

- ◆ **Communications:** TMS performance results must be shared with customers in order to obtain their support for current and future investments. A performance measurement program provides better information to customers and stakeholders on progress made toward desired goals and objectives, as well as deterioration of performance if applicable.
- ◆ **Clarity:** Performance measurement serves to clarify the purpose of an agency's actions and expenditures.
- ◆ **Improvement:** A performance measurement program allows for periodic refinement of programs. Taxpayer money must be spent as efficiently as possible in efforts to improve how agencies provide transportation (Transportation Research Board 2003). performance measurement program provides better information to customers and stakeholders on progress made toward desired goals and objectives, as well as deterioration of performance if applicable.

Performance measures are used to prioritize projects, provide feedback on the effectiveness of long-term strategies, refine goals and objectives, and improve processes for the delivery of transportation services.

Performance measures also reflect the concerns of the transportation service user as well as the system operator, and provide useful information to managers and decision makers on how well a transportation system is performing.

For more information about TMS Performance Monitoring, Evaluation, and Reporting, visit the Transportation Management Center (TMC) Pooled Fund Study website at:

<http://tmcdfs.ops.fhwa.dot.gov/Projects.htm>

or contact FHWA at:

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# Transportation Management System Performance Monitoring, Evaluation, and Reporting



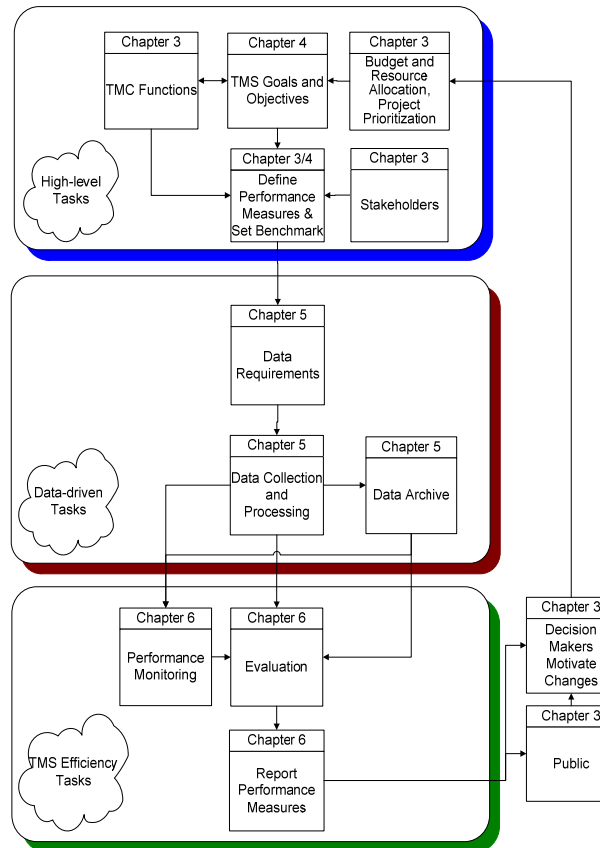
## What Is Performance Monitoring, Evaluation and Reporting?

Performance monitoring, evaluation, and reporting (PMER) is the three-step process used to evaluate the effectiveness of transportation management systems (TMS).

- ◆ **Performance monitoring** allows a transportation agency to gauge the status of its system through measures that may include closed-circuit television, real-time traffic Web sites, and regular system performance reports.
- ◆ **Evaluation** is the analysis of the collected traffic data and the comparison of such data to performance benchmarks. There are several established analytical tools that agencies can use to scrutinize its traffic data.
- ◆ **Reporting** provides relevant information resulting from the monitoring and evaluation steps to decision makers and the public. This information typically comes in the form of written reports published at intervals.

## Why Is PMER Important?

A TMS needs a performance measurement program for many reasons. Federal and state statutes require the implementation of a performance measurement program. Stakeholders such as legislative decision makers and taxpayers are rightly inquisitive about how their tax dollars are spent in the transportation domain. A performance measurement program also is needed to provide performance trends over time and, ultimately, strategic feedback for decision makers.



Performance monitoring, evaluation, and reporting is important to realizing the potential of a TMS. Monitoring allows agencies to collect valuable data for comparison with existing goals and policies. Agencies can also check data for outliers, which can indicate a system problem or error. Evaluation, through the use of a performance measurement plan, can answer three important questions for an agency:

- ◆ Were the correct investments made?
- ◆ Are demands of the public and state legislature being met?

- ◆ Are agency goals and objectives being met?

Evaluation can also help determine the allocation of transportation funds, travel trends, and air quality conditions. Performance reporting provides valuable feedback to stakeholders (officials, public, etc.) on planning and decision making policies, trends, and areas for improvement.

## Potential Benefits of a Performance Measurement Program

- ◆ **Accountability:** Performance measurement provides an increased accountability of public expenditures for internal and external purposes. Performance measures allow the determination of efficient or inefficient resource allocation dependent upon pre-identified priority needs via performance reporting. They also allow for the quantification of program benefits and can ultimately increase agency visibility and incoming funding.
- ◆ **Efficiency:** Performance measures focus actions and resources on organizational outputs and the process of delivery. Performance measurement is an internal management process.
- ◆ **Effectiveness:** Performance measurement encompasses planning and goals achievement. It also serves to link outcomes of policy decisions and immediate actions of transportation agencies, as well as strategic planning to resource allocation.