

Productivity: The Connection Between Transportation Performance and the Economy



NCHRP REPORT

Productivity

The Connection Between Transportation Performance and the Economy

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Facts

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"Productivity: The Connection Between Transportation Performance and the Economy," an article written by EDR Group (formerly EBP) President Glen Weisbrod in the Jan/Feb 2016 issue of TR News, pp. 18-21. Weisbrod discusses EDR Group's study "Assessing Productivity Impacts of Transportation Investments," Report 786 for the National Cooperative Research Board (NCHRP).

Excerpt from article:

Productivity is not a new buzzword but is now in vogue. Productivity is important for transportation operators and is a primary driver of regional and national economic development. An increasing number of state departments of transportation (DOTs) want to consider productivity impacts in prioritizing programs and projects.

Productivity can be defined as the ratio of output produced per unit of input. For instance, freight operators consider fleet productivity in terms of ton-miles moved per truck, or daily deliveries made per driver. Transit operators consider passenger miles served per vehicle. Transportation systems that are faster, safer, and more reliable, and pickup and delivery systems that are more efficient can increase productivity ratios. These systems can make better use of available resources and spur greater competitiveness and profitability for transportation service operators.

The same concepts apply to the nation's economy, for which productivity can mean more output per worker or more value-added per dollar of business investment. By expanding access to labor markets, supplier markets, and customer markets, transportation infrastructure enables greater productivity for producers of goods and services, as well as for transportation providers.

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