EMPLOYER INVOLVEMENT IN THE WORKTRIP:
A TREND TOWARD EMPLOYER ASSOCIATIONS

by

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B.A., University of California, San Diego (1981)

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ABSTRACT

Many organizations are involved in the urban transportation planning and
policy-making processes. Recently, the private sector has become increas-
ingly interested in transportation professionals. This study explores an emerging type of transportation or-
organization being initiated by the private sector, termed "transportation-
related employer associations (TEAs)." TEAs are non-profit corporations
formed so that employers and/or developers can collectively address
transportation-related problems. TEAs attempt to solve these commutation
problems by means of direct service provision and advocacy to public
agencies and their representatives. The nature of this study is explor-
atory in that it provides a set of characteristics associated with TEAs,
including: organizational structure and purpose, services provided, func-
tions performed and the varying motivations for formation.

Past research and relevant literature is reviewed as the development of
the TEA concept is discussed. A chronology of ridesharing organizations
is presented, culminating in the five TEAs utilized in this study. TEAs
are differentiated from other organizational arrangements. An operational
definition and set of characteristics is offered, constituting a frame-
work conceptualizing TEAs. A set of detailed case studies is presented
as well as a discussion of the lobbying activities being assumed by TEAs.
The future of TEAs is postulated by suggesting a set of barriers poten-
tially affecting these associations. In addition, the overall implicat-
ions of TEAs, vis-à-vis the entire set of organizations involved with
urban transportation, is discussed. Finally, possible areas for future
research and empirical studies are suggested.

The findings of this study suggest that the most potent barrier facing
TEAs may be the set of misconceptions surrounding these new organizat-
ions. These misconceptions and overexpectations are held by those out-
side the associations attempting to understand or influence TEAs. It
is concluded that only through a better understanding, fostered by this
and future research, can TEAs, and the other organizations with which
they interact, become truly cooperative.

THESIS SUPERVISOR: Michael D. Meyer
Title: Associate Professor of Civil Engineering
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To my CTS friends, thank you for making MIT life at least bearable: Peter Belobaba, Jim Glock, Anne Bickford and Annette Demchur. To my Boston friends, Ken and Wendi Buesseler, who followed me to New England. I would also like to thank my family in San Diego and Austin for their constant encouragement and patience. Finally, I am forever grateful to my loving wife, Liane, to whom I owe my sanity, my love, my life.

This thesis is in memoriam of my brother, Stephen James Schreffler.
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CHAPTER ONE
INTRODUCTION

1.1 THE PRIVATE SECTOR DIMENSION OF A CHANGING TRANSPORTATION POLICY ENVIRONMENT

During the past twenty years, an increasing number of local actors have become involved in the urban transportation planning, policy and service provision process. The set of more "traditional" actors includes: public transit agencies, city traffic departments, metropolitan planning organizations (MPOs), city councils, and building contractors, to name but a few. Due to increasing funding constraints, rising operating costs, and unfulfilled public expectations, one of the most recent set of actors is the "private" sector in the form of employers, employer groups, developers, and a number of private service providers. This renewed and expanded role of the private sector is foreseen to fill a perceived void left by the constricted role of the public sector. Thus, a new concept, "public/private partnership," is being embraced by the Federal government, transportation practitioners, and academicians alike as a possible means of addressing critical transportation issues facing urban areas. Interestingly, a single definition of the concept has not yet emerged. To some, the term connotes private dollars being substituted for public funding. To others, the partnership means the opposite, i.e., public monies subsidizing private sector transportation efforts.

Added to this confusion in defining the roles of the two sectors is the diversity of transportation-related activities that have been
recently assumed by the private sector in cooperation with public agencies. The form and purpose of this private sector involvement ranges from advisory input into the decision-making process, to the actual provision of services or funding of capital projects. Other activities have included the sponsorship of transportation planning studies or managerial assistance to public agencies. One factor that determines much of the form and content of this involvement is the "terms" of the partnership. The type and extent of private sector participation in transportation is often dependent upon which sector initiates the partnership. Public sector initiation might involve requiring a developer to implement congestion mitigation measures prior to plan approval. Thus, while the developer may be spending millions of dollars to construct access ramps to his/her shopping center, the public/private partnership is a forced relationship. Private sector initiation might involve the organization of a business lobby to advocate public spending for local transportation needs.

This issue of which sector initiates the partnership implies a continuum from solely public to solely private initiation with most public/private transportation efforts falling between these two schemes. This study will focus on the private sector initiation end of the partnership continuum suggested above. This research fills a large gap in the literature, which has focused mainly on public sector-initiated programs or joint ventures. Little or no effort has been made to understand the other end of the continuum.

Private sector-initiated activity is of particular importance to public sector decision-makers. Not only is private sector involvement
going to play a key role in the future of urban transportation, but any misconceptions as to its intent or capacity to assist or complement the public sector will be crucial to the health of this partnership. This study will explore an emerging type of organization initiated by the private sector to address urban transportation issues facing the business community. These organizations utilize various titles, but for the purpose of this study the term "transportation-related employer associations", or "TEAs", will be used. TEAs are non-profit organizations consisting of employers organized within an industrial park, by major employment concentrations, or even on a regional basis. TEAs generally have small staffs funded through membership fees, and can provide a variety of transportation-related services including:

-- carpool matching assistance
-- parking management strategy development
-- vanpool program administration
-- subscription bus service development
-- employee transportation coordinator (ETC) training
-- local transportation improvement funding
-- transportation planning activities

While TEAs potentially can provide all these and other services, their primary focus to date has been in the ridesharing area. This study will explore this new type of organization in the context of the work trip. TEAs are a collaborative means by which the employer can work to improve the commuting conditions for his/her employees. The evolution of TEAs can be followed through the development of ridesharing during the past decade. The problem that arises with TEAs is in certain
misconceptions and expectations placed upon these new entities by those in the public sector. Returning to the concept of a "void" between the two sectors, public over-expectations as to the capacity of TEAs to solve more regionalized problems may serve to only widen this void. Thus the long-range expectations of the public sector may not be serviced by the short-range activities pursued by TEAs. This is the ultimate problem to be addressed by this study. The purpose is to define and understand this new type of organization. Through such an understanding, TEAs may well become a truly cooperative and constructive effort between these two sectors of U.S. society.

1.2 PAST RESEARCH

This study is the culmination of a comprehensive research project focusing on private sector involvement in urban transportation. One specific objective of that effort was to answer the question: "How can the employer affect the work trip of his/her employees?" A selective telephone survey was employed to generate some examples of employer involvement in commutation-related activities. Of particular interest to the research team was collaborative or organized private sector involvement. As stated above, our interest was in private sector initiation of these organized efforts. One reason for not selecting the efforts of individual employers was that a great deal of research had already been performed on the topic.

This initial effort resulted in the identification of five transportation-related employer associations throughout the U.S. These TEAs included:
In order to move the research effort from an exploratory to a descriptive nature, a national survey was conducted of chambers of commerce of the 100 largest metropolitan areas. The reasoning for this more comprehensive approach was due to the research techniques previously used by those interested in private sector involvement (including the telephone survey cited above). The term most widely used to describe this research tool is "word of mouth" surveying. A researcher would call members of his/her peer group network to identify examples of private sector activity in urban transportation. The bias in this technique is readily apparent; the sample is limited to the researcher's immediate group of contacts. These research efforts were concentrated in academic and consulting circles and were aimed at addressing the public policy implications of private sector involvement. As such, those private sector activities being identified were those with high public visibility. Generally, individuals in public agencies identified exemplary private sector involvement.

To counter this public sector perception bias, the survey of 100 metropolitan areas was aimed at the private sector. Thus, a private
sector institution, the chamber of commerce, was polled to assess:
a) transportation-related activity of the chamber itself, b) efforts
of individual employers, and c) the existence of TEAs. This effort
was successful at ascertaining the current and potential range and
level of private sector involvement as well as the role of the chamber
itself in transportation-related affairs. Unfortunately, the survey
did not identify additional TEAs, at least not as defined in the pre-
vious section. The survey did identify a number of transportation
lobby and advocacy groups as well as ad hoc groups, serving in an
advisory capacity to public sector decision-makers or to the chamber
itself. These were in contrast to TEAs, which by definition, are
service providers in addition to performing the roles of the groups
cited above.

This is not to say more TEAs do not exist. Both the word of mouth
and more exhaustive chamber of commerce survey were not conclusive to
this purpose. The initial exploratory search identified several TEAs
in California that failed and several more still in the inception
stages. Additionally, in those cities with known TEAs, not all the
respective chambers identified these associations.

1.3 METHODOLOGY

Given the small number of TEAs and the fact that their existence is a
relatively new phenomenon (two years or less), an exploratory methodology
is used in this study. The structure and usage of the exploratory method
is outlined in The Design of Social Policy Research by Robert Mayer and
Ernest Greenwood. This type of research is best suited to the study of
a novel phenomenon about which the investigator has only the barest comprehension. Given this, the researcher cannot precisely specify the type or amount of data needed to perform a more robust descriptive or explanatory methodology. The objective of an exploratory research effort is primarily that of formulating the basic concepts about the phenomenon. More specifically, the objectives (as stated by Mayer and Greenwood) should be the following: a) conceptualize the properties distinguishing the phenomenon, b) to formulate operational definitions from these concepts, and c) convert these definitions and descriptions into variables about which further data might be collected. The exploratory method generally requires only a few, intensively observed cases. The cases should be chosen so as to permit the analyst to identify both similarities and differences in the cases, again with the objective of generating a set of descriptive variables. The cases are observed in their native setting intensively and comprehensively by means of a variety of unstructured and unrefined data collection techniques. The collected data are analyzed qualitatively, permitting inferences about the existence of certain properties as characteristic of the phenomenon.

