OREGON LIQUOR CONTROL COMMISSION

Changes in Organizational Structure in 2019-2021 Biennium

OLCC EXECUTIVE MANAGEMENT CHANGES
APRIL 2020 COMMISSION MEETING
Rationale: Why Change the Organizational Structure?

Based on 30+ interviews and Executive Team planning sessions. Quoted text comes directly from OLCC staff.

• Tremendous organizational growth between 2015-2020, from approximately 220 to 367 staff. Staff are stretched beyond limits with so many parts “bolted on to their original roles” it is “nearly impossible” to do work effectively.

• Operation and policy functions are task-focused rather than strategic. Staff are constantly reacting to changes and “have a hard time switching gears” to think about cross-agency alignment and cooperative policy and long-term policy and operational efficiencies.

• Need clarity in roles and responsibilities. Staff feel like they could be more effective and efficient with their time if they were empowered AND accountable to “own tasks from end-to-end.” Decisions are delayed because there is not a clear decision maker in charge.

• “I’m worried about retirements.” Senior staff are retiring and intentional cross-training and succession planning is needed to transfer knowledge and maintain operational continuity.
Solution: Immediately Implement New Organizational Structure (2019-2021 Biennium)

- Defines new Executive Management structure:
  - Adjusts management allocation to reflect the revenue generation value that the Commission provides to the State of Oregon’s General Fund & local government jurisdictions ($1.5+ billion biennially)
  - Stabilizes management structure after five years of tremendous growth with a focus on leadership development, staff retention, and succession planning

- Converts “Management Consulting Services” into “Policy, Analytics, Communication, and Education (“PACE”) Program”:
  - Centralizes PACE staff and establishes integrated ‘services’ for Public Safety & Distilled Spirits Programs
  - Creates capacity to develop and implement agency-wide strategic initiatives
  - Implements organizational development strategy to enhance collaboration and knowledge sharing among OPA-level and CS-level senior staff

- Strengthens Administrative Hearings Program (currently AP&P) by creating capacity to address complexity and backlog of cases
  - Enhances day-to-day management capacity of Administrative Hearings Program Director
  - Transfers rulemaking functions to PACE and maintains legal insight and analysis through cooperation

- Creates management capacity within Chief Financial Office:
  - Increases accountability for day-to-day operations of Financial Services (e.g. accounting)
  - Increases accountability for budget planning and operations (e.g. tracking & reconciliation)
  - Ensures all programs can access fiscal analysis as a ‘service’ (e.g. POP planning)

- Create two new positions for business process improvement within Public Safety.
  - Implements LEAN practices to eliminate waste and increase efficiency of marijuana and liquor license and compliance operations
Part 1: Management Restructure

Executive Director
Steve Marks

Deputy Director, Operations
Will Higlin

Deputy Director, Strategy & Policy
Nathan Rix

Coms & Education Manager
Mark Pettinger

Government Relations Manager
Ranee Niedermeyer

Analytics & Research Manager
TJ Sheehy

Policy Development Manager
Unfilled

Executive Management in blue

Senior Director, Licensing & Compliance
Rich Evans

Human Resources Director
Laura Gomez

Chief Information Officer
Boba Subasic

Chief Financial Officer
Bill Schuette

Distilled Spirits Director
Chris Mayton

“Expanded” Management in gold

Licensing Director
Jason Hanson

Compliance Director
Shannon Hoffeditz

Administrative Hearings Director
Kelly Routt

Administrative Services Director
Kathy Majcher

Office of Information Services Director
Kai Nakashima

Financial Services Operations Manager
Christina Owen

Retail Services Director
Brian Flemming

Distribution Center Director
Nikki Leslie

Distilled Spirits
Director
Chris Mayton
Part 2: Converts Management Consulting Services into Policy, Analytics, Communication, and Education ("PACE") Program

Policy, Analytics, Communication and Education ("PACE") Director
PEMG
Nathan Rix

Policy Development Manager
PEME
unfilled

Government Relations Manager
PEME
Ranee Niedermeyer

Analytics, Reporting, and Technical Implementation Manager
PEME
TJ Sheehy

Communication & Education Manager
PEME
Mark Pettinger

Internal Auditor 3
unfilled
Part 2: Centralized Policy Development Team

Policy Development Team Manager PEME Unfilled

OPA4 Recreational & Medical Marijuana Senior Policy Analyst Amanda Borup

OPA3 Licensing & Compliance Policy Analyst Dan Croy

OPA3 Beer, Malt, Wine Policy Analyst Jamie Dickinson

OPA3 Public Health & Consumer Protection Analyst Unfilled

OPA2 Rules Coordinator Emily Febles

CS3 Bottle Bill Becky Voelkel

CS3 Technical Specialist Bryant Haley

AS2 Bottle Bill Coordinator Unfilled

Gray = Medical Marijuana
Green = Recreational Marijuana
Brown = Alcohol / Public Safety
Yellow = AP&P
Part 2: Communication and Education Team

