Evolving Institutional Arrangements for Employer Involvement in Transportation: The Case of Employer Associations

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Many professionals are involved in the urban transportation planning process. The characteristics of a relatively new participant in urban transportation issues—the employer association—are examined. Five California employer associations, and their role in transportation, are described. The analysis emphasizes the factors that influenced the creation of these associations and the characteristics of their operation. Although still in their infancy, these associations have shown some impact on their respective urban areas. The roles played by these associations have ranged from facilitating the resolution of transportation controversies to conducting planning studies of critical problems facing employer sites. It is concluded that employer associations could play an important role in transportation in many urban areas. Some key problems in the creation and maintenance of such associations include obtaining and keeping corporate commitment to the association, establishing the legal status of the group, creating a useful funding mechanism, and establishing effective relations with public-sector agencies. Finally, some of the potential implications of employer associations, with respect to other participants in urban transportation, are postulated.

Experience in the United States with private employer involvement in the employee work trip spans two decades. Before the 1960s, the employee work trip was primarily considered the sole responsibility of the employee, with little effort exerted by the employer to provide incentives to use specific modes or services. Beginning in the late 1960s, however, several major employers became interested in transportation actions that could reduce automobile congestion on or near their work sites, and also actions that would increase employee reliability and productivity. Other employers were required by public-policy mandates (e.g., air quality directives) to reduce automobile use at congested sites. Still other employers, worried about employee mobility during the fuel shortages of 1973 to 1974 and 1979, undertook initiatives to assure employee access to work sites. In almost every instance, this private-sector employer involvement was undertaken by individual employers for the benefit of their own employees.

The purpose of this paper is to examine an alternative institutional arrangement for employer involvement in transportation--the employer association. Instead of employers working independently to address company-specific problems, in this new organizational relation, employers join and support an association that has responsibility for transportation and other issues that confront a major employment center or section of an urban area. Several examples of such associations from California, both successes and failures, are presented. Although the characteristics of these efforts are influenced by the specific situation for each case, the examples do exhibit some of the important factors that might be relevant for the implementation of such associations elsewhere.

CONTEXT

Before discussing employer associations, it is important to first set the general environmental context in which they have been undertaken. With cutbacks in federal, state, and local finances, many public agencies have found themselves incapable of providing and maintaining as many transportation services as they once did. Increasingly, these agencies have turned to those who most directly benefit from these services, seeking some form of support in planning and constructing transportation improvements. These beneficiaries have included private developers whose development sites require some form of transportation access, private employers who need good employee accessibility to work sites, and downtown business people and retailers who need good transportation access for employees and customers.

From recent experience, there appear to be several ways in which these groups could provide important support in transportation planning and service provision (1-3).

One way is to provide aid or services to employees, as follows:

1. Development of a self-generated, single employer ridesharing program, which is completely organized, administered, and operated by in-house staff; program may be organized to perform carpool matching only, or also to become involved in vehicle (van) acquisition through lease or purchase arrangements;
2. Formation of nonprofit corporations that (among other functions) develop regional carpool or vanpool programs for companies that are either too small or ill-equipped to start their own ridesharing programs;
3. Cooperation, coordination, and assistance to publicly formed third-party ridesharing matching organizations;
4. Employer promotion or subsidization of public mass transit service in the work force;
5. Contracting of commuter or conventional transit bus service, either operated by private bus companies or with employer-owned and employer-operated vehicles, as a replacement or complement to existing public transit services;
6. Lease-back arrangements whereby private corporations buy transit equipment and lease it back to transit authorities to take advantage of tax laws;
7. Provision of local share of project cost; and
8. Provision of highway facilities.

Another way to provide aid is the formation of advocacy or advisory groups whose purpose is to influence the urban transportation policymaking process. Existing business associations (e.g., chambers of commerce) are becoming increasingly involved in urban transportation policymaking and investment decisions. Also, businesses are forming regional associations to improve employee transportation or for other specific purposes (e.g., a specific capital-intensive project).

Still another way is private sponsorship or funding of specific urban transportation-related studies on topics that are important to an area's business community. Study topics can vary from optimal forms of land use in downtown areas to the location and design of transportation facilities. Private interests can provide funding, personnel, facilities, or any combination of these resources to perform the studies.

Finally, there can be management assistance to public-sector transportation organizations. Such assistance is not given with the idea that private managerial experience and assistance will lead to a direct improvement in transportation service provision. It can, however, improve organizational functions that exist in both the private and public sectors.