This research will utilize two case studies. They are: the Santa Clara County Manufacturing Group (SCCMG) and the El Segundo Employers Association (ESEA). Both TEAs were identified during the initial telephone survey. Data was collected by a variety of techniques, including: a) telephone interviews, b) personal interviews, c) on-site visits, d) analysis of documents produced by the TEAs, and e) participation in a discussion forum with staff members of the two TEAs.
The choice of only California cases warrants some discussion. These cases were chosen for a number of different reasons. First, the researcher is familiar with most transportation-related agencies in the state as well as the range of transportation issues facing California. While the context within which TEAs operate is an important factor in discussing the associations, it is not so site-specific that the variables identified and conclusions reached here cannot be generalized to other TEAs and their future counterparts. Secondly, travel to the Los Angeles area enabled an on-site visit, providing an opportunity to make first-hand observations. The two California examples exhibit both similarities and differences enabling the researcher to formulate a set of descriptive variables as well as a conceptual framework within which to explore this new phenomenon.

1.4 THESIS OUTLINE

The final section in this introductory chapter will provide a set of operational definitions that will be used throughout the study. These definitions attempt to clarify, for the purposes of this research, some of the terms which to date have been given a host of meanings and interpretations. Some terms, for example 'ridesharing', have evolved to connote everything from carpooling, specifically, to all multi-occupant modes, including transit and private taxi. For this reason, operational definitions of key terms will be presented in Section 1.5.
Chapter Two, "A Review of Relevant Literature," will provide a synopsis of articles and reports which mention the evolving concept of TEAs. Included in this analysis is a synopsis of the research studies that were part of the above mentioned effort to categorize private sector involvement in commutation-related activities. Given the relative newness and novelty of TEAs, only a very few individuals have been involved in researching, or even acknowledging, this emerging phenomenon. Due to this limited set of research, the review is organized by author, for some individuals have produced a number of studies.

Chapter Three, "Organizational Responses to Commutation-Related Issues: A Historical Overview of Private Involvement," is a chronology of organizations involved in commutation issues, as the title implies. This history will follow the evolution of the organizations that have been formed in response to these issues. The chapter is divided into four sections. The first is characterized by the perceived public sector responsibility through the traditional transit mode. The private sector, during this period, perceived the commutation responsibility in the hands of the commuter, their employees. The second section documents the rise of ridesharing as a response to the 1973 Oil Crisis. Public agency efforts as well as individual employer involvement are cited. The growth of third-party arrangements constitutes the third section. Finally, the evolution of transportation-related employer associations is discussed, including a description of the five TEAs identified by the initial surveying effort.
A generic definition of TEAs is the subject of Chapter Four: "Employer Associations." This will constitute a framework aimed at conceptualizing this new type of organization. A set of variables will be identified, including: a) legal status, b) funding mechanisms, c) range of services, d) organizational structure, and finally, e) the environmental and situational context.

Chapter Five is a description of the two case studies and is framed in the set of variables enumerated in the preceding chapter. In addition, the future of these two organizations will be posited. The final chapter discusses the probable future for TEAs in general and suggests some of the barriers that TEAs might face in the years to come. These comments will attempt to clarify the role of TEAs in the urban transportation realm, and hopefully foresee the success of these organizations. Finally, some suggestions for future research are outlined, research that might build in the exploratory treatment offered in this study.

1.5 DEFINITIONS

**Ridesharing:** two or more persons travelling by any mode of transportation, including but not limited to carpooling, vanpooling, buspooling, conventional transit, and shared-ride taxi. In its most familiar form ridesharing refers to the commuter work trip. The focus is on the movement of people, not vehicles.\(^4\)

**Public Sector:** for the purpose of this study, the set of government agencies and institutions in an urban area characterized by decision-making from elected officials or their representatives. Examples include: a city council, public transit authority, city traffic engineering department, etc.
Private Sector: for the purpose of this study, the set of non-governmental institutions and businesses in an urban area characterized by decision-making from business leaders and other non-governmental affiliated individuals. Examples include: employers, financial institutions, developers, etc.

Third-Party Ridesharing Organization: an agency established to match or broker the supply of commutation services to those demanding such service. This might include placing an applicant in a carpool; and/or providing transit information.

Employer Program: any company or institution that actively promotes ridesharing among its employees.

Employee Transportation Coordinator: an individual within a company or institution charged with promoting and orchestrating the day-to-day activities of an employer program.

Carpools: rides shared in private automobiles by two or more people, on a continuing basis for commutation purposes.

Vanpools: rides shared in 8-15 passenger vehicles, on a continuing basis for commutation purposes, regardless of who holds title to the vehicle. Costs are usually shared and/or subsidized and the driver is usually exempt from the cost-sharing.

Buspools: interchangeable with subscription bus or club bus. Refers to express bus service with guaranteed seats and advanced ticket purchase.5

Shared-Ride Taxi: the prearranged use of private taxis for commute purposes by two or more persons.

Matching: the act of providing applicants with a list of potential poolers by residential location. Done by either computer batching techniques or by hand.

HOV (High Occupancy Vehicles): the set of travel modes other than single occupant private automobiles including: buses, carpools, and vanpools.

VMT (Vehicle-Miles of Travel): the prime measure of vehicular movement in an area, usually expressed as average daily or annual VMT.

TSM (Transportation Systems Management): a federal program to provide low-cost, noncapital-intensive, and quickly implementable means of improving highway traffic flow, reducing VMT and increasing highway capacity.
2.1 BACKGROUND

Despite the fact that TEAs are a relatively new phenomenon and are few in number, a growing amount of published material on TEAs has been produced in the past 18 months. Some of this work concentrates solely on TEAs, while most utilize the concept as one form of private sector involvement in the urban transportation system. The earliest papers were the result of two Transportation Research Board (TRB) conferences; the first dealing solely with the role of the private sector in ride-sharing, and the second (the 1982 Annual Meeting) placing a major emphasis on private sector roles and responsibilities. The forum for discussion, and subsequent written work, next moved to the transportation consulting field. Several consulting firms with ridesharing expertise produced reports utilizing the TEA concept. These works had two purposes: to refine the concept of TEAs and/or apply the concept to a specific region and its commutation-related problems. Documentation and discussion of TEAs also occurred within the university research setting.

The forum for discussion, and the development of the TEA concept, thus consisted of a tight circle of practitioners, consultants, and university researchers. This is not to say other institutions or individuals were unaware of this new phenomenon, but that the on-going discussion (and subsequent documentation) occurred within a small circle of acquaintances. This resulted in a relatively consistent evolution
of ideas related to TEAs. This progression of thought can best be categorized into four stages: 1) identification of issues, 2) identification of examples and some predictions, 3) conceptualization and definitions, and 4) realization of TEA limitations. The last stage of this progression of thought is directly related to the purpose of this study, i.e., alleviating some of the misconceptions as to the role of TEAs and suggesting some of the barriers that might face these organizations in the future.

2.2 IDENTIFICATION OF ISSUES

2.2.1 National Strategies Workshop on Ridesharing Needs and Requirements

The first published works mentioning transportation-related employer associations were the result of a national conference on ridesharing research. The 'National Strategies Workshop on Ridesharing Needs and Requirements: The Role of the Private and Public Sectors' was conducted by TRB and co-sponsored by the Urban Mass Transportation Administration (UMTA) and the Federal Highway Administration (FHWA) in May 1981. The stated objectives of the conference included the identification of critical questions related to ridesharing and to aid in defining roles, requirements, and needs. The conference was organized into seven topical workshops, including a discussion of the roles and responsibilities of the two sectors and a session on organizational issues. For each of the seven workshops a resource paper was commissioned to: a) chronicle the development of ridesharing operations and policy, and b) serve as a "springboard: for the
consideration of future issues and needs. The published conference proceedings, including the above mentioned resource papers, became the first formal recognition of organized employer efforts.\(^2\)

In addition to the resource papers (discussed below), a set of research recommendations was included in the proceedings. Recommendations, formulated during the workshop on roles and responsibilities, focused on understanding the changing relationships of a) employer and employee, b) employer and local public agencies, and c) private ridesharing efforts to state and national governments. A major research question presented was, "what barriers must be overcome to facilitate private sector involvement in the provision and operation of transportation services?"\(^3\) The workshop on organizational issues resulted in several related issues calling for "needed documents such as case studies, that carefully capture the structure, successes and failure of existing ridesharing agencies."\(^4\) This was meant to provide a comparative basis for which others might compare various organizational approaches and results. The workshop also recommended research, tracing the evolution of ridesharing, as well as research, into the more basic question as to where the ridesharing function should be. Another issue concerned identifying the most effective mix of public and private efforts. These research concerns and questions provided the framework for the subsequent discussions related to TEAs.

