 2012, 389 total employees in various grade levels and divisions left the department for a variety of reasons, creating an employee turnover rate of about 8.7 percent. This rate is almost half the historical average turnover rate for the State of Georgia. Georgia DOT is retaining its staff at significantly higher rates than other state agencies, lowering costs of employment and increasing efficiency.

Figure 6.9 Georgia DOT Employees



Note: 2000-2010 values are as of July of the respective years; 2011 is as of December 31, 2012 is as of July 5, 2012, and 2013 as of June 5, 2013.

### **Workforce Impacts on the Georgia DOT**

Like many state DOTs around the country, the Georgia DOT has seen a decline in their number of employees. Budgetary pressures, policy mandates, change in skill set of the workforce, and introductions of new technology can all affect the department's ability to hire, train, and retain a competent, qualified, and high-performing workforce to carry out the mission of the Department.

With the continued increase of retirements, Georgia DOT has an immediate need to fill the leadership roles of retiring employees over the next several years. It will be important for the department to find the right people to fill the voids left by retirees in key leadership and technical roles. Also, the department needs to maintain a large enough maintenance staff to adequately respond to emergency situations and provide quality maintenance service during natural disasters.

## 7.0 Summary

The FY 2013-2017 plan recognizes the primary responsibility of the agency to plan, construct and maintain the Georgia State Highway System and also recognizes that making Georgia DOT a better agency, better serves the public. This plan recognizes who Georgia DOT serves and keeps the focus on the customer making their priorities Georgia DOT's primary concern. The plan also recognizes Governor Deal's priorities for Georgia and when implemented will help realize the Governor's vision for "A lean and responsive state government that allows communities, individuals and businesses to prosper."

Even with committed agency participation in implementing this plan, the value of the plan will not be fully realized if the outcomes from plan implementation are not periodically, publicly reported. Performance measures that capture the key outcomes expected in this plan will be reported twice a year to the Governor's Office of Planning and Budget utilizing data from the Georgia DOT performance dashboard.

The success of strategic planning depends on the participation, understanding and acceptance of the plan by employees throughout the agency. This plan will be provided to Department employees in multiple ways to insure broad awareness of the plan. This plan is a living document, to be modified and revised as conditions change.

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