



Moving Toward a Performance-based Federal-aid Highway Program

**National Bridge Management,
Inspection and Preservation Conference
St. Louis, MO
October 31 – November 4, 2011**

**Butch Wlaschin
Federal Highway Administration**

Presentation Outline

- Why Manage Performance?
- Managing Performance at a National Level
 - Concepts
 - FY 2012 Budget Request
 - Integrating Maintenance
- Ongoing Efforts to Manage Performance

What is Performance Management?

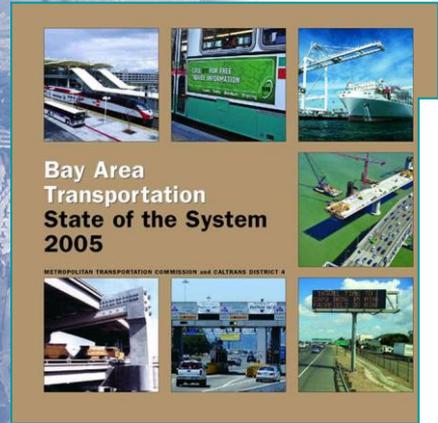
Performance Management of the Federal Highway Program is a systematic approach to making investment and strategic decisions using information about the condition and performance of the system and developing an approach to achieve a desired set of national goals



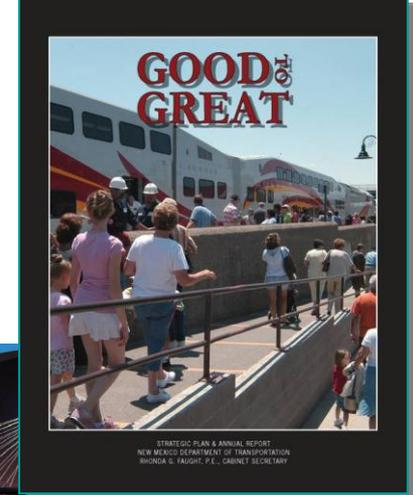
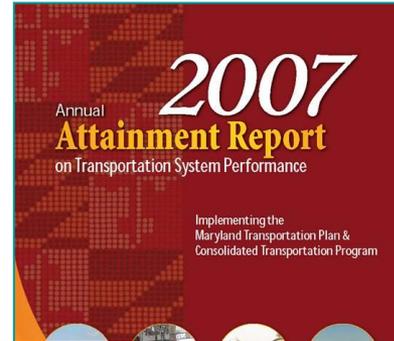
Performance Management In Action

2007 Annual Attainment Report
Maryland DOT

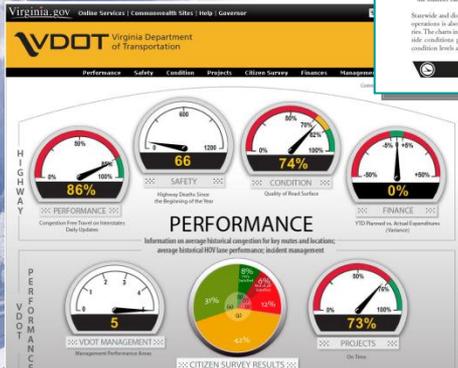
Good to Great
Strategic Plan and Annual Report
New Mexico DOT



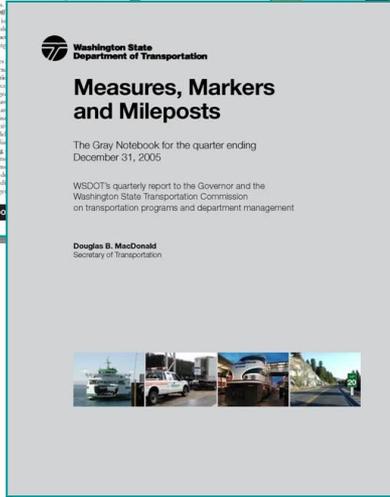
Business Plan 2004 & 2005
Ohio Department of Transportation



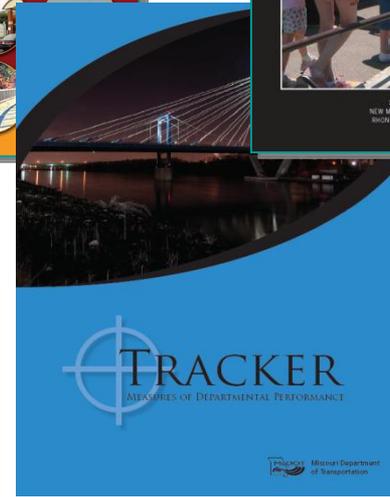
State of the System 2005
Bay Area Transportation