2.2.2 Shallbetter, "Ridesharing: Private and Public Roles and Responsibilities"

This resource paper, commissioned as part of the workshop on roles and responsibilities, is an early attempt to deal with the issues
surrounding public/private partnerships. Clarence Shallbetter traces the evolution of these changing and, in some cases, newly created roles. A brief discussion of traditional roles in urban transportation, and ridesharing in specific, is followed by an assessment of the current status of ridesharing in the U.S. Shallbetter then frames his discussion of the changing roles and responsibilities in terms of the uncertainties facing both the public and private sectors with respect to ridesharing. It is obvious that the two sectors' uncertainties are interrelated. Funding constraints facing the public sector affect the decisions of employers regarding involvement in ridesharing efforts.

The private sector uncertainties Shallbetter points to can be classified into two categories. The first, assuming employer involvement increases, concerns the type of delivery mechanism employers choose to facilitate ridesharing. The two options posited are a) the contracting for service provision (matching, vehicle procurement) with for-profit vendors and/or b) the creation of "non-profit delivery organizations, where employers join together, and then assist with publicity, employee solicitation, management and funding arrangements." The second uncertainty facing the private sector is the relationship of the employer with his/her employees. This involves a dramatic change from the traditional perception of sole employee responsibility with respect to commutation. Shallbetter feels these two uncertainties, and their future resolution, will be a decisive factor determining the future roles of both sectors in the area of ridesharing.

The paper then concludes with a series of questions and issues related to the emergence of public/private partnerships. This discussion
focuses on two factors, the "terms" of the partnership and the influence of decision-makers on the partnership. Some other issues raised include: a) the relationship of public agencies and decision-makers on "employers, employer organizations, developers and building owners," b) types of incentives that can be developed by the public sector to encourage these private efforts, c) addition of public sector representation in private, non-profit ridesharing organizations, d) larger employers assisting neighboring smaller employers, and e) the role of public sector decision-makers and planners in requiring a "set of rules and enforcement mechanisms" for all ridesharing efforts in an urban area.

While Shallbetter's paper on roles and responsibilities is more a set of questions than a comprehensive examination of private sector infusion into ridesharing, it presents a series of issues central to understanding the emerging role of employer organizations. The discussion is an attempt to consider all the possible actors in public/private ridesharing efforts, and alludes to their relation vis-à-vis employers and employer associations. These actors include (but are not limited to): employers, developers, policy-makers, planners, vendors, federal administrators, state legislators, and transit managers.

2.2.3 Bradley and McCarthy, "Management and Organizational Issues of Ridesharing Programs"

The second key paper to emanate from the ridesharing conference is concerned with the possible management-organizational strategies "aimed at altering individual mobility patterns to achieve increases in productivity in our transportation systems." The purpose of the paper is to present organizational alternatives, including "the way in which the
functions and services are provided and structured." Bradley and McCarthy begin the work with a summary of the evolution and historical development of ridesharing agencies. This evolution points to the diversity of organizational structures and service options as well as the rapid rate of change inherent in these entities. The paper next enumerates the variety of services, including some innovative services reflecting new directions in ridesharing occurring in the U.S. A partial list of these innovative services includes: a) provision of TSM consulting services, b) provision of air-quality and energy planning, and c) advocacy for changing corporate or public policy. Following a discussion of service options is a description of organizational alternatives. These alternatives are designed to provide an existing third-party ridesharing organization with a set of options related to which functions and services can be performed outside of this established setting. Therefore, employer organizations are viewed as one such alternative for the provision of ridesharing services for an area's commuting workforce. These non-profit corporations are posited to provide two basic functions: provide services and/or support the public ridesharing agency in its advocacy and planning roles. As with the Shallbetter paper, the Bradley and McCarthy work concludes with a set of issue areas and resulting questions related to administrative and staffing concerns, as well as a discussion of the appropriate role of transit agencies in ridesharing.

Again, while the organizational paper presents a wide range of issues and alternatives, and does not claim to be a definitive study,
it does present a systematic approach to review organizational and service options. The TEA concept becomes only one organizational alternative of many, yet its mention within a more broad context of the entire urban transportation schemes serves to reinforce the concept of employer associations. This exercise serves a useful purpose, as the paper was intended to provide decision-makers with a set of options when considering starting or changing a ridesharing organization or sponsoring such an effort.

The National Strategies Workshop on Ridesharing, therefore, provided the impetus for the first published mention of TEAs. The works by Shallbetter and Bradley and McCarthy introduce the concept of transportation-related employer associations within broader discussions of public/private roles and organizational options. While these articles posed more questions than they answered, the works served to preface subsequent interest in the subject as well as frame this inquiry within a set of key issues.

2.3 IDENTIFICATION OF EXAMPLES AND PREDICTIONS

Following the identification of key issues surrounding private sector involvement in urban transportation, the next set of papers provided examples of public/private partnerships and began to cite specific TEAs. These papers also tended to make predictions about the future role of TEAs, and resulted in three different assessments as to future scenarios and responsibilities.
2.3.1 Torluemke, "Mobilizing an Employment Community to TSM Action"

Concurrent with the National Strategies Workshop on Ridesharing, aimed at ridesharing professionals, a paper was produced aimed at the private sector and employers in particular. The concept of employer associations is central to the work, for the author is the Executive Director of the El Segundo Employers Association (mentioned in Chapter One). The paper points to both successes and failures with organizing employer groups and cites examples in California and Texas. The author then draws two major conclusions from this limited sample. The first is that employer involvement is not based on altruism, but on self-interest. Secondly, the success of the TEA greatly depends on the commitment of top level management. Torluemke then suggests some guidelines for forming effective TEAs. These guidelines include: a) need for transportation expertise, b) formalization of a commitment by those involved, c) use of a 5-12 member governing board, d) involvement of mid-level management, and e) need for a continuing education program by transportation experts. Torluemke concludes that successful employer organizations depend on the identification of direct benefits for member employers. These benefits include, "easier recruitment, better retention of labor, and greater plant expansion opportunities."

The significance of the Torluemke paper is in its private sector perspective; its 'insiders' view. While this has shortcomings in that it ignores the needed public sector interaction, the paper does take a thoughtful look at this emerging phenomenon. The paper attempts to cite
those factors the author feels are contingent on successful employer organizations. The work presents some 'dos' and 'don'ts' for the formation of TEAs and places the responsibility of initiation solely on the private sector.

2.3.2 Crain, "The Private Sector and Public Transportation in the Eighties"

Another work that seems to be searching for exemplary cases of private sector involvement and TEAs was written for presentation at the TRB Annual Meeting in January 1982. While the paper is not specifically concerned with TEAs, it predicts an increased role of private sector organizations and service providers. TEAs are but one current example of this type of involvement. Crain chronicals the history of the "public sector solution" and paints a picture of inefficiencies, burgeoning costs, and public 'disenchantment'. While Crain calls for the renewed and expanded role of the private sector, he warns against the rise of 'parallel systems' where employers provide premium service while the public sector serves other segments of society.

The author next cites examples of private sector involvement, including: a) use of private carriers, b) employer ridesharing programs, c) joint development, d) parking management programs and finally, e) "business task forces." Concerning these task forces, Crain cites two examples of TEAs. The first example is a transportation planning effort being sponsored by the Dallas Chamber of Commerce. While this effort is not a TEA as defined in Chapter One, this employer organization is providing a service, a planning study
geared at investigating options for reducing congestion. The second example is the Santa Clara County Manufacturing Group (described in Chapter Five).

Crain concludes the paper by suggesting a new type of public/private organization, a reformulated public transportation authority. The role of this new agency would be to "orchestrate a battery of privately and publicly operated elements toward the goal of having the maximum number of passengers riding in the fewest possible vehicles."\(^\text{16}\) Crain predicts the key to this new venture as the rate at which new private/public approaches are adopted by the transit community. The author finally suggests a new leadership role for the U.S. Department of Transportation in the dissemination of information and in providing a forum for public/private issues.

In contrast to the paper by Torluemke, this work foresees expanding private sector involvement, yet still rests the responsibility of managing urban transportation in the hands of the public sector. Private sector efforts thus become components of an overall system 'orchestrated' by one agency. While this ignores the territorialism inherent in many transportation organizations (both in the public and private sectors) it provides another source, utilizing the concept of TEAs to illustrate public/private issues and possible future scenarios.

2.3.3 Meyer and Gordon, "An Emerging Public/Private Partnership in Urban Transportation"

This work constituted the first effort at an in-depth assessment of the dynamics of public/private cooperation, utilizing the concept of employer collaboration and its relation to public sector planning
and policy-making. An enumeration of the variety of private sector roles and impacts cites several examples of individual employer efforts as well as involvement by local chambers of commerce. This section also points to the fact that previous research had focused on "techniques and methods of program implementation" related to employer-based efforts to the exclusion of the implications of the private sector role in "relating transportation actions to other goals such as air quality, urban development/revitalization, and energy conservation." Examples of TEAs in Stamford and Hartford, Connecticut, are provided to illustrate the dynamics and impacts of public/private partnerships.

