



WG 3 Market Organisation
9-10 October, Prague, Czech Republic

4th Working meeting
Contracts, incentives and monitoring

Part 4: Monitoring & Benchmarking

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Programme Part 4 (13:30 – 15:00)

- Results from the Inquiry and Swiss Experiences
- Presentation by Mr. Leszek Ruta, ZTM
- Presentation by Mr. Zdenek Dosek, DPP
- Group discussion

Part 5: Main findings & outlook



Results from the Inquiry (I)

Monitoring & Benchmarking: Figures

- all cities know a monitoring system
- 38% based on the CEN quality standard
- 50% also use it for benchmarking

Monitoring & Benchmarking: Problems & barriers

- few problems mentioned
- too materialistic way of thinking
- unwanted transparency (will show underperformance)
- difficulties of comparing figures (with other cities)



Results from the Inquiry (II)

Monitoring: Indicators used

- quantity of services (vehicle km, journeys cancelled etc.)
- reliability/punctuality (e.g. delays over 3 min.)
- rolling stock (cleanliness, low floor, labelling etc.)
- staff behaviour
- passenger information
- various service requirements (e.g. ticket sale)
- customer satisfaction index
- introduction of ISO 9001

Monitoring: methods used

- operator's records (complaints management, GPS based fleet management)
- mystery shopping/inspections
- passenger surveys



Results from the Inquiry (III)

Benchmarking: Indicators used

- Few financial indicators
 - subsidy per vehicle km
- Many quality indicators
 - regularity/punctuality
 - cleanliness
 - average trip time
 - information
 - customer satisfaction



Swiss Experiences: ZVV quality monitoring (I)

Framework:

- ZVV: Zurich transportation association
- 44 operators, > 1 Mio. passengers
- fully integrated, common quality standard needed

