

Federal Transportation Bill: Now the Drive is for Metrics and Performance

> By: Mark Aesch CEO – TransPro

Key Excerpts: The most critical formula is not how the federal government allocates cash. Rather, it is how states and cities will measure performance and connect expenditures to that performance.

In today's particularly tight budget environment, desperately needed infrastructure improvements, and growing demand for mass transit services, Congress and the public should demand innovative, comprehensive organizational changes so government works far more efficiently.

Henry Ford, America's greatest transportation innovator once said, "What's right about America is that although we have a mess of problems, we have great capacity –intellect and resources – to do something about them." That spirit needs to infuse and transform public transportation management today. Sadly, too many officials seem more focused on top-down control and the inflexibility of change as epitomized in another Ford quote, "Any color as long as it is black."

With Congress now all but certain to pass a \$54 billion a year transportation bill for critical road, bridge, and mass transit projects the most logical next question is: How can it best be spent?

Beyond putting shovels in the ground for much needed and overdue infrastructure projects, states and cities must take this opportunity to re-evaluate their operations so they can get the most bang for the new federal bucks.

The most critical formula is not how the federal government allocates cash. Rather, it is how states and cities will measure performance and connect expenditures to that performance.

In today's particularly tight budget environment, desperately needed infrastructure improvements, and growing demand for mass transit services, Congress and the public should demand innovative comprehensive organizational changes so government works far more efficiently.

Henry Ford, America's greatest transportation innovator once said, "What's right about America is that although we have a mess of problems, we have great capacity –intellect and resources – to do something about them." That spirit needs to infuse and transform public transportation management today. Sadly, too many officials seem more focused on top-down control and the inflexibility of change as epitomized in another Ford quote, "Any color as long as it is black."

In 2011, I urged the House Transportation Committee to establish a national benchmarking system for transportation agencies. Under this system, agencies would be placed in groups with similar organizations in terms of size of the service population and geographic location. An independent auditor would determine how efficient each agency was and rank them against their peers.



While this has not been adopted in the final legislation, the agencies can and should subject themselves to such evaluation. And the public should have greater scrutiny to the agencies that serve them.

I was CEO of a public transportation agency for many years. We ran our transit system grounded in results – rather than spending. Which is why our transit agency was the only one in the nation to cut fares, run multi-million dollar surpluses and actually reduce reliance on taxpayer dollars.

Congress is spending quite a lot on transportation. This opens the door for focusing on funding results. Performance matters. Competition and efficiency in government can be real and the taxpayers will invest in success.

About the Author: Mark Aesch is the founder and CEO of TransPro (www.transproconsulting.com) an advisory firm which helps government agencies to transform their operations and significantly improve efficiencies. Previously, he assumed leadership as CEO of the Rochester Genesee Regional Transportation Authority in Upstate New York when it faced a deficit crisis of \$27.7 million. This was transformed into a \$35.5 million surplus, a more than \$62 million improvement, while numerous customer service improvements were made.