

PERFORMANCED-BASED MANAGEMENT OF THE ROAD TRANSPORT SYSTEM, ABOUT THE EXPERIENCE IN SWEDEN

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ABSTRACT RÉSUMÉ

Developing sustainable accessibility for today's modern societies is one of the grand challenges for years to come. Meeting this challenge calls for change in focus from only constructing roads through advanced and good engineering, to developing the transport system as a part of a dynamic society. The Swedish Transport Administration has recognized the importance of a broader perspective in its business operation and is developing new approaches as basis for performance management. These new approaches include the advantages of collaborative transport planning, with regards to all transport modes. In order to contextualize performance management as a tool to assure the expected outcomes, TRA is developing concepts for planning and decision processes, which focuses on delivering foreseen values. It means to transform transport policy goals and objectives to TRA's organizational activities.

1. BACKGROUND

On 1st April 2010, the Swedish Transport administration was introduced as a new organisational arrangement to better meeting demands on accessibility in society. The new organization took over the activities previously undertaken by the Swedish Rail- and Road Administrations. Hence the former administrations as well as the Swedish Institute for Transport and Communications Analysis were phased out.

The Swedish Transport Administration is today responsible for the long-term planning of the transport system, which includes road, rail, maritime and air traffic. Moreover the administration is also responsible for construction-, operation-, and maintenance for the state owned roads and railways.

It is expected that the new organizational arrangement create the preconditions necessary for the development of the transport system as a part of a dynamic society. The perspective is now broader; it is about the whole journey or transport, irrespective of transportation modes. It is about developing a livable society through changing focus from producer's- to user's viewpoint.

1.1. The mission and vision

The mission of the Swedish Transport Administration takes its starting point from the overarching goal of Sweden's official transport policy. The overarching goal of Sweden's official transport policy is to ensure a socio-economically efficient transport system, which is sustainable over long term for citizens, trade, and industry across the country. The main objective is accessibility without compromising the conditions for safety, the environment and health.

The vision is expressed as: "*Everybody arrives smoothly, the green and safe way*". It emphasizes the focus on the user's perspectives. The vision is a manifestation of our long-

term will and a brief guiding star, that shall inspire to a mutual attitude to all our different tasks within the administration. Our utmost will is to contribute to sustainable prosperity and progression in the whole country. We develop and manage smart transport networks for the modern society. We are committed to making everyday life easy through close collaboration with stakeholders in society, trade, and industry, see Figure 1.

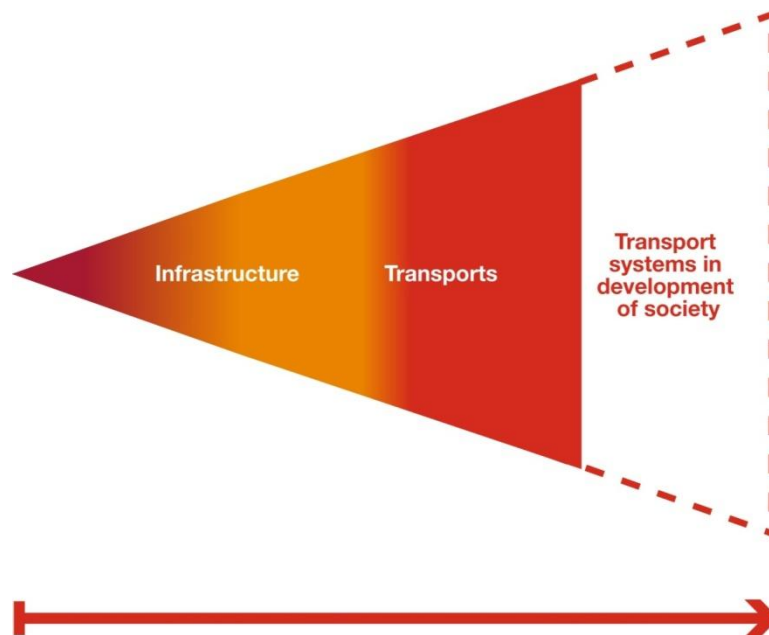


Figure 1, from sustaining infrastructure to developing society

2. FROM MISSION TO OUTCOMES

To put our mission into action and to assure us that the outcomes of our activities leads to improvements and development of society we have established a planning process focussing on delivering public value. The starting point is of course our mission which has been derived from the transport- policy goals and the national and regional plans for infrastructure expenditures that are approved by the parliament and government, figure 2.