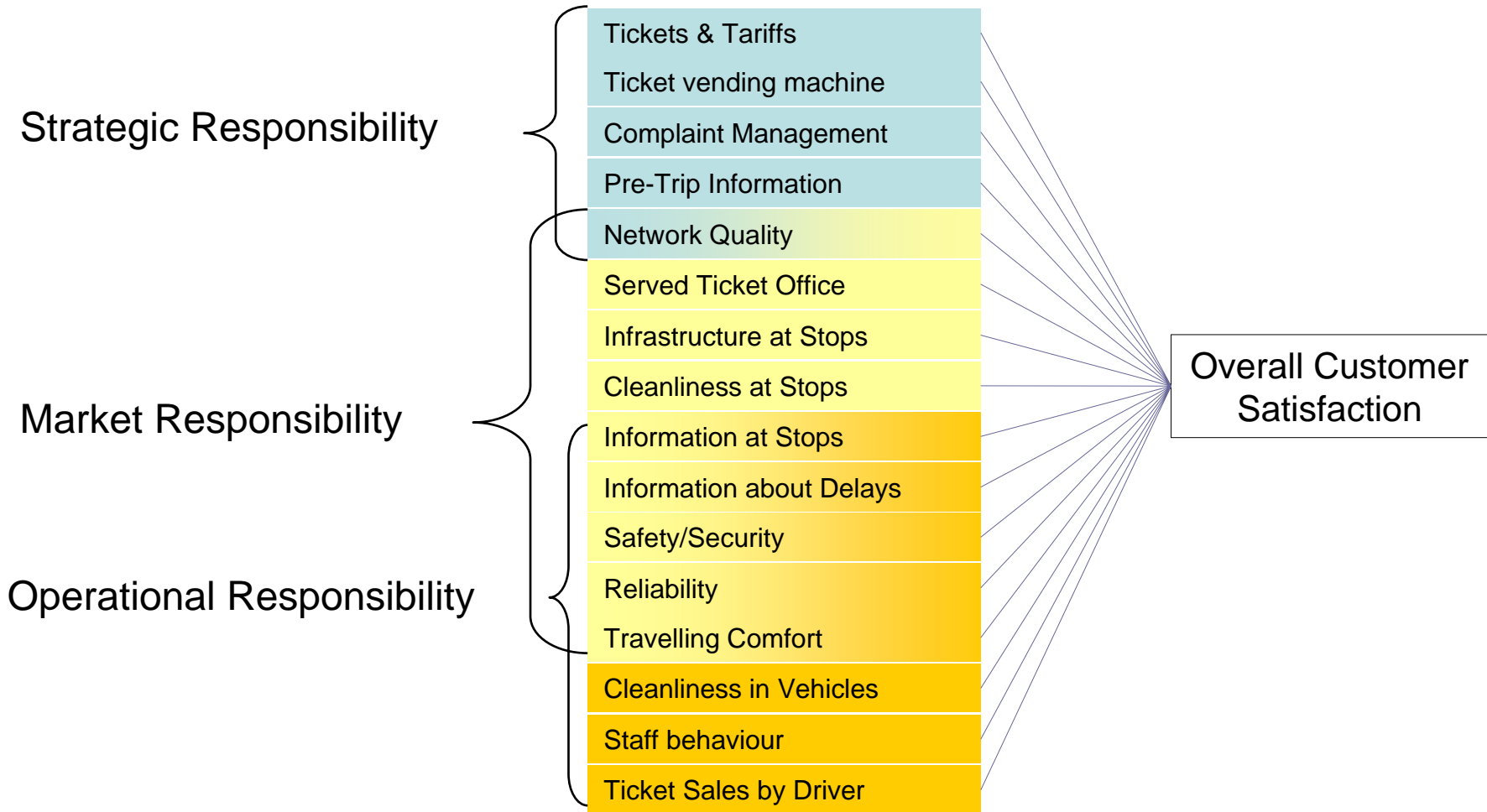
Steering quality by the market: CSS

- biannual customer satisfaction survey (CSS)
- 9'000 questionnaires, 80% feedback rate
- 70 questions on 16 quality dimensions
- analysis of satisfaction level for each dimension
- analysis of importance of each dimension for customers



Swiss Experiences: ZVV quality monitoring (II)

- analysis of results according to responsibilities
- building of 3 indices according to 3 level model
 - strategic: transportation association
 - tactical: market responsibility
 - operational: single operator
- operators with CSI from 70 to 78 points gain a bonus (overall bonus sum = 1% of total revenues)
- benchmarking stimulates operators to reach a good quality performance (results are published)