It should be noted, these two ridesharing organizations are not considered TEAs as defined later in this study (the distinction made in Chapter Three). Meyer and Gordon, however, treat the organizations as such, and therefore will be included in this discussion. Many of the issues raised by the discussion of these two TEAs parallel the conclusions reached by Torluemke. These issues are in the form of factors necessary to the success of these joint efforts between employers and public officials. These include: 1) working relationships, b) realization of business self-interest, c) commitment by top management and influential public officials, d) need for formal financial commitment, e) need for delineated goals and objectives, and finally, f) need for an on-going mechanism to retain the interests of the actors involved. These case studies provide the first detailed study of the evolution of specific TEAs. The authors frame the discussion within the context of the inter-relationships that assure the success of these two employer organizations (a further discussion of these two organizations will follow in the third chapter). While this article is not intended to form an understanding
about TEAs per se, it explores the new relationships between the public and the private sector, utilizing TEAs as exemplary partnerships.

The authors use these TEAs as examples within which the ramifications of private sector involvement on traditional transportation planning and decision-making are discussed. Meyer and Gordon suggest five areas where private sector activities could have an impact. These implications range from transportation investment, to project planning and implementation, and finally to the new skills that will be required of transportation professionals to operate in this new, changing environment. While these predictions may well become critical issues in the years to come, they tend to be a statement of the desired outcome of these partnerships, with little attempt to understand and accept the motivation of private sector involvement. These foresights as to the sanquine expectations of TEAs and other cooperative efforts, serve only to fuel some of the misconceptions surrounding the ability and willingness of the private sector to assume transportation-related responsibilities outside the purview of their own mutual self-interest. Meyer and Gordon pose the problem of unfulfilled expectations on the part of the private sector regarding their involvement in project or program implementation—the fear stated as the business community withdrawing support if program goals are unmet. This dilemma should be turned around; overexpectation on the part of public officials as to the support they can assume from the private sector could seriously jeopardize the program at hand. The case studies used by Meyer and Gordon illustrate what TEAs can do; the conclusions seem to imply what TEAs should do.

The three papers discussed above represent a stage in the evolution of the TEA concept characterized by a growing set of examples and some expectations as to the future role of employer organizations. While the
examples are useful in formalizing and disseminating the notion of TEAs, the variety of future scenarios posited by the Crain, Meyer and Gordon works points to the overexpectations on the part of those outside the private sector. Crain implies the possible role of employer organizations as providing services to a 'superagency' responsible for coordinating all urban transportation components. Meyer and Gordon foresee the role of TEAs as a new participant in the overall transportation planning, policy and implementation process requiring a new breed of transportation professionals able to understand and utilize this new participant. Torluemke, conversely, presents the 'dos and don'ts' of organizing employer groups with no acknowledgement of public sector interaction or coordination. What was clearly still lacking was a clear understanding of what exactly TEAs were and what functions they do (or do not) perform.

2.4 CONCEPTUALIZATION AND DEFINITIONS

Given a set of issues and questions surrounding TEAs, and the identification of a number of examples of these employer groups, the next stage in the progression of thought was the conceptualization of this emerging organizational phenomenon. Several works emerged from the transportation consulting field, attempting to conceptualize TEAs in the form of definitions accompanied by the set of examples becoming all too familiar. While these definitions were not comprehensive in their ability to explain the structure and functions of all TEAs, they served to normalize the notion and provide a common basis for discussion and analysis.
2.4.1 Orski, "The Changing Environment of Urban Transportation"

C. Kenneth Orski has been a powerful advocate of TEAs and has produced a number of articles and presentations introducing the concept, as well as public/private partnerships in general, to a wide spectrum of practitioners, academicians, and researchers. Orski has produced several articles centered on a perceived "major reappraisal of urban transportation," and a concomitant focus on the "separation of policy and operating responsibilities, of decentralized operation, of diversity of services, of choice and competition." Thus, Orski suggests a growing set of services and organizations outside the domain of the traditional public solution. These new 'models of transportation service delivery' were categorized into several types, ranging from contractual arrangements with private carriers, to the involvement of individual developers and employers, to the "most advanced and ambitious form of private sector involvement"--TEAs. While the author coined the term Transportation Management Associations (TMAs), it is synonymous with TEAs. In each of the three sources, Orski provides a generic definition of what exactly TMAs were; how they were structured; and how they functioned. Orski offered the following definition of TMAs:

"TMAs are nonprofit organizations, formed by local businesses, corporate employers, owner/developers of suburban and downtown properties, and civic leaders to address community transportation problems that can be dealt with more efficiently on a collective basis. TMAs create their own tax base through assessment fees. Some operate their own services; others contract with independent service providers, either public or private. Some are single purpose organizations formed specifically to address transportation concerns; others are elements of broader multipurpose civic organizations. Some concentrate on downtown or central city transportation problems; others deal with regional transportation needs; still others are suburban in orientation."
The author then provides examples of TMAs, including the Hartford, Stamford, Tyson's Corner (Virginia), and El Segundo organizations. These "profiles" constituted the most detailed examples to date. Orski included the evolution of the associations, the service offered, the structure of decision-making and the activities pursued, and some of the funding schemes utilized.

Orski's discussion of TEAs is set within the context of a more comprehensive discussion of the different elements of the private sector, and this is consistent with the previous published works. Orski's influence in the progression of the TEA notion is significant as the first generic definition of this emerging organization and served to establish the beginnings of a conceptual model of TEAs. While Orski might also suffer from overexpectations as to the role of TEAs vis-à-vis the entire urban transportation scheme, the introduction of a working definition and a set of more detailed examples can be seen as a major step toward understanding what TEAs could or could not do external to their own narrow self-interest. This is not to say it might not be in the self-interest of employers to become involved in the 'public' urban transportation environment. Through understanding the dynamics of TEAs, especially from the perspective of private sector initiation, can the overexpectations of the public sector and those 'outside' these organizations be exposed.

2.4.2 Kaye and Fleishman (et. al.)

Two efforts utilizing the concept of TEAs that came out of the transportation consulting field were designed to 1) suggest new areas
for Federal support and involvement in ridesharing, and 2) provide a 'state-of-the-art' document on commuter ridesharing.\textsuperscript{23,24} The first document, an unpublished work for the FHWA, prepared by Tobias Kaye, provided a set of new organizational mechanisms for providing and/or advocating ridesharing services. Included in this set was an organizational type termed "Employer Cooperatives and Associations." A brief definition and set of examples was provided. Of significance was the realization that these organizations served a very specific function and usually were organized to solve localized, and often very specific, problems. Kaye makes no assumption what role the TEA should take, only provides a description of what role they are taking.

A similar project, produced by the same consulting firm, utilizes the concept of TEAs within the framework of a definitive statement on ridesharing. The authors separate publicly-funded third-party agencies from employer-sponsored programs, and then points to TEAs as the most recent employer approach to promoting ridesharing. Similar to the Kaye paper, the authors provide a brief definition of TEAs in terms of the range of services and funding arrangements, and provides a description of the Tyson's Corner example to illustrate the concept.\textsuperscript{25}

This set of papers and articles all involved the formulation of a working definition of TEAs. Each was an attempt at understanding and enumerating the actual services being provided and functions being performed. This is a significant departure from the former works which either raised issues, made predictions, or simply provided a list of examples of this new organizational phenomenon. While these new definitions were concise and sometimes general in scope, and while the case
examples were but brief portraits of TEAs, those works began to establish a common framework. These works were beginning to look at specific TEAs and define the issues within a set of related, more narrow considerations. This new framework would be essential to further exploration of the topic and toward the resolution of the many misconceptions and overexpectations.

2.5 REALIZATION OF LIMITATIONS

As the evolution of the TEA concept progressed, research efforts became more refined and in-depth. Detailed case studies were prepared concurrent with the end of the first year of existence of many of the previously identified TEAs. Thus, a better understanding of exactly what TEAs were, provided by these case studies and generic definitions, allowed a reflection on the successes and failures of the activities pursued by these organizations. This provided the opportunity to suggest some of the barriers facing the success of TEAs.

2.5.1 Schreffler and Rodman, "Review of Existing Organizational Arrangements for Ridesharing Programs"

This effort represented one of the first applications of the TEA concept to a given situation. The purpose of the paper was to provide a set of optional delivery mechanisms for ridesharing services. The resulting recommendation called for a TEA-type effort to be established within an existing employer organization in the region. Public seed money would be used for start-up costs with the long-term responsibility falling on the employer association. In this case a public sector entity would be initiating the TEA effort and this recalls the fears of overexpectations. This fear was softened somewhat in that the TEA would
be primarily concerned with commuter ridesharing as opposed to some of the more ambitious roles previously envisioned.

While the paper provided the reoccurring definition and set of examples, its precedence lies in its discussion of the limitations of TEAs and some of the barriers that exist, potentially impacting the success of these organizations. It is important to note that the criteria for success were not in terms of the objectives set for associations by the public agencies they dealt with, but in terms of the objectives set by the employers themselves. The paper outlines these limitations by stating: "TEAs are not a panacea for all transportation ills, nor do they claim to be...they address localized problems, are action-oriented, and relate to the self-interest of the firms participating." In addition, the authors outline a set of barriers facing TEAs, including: a) tax status, b) administrative and professional capabilities, c) amount of support required of any one member employer, and d) the predominance of overexpectations and misconceptions. This recognition of the limitations of TEAs was a major step toward dispelling the very misconceptions mentioned as a barrier to the success of these organizations.