As can be seen, the private-sector role in urban transportation can be wide-ranging and diverse. It should be noted that the creation of employer associations is one of the few actions that involves more than one employer in an organized manner. Although such joint effort could provide a more effective means of solving the transportation problems of an employment center, it could also create some important institutional issues relating to coordination, funding, organizational interaction, and management control. The following examples illustrate how some employer groups have handled these issues.

The five examples of employer associations in California are summarized from more detailed studies (4-6). As summaries, they do not represent the detailed case study description necessary to provide all of the evidence for the conclusions made later. The intent is to illustrate some of the characteristics of such associations and the factors important in their creation.

EL SEGUNDO EMPLOYERS' ASSOCIATION

The El Segundo Employers' Association (ESEA) is one of the first nonprofit employer associations in the United States that deal solely with employee transportation issues. ESEA first became involved in such issues when officials from the city of El Segundo requested employer participation in the area's transportation planning process. The business community responded by recommending the development of a transportation system management (TSM) plan and implementation scheme. The TSM plan was to be a short-range plan that outlined the low-cost, service-oriented actions that the city and ESEA might jointly adopt to improve transportation system performance.

The city's involvement of the business community in local issues was not surprising, in that it reflected long-standing city policy and attitudes toward local business. For many years, city officials had been attracting new business to El Segundo by promising minimal government interference in business activities. This laissez-faire attitude toward business development, although successful in attracting new business, also resulted in unguided growth and concomitant traffic congestion. The TSM effort was thus a logical mechanism for local business participation in charting future actions to alleviate congestion problems. Prominent corporations in the area established the El Segundo TSM Group as a forum in which to foster discussion on the role of the private sector in the area's transportation problems.

This early TSM group sponsored special meetings among local employers on such topics as a new freeway design and ridesharing strategies for the El Segundo Employment Center. By February 1981, this working group had evolved into a nonprofit corporation--the El Segundo Employers' Association. In less than 2 years, ESEA has grown to 19 members, including 4 developers active in and around the Employment Center. With membership representing close to 75,000 employees (nearly three-quarters of the area's work force), ESEA has become a significant participant in the transportation planning process in El Segundo.

Funding for ESEA is based on a per-employee fee annually assessed to member firms. The current fee is \$1.25/employee, and developers are levied the same fee per 200-ft^2 interior floor space. The 1981 (July-February 1982) ESEA budget of \$50,000, and an estimated budget for fiscal year 1982-1983 of approximately \$100,000, also provided the Association with substantial resources to undertake planning efforts (7).

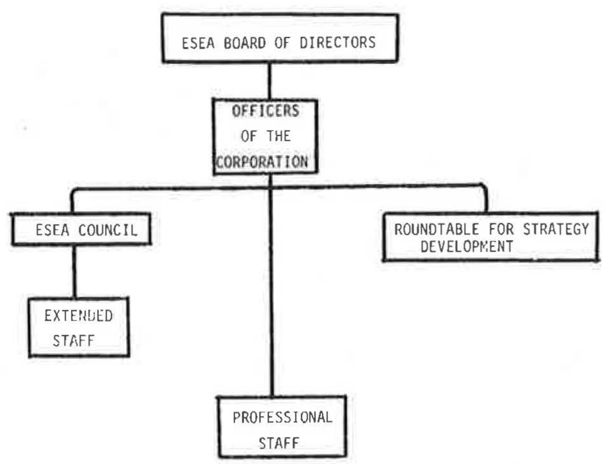
ESEA consists of six district organizational levels (see Figure 1). The first level, the board of directors, consists of 12 principal officers elected from member companies who serve staggered 3-year terms. The board sets policy and ratifies the corporate work plan.

The second organizational level is the ESEA council, which consists of midlevel managers designated by each member firm. The council meets monthly to discuss the issues targeted by the board. Several public agencies also participate as nonvoting associate members. These agencies include the city of El Segundo, the city of Hermosa Beach, Commuter Computer, the El Segundo Chamber of Commerce, Southern California Rapid Transit District (SCRTD), and individual participation by the Los Angeles City councilwoman who represents the El Segundo area.

A third, more informal level is the roundtable for strategy development. This group meets on an ad hoc basis to discuss the possible strategies ESEA might follow to implement the corporate work plan. The roundtable membership consists of those individuals within the Association with higher levels of transportation expertise.

The fourth level within the organization is related to its corporate structure as a nonprofit entity. One officer of the Association is an executive director, whose time is donated by a member

Figure 1. ESEA organizational structure.



