The Roots of “Mobility Management”

Adapted for the
APTA Mobility Management
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Introduction

Today’s rapidly expanding interest in “mobility management” echoes, to a considerable degree, concepts and lessons that emerged a decade ago from the Transit Cooperative Research Program examination of “New Paradigms” for public transportation agencies. Over the past two decades, fundamental institutional change and new ‘business models’ in both the public and private sectors, have offered important lessons for the evolution of public transportation agencies and organizations.

Many of these lessons are today guiding transportation agencies in making the concept of “mobility management” a both an emerging strategic responsibility and an operational reality throughout the transit industry. Case studies featured on this web site illustrate this progress.

This presentation reviews the core concepts and emerging directions in embracing the 21st century responsibility for managing mobility.
Contents and Key Themes

The slides and commentary that follow summarize key themes and concepts that provide an operational definition of “mobility management:”

- Why a “mobility management” role and responsibility?
- Lessons from other businesses and industries;
- Dimensions of change and measuring progress;
- Examples of current progress in mobility management;
- Expanding support for mobility management from outside the industry; and
- Decisions needed to make mobility management work.

Why a New “Mobility Management” Paradigm?

- Our quality of life and economic vitality remains at risk;
- Socio-economic trends act to reduce relevance of traditional transit;
- Fragmented responsibilities, regulatory constraints, conflicting policies and goals, and restrictions on funding frustrate innovation;
- Separate, hierarchical, monolithic operating agencies remain the norm;
- We are slow to grasp the “customer experience” as a strategic focus;
- We are slow to deploy state-of-the-art information technologies.

Circumstances facing most public transportation agencies provide ample reason to examine fundamental changes in the years ahead. To what extent do these factors impact your agency and its effectiveness?
Perspectives on the Need for Change

“Markets will no longer be driven by what manufacturers choose to make and sell but by what customers want to buy... People are starting to bundle together services that were once in different industries because their customers want them to...

“The company of the future will tailor its products to each individual by turning customers into partners and giving them the technology to design and demand what they want.”

Business Week, August 2000

Fundamental change in businesses and industries of all types has become the norm in the last decade of global economic change

Today’s Converging Imperatives

1. The decades long struggle to advance “service coordination,” driven by the need for greater economy, efficiency and effectiveness;

2. Lessons drawn more recently from fundamental changes across business and industry that point the way toward an operational model of mobility management; and

3. Prospects that future Federal legislation will provide a greater emphasis on managing mobility on a metropolitan scale.

The drive toward fundamental organizational change and the current interest in “managing mobility is also a product of three current and converging imperatives.
How Should We Respond: Some Perspectives

“It is futile...to try to ignore the changes and to pretend that tomorrow will be like yesterday, only more so.”

“The first policy...and the foundation of all others...is to abandon yesterday.”

Peter Drucker, 1999

“...the 21st century corporation...must be predicated on constant change, not stability; organized around networks, not rigid hierarchies; built on shifting partnerships and alliances, not self-sufficiency; and constructed on technological advantages, not bricks and mortar.”

Business Week, August 2000

Lessons from the Outside

- Experiences in major industries
  - Telecom  Energy  Steel
  - Freight  Package delivery  Airlines

- Experiences in public service
  - Postal service  Charter schools  Local government

- Lessons from European transit operations
  - London  Paris  Hong Kong
  - Hamburg  Gothenburg  Netherlands

Common fundamental changes being made in businesses and industries, worldwide, provide key lessons for public transportation organizations.
Lessons from Intermodal Freight

...“decision makers...for many years believed that working alone with dedicated assets (ships, containers, chassis, terminals etc.) was the way to maintain a competitive advantage in the marketplace.”

“During the last decade, the operating philosophy at SeaLand evolved from one of being driven by the market, the competition and cost to one of an obsession for the consumer.”

SeaLand Senior Executive

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Intermodal Freight

Assembles integrated package for customer

CSX/Sealand retains the loyalty of the customer

SeaLand and Maersk jointly dispatch

Both SeaLand and Maersk provide modal capacity

Intermodal freight adopts a 3-tiered “business model” focused on the quality of the customer’s experience, regardless of whose assets are used.
Lessons from Package Delivery

“...So now, FDX is preparing to embark on its new strategy FDX is creating a unique system that will automatically select routes for an endless number of Cisco shipments ...It’s quite possible that FDX's system will route deliveries on ships, airplanes or trucks owned by other companies, even UPS.”

Wall Street Journal

Lessons from the Airline Alliances

Airline “alliances” created by former competitors rely on the same basic business model, focusing on customer loyalty and the quality of the customers’ experience through integrated use of the assets and systems.
Lessons from Specialized Services in Gothenburg

An example of horizontal integration of institutions, clients and service providers

Typically, agency sponsors independently arranged specialized transportation service for their varied client groups using separate service providers.
Integrated Scheduling and Dispatching

Scheduling and dispatching were integrated across all the specialized service agencies as a joint function.