2.5.2 Schreffler and Meyer, "Evolving Institutional Arrangements for Employer Involvement in Transportation: The Case of Employer Associations"

Another work to originate from the university research field was an exploratory effort utilizing detailed case studies from California. This paper is significant, for it was the first effort to deal solely with the subject of TEAs. Although the authors reviewed the range of existing private sector involvement, the central purpose of the study was to define, describe, and analyze this new organizational phenomenon. Case
studies were used of: a) aborted attempts at forming TEAs, b) current 'success stories', as well as c) TEAs just being formed. The cases attempted to illustrate the range of activities, the decision-making structures, the relationships with public agencies, as well as a discussion of the evolution of each TEA.

The authors then suggest "lessons from the California experience." These underline the need for top management support by member firms, as well as the exertion of "peer pressure" by member executives on other on-member executives. The paper also suggests the need for public sector involvement, if nothing else than to "focus public attention on the key issues facing an employment center." Other 'lessons' include: flexibility in funding schemes as well as the legal and administrative barriers outlined above. The authors make no attempt to predict the 'desired' future of TEA, only to better understand the actuality and limitations of these organizations.

2.6 SUMMARY

The studies and papers that have appeared since the National Strategies Workshop on Ridesharing have established a clear progression of thought regarding transportation-related employer associations. The evolution of this concept followed a series of stages from the introduction of this new phenomenon to a more developed understanding of these organizations. Shallbetter, Bradley and McCarthy, as a result of the May 1981 conference, acquainted the reader with private, non-profit corporations consisting of a group of employers. These articles
serve to ask a number of pertinent questions and raise a set of issues regarding the function of these organizations in the area of ride-sharing. The next stage in this evolution identified examples of TEAs and tended to develop differing theories as to the future role these new entities in the context of the entire urban transportation scheme. Torluemke, Crain, Meyer and Gordon enumerated a growing set of TEAs and other employer cooperative efforts. Unfortunately these predictions tended to suggest what TEAs should or could do, as opposed to what these organizations are or will do. In other words, these authors seem to chart a desired course for TEAs rather than simply follow the course the organizations are setting for themselves.

Orski, Kaye, Fleishman, and others in the transportation consulting field signaled the third stage in the maturation of the TEA concept. Their contribution was in the development of a generic definition of TEAs and provided somewhat more detailed examples to illustrate the concept. While these definitions were not exhaustive, they served to refine the notion and form a common basis for analysis and ultimate understanding. Finally, the last stage in the progression of the TEA concept was a realization of the limits of these entities. As detailed case studies were developed and the concept applied to specific, new locations, the true limits and impediments to the success of TEAs were beginning to be realized. Meyer, Rodman, and Schreffler underscore the problem of overexpectations and misconceptions as to the ability of TEAs to meet the objectives set by those outside the organizations. While these authors were attempting to dispel many of these misconceptions, others were concurrently fueling the public sector expectations.
Parker most recently cites TEAs in the context of innovative financing schemes for public transit. TEAs are viewed as "cooperative transportation planning and programming" efforts, a title the exemplary TEAs might be unwilling to accept. 30

The need for a more comprehensive understanding of TEAs is clearly warranted. The need to clarify the role of TEAs from their perspective is paramount to the future of these organizations. Conceptualizing the functions, activities, decision-making structures, and true relationships to the public sector is vital to this end. The following chapters will construct a comprehensive background and definition of TEAs, provide exhaustive case studies, and from this understanding suggest some of the barriers facing the future formations and successes of TEAs.
Understanding the current role and form of TEAs requires familiarity with the evolution of ridesharing organizations. If, as Orski points out, TEAs "represent the most advanced and ambitious form of private sector involvement in transportation," then such a chronicle is necessary. The focus here is on the evolution of organizational types and institutionalized efforts, and not a justification of ridesharing per se. The organizational responses to commutation problems involved both public and private entities, as well as the partnerships mentioned in Chapter One. The types of organizations that became involved in providing ridesharing services have included: individual employers and developers, public agencies, third-party non-profit arrangements, and TEAs. Examples of each of these organizations will be provided below.

This discussion will be divided into four sections roughly corresponding to periods of time in this organizational evolution. These sections include:

a) early efforts
b) response to the energy crisis
c) growth of third-party, non-profit ridesharing arrangements
d) introduction of TEAs

It should be noted that each time period does not imply a dominance of one organization type over another. For example, the whole range of
organizational types exists today. The form and context of ridesharing efforts in many urban areas are constantly changing. The purpose of this review is to present the range of organizational options, and examples, as they developed, primarily in the last ten years. Several key aspects of these efforts will be highlighted whenever possible, including: a) operating costs, b) services offered, c) organizational structure, d) staff size, and e) results. A summary of the exemplary organizations used in this chapter are found in Figure 3-1 and described with the above criteria. These factors provide a set of comparative statistics with which to better gauge the form and context of TEAs. In addition, the changing federal role will be discussed at the beginning of each section.

3.2 EARLY EFFORTS

With the rapid suburbanization of urban areas in the 1950's and 1960's, the average length of the work trip increased substantially. In response, it is likely that many commuters organized their own ridesharing arrangements among co-workers and neighbors. Although the extent of such informal ridesharing has never been known with certainty, its impact on transportation facilities (e.g., freeways, arterials, terminals, and parking) could theoretically be quite significant. For example, the average vehicle occupancy on the Southeast Expressway in Boston during the peak hour is 1.3. If fewer commuters rode together, this additional demand for freeway use, or for use of parallel transit routes, could tremendously burden the transportation capacity in this corridor.
<table>
<thead>
<tr>
<th>Ridesharing Organization</th>
<th>Site</th>
<th>Inception</th>
<th>Service Area or Member Population</th>
<th>Services/Functions</th>
<th>Staff Size</th>
<th>Annual Budget</th>
<th>Funding Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCCMG</td>
<td>Santa Clara County, CA</td>
<td>1978</td>
<td>75 Employers 180,000 emp.</td>
<td>X</td>
<td>Coordin. w/ RIDES Lobbying</td>
<td>4 Full 10 Zone Rep</td>
<td>$180,000</td>
</tr>
<tr>
<td>TTA</td>
<td>Tyson’s Corner, VA</td>
<td>1981</td>
<td>50 Employers 25,000 emp.</td>
<td>X X</td>
<td>Vanpool only Operates shuttle</td>
<td>1</td>
<td>$150,000</td>
</tr>
<tr>
<td>ESEA</td>
<td>El Segundo, CA</td>
<td>1981</td>
<td>15 Employers 75,000 emp.</td>
<td>X</td>
<td>Coord.w/ Commuter Computer Site planning Lobbying</td>
<td>5</td>
<td>$100,000</td>
</tr>
<tr>
<td>RIDES</td>
<td>S.F. Bay Area, CA</td>
<td>1977</td>
<td>5.5 Million</td>
<td>X X</td>
<td>Areawide Park-n-Ride</td>
<td>27</td>
<td>$860,000</td>
</tr>
<tr>
<td>Commuter Computer</td>
<td>Los Angeles Metro Area</td>
<td>1974</td>
<td>10.0 Million</td>
<td>X X</td>
<td>Areawide Park-n-Ride</td>
<td>100</td>
<td>$1,900,000</td>
</tr>
<tr>
<td>Metropool</td>
<td>Stamford Area, CN</td>
<td>1980</td>
<td>2.0 Million</td>
<td>X X</td>
<td>Areawide Intern Program 10 Full 2 Part</td>
<td>$500,000</td>
<td>75% Federal, 25% Members</td>
</tr>
<tr>
<td>NJDOT</td>
<td>New Jersey Statewide</td>
<td>1973</td>
<td>800 Employers</td>
<td>X</td>
<td>Employer Outreach</td>
<td>18</td>
<td>$500,000</td>
</tr>
<tr>
<td>DVPRC</td>
<td>Philadelphia Metro Area</td>
<td>1974</td>
<td>5.0 Million</td>
<td>X</td>
<td>Areawide</td>
<td>5</td>
<td>$200,000</td>
</tr>
<tr>
<td>MTC</td>
<td>Twin Cities Area, MN</td>
<td>1979</td>
<td>2.0 Million</td>
<td>X X</td>
<td>Areawide Transit Coord.</td>
<td>8</td>
<td>$350,000</td>
</tr>
<tr>
<td>Commuter Pool</td>
<td>Seattle and King Co., WA</td>
<td>1974</td>
<td>1.5 Million</td>
<td>X X</td>
<td>Areawide Flextime Parking mgmt.</td>
<td>11 Full 7 Part</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

FIGURE 3-1

SUMMARY OF ORGANIZATIONS
The interesting characteristic of these early ridesharing efforts was that they were sanctioned by neither employers nor public agencies. The perceived responsibility for the work trip, whether this meant transit, ridesharing, or single occupant automobile usage, was in the hands of the commuter. Public sector responsibility during this period was viewed mainly as providing fixed-route transit service, designed to serve both transportation disadvantaged and provide service during the peak commuter periods of the day.