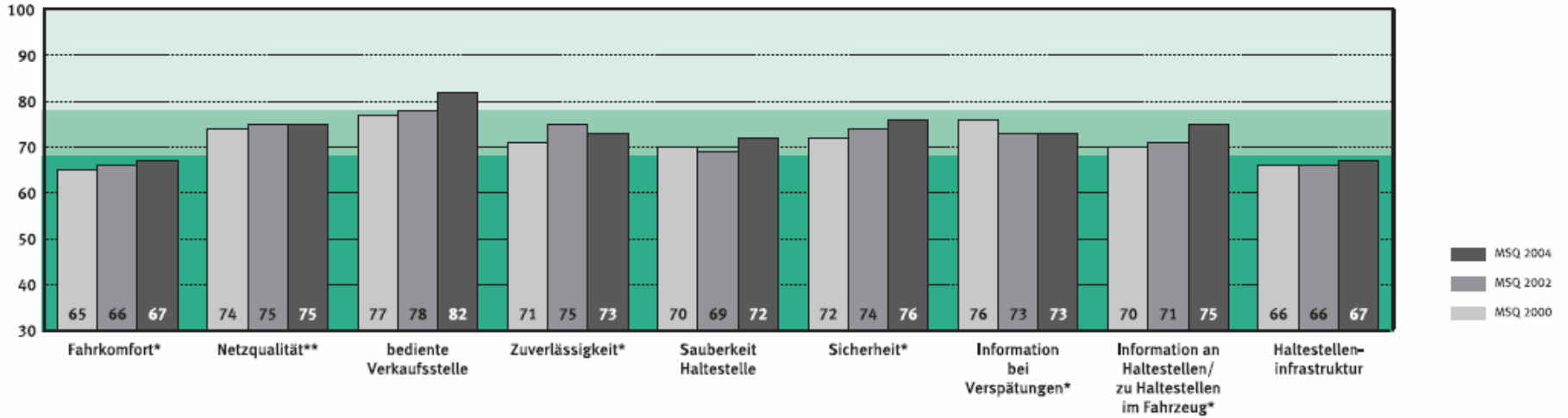




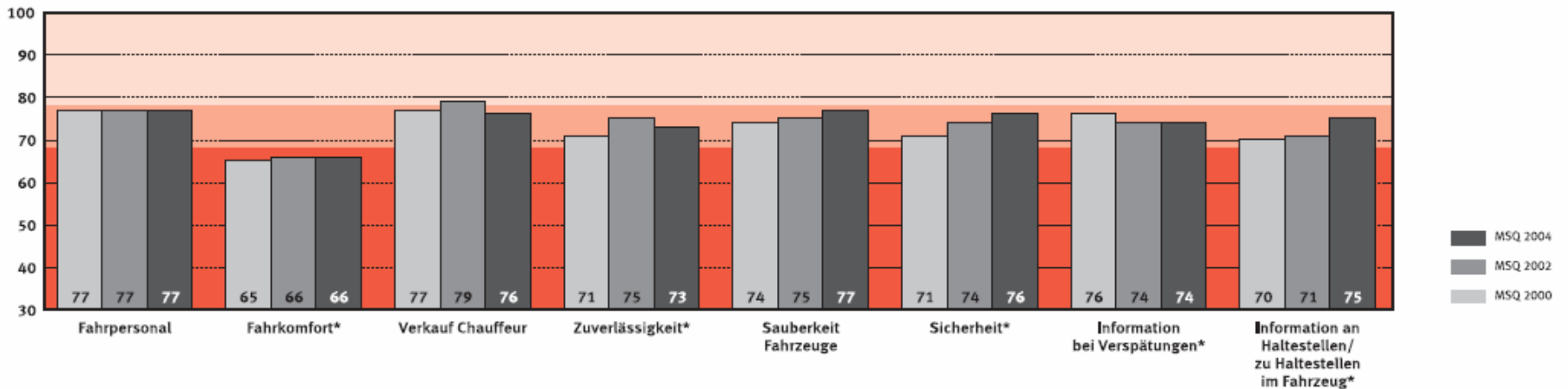
ZVV Messung Servicequalität 2004

VBZ Zürich Linie

Index Marktaufgaben

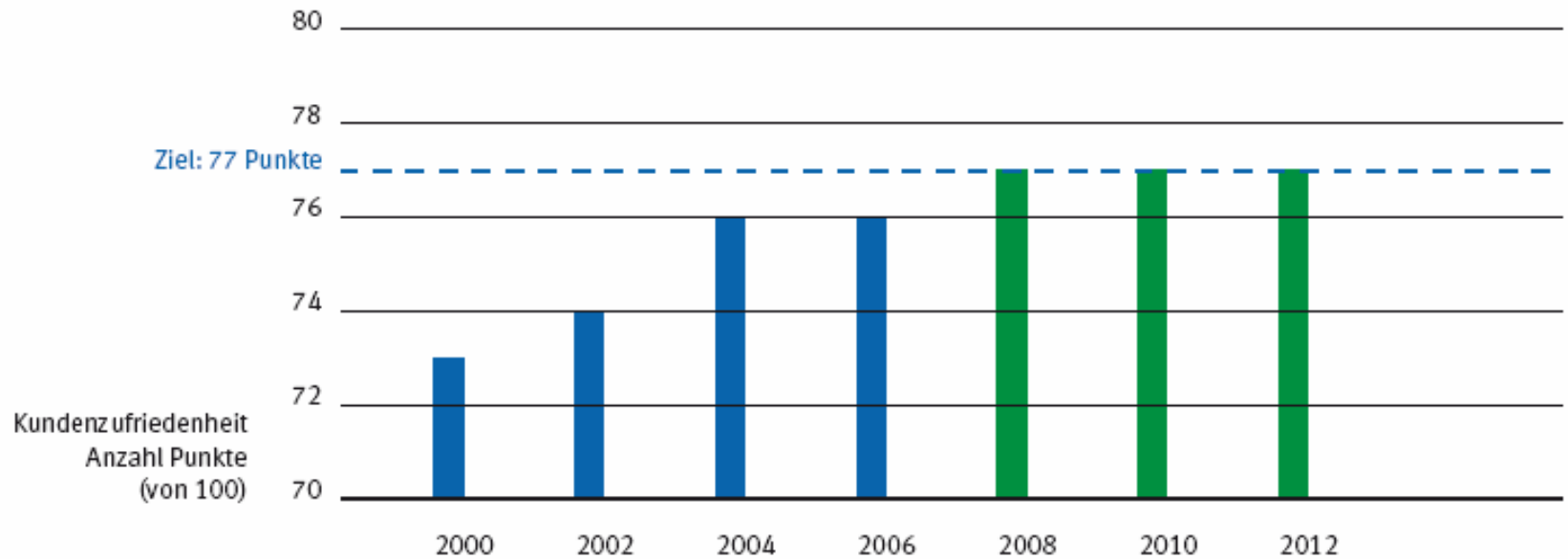


Index Fahrleistung





Result: quality and customer satisfaction improved:



Quelle: ZW



Swiss Experiences: Benchmarking Canton St. Gallen (I)

Objectives:

- performance control to optimise the use of public money
- effectiveness and efficiency

Regional benchmarking system:

- only for busses (conurbation and regional lines)
- Financial indicators
- Quality measured by Customer Satisfaction Survey
- Financial and quality indicators merged into one index



Swiss Experiences: Benchmarking Canton St. Gallen (II)

Financial indicators:

- mainly costs per km
- harmonisation factors: average speed and vehicle size

Quality indicators: Customer Satisfaction Index based on:

- Reliability
- comfort
- information at stops
- security
- information in case of delays
- staff behaviour
- vehicle cleanliness



Swiss Experiences: Benchmarking Canton St. Gallen (III)

Success:

- basis for tendering strategy
- lead to a tender of 17 bus lines:
 - improved quality
 - public savings of 0.8 Mio. EURO per year (as expected)
- strong position for authority in negotiations of direct awards
 - public savings of 0.6 Mio. EURO per year in new contracts

Future plans:

- Bonus-Malus system planned
- Interregional benchmark with other cities planned



Group discussion

Questions:

According to your experience,

- How do monitoring system and PSC interrelate?
- How to set up and implement monitoring schemes?
- What are possible pitfalls?



Group discussion

Questions:

1. Will the new EU Regulation (ban of overcompensation) lead to more widespread use of benchmarking systems?
2. What are the barriers against benchmarking and how to overcome them?



Group discussion

Statements/Theses:

- Monitoring and benchmarking systems are a sign of distrust and thus damage the trustful cooperation between authority and operators
- Customer Satisfaction Surveys teach the operators that it is their *common* performance that counts (promotes cooperation)
- Customer Satisfaction Surveys are unfair because they are always influenced by temporary circumstances
- Monitoring and benchmarking systems are too expensive (e.g. CSS)
- Benchmarking is impossible as every company and service is unique and thus not comparable
- Benchmarking is a viable alternative/complement to tendering



Swiss Experiences: national benchmarking (I)

Swiss FOT is introducing two systems of benchmarking for PT:

- Financial Benchmarking (introduced in 2008)
 - Quality Benchmarking (under preparation)
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- more transparency, more efficiency, more quality
 - identification of unsatisfying services
 - basis for negotiations or tendering decisions
 - operators can compare their performance



Swiss Experiences: national benchmarking (II)

