Role of Private Enterprise in TSM: Can Interest Be Generated and Maintained?

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It is in the interest of the public sector to encourage private enterprise to participate in the planning, programming, and implementation of transportation system management (TSM) strategies, as well as in the processes by which these functions are managed. This view is based on my experiences in working with a variety of employers and other groups in Middlesex County, New Jersey, in developing public- and private-sector transportation strategies offering the potential for quick implementation. (Middlesex County has a population of about 500,000 and is located midway between New York and Philadelphia.) It is also based on similar experiences with major capital projects in which a partnership between private and public sectors played an important role. An examination of these mutual interests will be one of the themes presented here.

HISTORY OF TSM IN MIDDLESEX COUNTY

The important role that the private sector has played in preparing and implementing locally based, comprehensive TSM strategies in Middlesex County is a useful starting point for this discussion. The first-year phase of the county TSM work program, initiated with Urban Mass Transportation Administration (UMTA) prototype study funds, involved an open and continuous dialogue with representatives from local business and industry. This dialogue was conducted under the auspices of four local chambers of commerce, representing the sub-areas of the travel corridors chosen for study. The overall TSM concept and categories of strategies were presented by transportation planning and engineering staff to the chamber representatives, who were then asked to identify known transportation-related problems within the study corridors. This activity generated an enthusiastic response, even though no promises were made that public agencies would deliver improvements quickly. A long list of problem areas was identified by industry representatives, as well as primarily positive reactions to the types of TSM strategies presented. A number of capital-intensive solutions were also identified. This information was the basis for identifying a list of the TSM strategies that offered the potential for quick implementation.

It was not expected that any of the projects identified during this first phase would be implemented. However, as a direct result of the chamber meetings, a significant transportation and labor-force problem was solved for one major employer. In this case, planners provided a brokerage function by arranging transportation to one employment center for more than 500 previously unemployed people. This took place as the result of a transportation pilot project within the county that was funded by the New Jersey Department of Labor and Industry. Two vans were purchased for the purpose of transporting underemployed and unemployed people from central pickup points within two downtown areas to job training sites, job interviews, and actual jobs (for a 10-week period). The major employer needed employees capable of assembly-line work. Because this work required little training, interested individuals were provided with immediate employment. In pure transportation terms, the net effect continues to be increased mobility and peak-hour traffic. The job retention rate is 85 percent and, according to the employer, the primary mode of travel to work after the 10-week period is private automobile with a larger-than-average fraction of carpooling.

The second 12-month phase, funded under an UMTA grant, is designed to identify the barriers and incentives to TSM program implementation and to answer the question, Does the TSM concept have any validity in practice? Although final analysis of the private- and public-sector (primarily county and state) involvement in TSM implementation has not yet been conducted, some general observations can be made. These observations form the basis for the specific comments in this paper concerning the building of a private-enterprise TSM constituency.

The first set of observations pertains to those employers who have been most interested in TSM. Private-sector interest and support for TSM strategies is greatest when there is a mutual perception of a significant transportation-related problem that can be observed close to the job destination and that directly affects daily work operations. Although this interest may be stronger when major employers are located close together (e.g., in an industrial park), local government officials must still agree with the private-sector perception of the problem. Additional interest is generated, or at least maintained, when a locally based participation mechanism (i.e., a task force, or a committee) is formed to examine the problem. Under these conditions, interest tends to increase when there is no apparent action being undertaken to solve the problem or when no real progress is made in implementing any public-sector improvement that is perceived as capable of improving conditions. Thus, it appears that most employers are more interested in TSM when the problem is literally on the doorstep.

The second set of observations pertains to those employers who are interested in TSM-type projects, but only from time to time as a specific need arises. For example, energy concerns in 1979 resulted in requests for county and state staff assistance on a variety of topics. These included the state computerized ride-sharing matching service, federal funds for vanpooling programmed by the county, and transportation and vanpool workshops. The staff visited several firms and developed local interest in (a) ride sharing within the firm and coordinated activities among adjacent businesses, (b) access to and improvements in park-and-ride lots, (c) staggered work hours, and (d) minor road improvements.

The third set of observations relates to the benefits of a locally based organization. A 61-member transportation coordinating committee has been in existence for more than four years in Middlesex County. This body consists of 25 mayors (or their designees) of the municipalities in the county; representatives of business, industry, and labor, of local transit operators and of social service organizations; and citizens. Its primary function is to advise the county governing body on the spending of federal funds for transportation. The work of
this committee is well publicized. There are regular monthly meetings, minutes, press releases, fliers on special topics, quarterly newsletters, and occasional speeches by committee members and staff relating to the work of the committee. This committee has been, in general, very useful in establishing a background for comprehensive transportation management and for developing an understanding of the need for specific transportation strategies. The technical, administrative, and coordinating role of the county transportation planning and engineering staff has also proved extremely important in maintaining this direct input into the transportation improvement process and in identifying potential trade-offs.