ORGANIZATIONAL LEVEL	TASKS
BOARD OF DIRECTORS	• POLICY DEVELOPMENT • CORPORATE WORK PROGRAM
OFFICERS	• OFFICERS OF NON-PROFIT CORPORATION
COUNCIL	• INFORMATION DISSEMINATION FROM OTHER LEVELS
ROUNDTABLE	• STRATEGIC PLANNING
PROFESSIONAL STAFF	• DAY-TO-DAY RESPONSIBILITES OF ASSOCIATION
"EXTENDED" STAFF	• COORDINATE EFFORTS OF EACH MEMBER FIRM

firm. Other officers include a deputy executive director, a chief financial officer, a secretary, and an office counsel. A fifth organizational level is the professional staff, which consists of the executive director, a transportation planner, a ridesharing planner, a community relations and publications specialist, and an office manager.

The final organizational level is the informal network of company employee transportation coordinators, or the extended staff. Those individuals are responsible for the ridesharing and alternative commuting programs of member firms. They are instructed as to policy and program specifics by their company's representative on the ESEA council.

The corporate work program of ESEA outlines the following goals and objectives for the Association (8):

1. Develop a transportation master plan for the El Segundo Employment Center,
2. Act as a contracting agent for transportation improvement projects,
3. Represent interests of the Employment Center to outside agencies in the area of transportation,
4. Establish a ridesharing coordinator council,
5. Develop an ongoing coordinator training program,
6. Monitor and forecast traffic congestion and needs,
7. Act as a local center for information exchange,
8. Provide technical assistance for members to improve in-house transportation programs,
9. Set up and coordinate either a large or small employer assistance program,
10. Develop model company transportation policies and practices, and
11. Develop special programs to involve new employers in ridesharing.

As directed by the board of directors and the council, ESEA's planner is involved in numerous planning and coordinating undertakings. Although most employer associations are so new that the impact of their actions is not yet clear, ESEA has already established a record of accomplishment. Some of these accomplishments are described below.

Bus Express Employee Program

One of the first actions taken by ESEA was an attempt to save the bus express employee program (BEEP) operated by SCRTD. The BEEP system, a commuter bus service serving moderate-distance trips into Los Angeles employment centers, was not attracting a large ridership. Some SCRTD officials believed that, given this low patronage, BEEP was a cost-ineffective transportation service and a likely candidate for service cutbacks.

After conducting a study of the BEEP system, the ESEA planner concluded that the ridership was even less than that estimated by SCRTD. ESEA, realizing the service was surely doomed if the Association did not actively assure its retention, created a system of bus monitors to support the service at their places of employment. At the same time, this program was intended to show SCRTD how committed ESEA was to retaining the BEEP service.

ESEA has also recommended modifications to the service to improve its quality and to increase ridership. These service changes were the result of an effort of the ESEA staff as well as support provided by a member corporation. In case SCRTD decides to discontinue the BEEP service, ESEA has been considering alternative funding schemes to assure the continued provision of some service similar to BEEP.

Manhattan Beach Light Rail Study

The city of Manhattan Beach contracted with ESEA to study the feasibility of light rail transit to the area. The new line would serve Manhattan, Redondo, and Hermosa Beaches, as well as El Segundo. One of the major reasons for ESEA involvement in this study is that these cities have a history of conflict during the past 25 years. Officials from these cities decided that, given the possible tensions between the cities, some outside organization was needed to conduct the light rail study. Thus, ESEA, a nongovernment entity, is playing a middleman's role.

Bike Paths

One of the interesting facts that emerged out of the original El Segundo TSM study was that 25 percent of all employees live within 4 miles of their place of employment. ESEA thought that bike paths might well serve the travel needs of these nearby workers. The Association hired the president of a national bike riders' association to identify candidate bike routes in the El Segundo area. One particularly attractive route was chosen by ESEA officials, and ESEA is currently negotiating with the owner of the land to acquire an easement. ESEA is also applying (through the city) to the California Department of Transportation (Caltrans) for state funds to support the bike path.

Situational Analysis

The ESEA staff will soon begin conducting a situational analysis of the El Segundo Employment Center. This study will (a) describe the transportation infrastructure that serves the area, (b) review transportation activities taken by individual firms, and (c) identify personnel and agencies involved in transportation planning and implementation. This analysis will help inventory the needs of member firms as well as identify the means to involve new members.

Corporate Support

ESEA has also spent much time promoting its actions, and the concept of nonprofit employer associations, to other employer groups in California. The executive director of ESEA (and head of the transportation department for a local corporation) has argued that the key factor to a successful association is corporate top management commitment to employee transportation programs (9). Such commitment is especially evident in the El Segundo case, in that the area does not suffer from the severe parking problems that characterize employer ridesharing programs elsewhere. The need for an efficient transportation system, and the importance of such a system to employer operations, appears to be the major motivating factor for the ESEA efforts.