Dashboard
Virginia Department of Transportation



Measures, Markers and Mileposts
Washington State Department of Transportation



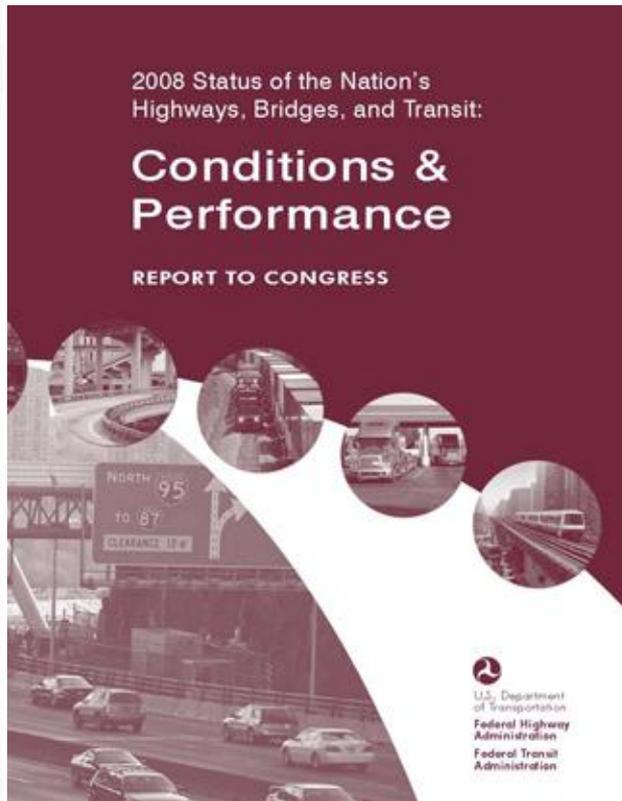
Tracker
Missouri Department of Transportation

USDOT Performance Report

Performance Measure	2004	2005	2006	2007	2008	2009	2010 Target	2010 Actual	Met / Not Met
Percentage of travel on the National Highway System (NHS) meeting pavement performance standards for "good" rated ride.	52	52	54	57	56	57	58	58*	Met
Percentage of deck area on National Highway System (NHS) bridges rated as deficient, adjusted for average daily traffic.	32.0	29.9	29.2	29.7	29.5	29.2	28.9	28.7	Met

Performance Measure	2004	2005	2006	2007	2008	2009	2010 Target	2010 Actual	Met / Not Met
Passenger vehicle occupant highway fatality rate per 100 million passenger vehicle miles traveled (VMT).	1.17	1.15	1.10	1.04	1.03	0.98 – 1.04#	0.99	0.87#	Met

Condition Reporting



Report to Congress

- System Conditions
- Operational Performance
- Safety
- Revenue and Expenditures
- Investment Analysis

