

## NCHRP 23-07: Effective Methods for Setting **Transportation Performance Targets**

**TPM Webinar Series** 

Lessons Learned on Target Setting Methods and Effective Practices, July 21, 2022



With support from





## Agenda

- Welcome & Overview of Methods
- What Makes a Target Setting Method Effective?
  - Presentation by Deanna Belden, Minnesota DOT + Q&A
  - Presentation by Edgardo Block, Connecticut DOT + Q&A
- Target Setting Philosophies
- Tips for Selecting a Method and Making the Process More Effective
- Workshop Series Wrap-up and Conclusion

2

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## **Study Purpose**

- State DOTs (in coordination with MPOs) are required to establish targets for each national performance measure.
- Agencies face challenges: Considering both quantitative and qualitative methods; accounting for macro-level trends as well as unforeseen events.





Source: NHI Target Setting course

To develop and disseminate a practitioner-ready guidebook on methods for target-setting.

### **Performance Measures Explored**

Safety	<ol> <li>Number of Fatalities</li> <li>Rate of Fatalities</li> <li>Number of Serious Injuries</li> <li>Rate of Serious Injuries</li> <li>Number of Non-Motorized Fatalities and Non-Motorized Serio</li> </ol>
/ ¦ \ Pavement Condition	<ol> <li>Percentage of Pavements of the Interstate System in Good C</li> <li>Percentage of Pavements of the Interstate System in Poor Co</li> <li>Percentage of Pavements of the Non-Interstate NHS in Good</li> <li>Percentage of Pavements of the Non-Interstate NHS in Poor C</li> </ol>
Bridge Condition	<ol> <li>Percentage of NHS Bridges classified as in Good Condition</li> <li>Percentage of NHS Bridges classified as in Poor Condition</li> </ol>
Reliability (Travel Time and Freight)	<ol> <li>Percent of the person-miles traveled on the Interstate that an</li> <li>Percent of person-miles traveled on the non-Interstate NHS to 3.</li> <li>Truck Travel Time Reliability (TTTR) Index</li> </ol>
Congestion	<ol> <li>Annual Hours of Peak Hour Excessive Delay (PHED) Per Capita</li> <li>Percent of Non-Single Occupancy Vehicle (SOV) Travel</li> </ol>





Part I. Target Setting Overview and Tips Introduction to Guidebook Target Setting Foundations Practical Application Tips

Part II. A Menu of Target Setting Methods Target Setting Methods for Safety Target Setting Methods for Infrastructure Condition Target Setting Methods for Reliability Target Setting Methods for Traffic Congestion

Part III. Target Setting for Non–Required Measures Why Use and Set Targets for Other Measures? Examples of Performance Measures and Targets

6

### **Guidebook Part I: Types of Target Setting Methods Used**

- Policy-Based
  - E.g., annual decrease of 3%
- Historical Trends
  - E.g., based on trend over past 5 years
- Probabilistic and Risk-based Approaches
  - E.g., considering potential variability in performance
- Statistical Models that account for Explanatory Factors
  - E.g., regression model
- Other Tools and Models
  - E.g., pavement management systems

7

#### Guidebook Part II: A Menu of Target Setting Methods – Fact Sheets

#### For each method:

- What It Is
- When to Use It
- What is Needed
- How to Do it
- Advantages
- Limitations
- Examples

PART II. A MENU OF TARGET SETTING METHODS

#### **Pavement Method 2: Time-Series Trend**

#### WHAT IT IS

Time-series trend refers to methods that rely only on historical performance data as the basis for the projection and eventual target. In this approach, the agency performs a regression analysis of historic performance and investment data to establish a historic trendline. That trendline is then extrapolated into the future.

#### WHEN TO USE IT

For pavements, trend analysis is feasible if funding levels and investment types are steady. The feasibility of this approach is reduced as the target setting timeline is extended or as the likelihood of changes in investment level or type increases.

#### WHAT IS NEEDED

Because of the simplicity of this approach, no special tools are required. The analysis can be performed using common spreadsheets or statistical software

Time series analysis requires annual investment and performance data. The data should be parsed at the network level relative to the target in question. For pavements, this involves separating both investment and performance data for Interstates from the rest of the NHS network. This can be a challenge as projects may span multiple parts of the network or include investments in more than one asset class.