With this background of how Middlesex County developed strong local interest in TSM, we can now look at the role of private enterprise in TSM and what it takes to build a TSM constituency.

THE MAKING OF A TSM CONSTITUENCY: A LISTING OF NEEDS

Need for a Locally Based TSM Coordinating Group and Transportation Process

A subarea or corridor study group composed of representatives from business, industry, various levels of government (i.e., local, county, and state), transit operators, and citizens is a necessary part of the process of building a private-sector constituency for TSM. It is useful, but not necessary, to provide the group with ex officio status by institutionalizing it within an existing umbrella organization that is directly responsible for carrying out the local transportation process. The group could be officially convened by the governing body and charged with a set of responsibilities designed to provide advice and guidance relating to TSM planning and implementation. One specific task of the group might be the preparation or updating or both of a TSM plan.

The alternative to an officially convened special group is the participation of an existing group, such as a transportation (or related activity) committee of a chamber of commerce or an industrial park association. No matter what group, however, it is essential that there be technical staff support for dealing with the transportation planning process and that its member organizations and local government officials be invited to participate in the undertaking. Federal assistance in developing technical capabilities on the local level will aid the area in providing professional assistance to private industry and therefore improve local government credibility.

Existence of a locally based comprehensive transportation planning process is also important to ensure proper planning, programming, and implementation coordination. This emphasis on a local process is made to emphasize the need for the active involvement of those elected officials and staff representing the jurisdiction within which the problem is located. This provides the potential for greater accountability and also permits trade-offs to be made in funding and projects.

With regard to state support, there is usually no guarantee that the state will use its funds for local implementation. State support will depend on the extent of state representation and active participation in local planning and also on the extent of competing priorities.

Need to Establish an Agenda of Items to Reinforce a Public-Private Partnership

A TSM coordinating group such as that described above provides a framework for a public-private partnership in decision making and helps achieve rapid implementation of a variety of low-cost, reinforcing, demand-supply TSM strategies. Among the points regarding the role of the private sector in TSM implementation (including incentives to encourage participation) are that this sector could

1. Identify problem areas and potential solutions;
2. Provide data on current and future industrial expansion and travel demand;
3. Assist the public sector in making trade-offs among strategies and in packaging groups of projects;
4. Play a direct role in both inducements and actual implementation;
5. Promote or support public-sector projects (or both);
6. In selected situations, provide all or part of the funding for preliminary engineering, right-of-way acquisition, or construction (or combinations of these factors) (the circumstances under which this might be considered by the private sector could include instances where there is a particular urgent need that cannot be rectified quickly by the public sector because of funding limitations, policy restrictions, or red tape); and
7. Perform the function, along with public sector, of monitoring progress and suggesting changes needed in projects, processes, institutional structures, or legislation.

Need for a Central Coordination Staff

A locally based staff is important in order to analyze problems and potential solutions, to maintain the variety of mechanisms necessary for communication, and to manage the whole process (specifically keeping an account of project status). This local staff’s close proximity to system problems and users will aid in establishing and maintaining credibility with the private sector and will therefore be helpful in generating enthusiasm and results. In addition, local officials will more likely support the recommendations of a staff that is locally based.

Need to Target Improvements

A TSM strategy should consist of a set of reinforcing projects. Theoretically, such a package of projects could be developed for any area. In practice, it would appear prudent to target a variety of complementary projects to carefully selected problem areas. This targeting of improvements offers the potential to generate a greater degree of association with, and involvement from, adjacent businesses and industries. Targeting, however, has the disadvantage of not providing improvements to groups outside the area. Obviously, every effort should be made to provide assistance to these also.

Need to Ensure Rapid Implementation

Quick implementation of public-sector projects offers the greatest potential to generate, maintain, and increase private-sector interest in TSM. It also encourages employers to consider TSM-type actions in their own operations. Examples include high-
occupancy-vehicle lanes in combination with employer-based ride-sharing efforts, bus route realignments to work sites in combination with partial employer subsidies, signal interconnections and related improvements in combination with staggered-work-hour programs, moderately expensive public-sector capital projects in combination with land dedication or private-sector capital-fund outlays or provisions for off-street parking improvements and such.

A good organizational structure and a well-established process supported by competent technical staff are not substitutes for implementation. Progress must be made in implementing at least a few projects. The business and industry representatives who stay at the discussion table must see their time and effort result in physical improvements. Improvements in the process, increased study funds, or more plans will at some point prove counterproductive if system changes are not made.

With respect to implementation, particularly as it relates to the traditional roles of counties and states, there is an increasing need to examine a variety of incentives that could encourage local jurisdictions to assume more implementation responsibility, especially for TSM projects. It is the area of implementation that will, in the final analysis, keep the private sector at the discussion table and actively participating. In the absence of implementation, private-sector interest will wane and the potentially effective support for TSM will be lost.

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