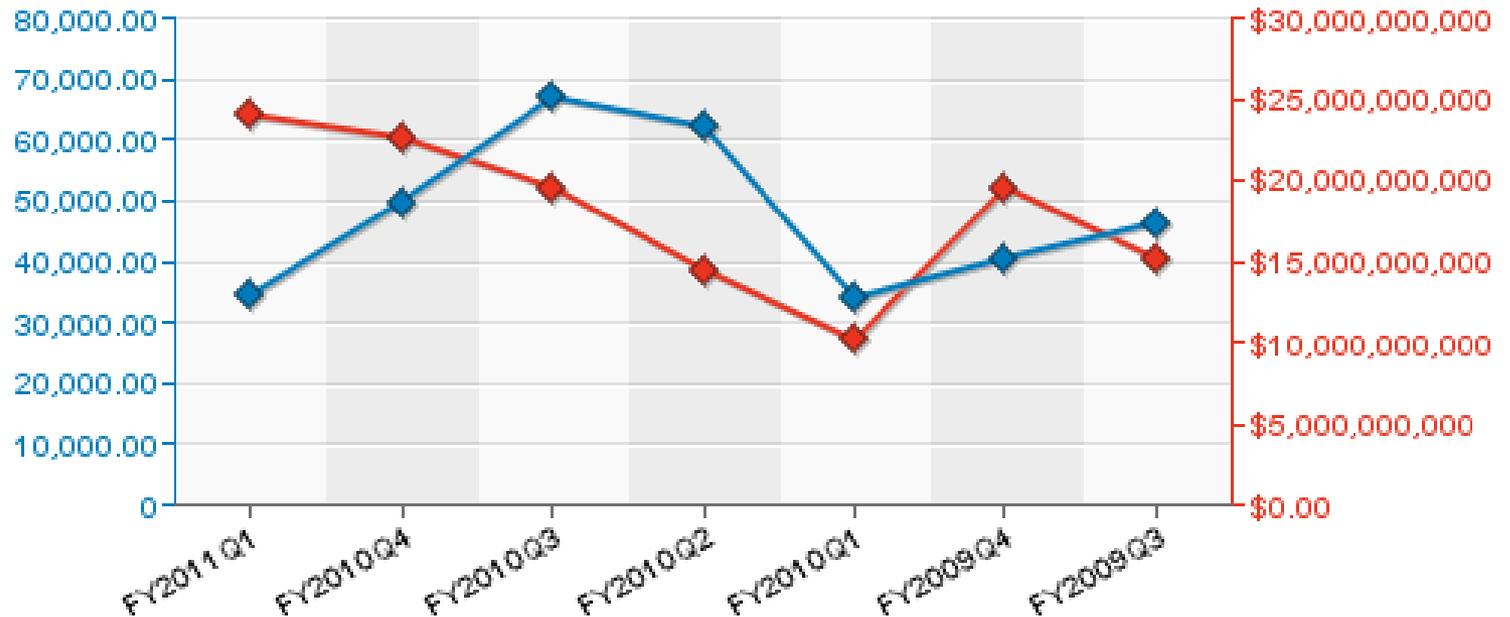
Difficult to associate performance
with federal investments

ARRA Reporting Outcomes

Displaying:

▼ Number Of Jobs, Funds R...

