

Measuring Success at Raleigh–Durham International Airport

Rapid Expansion Creates Organizational Challenges

As an East Coast tech hub, Raleigh, North Carolina, is one of the fastest growing metropolitan areas in the United States. Raleigh–Durham International (RDU)—a medium-hub airport—has experienced corresponding growth, showing record increases in passenger volume and a 55 percent increase in total passengers since 2011. RDU’s staffing reflects this rapid expansion, with more than 380 full- and part-time employees who work directly for the Raleigh–Durham Airport Authority.

This influx in new air service created challenges for RDU. So, in 2013, the airport developed a strategic plan to address growth. The plan outlined three competitive strategies: operational excellence, fiscal responsibility, and customer experience. But,

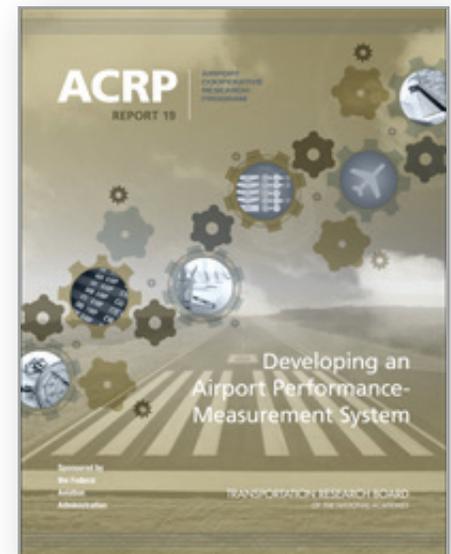
this strategic plan was missing a critical element: how to measure RDU’s performance in these key areas.

To connect the dots between planning and measurement, Kenny Perry, Director of the Project Management Office at RDU, turned to *ACRP Report 19: Developing an Airport Performance-Measurement System* and *ACRP Report 19A: Resource Guide to Airport Performance Indicators*.

Measuring Performance to Balance Priorities

From late 2016 to early 2017, Perry was tasked with developing a tool that could help clarify and steer RDU’s efforts to translate the plan’s conceptual strategies into targeted actions. In particular, he had to create a Balanced Scorecard, a performance-measurement framework that helps an organization align its vision for the future with its strategies, desired employee behaviors, and daily operations.

Chuck McFall, Chief Information and Strategy Officer at RDU, made the initial suggestion that Perry look into ACRP research to



support this effort. *ACRP Report 19* helped Perry develop a baseline understanding of the theory behind a Balanced Scorecard and provided easy-to-follow guidance for structuring, implementing, and controlling the use of the tool across RDU. The report also provided valuable information on how RDU could use the Balanced Scorecard to support decision-making and

“*ACRP Report 19* helped establish my thinking and set the philosophy for the scorecard. . . . I went into it not knowing much about making a scorecard. Understanding the theory of it was really helpful.”

— Kenny Perry



Inside RDU terminal (Source: Kenny Perry, RDU).

track when it successfully completed goals, allowing the airport to then shift its focus to achieving the remaining strategic priorities.

Moreover, *ACRP Report 19* clarified the benefits of developing a performance-measurement system at RDU. Not only does the system enable leadership and management to properly allocate attention and resources, but it also helps them implement strategies efficiently and effectively.

Tracking Key Performance Indicators

To enhance and support scorecard implementation, RDU used *ACRP Report 19A* to develop key performance indicators (KPIs)—also known as airport performance indicators, or APIs. In addition to providing a comprehensive list of 161 vetted KPIs in use at airports nationwide, the report includes



Plane landing at RDU (Source: Kenny Perry, RDU).

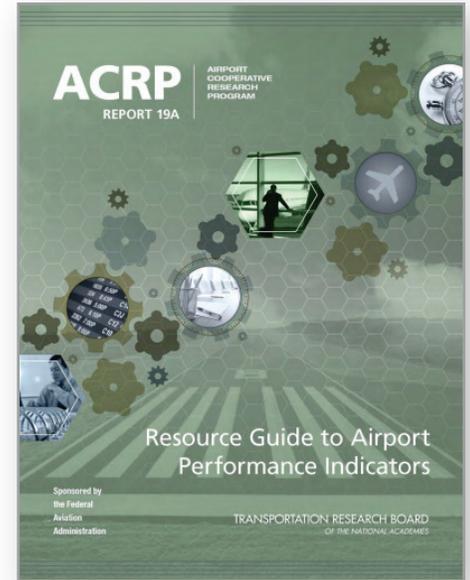
clear definitions for each indicator, anticipated data sources, comments and insights from the report authors, and information about the applicability of the KPIs to different airport types.

RDU pulled many indicators from *ACRP Report 19A* to include in the Balanced Scorecard. With an eye toward comprehensively measuring its performance in multiple areas, RDU anchored the KPIs to the competitive strategies laid out in its strategic plan. According to Perry, *ACRP Report 19A* “served as a gold mine and was instrumental in [RDU’s] effort to put forth a scorecard that was realistic, relevant, and grounded in best practices.”

Enhancing Organizational Effectiveness

Perry used the knowledge he gained from the two ACRP reports to develop a draft Balanced Scorecard, which the RDU executive leadership team then refined, approved, and implemented. The most recent scorecard includes 22 KPIs, such as the number of new or revised policies and procedures and the average time to fill vacant positions.

At the end of each fiscal year, RDU leadership uses the scorecard



to measure whether the airport successfully met each KPI target, achieved innovative (or stretch) goals, or did not meet a target. Unmet targets drive the executive team’s strategic-level discussions to identify what the airport should have done differently and how to improve its performance in the future.

ACRP Reports 19 and *19A* were critical links in helping RDU better connect its strategic goals to its practices, track the right metrics, and develop baseline data for self-performance measurements, as well as for measuring performance against peer airports. These factors have greatly enhanced RDU’s organizational effectiveness.

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