ESEA sees the next year as the possible turning point for the organization. It is believed that public sentiment will go for or against their efforts. ESEA realizes that it could push the cities and other agencies too far, and, also realizing that the agencies it must deal with do have the official implementation powers, ESEA officials do not want to push too hard. Yet it is this very pushing and action-oriented stance that has allowed ESEA to become a key participant in the transportation issues and problems of the area.

SANTA CLARA COUNTY MANUFACTURING GROUP

Santa Clara County, often referred to as Silicon Valley, has experienced periods of rapid growth since the early 1950s when aircraft and automobile companies began to locate in the region. More recently, high-technology firms have found Santa Clara County to be an ideal location for their activities. As housing became more expensive and the county's public infrastructure became inadequate for handling this rapid growth, major employers became concerned about how these factors would affect their operations. Indeed, employers were already beginning to experience problems in recruiting and retaining good employees as housing costs skyrocketed and congestion became more severe.

Concern over the growing transportation problems resulted in the formation of the Santa Clara County Manufacturing Group (SCCMG). At the outset, SCCMG identified three critical problems in the region: (a) limited land use options, (b) competition among localities leading to fragmented decision making, and (c) regional industry not being involved in the above issues. To address these constraints, and fearing limited economic viability of the region, the Manufacturing Group based its organization on several principles. These principles include a countywide organization to be involved in a broad set of issues, a limited constituency of the largest corporations, and policymaking representation by corporate chief executive officers. Finally, the region's problems should be viewed as the joint responsibility of the public and private sectors.

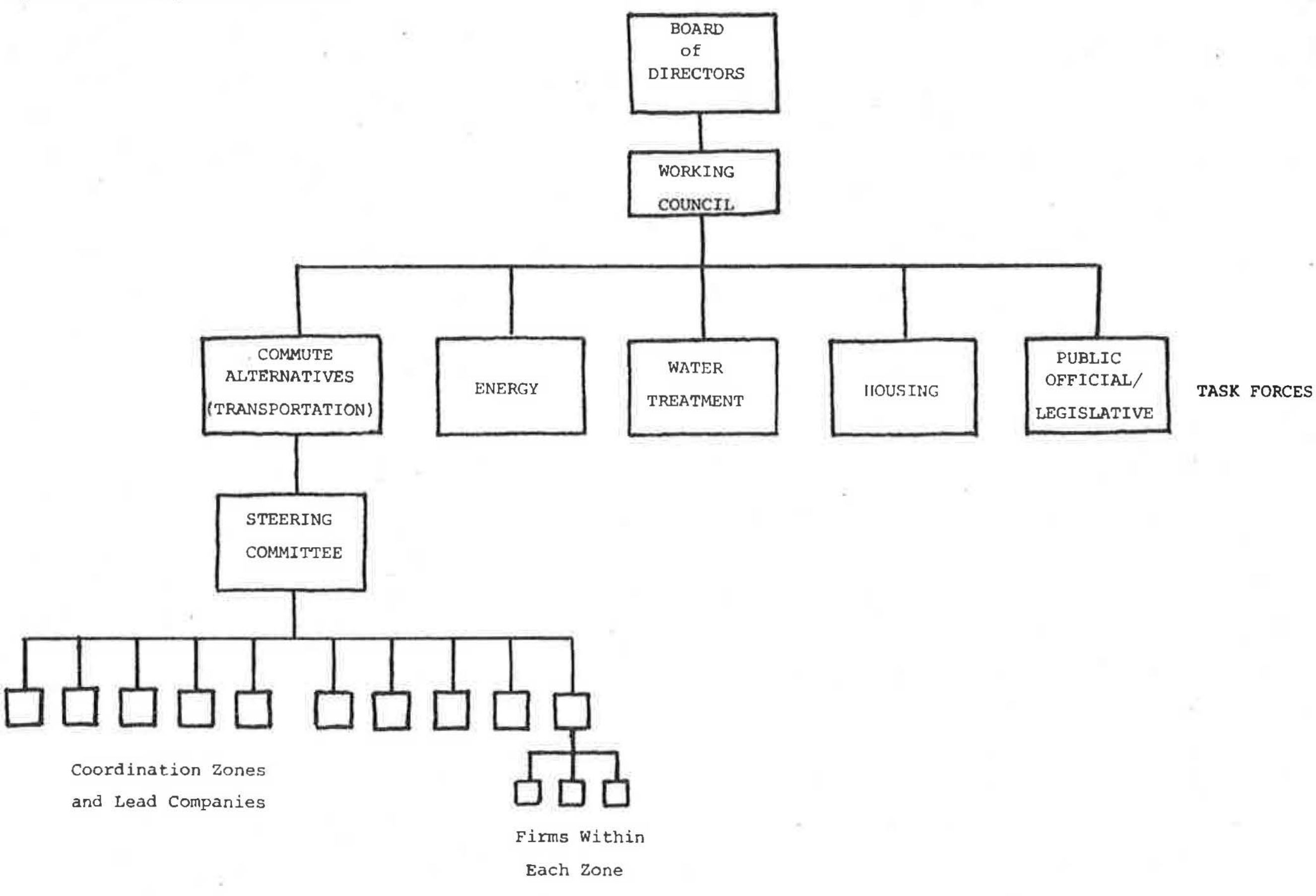
SCCMG, which now has 75 members, was formed "to enable local industries to work cooperatively in helping local government respond effectively to the challenges of growth affecting the county's economic health and quality of life" (10). The Group now represents more than 180,000 employees--more than half of the county's manufacturing work force.