Fiscal Quarter

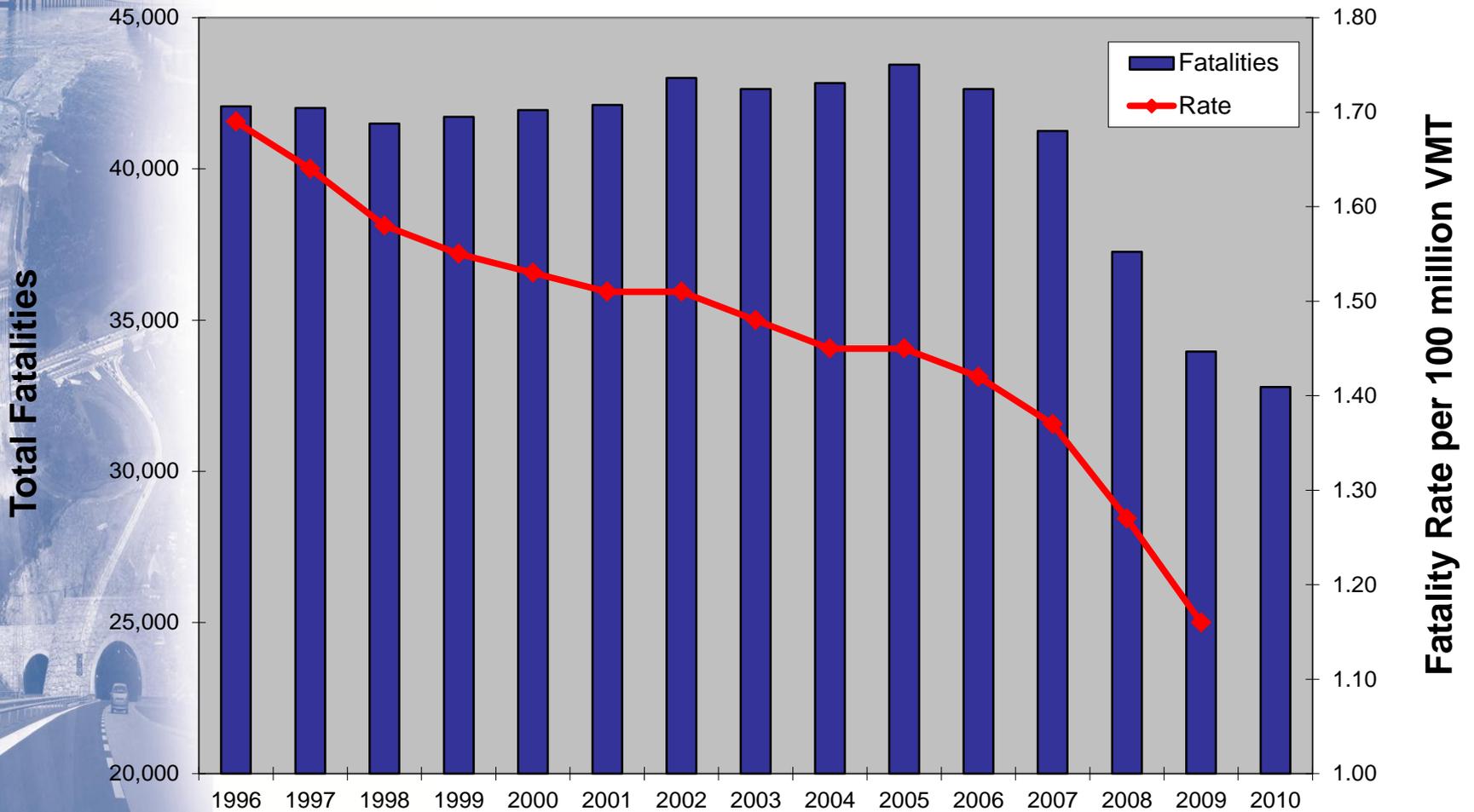


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National Commission Recommendations for a New Federal Compact for Surface Transportation

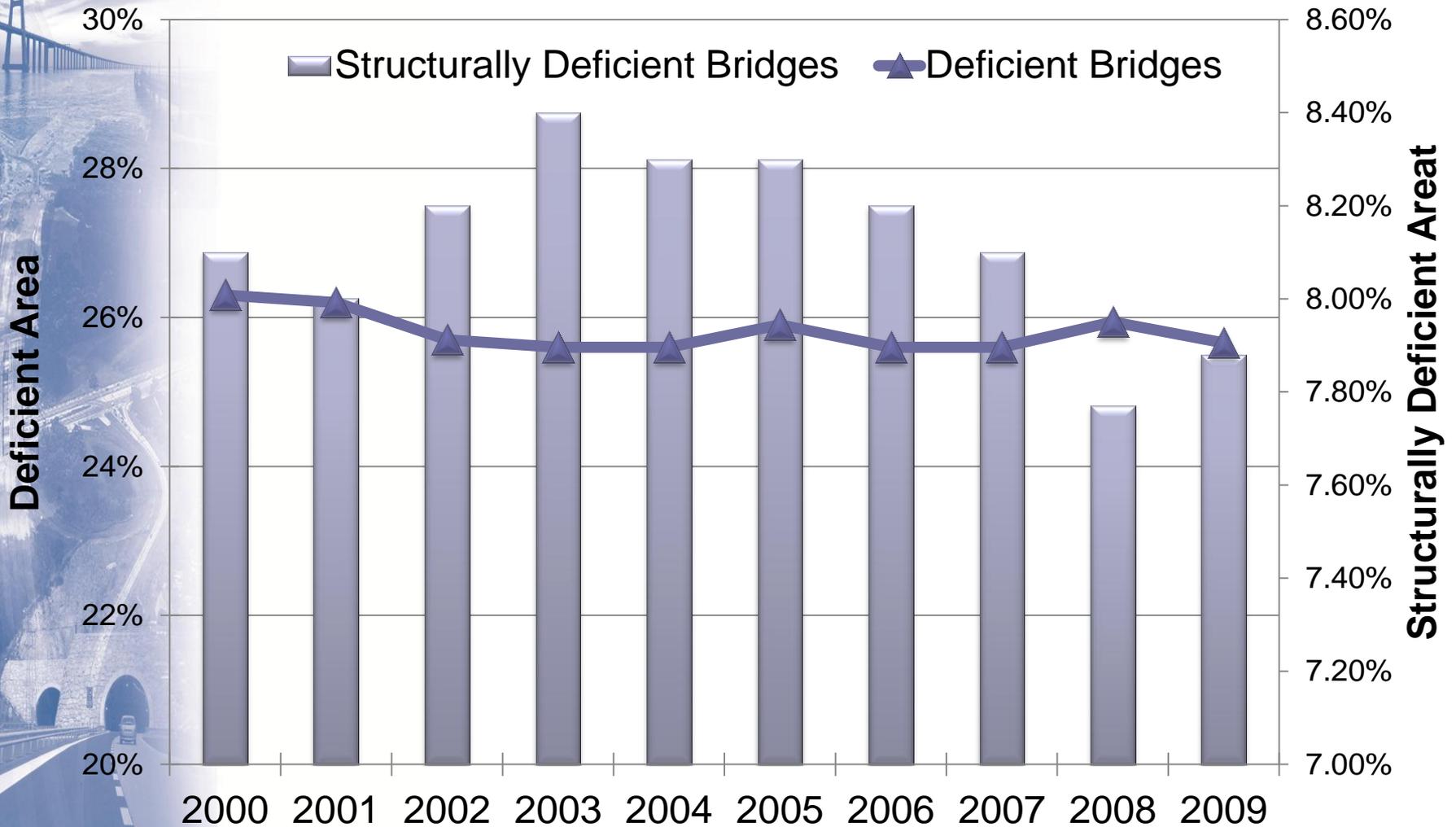
- Strong Federal role focused on national goals
- Consolidated program structure
- Performance management
- Many groups issued reports supporting many of the Commission's recommendations, all embraced a performance-based program (U.S. DOT, AASHTO, AMPO, APTA, GAO, and more)

