



Key Performance Indicators in Railways- Who measures what?

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Key Performance Indicators- how to define and measure performance for Infrastructure Managers

Credible, measureable, relevant metrics to measure achievement

KPIs

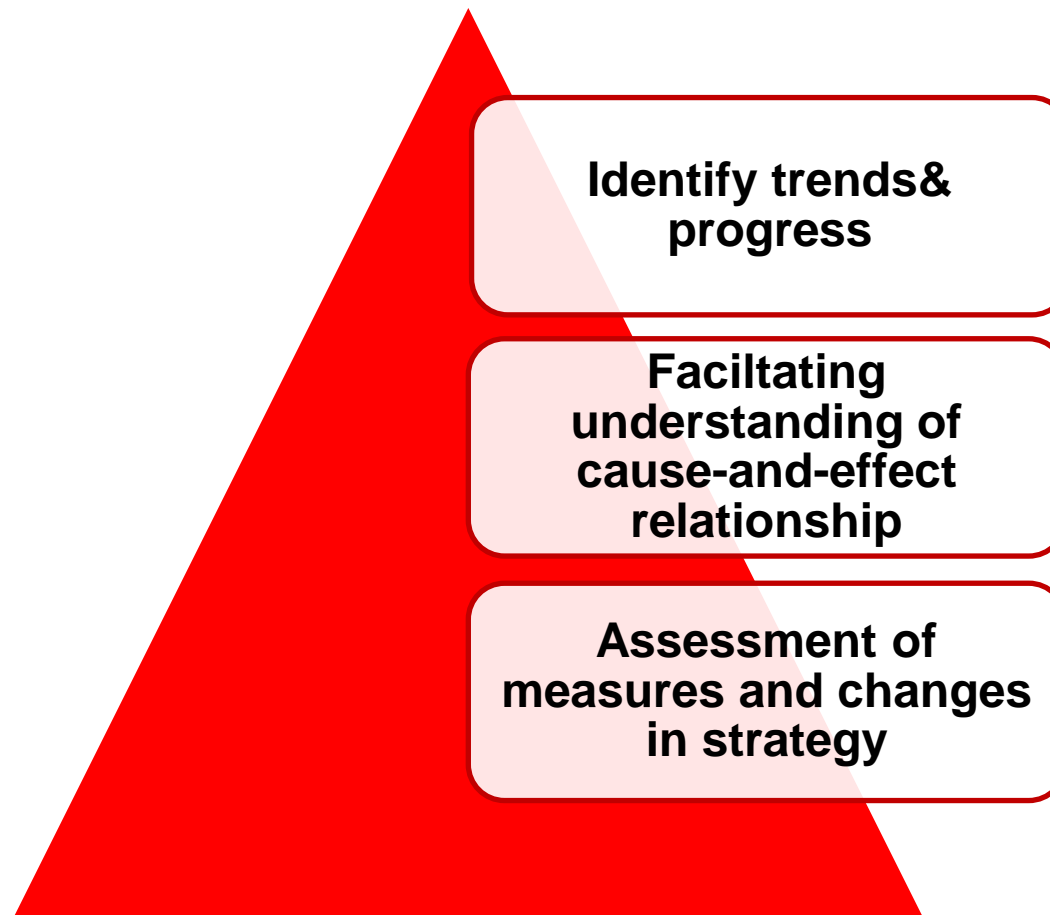
What factors are critical for a specific capability to be exploited?