Unlike ESEA, SCCMG is also concerned with housing, energy, and private and public relations. However, similar to ESEA, SCCMG levies dues on member firms on a per-employee basis. A board of directors provides policy guidance to a small staff, and most of the coordination and policy discussion occurs in various steering committees and ad hoc groups (see Figure 2).

To assess transportation issues, the Group has formed a transportation task force that consists of member firms, association staff, the regional transit agency (County Transit), and RIDES for Bay Area Commuters, Inc. The task force membership is based on a zone structure whereby individual companies in an area will develop a coordinated transportation program with supporting services provided by County Transit and RIDES. Transportation coordinators for individual firms meet by zone and discuss the needs of their respective firms and the area as a whole. Some recent activities of the task force have included

1. Establishing coordinators at 50 companies,
2. Holding training classes and workshops,
3. Producing a training videotape,
4. Developing material to supplement the MTC manual,
5. Organizing 10 zones that have a lead company in each,
6. Obtaining employee survey and planning information,

Figure 2. SCCMG organizational structure.



7. Developing personalized ridesharing marketing techniques,
8. Fostering a promotional "Commuter Saluter" contest, and
9. Participating in transportation-related legislative advocacy.

SCCMG sees its role as a transportation facilitator, whereby it promotes and coordinates the efforts of groups that want to improve the commuting trip for the region's employees. This facilitator role brings developers and public agencies together to mitigate traffic impacts and introduces employers to ridesharing and transit services. One tool SCCMG uses to foster this discussion of conflicting factions is the briefing. Briefings bring involved persons together to resolve differences that serve as barriers to project or program implementation. In this role of facilitator, SCCMG assures that decisions made by often disparate groups, agencies, and localities are at least known to each other, and, it is hoped, beneficial for the entire region as well as individual employers and businesses.

The representative of County Transit on the task force believes that the success of this facilitator status is due to the political clout the Group has enjoyed, which is stronger than that of the chamber of commerce enables the Manufacturing Group to get people to talk to each other.

SOUTH PLACER COUNTY MANUFACTURING ASSOCIATION

When high-technology industries began moving out of the over-crowded Santa Clara valley and into the Roseville area of Placer County near Sacramento, major development began to occur along several state highways in the region. Given this new development, Caltrans began planning for a highway that would carry traffic around Roseville. This project was included in the state transportation improvement program, which was approved by the California Transportation Commission (CTC). However, CTC approval was contingent on the consideration of other actions that could address the problems of housing, air quality, and transportation caused by the development.

In August 1980, CTC signed an agreement with local jurisdictions to establish a coordination group, the Placer County Policy Committee, which consisted of one councilman each from the cities of Roseville, Lincoln, and Rocklin, and a supervisor from Placer County. Ex officio members included representatives from two surrounding cities and three counties. Currently, this group is considering the creation of a ridesharing ordinance for the development area, assigning the costs of transportation improvements to developers, possibly creating a transportation assessment district, and requiring that development site plans include a transportation management plan (11). Caltrans has suggested to this group that new development should be contingent on several actions, including

1. Partial funding of the new highway by the developer,
2. Easy pedestrian access,
3. Bike storage facilities,
4. Bus turnouts and other transit projects,
5. Automobile-restricted zones,
6. Employer transportation coordinators, and
7. Ridesharing and transit promotion.