Fatality Trends

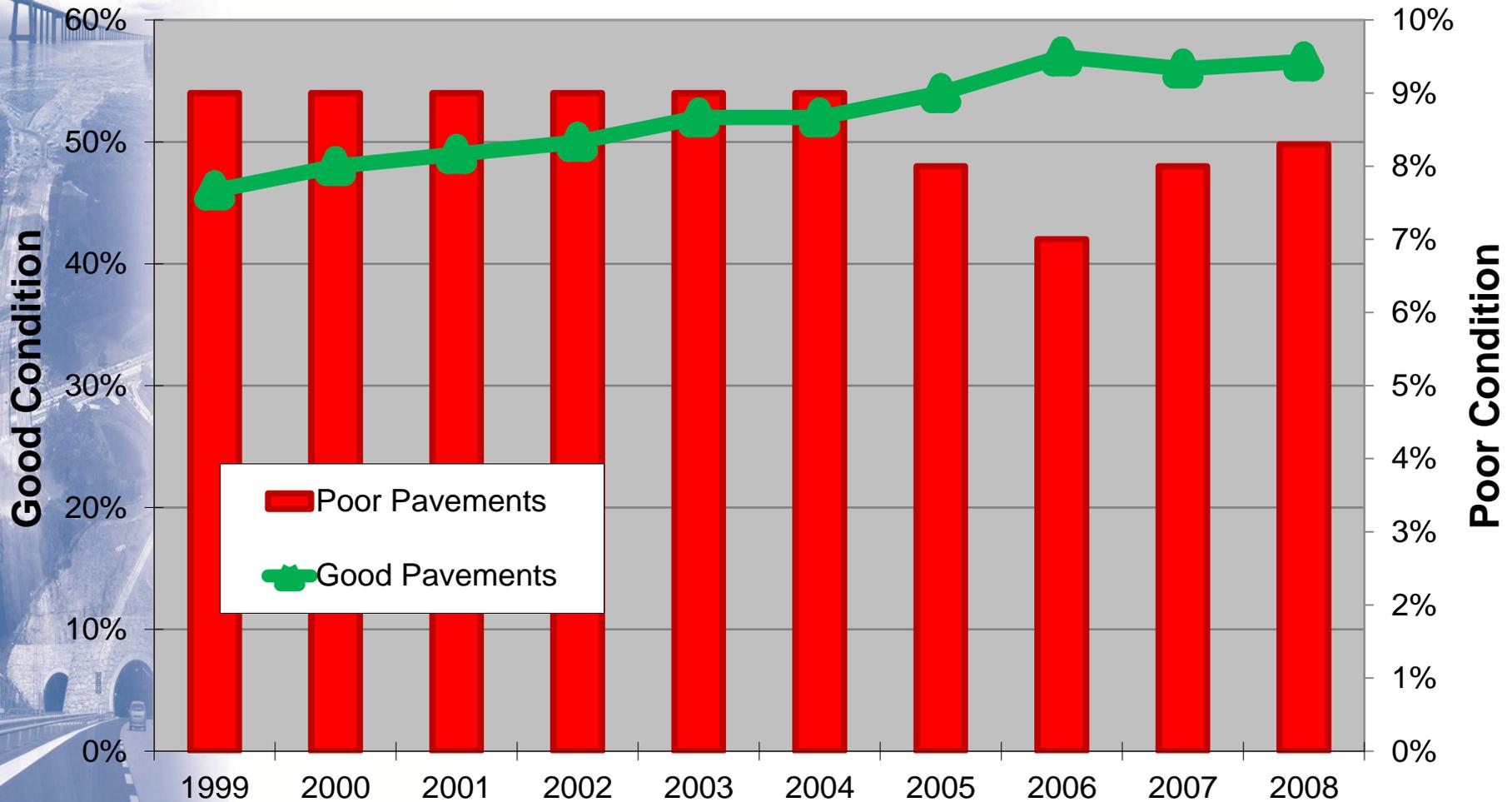


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NHS Bridge Condition Trends



Pavement Condition Trends



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FHWA Budget Highlights

- Simplify the highway program structure by consolidating over 55 programs to 5 core programs
- Focus investment on safety, state of good repair, and livability
- Increase attention to highways of national interest through the enhanced National Highway System
- **Establish a performance-based highway program**



FY 2012 Budget Programs

Core Federal-aid Highway Programs

- Safety**
- National Highway Program**
- Livable Communities**
- Federal Allocation**
- Research, Technology, & Education**



FY 2012 Budget: Outlines

Performance Management Process

- Secretary, with input, establishes quantifiable performance measures and national performance goals
- States work in partnership with FHWA to set state targets
- Envisions planning process as vehicle to implement performance management
- Calls on States to report annually on progress in meeting targets
- Provides additional flexibility when targets are met
- Requires performance improvement plan when targets not met



Performance Management Framework

1. National Goal Areas

2. Performance Definitions & Metrics

3. National & State Targets

4. Investment Plans & Strategies

5. Program Delivery

6. Monitoring, Evaluation, & Reporting

**Framework
Elements**



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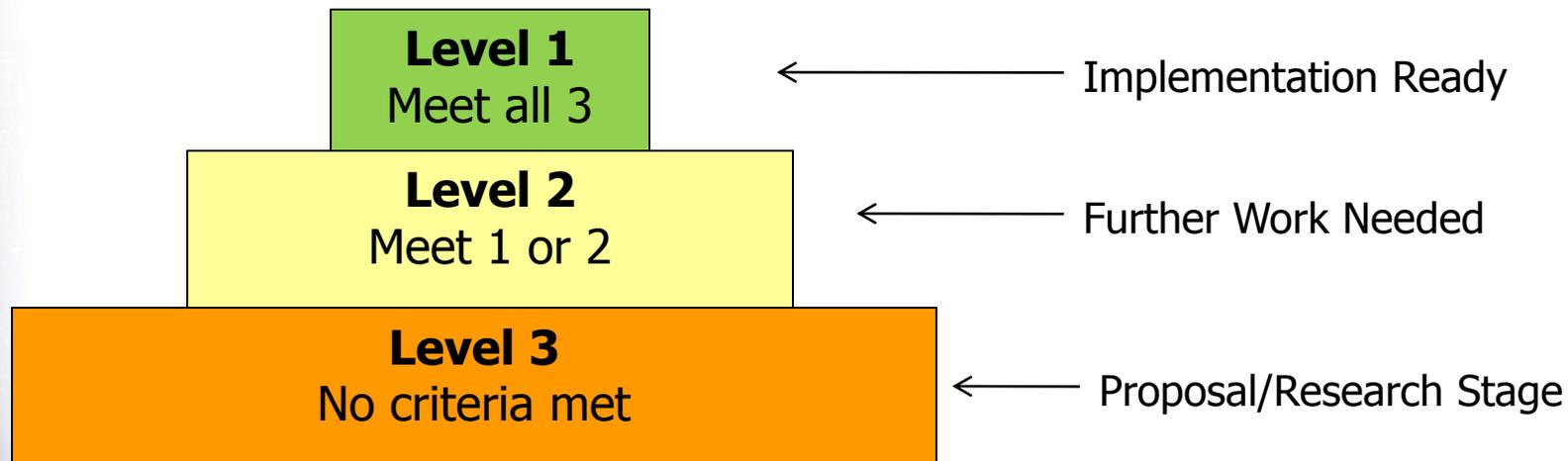
National Goal Areas