An automated dispatching program was developed.
State-of-the-art software integrates scheduling and dispatching across agencies, clients and providers, eliminating redundant functions across agencies and providing enhanced services and greater efficiency in the use of service providers and equipment.

Understands the "full trip" of the customer

The customer-facing integrated services company serves the door to door need of the customer

Systems of routing, dispatching and tracking are integrated

Modal capacity is provided by many suppliers

Gothenburg employed the same 3-tiered model linking customers to a range of available providers with state-of-the-art information technology
The Emergent “Mobility Management” Paradigm

• In each case, the customer deals with the integrated service provider concerned with the door-to-door trip

• In each case, information technology is used to design, track, and evaluate the services provided

• In each case, the modal capacity need not be provided on the dedicated assets of any single company

The Concept of “Mobility Management” Made Operational

…A goal that serves broad public purposes.

…A responsibility to be shared both within AND outside the “provider” community.

…A function to be embraced and carried out as a new, strategic organizational mission, task.

…An approach that requires fundamental changes in how transportation assets and resources are managed.

“Mobility management” is a shift away from managing the transit assets owned by individual providers to a larger, more strategic responsibility for assuring the quality of the customers travel experience, regardless of whose assets are being used.
How to Move Toward Mobility Management: Six Dimensions of Change

- **Mission shift**  
  From ‘capacity provider’ to ‘mobility manager’

- **Customer focus**  
  Measure quality of the customer’s travel experience

- **Collaboration**  
  Across modes, agencies, programs, jurisdictions

- **Integration**  
  Of facilities, equipment, systems, services, functions, processes, resources

- **“Info-structure”**  
  Universal fares, real-time info, joint scheduling and dispatching, unified accounts, etc.

- **Organ. Structure**  
  Distinguishing strategic from operational responsibilities, new / reorganized functions, units, skills

*Action on any one or more of these dimensions can begin to move an organization toward more effective mobility management*

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Charting Change Across an Agency

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*Across each dimension, progress can be charted by noting the extent to which change is advancing from concept, to plan, to limited testing, to full deployment in the organization*
Mobility Management in Action: Emerging Models in 2011

- **Transit Agencies**
  San Francisco MTA, Denver RTD, PACE/Chicago, TARC in Louisville, Salt Lake City UTA, SMART/ Detroit,

- **Cities/Counties**
  Savannah, GA, Tompkins Co., NY, Maricopa Co., AZ, St. Augustine, FL,

- **MPOs**
  SF MTC, Lower Savannah COG

- **States**
  Wisconsin, Florida

- **For-profit/non-profit/independents**
  COAST/Colfax WA, Paratransit, Inc., Sacramento, Buffalo, NY brokerage,, Outreach, Inc./San Jose, CA, TransCom, TranStar

Agencies in orange are profiled elsewhere on the web site

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The Mobility Management Function

**Mobility Manager**

*Understands the "full trip" of the customer*

*Application of information technology*

For public transportation agencies, the mobility management function, role and responsibility may parallel the models emerging in transportation and other business sectors...but the mobility management responsibility requires support from partners OUTSIDE the transit organization to be successful
Expanding Support for Mobility Management from Outside the Industry

As the following graphics suggest, success in managing mobility requires collaboration and cooperation by elected officials, policymakers, administrators and program managers in other key public policy areas, including:

- Land use and development;
- Infrastructure investment, management and operations;
- Environment and resource management; and
- Other public policies.

Collaboration with outside agencies will be necessary to reduce legal, policy and programmatic conflicts and contradictions that hamper mobility management initiatives, and to ensure mobility management and other initiatives are mutually supportive.
Land Use Planning
- Transit-oriented development
- Zoning strategies
- Locational strategies

Overarching Societal Goals
Implementation of Coordinated Programs
Overarching Societal Goals

Environmental Strategies

- Clean Air
- Energy conservation
- Resource management

Implementation of Coordinated Programs

Overarching Societal Goals

Public Policy

- Equity
- Access
- Pricing
- Tax code

Implementation of Coordinated Programs
Decisions Needed to Make Mobility Management Effective

“Servicing the public and planning performance excellence on a region-wide system requires more than equipment installation and one-time projects. A framework is needed to link ongoing actions of the many transportation operators, service providers [and decision-makers] in a metro region.”

ITE Journal, May 2004

- What organization should be empowered to “manage mobility?”
- Who will define and assign responsibility? What is the role of state elected officials? Local elected officials?
- Who is responsible for assuring that transportation resources and assets are fully integrated?
- Who must act to reduce or eliminate barriers and contradictory policies and practices across local areas and agencies?
Action Steps in Promoting Mobility Management

Actively foster and support collaboration and integration…
…across organizations
…across modes
…across programs
…across resource bases

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