Figure 2 Scheme over the planning process

We have agreed upon a strategic aim and direction for the whole organization through discussions within the organisation and it has been approved by the TRA's board of directors.

However, prior to our operational planning we identify and focus on key success factors for reaching our goals. In other words: what is critical at present? Moreover we identify a set of relevant indicators to be used regularly in order to follow up and evaluate our outcomes. Results from these follow up activities provide us the internal feedback needed to make necessary amendments on our business operation whenever needed.

3. STRATEGIC AIM AND DIRECTION

Basically, it is of significant importance to gather our resources and enabling the organisation focusing on TRA's highest priorities. Hence establishing a strategic direction is an important activity and may be considered as a very first step towards performance management. As discussed in the previous section, TRA's strategic aim and direction for the next 5 to 10 years is now established and points out six different challenges namely:

1. An energy-efficient transport system
2. Well adapted transport for passengers and freight in metropolitan areas
3. Efficient intermodal transport for trade and industry
4. A robust and reliable infrastructure
5. More value for money
6. The Swedish Transport Administration, a modern agency

Each of the above- mentioned challenge includes associated strategic goals and strategies. These goals will be the offset to the strategic planning over the years to come. A strategic challenge is determined to be an area where there is a significant gap between the present and the desired situation. Hence our planning of our coming operation focuses on activities which effectively reduce the identified gaps.

4. EXAMPLES ON PERFORMANCE MANAGEMENT USING THE ABOVE DESCRIBED CONCEPT

In the following, the reader is guided through an example on performance management using the above- described concept. The aim of this example is to contextualise the use of the concept and show the capability of a simple but efficient approach for transforming strategies from a political level into the organisation's daily activities.

As indicated before, TRA has defined the need of work for the achievement of an energy efficient transport system as a challenge. This challenge involves several strategic goals, such as reduction of "Carbon dioxide emissions and energy use in the transport sector. The organisation shall consequently identify relevant "critical success factor" and focus on activities in order to move toward the preset goal. It is obvious, that successful achievements in this regard, require joint efforts together with other important players within the sector, for example other public partners and the business community. The next

step is to define targets, and associated measures, for what is reasonable to achieve during the coming planning period, usually 3 years. In the followings, some examples on measures that have contributed to reduction of carbon dioxide are discussed in order to contextualise the concept.

In 2010 the carbon dioxide emission within transport sector was reduced by about 158,000 tonnes. Achieved result was a consequence of the STA purposefully collaboration with the business sector and public organisations. The collaboration focused on measures to promote amongst others choice of: better vehicles, fuel, and energy effective mode of transport as well as introduction of eco- driving. Only these measures were estimated to have reduced emissions by 70,000 tonnes. Other measures undertaken are decrease of the number of cars equipped with studded tyres and utilization of efficient street lighting. These together have resulted in additional 15,400 tonnes reduction of carbon dioxide emissions.

Measures as above are examples on regularly announced measureable goals within the organisation. These are introduced annually through "Balanced Score Card". Goals and objectives are defined and established by the Director General in agreement with the TRA's board of directors. Different departments within the organisation are required to describe their actions and expected contribution into different goals.

Although planning is one important annual activity within TRA, follow-up of the planned activities and evaluation of the achieved results is even more important. This involves four-month reporting from TRA's different departments on the predefined measures and indicators. This reporting provides good enough feed- back on performance of TRA in general and each department in particular. Moreover, it enables the board of directors to take actions for steering/correcting the organisation through adjusting/ modifying planned activities on regular basis or whenever necessary.

5. CONCLUSIONS

It is important to be aware that we act in a context where there have been many management philosophies throughout history. Examples on different philosophies are: knowledge management, process management and regulation management. These management philosophies still exists in one way or another within all organisations, this has to be recognized. The most successful approach probably is not given only by theories but practicing a management approach that leads to desired outcomes. The answer may lay in a combination of experienced management philosophies and sound management concept. At the end of the day it is all about the human resources within the organization. The challenge for all organisations worldwide is to understand how to get the best use of their employee's competences and capabilities. Performance Management has shown great potential for encouraging employees through follow up of their operation performance and adjusting operations in mutual understanding when necessary.