Critical Success Factors

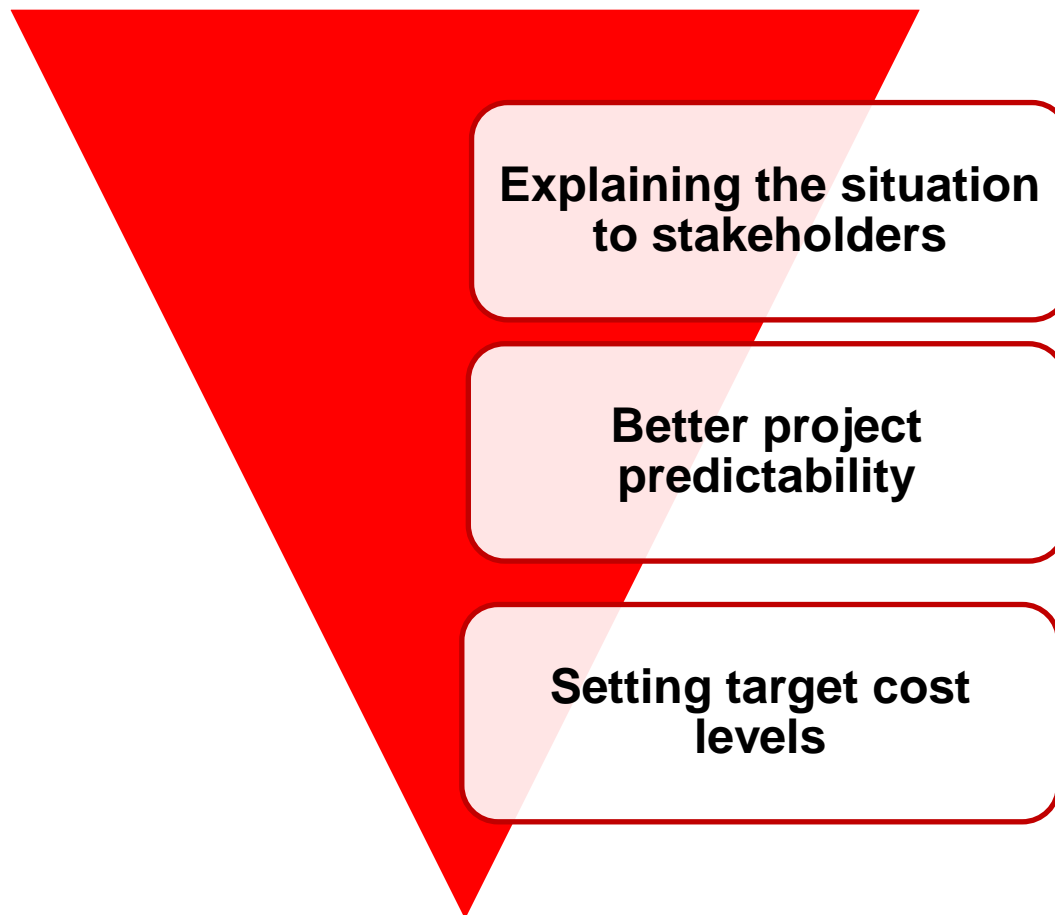
Body of Knowledge

Best Practices, Standards, Patterns

Improving performance



Going beyond mere performance

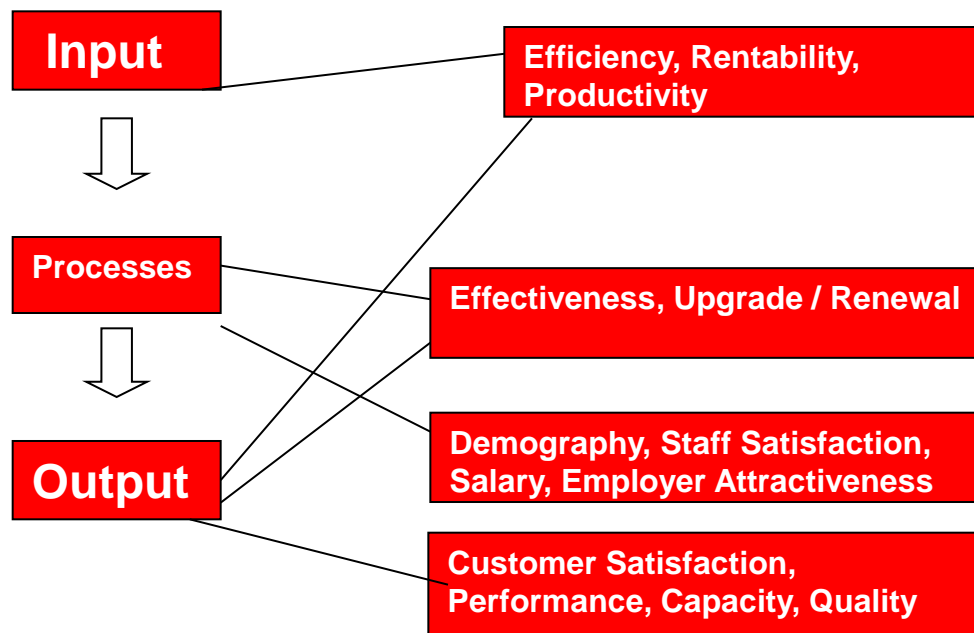


In designing KPI-systems organizations must consider how the measure will support