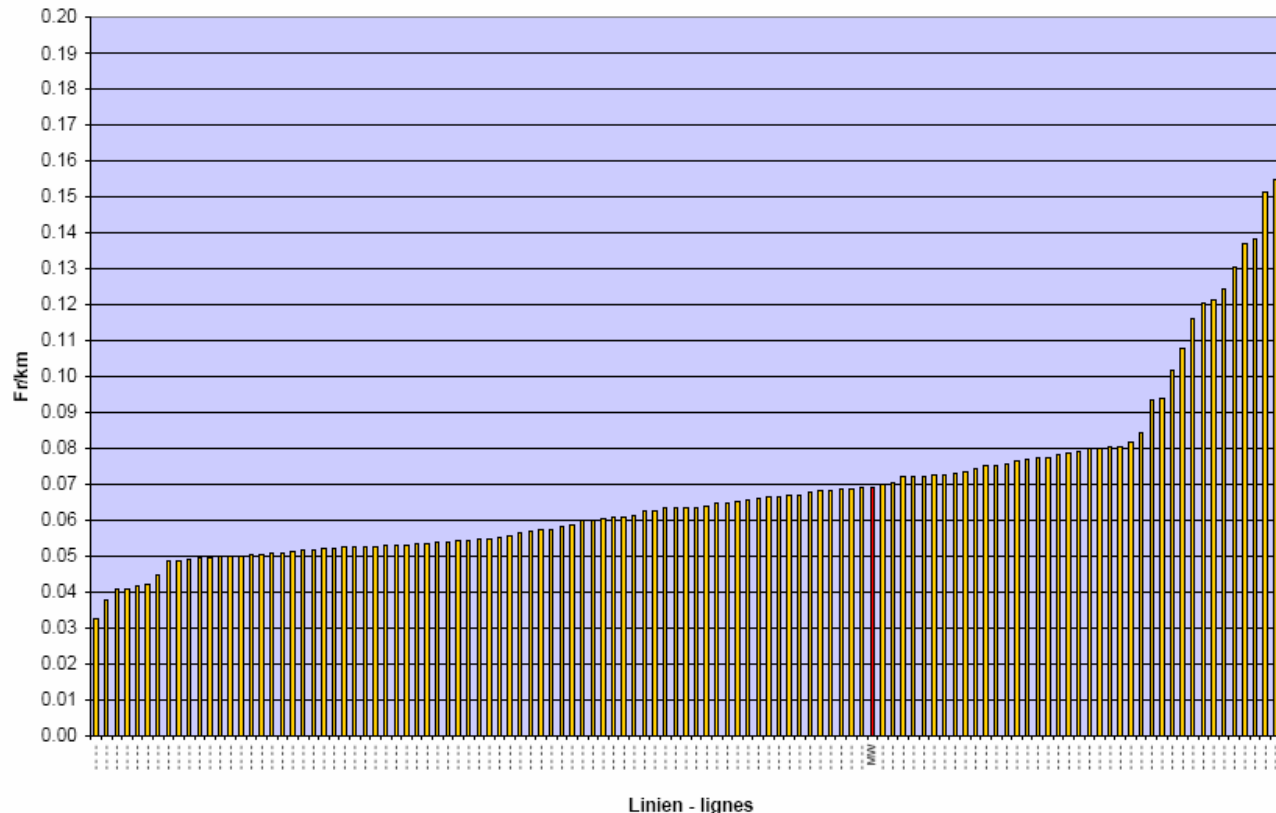
Financial Benchmarking of Swiss FOT:

- 20 indicators built on:
 - costs and revenues
 - vehicle km, passenger km, seat km (overall and scheduled)
 - vehicle hours (overall and scheduled)
- benchmarking within mode and category:
 - train, bus (ships, cable cars)
 - conurbation, regional, touristic, intercities, specialities
- benchmarking for single lines and/or single operators



Swiss Experiences: national benchmarking (III)

Example: costs per vehicle km (Bus conurbation)





Swiss Experiences: national benchmarking (IV)

Example: costs per vehicle km (Bus conurbation)