The early efforts at organized ridesharing can thus be described as lacking any significant government role (except for during W.W. II) and relying mainly on individual employee initiative. By the late 1960's and early 1970's, however, several major employers were beginning to show interest in employee commutation problems. Some noteworthy ridesharing activities during this period are described below.

3.2.1 Ridesharing During W.W. II

Ridesharing was an important component of the federal government's program to reduce civilian fuel consumption during World War II. In conjunction with gasoline rationing and a reduced maximum speed limit, several federal agencies promoted voluntary carpooling. In 1942, the Department of War issued regulations requiring firms engaged in war-related production to engage in ridesharing activities. These requirements included: a transportation survey of employees, the submission of a carpooling plan, and the encouragement of public transit usage. In addition to this government activity, several public and private organizations became involved in carpool promotion, including automobile clubs, non-government employers, women's clubs, the American...
Legion, and neighborhood groups. The Auto Club of New York, for example, provided free carpool matching services. Many companies voluntarily provided carpool incentives such as extra gasoline coupons and tire allocations, preferential parking, and special insurance coverage. The result of these conservation efforts was a decrease of vehicle-miles travelled by one-third from 1941 to 1944. One study concluded that average automobile occupancy increased from 2.0 persons/car in July 1942 to 2.66 in March 1943. Another survey cited the high occupancy level to be 2.86 persons/car.\(^2\) Finally, public transit patronage in the U.S. reached its all-time high in 1945 with 23.3 billion passengers, as compared to a low of 7 billion in 1973.\(^3\)

### 3.2.2 Individual Employer Efforts

While the period from World War Two until the 1973-74 oil embargo was characterized by a limited amount of informal ridesharing, several major employers did institute ridesharing programs. These programs, however, were not aimed at public goals like energy conservation, or air quality improvement. These factors, while often cited as objectives, were secondary to the primary goal of ridesharing as a response to: a) severe parking shortages, b) the ramifications of plant relocation, and/or c) location in a low density area with limited or non-existent public transportation service.

**Reader's Digest** -- In the late 1920's, Reader's Digest located its headquarters in Westchester County, 50 miles north of New York City. In order to recruit employees, the company provided commuter bus service from the site to several surrounding communities. These chartered buses were subsidized by the employer, maintaining a fare of approximately
20 cents per ride. Today, Reader's Digest has expanded its ridesharing program to include vanpooling, and has maintained the 20-cent fare for its bus service. 4

**TVA and 3M** -- The Tennessee Valley Authority (TVA) in downtown Knoxville, and the Minnesota Mining and Manufacturing Company (3M) in St. Paul, are among the most cited examples of successful employer-sponsored ridesharing efforts. Severe parking and traffic problems were the primary reasons for the initiation of these programs. The TVA program began with the provision of subscription, express-type bus service in late 1973. This program became more successful as an incentive plan was later introduced in conjunction with a van pooling program. This plan included discounts on bus fares or reduced parking fees, and the incentives were treated as part of the employee benefit package. Through these pooling efforts, TVA was able to increase its workforce by 450 employees, while reducing the demand for parking spaces by 1,100 stalls. This enabled the TVA to avoid building several parking structures at its Knoxville and Chattanooga locations. During this period (1973-1976), VMT related to these plant locations was reduced by 51 percent. 5 The results of the TVA programs are summarized in Figure 3-2. The annual benefits to TVA of the pooling and express bus incentive programs (in savings on parking spaces alone) has been estimated to be $337,800 per year, against a direct cost to TVA of $125,000 annually. 6 Currently, TVA is responsible for 'providing' a total fleet of 60 buses and 600 vans at its several sites throughout the South.

As early as 1970, the 3M Company was involved in commutation-related issues. This involvement included working with public officials
### TABLE 3-2

MODAL SHIFT OF TVA EMPLOYEES IN KNOXVILLE

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<tbody>
<tr>
<td>Drive Alone (%)</td>
<td>65</td>
<td>42</td>
<td>30</td>
<td>23</td>
<td>19</td>
</tr>
<tr>
<td>Ride Bus (%)</td>
<td>3.5</td>
<td>14</td>
<td>23</td>
<td>29</td>
<td>31</td>
</tr>
<tr>
<td>Carpool (%)</td>
<td>30</td>
<td>40</td>
<td>42</td>
<td>43</td>
<td>43</td>
</tr>
<tr>
<td>Van, Bike, Walk (%)</td>
<td>1.5</td>
<td>4</td>
<td>5</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Work Force</td>
<td>2950</td>
<td>3000</td>
<td>3100</td>
<td>3200</td>
<td>3200</td>
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</tbody>
</table>

to rehabilitate the road system in and around the 3M site. Other elements of 3M's employee commute program included staggered work hours, cooperation with the transit authority to establish five subscription buses, and a carpool matching system. The 3M experience is best known as the nation's first company-sponsored vanpool program. Since the inception of this pilot program in April 1973, 3M has been able to increase its workforce, and meet this new parking demand, without having to construct new parking facilities. It has been estimated that 3M has saved $2.5 million in capital costs required for the provision of parking facilities.\textsuperscript{7} While the 3M pooling program was intended to mitigate parking problems, the energy and air quality results are impressive. It is estimated that the 3M vanpool program alone contributed to an annual reduction of 3.6 million VMT and 81 tons of pollutants. This effort also fostered programs at other 3M sites. In an effort to reduce traffic congestion, 3M-Canada in London, Ontario, instituted a vanpool program in May 1978.\textsuperscript{8}

**Prudential and Connecticut General Life Insurance Companies** -- Several major insurance companies became involved in ridesharing prior to the oil embargo of 1973-74. Two large insurance companies in New England, the Prudential and Connecticut General Life Insurance Companies, became involved in the commuting patterns of their employees as early as 1957. Connecticut General initiated its ridesharing effort in that year by chartering commuter bus service to its headquarters in suburban Hartford. This was followed in 1973 by a organized carpool effort, and finally vanpooling in 1978. To support these ridesharing activities, the company operated its own service station to provide fuel and routine maintenance.
It is estimated that 44 percent of Connecticut General's employees participate in ridesharing: 25 percent in carpools, 11 percent in vanpools, and eight percent in subscription buses. The company has also been able to realize a substantial savings in parking facility costs, approximately $2 million. In addition to its own program, Connecticut General was instrumental in the formation of the Greater Hartford Ridesharing Corporation (a third-party, non-profit organization of the type discussed in the third section of this chapter). Connecticut General also contributed $75,000 for local matching funds aimed at securing Federal Highway monies.\(^9\)

The Prudential Insurance Company consolidated a number of dispersed offices into the Prudential Tower in downtown Boston. The suburban offices had enjoyed free parking on adjacent streets, but parking at the new urban location would cost the company approximately $1,000 per space annually. As a compromise, it instituted a carpool program in 1964 and provided 200 parking spaces for carpools with three or more employees.\(^10\)

**ARCO** -- While many pre-embargo ridesharing efforts were being instituted by firms in congested urban areas of the East and Midwest, one program was initiated by a seemingly unlikely firm, the Atlantic Richfield Corporation (ARCO). In 1972, ARCO moved its corporate headquarters from New York City to Los Angeles. At that time, ARCO began a two-part transportation effort, one aimed at employees, and the other aimed at the general public. The internal element included subscription bus, vanpooling, carpooling, and public transit, with 65 percent of ARCO's 2,300 employees currently utilizing these subsidized commute alternatives. The external portion of the program included advocacy for the local transpor-
tation improvement tax initiative (Proposition "A") and the national five-cent gas tax increase. Another activity included a regionwide campaign in 1975, promoting mass transit. Atlantic Richfield was also instrumental in forming a third-party ridesharing corporation, Commuter Services, Inc. (better known as Commuter Computer). Unlike the previous employer cases, ARCO views ridesharing and mass transit as a means of enhancing its community image. 11

3.2.3 Areawide Promotion

Another attempt to promote ridesharing during this period was based on areawide media campaigns to advertise or advocate carpool matching programs. The Westinghouse Broadcasting Corporation, for example, sponsored such efforts through a number of its local stations. One such program occurred in Boston in mid-1973. The local radio station extolled the benefits of carpooling and distributed about one million matching forms. Only 13,000 of these were returned, representing approximately two percent of the area's commuters. Of these, 3,800 were provided with match lists. Actual carpool formation involved only 10 percent of these respondents, which resulted in an increase in carpooling of only 0.07 percent of the region's commuters. Later, the Federal Highway Administration concluded the Boston matching system had been too impersonal, and thus supported the concept of areawide programs that provided outreach to employers. 12

3.2.4 Community Cooperatives

One final type of ridesharing that occurred during this period was community-based services which were organized at the residential end of
the work trip. Examples of these programs are generally found in planned communities. Two of these new towns included a transportation organization based at the community level. In 1969, Reston Commuter Bus, Inc. (RCB) was formed as a non-profit, volunteer commuter cooperative to provide express-type charter bus service from the Virginia community to Washington D.C. It was estimated that one-third of the total commute trips to Washington D.C. were made on the RCB service. During its operation as a private venture, RCB was able to cover total operating costs from revenues collected. At that time, the service was providing 34 buses in each direction daily. In 1979, the private charter bus operator, Colonial Transit, defaulted and these buspools were replaced by express service provided by the Washington Metropolitan Area Transit Authority (WMATA). RCB's role is currently as an advisory group to WMATA and has, in addition, begun a vanpool program for Reston-area commuters.13