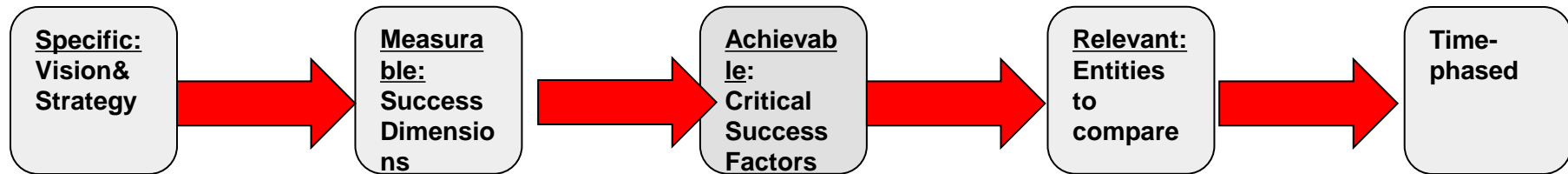
➤ Employee performance review

➤ Organizational planning, organizational health

➤ How the measures will support daily operations and decision making



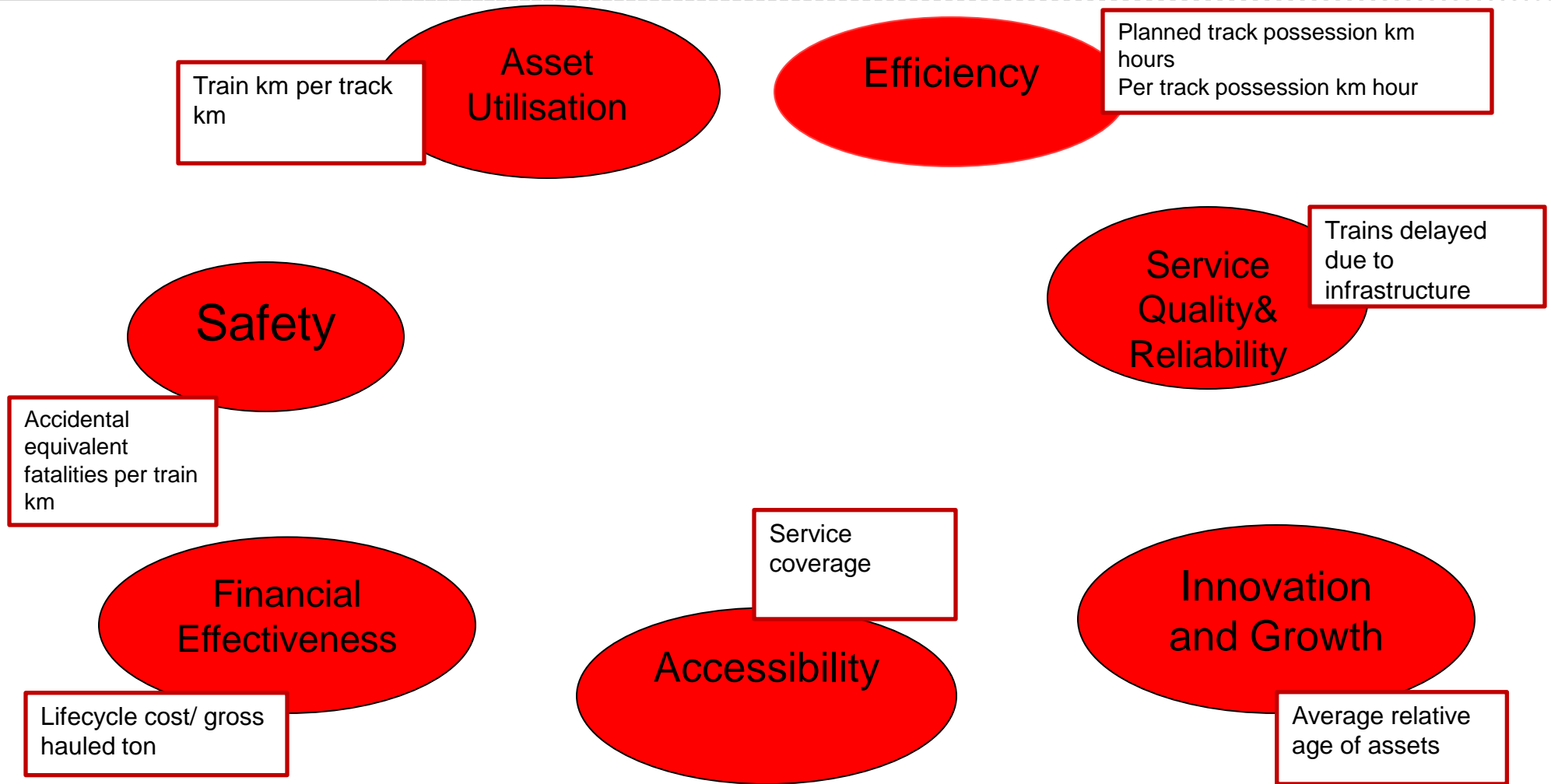
Measuring Success



Creating Success



KPIs and their relevant succes dimensions for IMs



Variety of Performance Measures

- Performance and costs of railway systems vary
- Network characteristics and organization models very different from country to country

RNE-/ PRIME Approach

- Overall harmonization difficult to achieve
- Advisable to ensure a certain degree of harmonization

Key characteristics for IM benchmarking

- **Balanced:** covers all dimensions, not just cost and reliability
- **Progressive:** Search for best practices
- **Multi-faceted:** performance and process benchmarking are both needed
- **Practical:** achieve transferable and implementable results
- **Useful:** work towards comparability
- **Customized:** IMs need system specifically tailored to their needs



Definition of measurements heterogenous (delay minutes, side tracks)

Lighthouse indicators not suited for comparison. To promote development opportunities benchmarks of selected KPIs could be useful

- **Meaningful conclusions only in medium-to-long-term (3 yrs+)**
- **Integrated view financials/quality important for planning**