The primary source for condition data for setting pavement condition targets is the HPMS database. However, since HPMS may not have included cracking data for the entire NHS prior to 2018, states may choose to use a different pavement condition data set. If different condition data is used, it either needs to be correlated to the national performance measures for pavements through analysis, consensus opinion, or assumption.

#### HOW TO DO IT

#### Step 1: Select Years of Data

The two primary factors for selecting the years of historic data for asset conditions are availability and relevance. For pavement conditions, only one year of data was available for the NHP measures, so states typically selected IRI for the analysis, or used their own overall condition index as a surrogate. Relevance relates to the relevance of past performance data

AT A GLANCE
Ease of application:
Technical robustness:
Ease of communication:
Allows for policy preference:

#### Pavement Method 4: Pavement Management System-Based

#### WHAT IT IS

available and davalaned Pavement management systems (PMS) have been commercially in-house by DOTs for decades. State and local DOTs use these systems to identify appropriate actions to address deterioration of specific pavement sections, develop longterm strategies for managing pavement networks, and forecast future pavement conditions based on expected funding levels and investment priorities.

In this method, agencies use the PMS to forecast pavement conditions using expected funding for NHS pavements. The forecasted conditions two and four years into the future are used to establish pavement condition targets.

#### WHEN TO USE IT

Setting targets based on PMS forecasts requires confidence in the PMS. Confidence is gained through calibration of the system, which can take several years. In addition to meeting minimum functionality requirements, agencies will want to ensure data quality and document practices, such as through a data quality management plan, to build confidence.

Agencies may be hesitant to employ this method if their PMS lacks the ability to directly calculate the national performance measures for pavement condition. However, there are methods that can overcome this shortcoming, through correlation between different variables.

Because this approach models the expected investments to forecast future conditions, the agency should be confident in both the funding level and work types of those investments. For the agency to achieve conditions reflective of the scenario on which targets are based, actual investments must reflect the treatments selected by the asset management systems in that scenario. This does not mean that the specific pavements selected by the asset management system must receive the exact treatments in the exact years identified by the systems. It does require, however, that the agency's overall mix of treatments, and the conditions of assets to which those treatments are applied be reflective of the selected scenario.

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AT A GLANCE
Ease of application:
Technical robustness:
$\rightarrow$ $\rightarrow$
Ease of communication:
$\rightarrow$
Allows for policy preference:
$\rightarrow$

### **Guidebook Part III: Non-Required Measures**

- Reasons for using performance measures beyond requirements
- Examples of measures and targets in five areas:
  - Accessibility
  - Greenhouse gas emissions
  - Active transportation
  - Transit ridership
  - Customer satisfaction

9

### What Makes a Target Setting Method Effective?



#### Allows for Policy Consideration Incorporate policy objectives and long-term goals

## Minnesota DOT

Deanna Belden

## **Connecticut DOT**

Edgardo Block

11

## DEPARTMENT OF TRANSPORTATION

#### Lessons Learned on Target Setting Methods and Effective Practices

NCHRP 23-07 Workshop

July 21, 2011

Deanna Belden

## DEPARTMENT OF TRANSPORTATION

#### UNDERSTANDING PERFORMANCE MEASUREMENT

Learn more: performance.minnesotago.org



Minnesota's transportation system has a lot of pieces.

Our system is made up of roads, bridges, sidewalks, trails, airports, railroads, waterways and more. The people who build, maintain and use them are also part of the system. Measuring performance helps us understand if our system is meeting our goals.

The agencies that manage our transportation system set goals for each piece. "Performance measures" are how we track them to make sure the system works how we expect.



Knowing which goals we meet and where we fall short drives how we invest in and operate our system.

Everything we do involves tradeoffs – costs vs. benefits, long-term vs. short-term and more. Performance data helps us make our decisions wisely.

#### Initiated: 1990s

Minnesota was one of the first states to establish performance measures and continues to be a leader in using performance to inform decisions.



#### Initiated: 2012

Legislation to set national performance measures passed in 2012. States were first required to report on them in 2017.