In part due to this substantial government interest in development-induced problems, local corporate officials organized the Placer County Manufacturing Association. The Association's goals are to:

1. Promote transportation coordinators in each firm,
2. Encourage liaison activity by coordinators,
3. Establish a clearinghouse for transportation information,
4. Form agreements with public entities, and
5. Advocate public and private expenditure in transportation.

Although in its infancy, the Association has begun to address some of the important issues in the area of development. The initial cooperative effort of the Association and the policy committee is reaching a consensus on the form and content of a ridesharing ordinance to set a legal imperative on the commutation-related responsibilities of developers and tenants of the industrial area. According to some Association members, the effectiveness of this group will depend on how it interacts with public-sector personnel in identifying a strategic development plan for the area.

NEWPORT CENTER ASSOCIATION

The Newport Center Association was created for corporate and business interests located in Newport Center, a new and expanding commercial development in the heart of one of Newport Beach's most congested areas. There were approximately 10,000 employees in the Center area at the time of the Association's inception.

The owner of the Newport Center, the Irvine Company, wished to enlarge the development by 20 percent with new commercial and office space. With the city of Newport Beach, Orange County, and the California Coastal Commission opposed to development and the probable traffic problems, the goal of the Irvine Company became one of increasing the floor space of the Center and the number of employees by 20 percent while maintaining the traffic congestion level at its current amount. The Irvine Company hired a management services company to study traffic management options. Although density and commuter matching studies were being completed, the Association pursued a campaign to encourage Center employers to participate in the Centeride program, which was designed to introduce the employers to "the concepts of carpooling, vanpooling, public transportation, flextime, and other innovative approaches combined for a comprehensive solution to (employer) transportation needs" (12).

The Newport Center Association was also sending to perspective members of the Centeride program a brochure that outlined employer and employee benefits of alternative transportation programs. The intent of the Association was to establish in-house transportation coordination abilities, disseminate information, and assist with TSM plan formulation. The Association planned to implement a shared coordinator program to allow smaller employers to purchase time for an employee transportation coordinator.

As for funding the Association, the Irvine Company planned to solicit donations for the Center's tenants once the program's success was established. The program also received input from many sources through the formation of a transportation management program advisory committee comprised of individuals from Newport Center employers, the city of Newport Beach, the Newport Harbor Area Chamber of Commerce, the Fashion Island Merchants Association, and the Newport Center Association.

After nearly 1 year of frustrating attempts to solicit employers to deal with the traffic mitigation issues, and to satisfy the city and the Coastal Commission, the Irvine Company decided to forego its expansion plans for Newport Center. A major factor in this decision was the conclusions of the traffic study, which pointed out the overwhelming difficulties of maintaining traffic levels and expanding the number of employees. In addition, vocal opposition was being encountered by a growing number of organized citizen groups.

The demise of the Newport Center Association can be attributed to the lack of top-level commitment on the part of the Center's chief executives. The Association was established by the developer, who assumed that commitment and membership would follow. The impetus for the formation of the Association was again the conditions placed on a developer by a public regulatory agency. A public-private partnership did not ensue; rather a more forced, artificial relation was fostered among the employers, the developer, and the involved public agencies.

ORANGE COUNTY TRANSPORTATION COALITION

The Orange County Transportation Coalition is a group of private businesses that lobbies for transportation improvements in Orange County. The Coalition, formed in 1979 by 6 of the county's leading business executives, currently has 52 member companies that represent more than 95,000 employees. Membership in the Coalition requires a commitment of $5,000/founding member and a minimum of $1,000/member/year, with those most affected by transportation problems urged to contribute more.

There are several stated purposes of the Coalition:

1. Monitor and support critical Orange County transportation interests at state and county levels,
2. Maintain a healthy economy and business climate,
3. Protect mobility (i.e., person and goods movement),
4. Secure investment for projects needed to complete highways and transit system (i.e., those projects that will accommodate vehicular traffic, provide responsive transit services, and use TSM actions),
5. Work closely with the Orange County Transit District and the Orange County Transportation Commission, and
6. Support legislation favorable to transportation interests.

The Coalition's aim is to seek transportation improvements independent of any public agency activity. The Coalition strongly believes that its involvement should stay separate from the public sector in order to maintain its role as the private-sector voice in transportation. Supported by two hired consultants, some of the activities of the Coalition have been to

1. Lobby and support efforts that led to the passage of a bill that increased the state gasoline tax by $0.02/gal, thereby increasing state highway revenues;
2. Support the creation of Caltrans District 12, which would help distribute funds back into Orange County; and
3. Support successful efforts to secure a $9.4 million freeway project approval by CTC.