Communication & Education Team Manager
PEME
Mark Pettinger

Public Records Coordinator
OPA2
unfilled

Alcohol Spokesperson
PAS3
Bryant Haley

Public Information Specialist
PAS1
Joy Spencer

Substance Use Education Coordinator
CS3
Steve Sander

Gray = Medical Marijuana
Green = Recreational Marijuana
Brown = Alcohol / Public Safety
Yellow = AP&P
Part 2: Analytics, Reporting and Technical Implementation Team

Analytics, Reporting, and Technical Implementation Team Manager
PEME
TJ Sheehy

OPA3
Packaging & Labeling Specialist
Anthony Geltosky

CS3
Marijuana Laboratories
unfilled

Metric Specialist
CS1
Josh Fisher

Metric Specialist
CS1
Tina Menard

Metric Specialist
CS1
James Smith

Metric Specialist
Tristin Blalack

Metric Specialists
CS1
Ali Brophy

RA4
Alcohol & Marijuana Researcher
Peter Noordijk

RA4
Distilled Spirits
Scott Larson

Gray = Medical Marijuana
Green = Recreational Marijuana
Brown = Alcohol / Public Safety
Yellow = AP&P
Part 3: Strengthens Administrative Hearings Program (currently AP&P) by creating capacity to address backlog of cases

Administrative Hearings Director
PEME
Kelly Routt

Sky blue = Policy/Rule Making
Red = Administrative Hearings

Case Representative CS3
Nicole Mitchell

Case Representative CS3
Michael Schein

Case Representative CS3
Andrea Chiller

Case Representative CS3
Mary Christian

Case Representative CS3
unfilled

Administrative Specialist 1
Sherry Fox Hames

Administrative Specialist 2
Carolyn Moreno

Administrative Specialist 2
unfilled
Part 4: Add management capacity within Chief Financial Office

Chief Financial Officer
PEMF
Bill Schuette

Financial Services Operations Manager
PEME
Christina Owen

Disbursements & Auditing Manager
PEMD
Cathy Watson

Revenue Manager
PEMD
Debbie Amsberry

Procurement

Disbursements
Auditing

Marijuana Accounting
Privilege Tax
Liquor Revenue & Recipes

Gold= Functions overseen by manager
Blue = Manager and key staff

Fiscal Analyst 3
unfilled

Budget Analyst
Patrick Carberry

Temp
Harry Richards
Part 5: Create two new positions for business process improvement within Public Safety, Licensing and Compliance

Licensing - Operations and Policy Analyst 3

- Ability to facilitate, develop, and maintain business process maps, business rules, and track changes over time
- Ability to develop AND implement process improvement strategy (e.g. LEAN, six-sigma) in a regulatory context
- Develop and maintain manuals and operational guidance for licensing staff related to all operational aspects of the program
- Take direction from Licensing Director to develop AND implement policy and operational short and long term plans
- Coordinate and develop program budget
- Take initiative to anticipate the needs of the Licensing Director
- Operate fluidly across organizational program areas to solve intra-agency problems (e.g. collaborate to redesign licensing processes when public policy changes or IT systems are enhanced)
- Ability to think critically and creatively about the operational impact of an emerging policy and/or IT proposals on licensing operations
- Optional: experience developing requirements on a team of policy analysts, licensing staff, and IT project managers to meet business roles and requirements
- Optional: experience using organizational change management strategy to influence operational changes

Compliance - Operations and Policy Analyst 3

- Ability to facilitate, develop, and maintain business process maps, business rules, and track changes over time
- Ability to develop AND implement process improvement strategy (e.g. LEAN, six-sigma) in a regulatory context
- Develop and maintain manuals and operational guidance for licensing staff related to all operational aspects of the program
- Take direction from Compliance Director to develop AND implement policy and operational short and long term plans
- Coordinate and develop program budget
- Take initiative to anticipate the needs of the Compliance Director
- Operate fluidly across organizational program areas to solve intra-agency problems (e.g. collaborate to redesign licensing processes when public policy changes or IT systems are enhanced)
- Ability to think critically and creatively about the operational impact of an emerging policy and/or IT proposals on compliance operations
- Optional: experience developing requirements on a team of policy analysts, compliance staff, and IT project managers to meet business roles and requirements
- Optional: experience using organizational change management strategy to influence operational changes
Summary: Problem We Are Trying to Solve

- Five years of organizational growth and nearly doubling in size
- Operating tactically rather than strategically
- Need more line-of-sight and clearer roles and responsibilities among senior staff
- Ensure succession planning and continuity of operations with attrition

Solution: Five Part Action Plan

- Define new management structure in the wake of tremendous growth
- Centralize policy, analytics, communication and education staff and operate as a ‘service’ for Distilled Spirits and Public Safety Programs
- Strengthen AP&P by creating capacity to reduce backlog of cases
- Create management capacity within the Chief Financial Office
- Create capacity for process improvement within Public Safety Program