### Traffic Safety Methodology – Policy based

#### Measure progress from 2019 to 2025 Strategic Highway Safety Plan (SHSP) goal

Fatalities in motor vehicle crash

#### MINNESOTA TRAFFIC SAFETY GOAL

DEATHS & SERIOUS INJURIES

Long-term goal is to eliminate deaths and serious injuries on MN roadways



NO MORE THAN



### Traffic Safety Methodology – Policy based

Fatalities in motor vehicle crash

Fatalities

→ 5-year rolling average

397.0 380.6 381.2 377.8 364 341 318 295 271 488 prelim 248 225 58 94 64 92 81 m  $\mathbf{m}$ m m 2040 ----2024 ----2040 2047 2040 --------2025

#### 2017-2021 annual percent change: +7%

Scenario	2023 Target	Annual Pct Change
A. Maintain SHSP Method	317.6	-55%
B. Maintain 2022 Targets	352.4	-36%
C. 0% Annual Reductions	444.4	0%
D. Project 2017-21 Trends	464.4	+7%

#### **Recommendation:**

- 352.4 fatalities
- 2023 Target = 2022 Target



Percent of pavements of the Interstate system in good condition, 2009-2025

#### Pavement Methodology – Pavement Model/Interpolation

#### MnDOT's pavement model predicts condition for state measure based on ride

• Use relationship between state and federal measure to estimate appropriate federal targets











State and federal bridge ۲ condition measures are very close

60%

Use prediction from bridge ۲ forecasts to set federal targets



Year

### Travel Time Reliability Methodology – Historical Trends





Note: The draft Statewide Multimodal Plan is proposing a combined reliability measure for the NHS

#### Travel Time Reliability Methodology – Segment Risk Analysis



#### Travel Time Reliability Methodology – Historical Trends

#### Truck Travel Time Reliabiliy Index for MN, 2013 - 2021





**Proposed Federal Targets** 

#### Non-SOV Methodology – Historical Trends

#### Non-Single Occupancy Vehicle Travel for Minneapolis – St. Paul, 2012 - 2020



Five-year estimates of non-single occupancy vehicle travel to work

#### Peak Hour Excessive Delay Methodology – Historical Trends

#### Peak Hours of Excessive Delay per capita for Minneapolis – St. Paul, 2017 - 2021



## Some Lessons Learned

- Policy based targets are well suited for areas like safety with an aspirational long- term goal
- Best part about the process are the conversations that happen when discussing target setting
- If you have asset management models use them though they may be better suited for longer term projections
- Trend based target setting may be as good as statistical models for the short term, but its important to understand explanatory factors





# Thank you!

Target-setting Effective Practices Lessons learned from the initial performance period at the Connecticut DOT

Edgardo D. Block, PE, MBA

Performance Management Lead

**Connecticut Department of Transportation** 



# Outline

- Relating Actions to Outcomes "line of sight"
- Framework for assessing ability to forecast outcomes and set targets
- Target-setting method selection considerations
- Two applications of target-setting method selection (pavement, system reliability)
- Forward look at target setting

## Relating actions to outcomes (FHWA TPM site)



Focusing on Performance for Safe, Reliable Journeys

The Federal Highway Administration defines Transportation Performance Management (TPM) as a strategic approach that uses system information to make investment and policy decisions to achieve national performance goals.



# Relating actions to outcomes



# Relating actions to outcomes



## Relating actions to outcomes (complexity)





# Target-Setting Maturity Model



OUTCOMES

- How well does a measure capture the performance goal?
  - Scope
  - Time alignment with asset life cycles, for example bridges
- What is the State DOT's jurisdictional control over actions to impact performance?
- What is the alignment between the national performance goal and the state's long-range vision?









# Scope covered by measures

Performance goal area	Scope
PM1 – Highway Safety	All roadways in the state
PM2 – Infrastructure	NHS (Interstate + Non-Interstate)
PM3	
System reliability	NHS (Interstate + Non-Interstate)
Freight Movement	Interstate
Congestion	Urbanized Areas > 200,000 pop.
Air Quality	CMAQ Program statewide



#### ACTIONS

- Does the organization have a structure that allows focus by performance area on a system-wide basis?
  - Asset management (pavement, bridge, other assets)
  - Management systems for each performance area
    - Congestion, system reliability, freight movement
    - Air quality
    - Highway safety
- Is there a performance-based planning process for identifying needs, strategic action, and prioritization of interventions?
- Are there programs for delivering projects in each performance area?

#### ACTIONS (continued)

- What is the project delivery capability in the state?
  - Design process, timeline, and resources
  - Construction administration capability
  - Contractor capabilities
- Can the impact of projects on performance be assessed?