A similar community-based ridesharing effort occurred in the new town of Columbia, Maryland (developed in part by Connecticut General). The Columbia Commuter Bus Corporation is also a non-profit voluntary association, and was founded in 1972. The Columbia operation involves 17 daily buses between Columbia and Washington D.C.14

The above examples of employer programs and community cooperatives create an image of extensive private sector involvement, yet these cases were unique and very few in number. Commuting trends in most urban areas were characterized by declining transit patronage and burgeoning single occupant automobile usage. Ridesharing was primarily in the form of uncoordinated, informal pooling arrangements. These early, organized
efforts do, however, point to some key aspects of employer activities. Several influential employers were beginning to realize the true costs of providing free or low-cost parking, as well as the retention and recruitment problems associated with suburban plant locations. The TVA and 3M programs became highly publicized examples of ridesharing benefits and components for success. With the advent of the Arab oil embargo in October 1973, and subsequent long gasoline lines beginning in January 1974, the number of employer efforts grew extensively. The following sections provide examples of public, private, and cooperative organizations formed to deal with the severe energy situation, and to provide employers with the assistance needed to initiate commute alternative programs.

3.3 RESPONSE TO THE ENERGY CRISIS

After the governmental efforts of World War II, the most widespread governmental involvement in ridesharing occurred in response to the Arab oil embargo of late 1973 and 1974. Whereas the W.W. II effort was based on promotional activities and regulations on a nationwide level, the 1973-74 effort transferred all responsibilities and decision-making to the state and local levels.

Before the specifics of the programs and delivery mechanisms resulting from the first energy crisis are enumerated, some prior federal government activities should be mentioned. The Environmental Protection Agency (EPA) was the first federal organization to promote ridesharing. This was by virtue of the EPA's responsibility for administering the Clear Air Act of 1970. Thirty-eight metropolitan areas produced
transportation control plans, with 20 of these plans calling for reduction in VMT to be achieved by ridesharing, in addition to pricing and regulatory element. While the EPA's plans to impose the regulatory measures were gradually withdrawn, the agency did continue to promote ridesharing to states and urban areas. The Clean Air Act, as amended in 1977 and 1980, provided funding for ridesharing planning (Section 185). 15

In addition to the EPA, the Federal Highway Administration (FHWA) was involved in ridesharing prior to its role during the 1973-74 crisis. Foremost of these planning and information dissemination activities was the development of early carpool matching computer programs. While the early efforts of these two agencies was important as 'seeds' to further federal involvement, the first substantial involvement was in response to the oil embargo of 1973.

On January 2, 1974, the Emergency Highway Energy Conservation Act was signed into law, authorizing the use of regularly apportioned highway-aid funds for carpool demonstration projects. This latitude afforded the states and urban areas resulted in a variety of ridesharing service delivery mechanisms, ranging from elements within state departments of transportation to local transit operators. Over 100 carpool demonstration projects in 34 states and 96 urban areas were generated by the Act, and were based on a 90-10 matching formula. The Act did not limit the use of the funds strictly to carpool matching and promotion, but included "designating existing highway lanes as preferential carpool and/or shared bus lanes, providing related traffic control devices, and designating publicly-owned facilities for use as preferential
These measures foreshadowed the role of ride-sharing in TSM planning, mandated by the joint FHWA/UMTA planning regulations of 1975.

Although the Act only authorized projects for one year, it did foster considerable state and local interest in initiating organized ridesharing programs. The original authorization was amended in late 1974, and again in 1976, to expand the scope of eligible projects, allow continuing project eligibility, and adjust the federal funding share. In 1978, the Surface Transportation Assistance Act replaced the Emergency Act, making ridesharing assistance a permanent program. Information dissemination supplemented this primary funding function and involved UMTA and the EPA.\textsuperscript{17} In addition, the now defunct Federal Energy Administration (itself a product of the embargo) sponsored a series of workshops for major employers in approximately 150 urban areas. Upon creation of the Department of Energy (DOE), the Federal Energy Administration's ridesharing activities were assumed by the Department of Transportation, although DOE continues to administer $35 million annually in grants to states for energy conservation activities, including ridesharing.\textsuperscript{18}

This infusion of federal involvement by a variety of agencies resulted in a new set of organizational arrangements for ridesharing promotion and services. These public efforts were generally housed in the transportation division of an existing public agency. Often a new organizational unit was formed within these agencies. The type of organization obviously depended on the historical involvement of
employers in the given urban area, as well as the economic and political climate at the time of initiation. Some programs worked solely through employers, some solely with general public, areawide promotion. Most, however, had elements of both types. These programs were housed within:

- state departments of transportation, energy or public works
- metropolitan planning organizations, councils of government, or regional planning commissions
- city or county governments
- transit operators
- universities
- combinations of the above.

These public efforts are akin to TEAs, and other non-profit organizations, in their third-party status and in the range of services provided. Several distinctions do exist, however, and should be enumerated to better understand these early types of ridesharing efforts.

First, with a public agency, an organizational structure is already in place. Computer hardware, support staff, and communication services are often already available within the agency. Another asset possessed by the public agency is its position within a governmental entity. This access is occasionally used to effect sanctions or rewards on employer or developer activity (e.g., the use of zoning laws to promote ridesharing at new employment sites). In certain regions, developers are required to implement a ridesharing program. Elsewhere, tenants are required to implement a program as a condition to receiving a certificate of occupancy.
Second, public agencies differ from non-profit corporations with respect to their relationship with the private sector. With a non-profit third-party arrangement, private funding is directly solicited and input into the decision-making process is manifested in the board of directors. In contrast, the public agency generally solicits employers to initiate their own programs or, in some cases, to form TEAs, and input to the public program may only manifest itself in task forces or other ad hoc involvement. It might also be noted that the private sector is often reluctant to provide support due to its perception of the public agency's program as but one of many public services.

Third, the jurisdiction of public agencies is often limited by political boundaries, whereas the catchment area of non-profit corporations is not necessarily as bounded.

The activities of programs within public agencies have taken two forms. In the first type of program, the agency serves as a catalyst in the promotion and coordination of employer programs and/or more localized public efforts. The second type of program is a more intensive effort where the public agency actually provides a full range of ridesharing services, including technical assistance, including matching, vehicle provision arrangements, and marketing.

The following are four examples of ridesharing efforts within public agencies, ranging from a statewide effort to a program within a local public transit agency.

3.3.1 **New Jersey Department of Transportation**

New Jersey DOT became involved in ridesharing as a response to the 1973 energy crisis. The initial effort involved providing matching
services to accommodate employers' requests. The next step was to offer training seminars, again in response to employer requests. In 1979, however, NJDOT initiated a comprehensive employer outreach program. To date, NJDOT has promoted ridesharing efforts among 800 employers with 500 or more employees in hopes that these firms would become "anchors" for adjacent, smaller employers. This effort involved a 14-step process beginning with an "executive briefing" and ending with an evaluation of the firm's ridesharing effort. More than 300 of these employers have subsequently implemented or expanded ridesharing programs for their employees. Ridesharing incidence among employers assisted is now 32 percent, with 26 percent carpooling, 4 percent vanpooling, and 2 percent using transit. Because of the employer outreach and NJDOT's advocacy of State ridesharing legislation, the vast majority of New Jersey's fleet of 1,700 vanpools may be attributed to NJDOT. The next effort the Ridesharing Office of NJDOT sees for itself is the establishment of private sector supported TEAs or non-profit organizations.

The Office of Ridesharing is part of the Division of Public Transportation Services. Staffing for the state-wide ridesharing effort based in Trenton is divided into three sections: employer outreach, fiscal and administration, and policy coordination. There are five ridesharing coordinators, a director and a clerk within the employer outreach section, a director, an assistant, and a clerical person within the fiscal and administrative section, and one policy planner. The operating budget of the state-wide effort is $500,000, 75 percent of which is Federally funded and 25 percent of which is State funded. In addition, a five-person staff
in Piscataway coordinates the activities of the Central Jersey Demonstration Project, an FHWA project demonstrating the provision of technical assistance to multi-employer work sites.19

3.3.2 Delaware Valley Regional Planning Commission

The Transportation Division of the Delaware Valley Regional Planning Commission (DVRPC) is currently operating a three-pronged ride-sharing program for the Philadelphia area. The first component of the program is employer outreach, which includes: a) telephone solicitation, b) promotional seminars conducted in cooperation with chambers of commerce, and c) presentations by program teams for individual employers. To date, 40 employer-sponsored programs have been established. The second component is developer and community group involvement. Developers, management firms, and tenant/owner associations are requested to conduct surveying campaigns, using the Commission's matching services. Non-profit community groups are also being solicited to establish community-based ridesharing programs. This effort is part of a Federal demonstration grant awarded to explore this type of program. Both the first and second programs are being provided throughout five Pennsylvania counties in the Delaware Valley. The third and most recent element is a ride-matching service for the general public and is provided throughout the Philadelphia SMSA. This effort includes public service announcements, press releases, appearances, and two privately-sponsored bill-boards. Since March 1982, approximately 2,000 carpoolers have been matched and it is estimated that at least 10 percent are now in carpools.