EMPLOYER ASSOCIATIONS: LESSONS FROM THE CALIFORNIA EXPERIENCE

Although many of the employer associations discussed in this paper are still in the initial stages of development, their experiences (and failures) to date provide some useful insights into the role that such groups could play in urban transportation and the characteristics of successful association operation. Several characteristics merit special attention. First, the commitment and ongoing involvement of top-level executives and chief executive officers are essential to the success of such efforts. It is these individuals who are able to use a variety of incentives for employee involvement within their firms. An important aspect of this involvement is the decision of top management to use corporate employees as liaison personnel. A network of employer transportation coordinators assures the success of employer associations and activities as mid-level managers keep information flowing to their superiors, their employees, the community, and especially to each other.

Second, the perceived lack of an active posture on the part of government appears to have influenced the desire of business people to organize and commit resources to solving the problems they see as critical to the economic future of the community. This is not to suggest that public agencies are unable to carry out their job. Rather, the existence of an employer's association can focus public attention on the key issues facing an employment center. Joint public and private action is extremely important for most of the employer associations described above.

Third, one of the most significant barriers facing the creation of an employer association is its legal status. Such an association may file for either charitable corporate status or recognition as a business league, one with a mutually beneficial purpose. Although both types of status are tax exempt, only the charitable status allows deductible donations as income from nonmembers. The league status confines the acquisition of capital to membership fees. The ability of employer associations to acquire charitable status may be a crucial factor in the future role of these entities.

Funding is an obvious and crucial issue facing employer associations. Flexibility in funding mechanisms and options will contribute to the strength and viability of these organizations. Several funding schemes are currently used by employer associations to assess fees to member firms: per-employee assessment, square-foot interior floor space assessment, annual flat dues, one-time fee, substitution of in-kind services for fees, and a combination of these mechanisms.

Another issue related to nonprofit status is the restriction of lobbying efforts. An objective of many associations is to support public-sector spending on transportation improvements. The inability to lobby, a requirement of charitable status, often restricts this activity. A related issue is the ability of the association to invest funds in transportation improvements and services. A myriad of bureaucratic hurdles must often be overcome before an association is able to provide a shuttle bus service or fund the signalization of a congested intersection near an industrial park. As a nonprofit organization, the association would not qualify for investment tax credits (being tax exempt) if it were to purchase vehicles or other transportation improvements.

A final factor that affects the ability of the association to solve the transportation needs of the employment center is the participation rate of corporate members. Effectiveness increases as membership in the association grows. This ability to strengthen membership (and therefore resources) may be linked to the ability of member corporate officials to exert some friendly peer pressure on other corporate officials. Another form of peer pressure may come from employees. Employees of a nonmember firm may perceive their benefit package to be less comprehensive than that of the member firm that offers transportation-related services. This may also affect the ability of the nonmember firm to recruit new employees.

An important point to remember is that these associations are not a panacea for all transportation ills. Employer associations often deal with specific, localized conditions that are perceived to have a direct bearing on member firms. Keeping this in mind, and given true cooperation between the associations and the appropriate public agencies, employer associations might still become a viable institutional mechanism to solve employee commutation problems. As issues of turf and political barriers are alleviated, and as misconceptions about roles and responsibilities dissolve, such associations may be able to play an active part in dealing with future transportation problems.

CONCLUSIONS

Urban transportation planning has long been a process influenced by many groups in an urban area. In some areas of the United States, employer associations are the latest entities to claim a role in this process. As discussed above, many of these associations are in the initial stages of formation, and hence their impact on urban transportation planning has yet to be determined. Several roles have begun to emerge, however, and their potential implications could be far-reaching. The following conclusions suggest what role employer associations could play in local transportation issues, not what role they should or will assume.

The first such role, for example, involves other employers and developers in the specific region. Employer associations often serve to convince the entire business community of the importance of a viable urban transportation system, and the value of such a system to the economic health of the entire region. Constricted mobility can seriously place limitations on the labor pool available to employers. Severe congestion can hamper an employer's productivity as tardiness becomes widespread. A weak transportation system can have additional effects on the employer's ability to recruit and retain competent employees. This may also affect a developer's ability to lease or occupy new or expanded development.

As the region's business community becomes more aware of these issues and witnesses the commitment on the part of member employers, cooperation with public-sector transportation agencies could potentially be fostered. It should be remembered, however, that these associations are currently being formed in regions that exhibit healthy economic growth, and that it is usually the largest firms in an area (often corporate headquarters) that are becoming involved. The transferability of the employer association concept to other, less economically healthy areas is unclear. These firms often cannot dedicate resources to something as innovative as employee transportation services. The issue of the economic health and the success of such associations will only be solved over time, and by the degree of adaptability of the employer association concept.