#### RISKS

- Likelihood and impact
  - What is the probability of executing the actions required to achieve targets?
  - What is the probability of actions delivering expected performance?
  - What are the consequences of not achieving performance?
    - Impacts on actual performance
    - CFR impacts of not meeting targets

# Example: Infrastructure (Pavement Condition)

#### Outcomes

✓ Pavement <u>metrics</u> are comprehensive (capture condition well, can be predicted)

✓ State has jurisdiction over most of the applicable highways (NHS)

 ✓ Reasonable alignment between state and national goals (through asset management plans)

#### • Actions

✓ Pavement management and Asset management units

- ✓ There are programs to deliver projects in this area, sized to capabilities of agency and contracting partners
- ✓ Pavement condition evaluation captures impact of interventions

# Example: Infrastructure (Pavement Condition)

- Risks
  - ✓ Confident in ability to deliver pavement projects on schedule
  - ✓Impact of projects on pavement metrics well defined
  - ✓ Pavement management system can project future conditions

## Target-Setting Maturity Model: Pavement



# Systems approach in pavement condition

- Use pavement management system to project condition in terms of national performance measures
  - Make investments at the project scale and over the appropriate time frames for the pavement asset
  - Account for planned interventions over the performance period (4 years)
  - Express performance in terms of the national performance metrics
  - Add capability of capturing performance projections at the right scale (0.10mile segments (required by CFR))
- Follow the TAMP and let the performance target be the output of the execution of the TAMP

# Example: System Reliability

#### • Outcomes

- Performance measure is new to state DOT

✓ State DOT has jurisdiction over most of the applicable highways (NHS)

- However, this is not true for many factors influencing performance: economic trends, commuting patterns, travel demand, land use policy, etc.

- Alignment between state goals and national goals is emerging but not well developed

#### • Actions

✓ Planning and Engineering units generally focus on corridors and projects

 There is no dedicated program focused on affecting this measure on a systematic basis (there are programs for operational improvements, signal timing, and specific measures to improve mobility)

✓ NPMRDS allows measurement of impacts

# Example: System Reliability

- Risks
  - With no dedicated reliability program, project delivery is based on individual program delivery timelines
  - ✓ Impact of projects on reliability is complex
  - Reliability predictive ability is limited at the present time (at CTDOT)

# Target-Setting Maturity Model (initial target setting)



# Target-Setting Maturity Model

#### (future target setting)



Why move from extrapolation to a forecasting model in system reliability?

- Enable better alignment between actions and outcomes
  - Prioritize investments toward systematic improvement of system reliability
  - Measure impact of investments
- We have sufficient measurement to enable calibration and validation of models (NPMRDS)
- We do not have complete control over performance through our actions (difficult to model using available systems perspective tools)
- Enable a performance-based program that is aligned with the longrange transportation plan for the agency

How to move from extrapolation to a forecasting model (system reliability)?

- Use approach that allows incremental improvement
  - State DOTs have varying capabilities in different areas
  - Data availability of covariates and explanatory variables is varied
  - State staffing resources vary over time
- Begin by isolating factors that influence performance
  - Weather (snow events reduce travel times) data are available
  - Work Zones data are available
  - Non-recurring congestion use data mining techniques and travel information data to characterize impacts
  - Account for planned projects (signal timing, for example)

# How to move from extrapolation to a forecasting model?

- Break the trend into components incrementally and use appropriate technique
  - There will be a transition period as the models improve predictive ability

## Risk: Reliability-based target-setting

- Forecasting models and systems approaches allow for scenario analysis and probability-based decisionmaking
- Desirable from a risk management perspective



# The value of NCHRP 23-07 for target-setting practice

- Leverage the various efforts under way to improve our ability to implement TPM in our respective agencies
- Address gaps and refine the frameworks for building a sustainable roadmap for transportation performance management
- Allow capability assessment and action plans by state DOTs in each performance area

### What Makes a Target Setting Method Effective?



#### Allows for Policy Consideration Incorporate policy objectives and long-term goals

## **Discussion: Lessons Learned on Effective Target Setting**

- What factors do you value most when selecting a target setting method? How do you make tradeoffs between technical robustness/complexity vs. simplicity?
- Does the process of setting targets help your agency to better understand factors driving performance? Does the process motivate discussions about actions to take to improve performance?





