

Incorporating Economic Impact Metrics in Transportation Project Ranking and Selection Processes



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Facts

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A growing number of federal, state and local transportation agencies are now including economic development and productivity impact measures in their processes for prioritizing and selecting projects for funding and implementation. However, they face a range of alternative project rating mechanisms and different performance metrics that relate transport improvements to economic growth. The mechanisms include multiple criteria analysis ratings, benefit-cost calculations, and composite scoring systems - each incorporating different transportation and economic factors.

While alternative rating mechanisms and metrics have been summarized in prior literature reviews, this paper seeks to critically examine their differences and implications for project selection. It shows that alternative rating systems actually share a common underlying theory but reflect different factor weights. However, the difference in factor weights does affect project selection, as illustrated through an empirical analysis of alternative rating approaches developed in Kansas. The findings from this research can help any transportation agency involved in ranking and selecting among alternative transportation project proposals, by enabling refinement of performance metrics, analysis methods and their interpretation for use in future decision-making.

Contact Persons