Another role being assumed by employer associations relates to their advocacy efforts and the legislative lobbying activity discussed in the previous cases. These associations are becoming a new, powerful lobby in state and regional-level transportation issues. These issues include increased public spending for transportation infrastructure and services, regulatory reform concerning commutation issues, and even specific transportation projects, programs, and demonstration monies. Employer organizations are often able to use the political influence of key members to forward these concerns and desires. The implications of these advocacy and lobbying efforts have serious ramifications for state and regional decision makers. The ability of these decision makers to trade off the interests of such associations against the wide range of demands placed on them will be crucial to the equitable allocation of transportation resources.

A final role that employer associations are undertaking concerns their relative influence within transportation planning and policymaking. Some associations are currently assuming de facto responsibility for many of the service, planning, and coordination functions previously undertaken by public-sector agencies. Thus, although statutory responsibility may rest with third-party ridesharing organizations, metropolitan planning organizations (MPOs), public transit operators, and municipal traffic engineering departments, many functions are actually being performed by the employer association.

Thus, cooperation then becomes a means to action-oriented ends. With regard to the El Segundo association, this de facto responsibility has taken the form of several planning efforts related to transit service improvements, ridesharing coordination, and even the proposed implementation of a light rail line. In the Santa Clara County case, rather than taking on the role of doer, SCCMG is becoming a key coordinator or facilitator of transportation activity in the region. Although this role is primarily the responsibility of the MPO, the political clout enjoyed by the Manufacturing Group is strengthening its influence and even control over many of the transportation issues facing the county.

This powerful role, being assumed by many of the associations identified here, potentially could result in the increased effectiveness of the entire urban transportation system. The fear of such influence lies in the possible circumvention or disruption of traditional institutional arrangements. These traditional arrangements may be well-entrenched and exhibit a strong sense of territorialism. As revealed by ESEA, a fear exists of pushing certain agencies too hard or tampering too much with well-established institutional allegiances. This role of active intervention and responsibility could thus backfire and lead to the eventual failure of an employer association due to alienation from other organizations, thereby excluding the possibility of meaningful collaboration.

In sum, related employer associations may be assuming roles and de facto responsibilities that may supersede their intended purpose and have significant implications for the entire urban transportation planning and policymaking process. This is not to say that these roles and responsibilities are necessarily counterproductive to the overall objectives and programs as set by public agencies and transportation-related organizations. The key to assuring the coordination necessary to foster common goals and objectives is the need for interactive cooperation between the two sectors, not reactive mistrust and misinterpretation.

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Paratransit at a Transit Agency: The Experience in Norfolk, Virginia

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The objective of this project was to test the feasibility of a transit agency's development and provision of alternative, lower-cost transportation services. Demand-responsive and fixed-route paratransit services were substituted for unsatisfactory bus services in low- to medium-density areas and introduced in unserved suburban and rural areas. Services were extensively monitored, and the results are reported. The new services failed in new service areas due to lack of riders. Where bus service was severely reduced or eliminated, substitute services were largely successful in continuing to attract a substantial ridership at lower cost (deficit) to the transit agency. Major problems, including opposition by the transit union and some private service providers, and also some operational problems are discussed.

The Tidewater Transportation District Commission (TTDC) is a government agency chartered in Virginia to plan, operate, and regulate public transportation services. Five cities--Chesapeake, Norfolk, Portsmouth, Suffolk, and Virginia Beach--are members of the Commission. About one-third of the 1,092 miles² encompassed by TTDC is urbanized (see Figure 1). Norfolk and Portsmouth are completely urbanized, as is the northern third of Virginia Beach and small portions of Chesapeake and Suffolk. The table below gives the population and population density for each city and the entire area:

Area	1980 Population	Population Density (persons/mile²)
Chesapeake	114,486	335
Norfolk	266,979	5,037
Portsmouth	104,577	3.606
Suffolk	47,621	116
Virginia Beach	262,199	1,012
TTDC	795,862	729

TTDC provides public transportation services to each city under an agreement that stipulates that each city will pay for the service it requests. Costs are allocated according to vehicle hours of service, and revenues are allocated according to passenger fares. There are no other sources of local operating funding. The prevailing funding restrictions of the member cities, along with the high costs (including fare increases and service reductions) of doing business as usual, are the principal reasons why TTDC undertook state and national demonstration projects to test alternative, lower-cost ways of providing public transportation.