- Want relatively few performance areas that broadly reflect national interests
 - Safety
 - Pavement and bridge condition
 - Reliability
 - Freight/economic competitiveness
 - Environment/climate change
 - Livability

Performance Definition and Metrics

Performance Metric Criteria

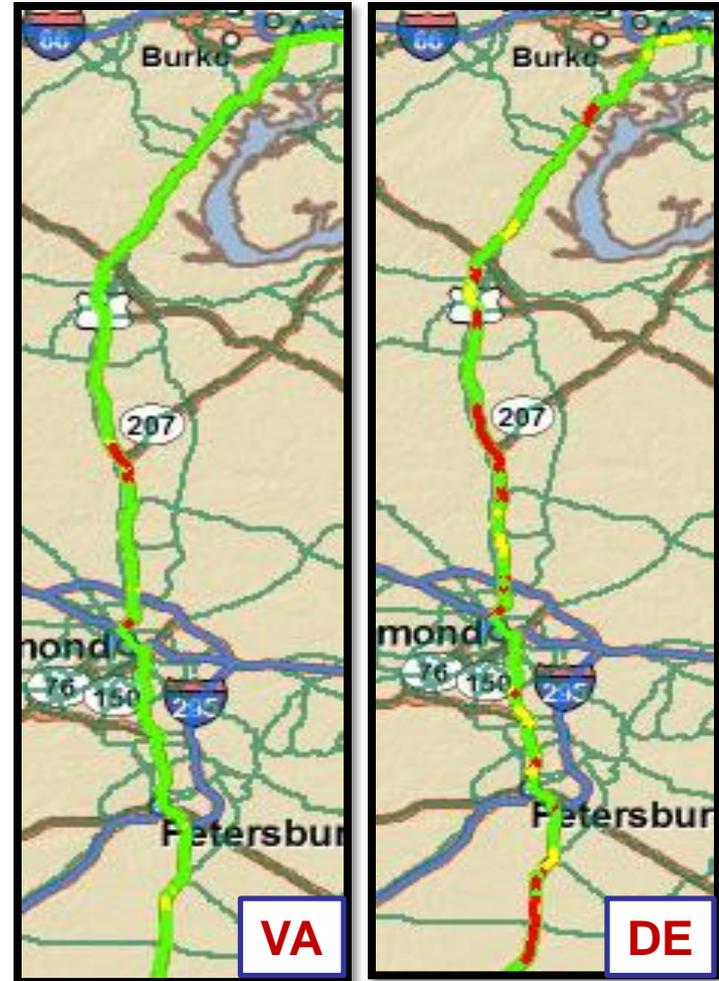
- 1) General consensus on the definition of a measure
- 2) Common or centralized approach to data collection in place
- 3) Availability of consistent data across states established through a national comparative analysis or other research effort



