RURAL iNTD PEER GROUPING TOOL

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Webinar Outline

• Peer grouping purpose and applications
• Rural iNTD online tool
• Rural peer grouping method
• iNTD demo
• Summary
• Q&A
Poll

• What types of transit providers are listening to today’s webinar?
Definition: “Benchmarking”

• “A process of comparing the performance and process characteristics between two or more organizations in order to learn how to improve.”
  – Gregory Watson, former Vice President of Quality, Xerox Corp.

• Informally, “the practice of being humble enough to admit that someone else is better at something and wise enough to try to learn how to match, and even surpass, them at it.”
  – American Productivity & Quality Center

• “The process of systematically seeking out best practices to emulate.”
  – TCRP Report 141
Not Just for Big Organizations!

• A good management practice for any size organization
  – Identify areas where you are performing well
  – Identify areas where you have room for improvement
  – Interpret your performance trends

• Performance report is not the desired outcome
  – Performance measurement used as a tool to
    • Provide insights
    • Raise questions
    • Identify organizations that one may be able to learn from
Possible Approaches

- Trend analysis
- Compare year-to-year changes in your agency’s key performance indicators
  - Shows performance direction
  - No basis for comparisons
Possible Approaches

- Trend analysis
- Peer analysis

- Compare your performance trends to similar agencies
  - Are your trends similar, better, or worse?
  - Starting point for investigating reasons for observed trends
Possible Approaches

• Trend analysis
• Peer analysis

• Compare your performance trends to similar agencies
  – Are your trends similar, better, or worse?
  – Starting point for investigating reasons for observed trends
Possible Approaches

- Trend analysis
- Peer analysis
- Peer contact

- Contact a similar agency with better performance in a particular area
  - Are they doing something that you can learn from and adapt to your agency?
Possible Approaches

- Trend analysis
- Peer analysis
- Peer contact
- Benchmarking group

- Formal group of similar agencies set up to share data and explore issues of common interest
  - Approach has been used by mid-sized and large transit systems in US and internationally
Transit-Specific Guidance

  *A Guidebook for Developing a Transit-Performance Measurement System*
  - Why measure performance
  - How to get started
  - Useful performance measures

Transit-Specific Guidance

  - Why compare performance to one’s peers
  - Peer-grouping tool developed for urban transit systems

http://www.trb.org/Publications/Blurbs/163872.aspx
Peer Comparison Needs

- Means of identifying similar agencies
  - National RTAP project for rural peer grouping
- Consistently defined and reported performance data
  - National Transit Database (NTD)
- Convenient means of identifying peers and obtaining performance data
  - Rural Integrated National Transit Database (Rural iNTD)
Florida Transit Information System

- www.ftis.org
- Free web-based suite of tools for
  - Accessing urban and rural transit data from the NTD
  - Identifying peer groups for urban and rural transit agencies
- Sponsored by
  - Florida DOT
  - National RTAP
- One-time registration required
Poll

• Have you used FTIS or the Rural iNTD before?
Selecting a Peer Group

• The peer-grouping process is critical to the success of subsequent performance comparisons
• Peers should be similar enough to have common characteristics and face similar issues
• Don’t expect peers to be exactly the same as you
  – All organizations have their unique aspects
  – Organizational differences are taken into account when interpreting results
• Approach the process as an opportunity to learn and improve, rather than as a report card
Peer Grouping Data Sources

• Automated method is limited to data available from consistently collected and updated sources
  – Rural NTD
  – US Census (American Community Survey)

• Other factors may be important to you—in general, or for a specific application
  – For example, population density

• Use the method’s suggested peers as a starting point and apply your knowledge to finalize the group
Peer Grouping: Screening Factors

• Key agency characteristics to be matched as closely as possible
  – Agency type
    • Tribe, city, county, transit district, state, non-profit, etc.
  – Operates commuter bus (yes/no)
  – Percent revenue hours operated by motorbus mode
    • 100% typically indicates flex/deviated-route service
    • 0% typically indicates 100% demand-responsive service
    • In between, operates a mix of services
  – Headquarters city in an urbanized area (yes/no)
Peer Grouping: Similarity Factors

- Other agency characteristics that are desirably similar, but expect some differences
  - Annual vehicle miles operated
    - Proxy for service level
  - Percent funding §5310
    - Market focus on older adults and people with disabilities?
  - Percent local funding
    - Possible existence of dedicated funding source, level of reliance on grant funds
  - Headquarters city population
    - Proxy for service area population and population density
Peer Grouping: Proximity

• All else being equal, the method will prioritize a closer agency over a more-distant one
• Proxy for other factors not included in the method
  – Climate, economic conditions, etc.
• Users and analysis stakeholders more likely to be familiar with closer agencies
• More-distant agencies suggested as peers will be closer in screening and similarity factors
Factor Likeness Scores

- Likeness scores measure the degree of similarity between an agency and a potential peer.
- Each peer-grouping factor value is converted into a likeness score:
  - 0 = exact match
  - >0 to 0.5 = good match
  - >0.5 to 1.0 = reasonable match
  - >1.0 to 2.0 = not-so-good match
  - >2.0 to 10.0 = poor match (investigate closely)
  - >10.0 = very poor match (probably too dissimilar)
Average Likeness Scores

• A potential peer’s nine factor likeness scores are averaged to produce an “average likeness score”

• Average likeness scores can be interpreted as follows:
  – $\leq 0.50$ = high likelihood of being a good peer
  – $>0.50$ to $1.00$ = reasonable potential to be a good peer
  – $>1.00$ = unlikely to be a good peer

• Check individual factor scores and possibly consider other information while selecting peer group members
Rural iNTD Peer Grouping Demo
Summary

- Peer comparisons are a useful management tool for evaluating and interpreting agency performance
  - Treat as an opportunity to learn and improve, not as a report card
- Direct peer contact can provide greater insights
  - Learn from others’ successes
  - Get performance data not available in the NTD
- Rural iNTD provides a free online tool for identifying peers and evaluating common performance metrics
Poll

- How many people are listening to this webinar at your site?
Questions
Viewing These Slides Later?

• Instructions for using the Rural iNTD are available online
  1. Go to www.ftis.org
  2. Select Applications > Rural iNTD
  3. Enter your password in the Login box, or click “Do not have a password” to register
Viewing These Slides Later?

- Two tutorial videos are available on the general use of the Rural iNTD
Viewing These Slides Later?

- Select “Peers” to start the peer-grouping module
Viewing These Slides Later?

- Select “Step-by-Step Instructions” for information on using the tool to select a peer group for an agency.
Viewing These Slides Later?

- Select “Methodology Full Report” to learn more about how the method was developed and works.