### **Target Setting Philosophies**



14

## **Target Setting Philosophies**

#### **Realistic/Predictive**

#### Discussions have closer tie to realistic Easier to communicate to and inspire • assessment of interventions stakeholders Deeper analysis can lead to Aligns with agency vision and other Pros understanding of influencing factors published documents Dissatisfaction with worsening targets Sting of missing the target can spur • can spur earlier action action If everyone knows targets will not be Creates appearance that agency <u>wants</u> met, there may not be much reactioncondition to worsen and therefore action-when Cons Meeting targets may give a false sense of performance results come in accomplishment while conditions are worsening

#### Aspirational

## **Target Setting Philosophies**

## **Realistic**/**Predictive**

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#### Aspirational

## **Discussion: Target Setting Philosophies**

- What type of philosophy does your agency generally use? And why?
- Why might you have a different philosophy for different performance areas?
- Have you been able to leverage the chosen philosophy to motivate action on performance and see progress?



# d why? rmance areas? ivate action

- Understand the complexity of methods
  - Weigh the costs of gathering and forecasting additional data against incremental benefits
- Combine results from multiple methods
  - Use multiple methods to assess different forecasts and to inform dialogue about uncertainties and factors affecting the level of the target to be set
- Learn from past experience and experiences of others
  - Explore whether the target setting methods supported agency decisions





## Strategies for Making the Target Setting Process More Effective

- Connect short-term targets to long-term aspirations
  - Recast short-term targets as checkpoints toward long-term outcomes and to support communication about long-term goals
- Leverage the target setting process itself to create a sense of shared responsibility
  - Engage stakeholders in dialogue as a point for deeper discussions about performance outcomes and to focus efforts in a coordinated direction
- Leverage dissatisfaction with worsening performance

 When worsening performance is anticipated, have difficult conversations about why and what can be done





## Strategies for Making the Target Setting Process More Effective

- Ground measures and targets in the most meaningful form
  - If needed, use state or region-specific measures to best support investment decision making, and translate to national measures
- Continually improve and make adjustments
  - Use midpoint conversations to focus on data, why targets are or are not being achieved, and the reasons why





## **Discussion: Lessons Learned on Selecting a Method**

- What have you found to be important to ensure that the target setting process is adding value?
- What lessons can you share with others?



# Web-based Workshop Series: Effective Target Setting Methods

Workshop Topic	Date	Agency Presenters
1. <u>Safety</u>	Thursday, June 2, 2022, 2-4 pm Eastern	<ul> <li>Ida van Schalkwyk, Washin</li> <li>Emily Thomas, South Carol</li> <li>Mark Bott, Michigan DOT</li> </ul>
2. <u>Travel Time and Freight Reliability</u>	Wednesday, June 8, 2022 2-4 pm Eastern	<ul> <li>Andrea White, Iowa DOT</li> <li>Sanhita Lahiri and Simona I</li> </ul>
3. <u>Congestion Measures (Non-SOV and</u> Peak Hour Excessive Delay per Capita)	Thursday, June 16, 2022 2-4 pm Eastern	<ul> <li>Nick Warren, Memphis MPG</li> <li>Travis Johnson, Charlotte F</li> <li>Eric Randall, Metropolitan N</li> </ul>
4. <u>Bridge Condition</u>	Thursday, June 23, 2022 2-4 pm Eastern	<ul> <li>Justin Bruner, Pennsylvania</li> <li>Karen Reimer, Connecticut</li> </ul>
5. <u>Pavement Condition</u>	Thursday, June 30, 2022 2-4 pm Eastern	<ul> <li>Phil Clements, South Dakot</li> <li>Reid Kiniry, Vermont Agend</li> </ul>
6. <u>Lessons Learned on Target Setting</u> <u>Methods and Effective Practices</u>	Thursday, July 21, 2022 2-4 pm Eastern	<ul> <li>Deanna Belden, Minnesota</li> <li>Edgardo Block, Connecticu</li> </ul>

Recordings available at: <a href="https://www.tpm-portal.com/video-library/">https://www.tpm-portal.com/video-library/</a>

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# **Upcoming In-Person Workshops on Target Setting Methods**

- Two workshops:
  - At AMPO Annual Conference •

October 25, 2022 – Minneapolis, MN

https://ampo.org/news-events/ampo-annual-conference/

At AASHTO 2022 Conference on Performance-Based Management, Planning, and Data • During December 5-8, 2022 conference - Providence, RI https://www.tpm-portal.com/events/aashto-2022-conference-on-performancebased-management-planning-and-data/

## PEER EXCHANGES TO MAKE TARGETS MATTER



## We Need You!

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## Anna Batista

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## For more information about NCHRP 23–07, visit: https://apps.trb.org/cmsfeed/TRBNetProjectDisplay.asp?ProjectID=4788

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