Performance Definition and Metrics

Consistent Use of Metric

- Example:
 - Good
 - Fair
 - Poor



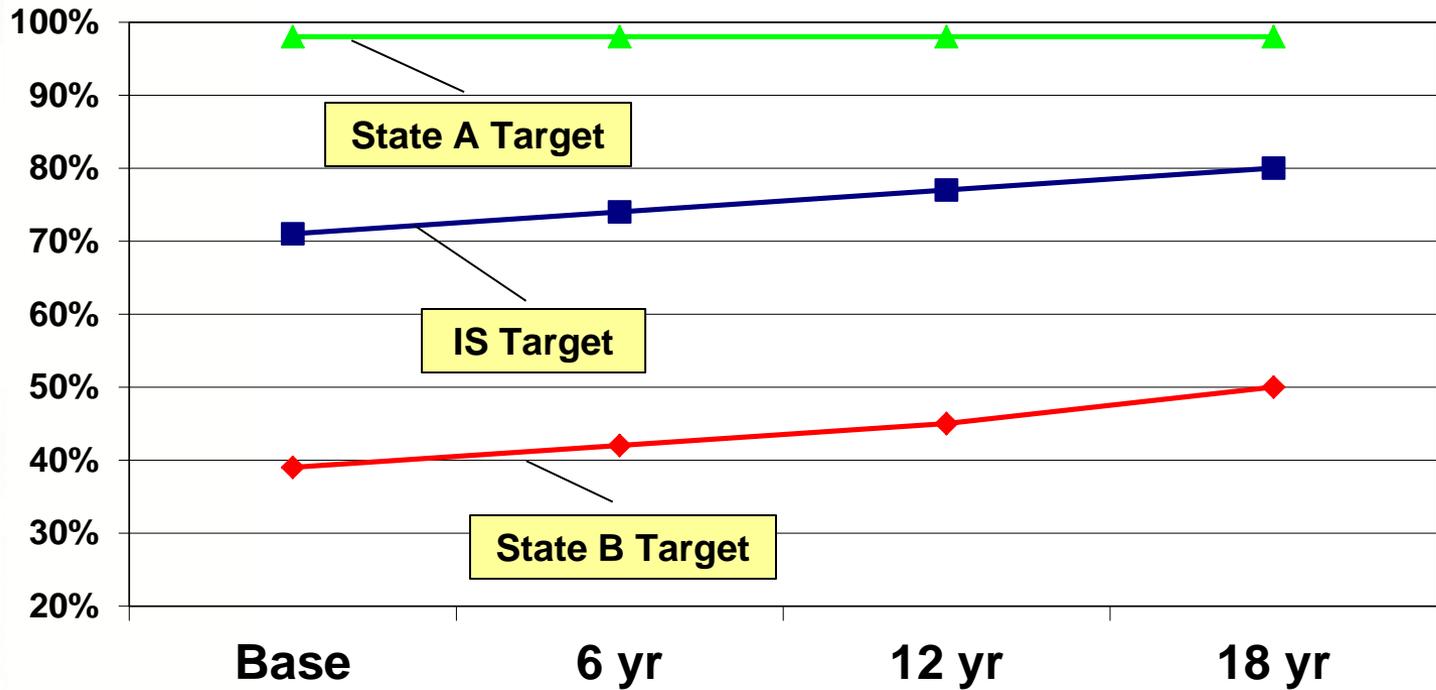
National and State Targets

- Target Setting Concepts
 - National targets
 - Address national goal
 - Constrained (Fiscal + other)
 - Optimal Outcome
 - Focus on federal interest
 - State and MPO targets
 - Support national target
 - Constrained (Fiscal + other)
 - Multiple owners
 - All revenue sources



National and State Targets

IS in Good Condition



Investment Plans and Strategies



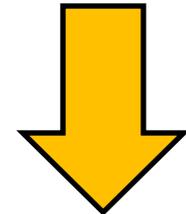
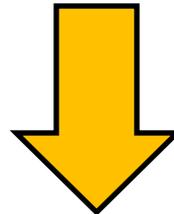
Single Goal Area



All Goal Areas



- Funding Plan
- Program of Projects
- Strategies
- Initiatives



Targets →



Program Delivery

- Deliver a program in support of the investment plan
- Track during the year to evaluate potential to achieve targets
- Indicator Areas
 - Deliver Program as Planned
 - On Time – On Budget Delivery
 - Quality Construction



Monitor, Evaluate and Report

- Routinely monitor outcome performance
- Analyze data at a State and national level
- Identify best practices
- Report findings and outcomes
- States report on a regular basis
- Accountability on performance



FY 2012 Budget: Pavement and Bridges

- Performance requirements limited to enhanced NHS
- Requires risk-based asset management plan
- Provides Accountability:
 - If State meets targets for 3 consecutive years, it may use apportionments on non-NHS roads
 - States that do not meet targets for 2 consecutive years will be required to develop performance improvement plan

Ongoing FHWA Efforts

- Establish Office of Program Performance Management
- Build internal capacity to support performance-based program
- Develop analysis tools and training to assist States/Locals in advancing performance management
- Facilitate collaboration between highway and transit communities

Ongoing FHWA Efforts

- Continue to work in partnership with AASHTO to advance all elements of performance management
- More fully develop measures/data/systems in Safety, Pavement and Bridge areas
- Invest in research in other goal areas
- Develop methodology to integrate performance management into the planning process



FHWA's Commitment to Performance Management

- Natural evolution to improve decision making and resource allocation
- Improves transparency and accountability for federal funds
- Opportunity to advance performance management practices prior to legislation