Density of usage needs to be taken into account

Strategy processes and operations must be closely linked

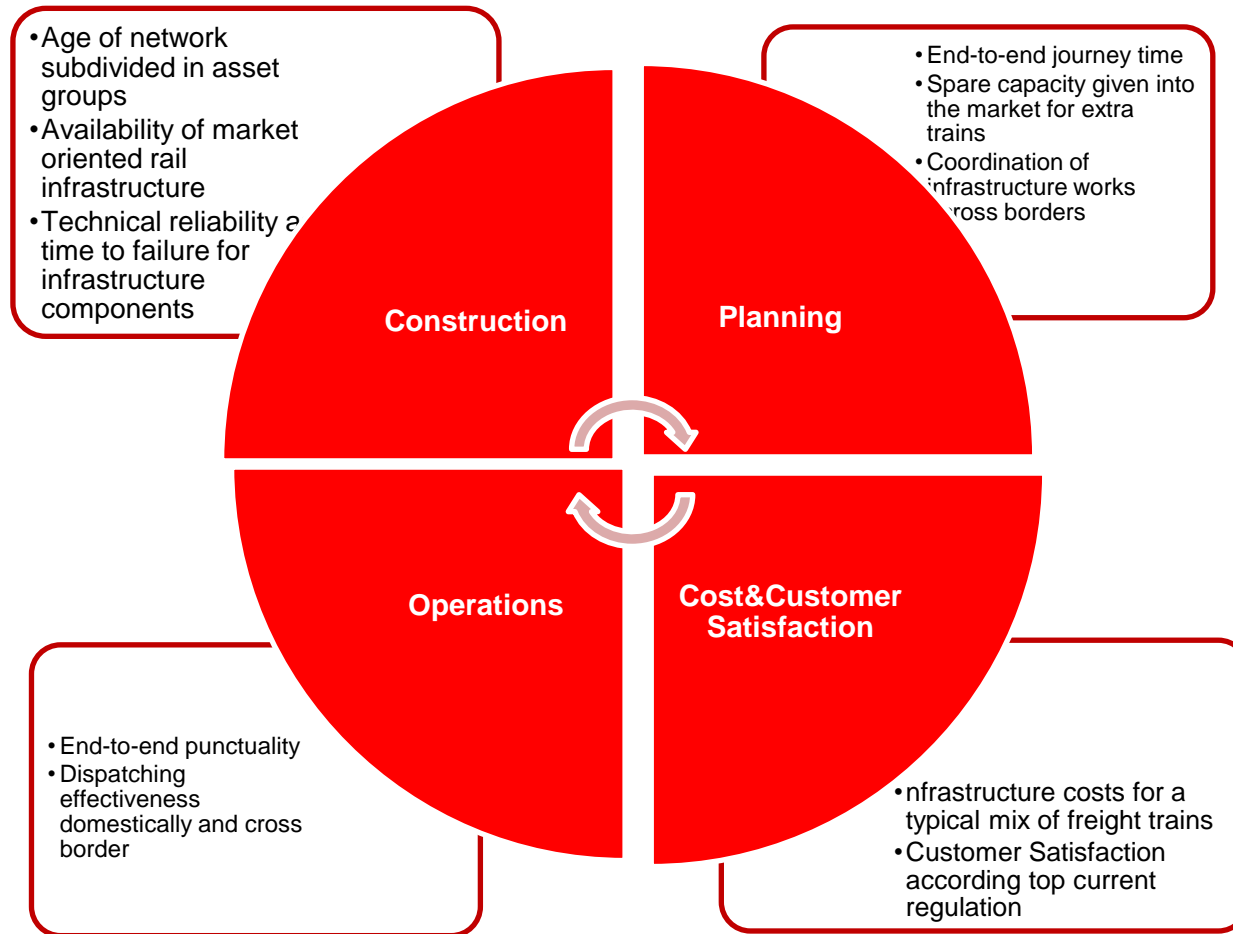
- **Key Performance Indicators already are part of everyday business für RUs& IMs, but**
- **Limited Comparability**

- **KPIs can help railway companies to become more attractive for their customers and more efficient in their operations**
- **It would be appropriate to standardize and harmonize data to improve quality and comparability**
- **Introduce KPI for „regulatory burden“**
- **Give preference to market- or company-driven initiatives: Healthy competition leads to innovation**
- **No hard-law-approach, no shaming, no finger-pointing**

- **In the railway business, words are words, explanations are explanations, promises are promises, but only performance is reality!**
- **Therefore the most decisive KPI: Markt Share!**



Cargo Perspective: KPIs to steer cost and quality of rail service on the Rail Freight Corridors



The Cargo Perspective- Multiple Layers, Poor Harmonization