A major thrust of DVRPC's ridesharing program has been the organization of owner-operator and employer-sponsored vanpools through technical
assistance and referral services. Since its inception in 1974, the program has been instrumental in the formation of 370 vanpools, 100 of which are owner-operated.

The DVRPC ridesharing program is staffed by five full-time employees. In addition to the director, three ridesharing coordinators and one clerical person make up the staff. The four ridesharing personnel are used to make up employer outreach "teams". Once initial contact is made (often by a chamber of commerce liaison), the team visits the employment site to explain ridesharing benefits to the employer and to suggest a surveying effort.

The current operating budget is $200,000, 100 percent of which is funded by Federal planning funds, funneled through NJDOT and PennDOT. The Commission then contracts with the area's counties, chambers of commerce, and, in one case, a paratransit association to promote and coordinate services in their respective regions.²⁰

3.3.3 Metropolitan Transit Commission

Upon completion of a Federal demonstration project in 1979, the Metropolitan Transit Commission (MTC) and the Minnesota DOT (MinnDOT) continued their own ridesharing programs, dividing the Minneapolis/St. Paul region into two parts. The emphasis of the demonstration program was in marketing ridesharing to employees at multiple employer work sites. A private vanpool services vendor (VPSI) was contracted to provide third-party vanpool formation and administration. The MTC has since assumed all ridesharing responsibilities for the Twin Cities as MinnDOT decided to terminate its program but has continued to fund
the MTC program. The ridesharing effort lies within the Special Services portion of the MTC and final responsibility is with this department head.

Current services include employer outreach, areawide ride matching, and van provision (still through VPSI). To date, these efforts have resulted in 14 employer-sponsored vanpool programs, 168 vanpools (15 of which are still managed by VPSI), and over 14,300 commuters placed into carpools.

The staffing for the MTC ridesharing program consists of a program manager, a marketing specialist, a ridesharing coordinator and two ridesharing assistants. VPSI maintains three staff persons in the Twin Cities to administer van operations. The current operating budget is $300,000 plus an additional $50,000 for VPSI services. Seventy-seven percent of the funding is local, 17 percent is Federal and 6 percent is State.21

### 3.3.4 Seattle/King County Commuter Pool

Similar to many of the preceding case studies, Commuter Pool was formed in 1974 in response to the first energy crisis. An interesting aspect of this ridesharing effort is that it is housed within the Engineering Department of the City of Seattle. This gives the program the unique feature of being tied to the City's zoning process, therein enabling Commuter Pool to review development plans and suggest traffic mitigation measures through ridesharing involvement by the developer or tenant.

Services of the Commuter Pool include:

- carpool matching services (300 calls received per week; 4,000 commuters placed into carpools),
- "public" vanpool program (133 vans),
employer outreach (300 employer programs established),
- "Do-It-Yourself" vanpool program kit,
- flexible work hours strategies,
- parking management,
- transit information dissemination,
- fleet carpooling (using city-owned cars),
- ETC Handbook and Bulletin distribution and "Talk-shop" meetings,
- "Find-a-Ride" meeting for multi-employer sites, and
- incentive development programs.

Commuter Pool currently owns a fleet of 133 vans, purchased with Federal Aid Urban Systems (FAUS) monies. These vans are considered public transit vehicles by the City and fares are based on user fees. Because of this relation, vanpool fares are somewhat unique: first, Metro bus pass costs can be applied to vanpool fares, and second, vans receive priority on ferries and the crossing costs are subsidized.

Commuter Pool currently has a staff of 11 full-time employees, including positions dealing with budget and finance, zoning planning, marketing and program development, public relations, vanpool operations, an office manager and a program manager. Commuter Pool's emphasis in program development and related research has also prompted the use of seven student interns. Two graduate students provide full-time summer and part-time, school-year assistance in planning and marketing. Five undergraduate "work/study" interns provide much of Commuter Pool's clerical assistance. Student staffing has proven to be quite successful
here, as interns, some of them working at no salary just for the experience, have provided high quality work.

Commuter Pool operates on a $1,000,000 budget, 88 percent of which is Federally-funded, 9 percent is locally-funded, and 3 percent is State-funded.\textsuperscript{22}

The above examples point to the variety of services, incentives, and functions provided by public ridesharing organizations, and some of the results achieved. While these efforts occurred within the auspices of a variety of public agencies, the majority were housed within the metropolitan planning organization (MPO). A classification of 60 ridesharing projects revealed 43 percent were administered by MPOs, 22 percent by state departments, three percent by universities and five percent by business or non-profit organizations.\textsuperscript{23} This last category represents the second stage in the 'evolution' of ridesharing organizational types, and is the subject of the next section.

3.4 GROWTH OF THIRD-PARTY, NON-PROFIT RIDEHAVING ARRANGEMENTS

Before a description and set of examples of third-party, non-profit arrangements is presented, the changing role of the federal government, at this time, should be discussed. First, the federal funding options continued to expand. In addition to federal-aid highway funds, the FHWA allowed highway planning funds (both PL and HPR) to be used for the planning and development of ridesharing activities. The FHWA and UMTA jointly sponsored the National Ride-sharing Demonstration Program in the late 1970s aimed at innovative services and organizational arrangements. UMTA itself allowed
Section 5 dedicated monies (operating assistance) to be used for ridesharing programs. In addition, some discretionary sources were provided for ridesharing, including Section 6 demonstration and Section 8 planning funds. The second federal initiative was instigated by President Carter in forming the National Task Force on Ridesharing in October 1979. The Task Force was chaired by Los Angeles Mayor Tom Bradley. Other selected members included representatives from ARCO, 3M, Prudential Insurance, TVA and numerous state and regional ridesharing professionals and elected officials. The delineated goals of the Task Force were:

- promote ridesharing among business and government leaders
- assist in the removal of institutional barriers
- provide a continuing dialogue between the public and private sector
- make specific recommendations to increase the use and effectiveness of ridesharing.

"The Report of the National Task Force on Ridesharing" extolled the benefits to be derived from ridesharing, affecting both users and non-users. One specific objective the President cited was the desire to have employers reach a 20 percent ridesharing level among employees. The initiative (called the 20/20 program) also asked employers with higher than 20 percent statistics to increase pooling by another 20 percent. Needless to say, this Presidential initiative signaled a strengthened commitment on the part of the federal government, if for nothing else, as a strong symbolic gesture toward public/private cooperation.

Returning to the new type of ridesharing organization, one frustration felt in many of the public ridesharing organizations was the
inability to solicit enough large employers to establish a large enough data base, or establish successful in-house programs. In an attempt to resolve this issue, many ridesharing professionals cited the need for private sector representation in the organization's decision-making process. Occasionally, employers had been involved in ad hoc advisory capacities, yet the need for on-going input, and even financial support, was becoming apparent. This perceived need culminated in a new type of ridesharing organization—the third-party, non-profit corporation. This is not to say the organizational types mentioned above became obsolete. While the number of public programs dropped to 35 in 1978, the 1979 energy crisis provided the impetus for the rejuvenation of many dormant programs and the creation of some 100 new programs. Most of these efforts occurred in smaller urban areas. It should also be pointed out that many ridesharing efforts changed form and even changed the public agency within which they were housed. The Portland, Oregon ridesharing effort, for example, changed from the Oregon Department of Transportation to the regional transit authority, TRI-MET, in 1975.

In addition, these non-profit organizations were often conceived of as a means of circumventing the institutional barriers which the existing public agencies and legislators were reluctant to address in establishing ridesharing organizations. These constraints included the financial and legal liability associated with organizing car and vanpools and providing vans, and regulations relating to vanpool licensing, insurance, and certification. It was therefore felt that a new non-governmental organization devoted solely to ridesharing, would be
a more appropriate setting than would an existing public agency. In addition, the non-profit status often enabled these organizations to accept tax deductible donations, whereas public agencies were prohibited or reluctant to do so.

Regional non-profit ridesharing corporations often provide a wide range of services and programs, including:

- general public matching services,
- employer outreach programs,
- employee transportation coordinator training,
- vanpool provision or leasing arrangements,
- buspool formation,
- transit information dissemination and service negotiation,
- advocacy for ridesharing incentives, and
- technical and administrative assistance for employers and owner-operators.

Organizationally, a typical non-profit corporation is overseen by a board of directors, comprised of key public and private sector individuals. The staff is often comprised of: 1) an executive director, 2) several ridesharing coordinators, 3) a marketing specialist, 4) a program development specialist, and 5) college interns.

Funding for regional non-profit ridesharing corporations usually includes some public monies. The most widely used funding source is Federal highway monies. Federal funding is funneled from the FHWA through the state DOT to the non-profit corporation. The use of dedicated highway monies requires the approval of the region's metropolitan planning organization. A second source is State funding,
most often from state energy offices and/or departments of transportation. A final funding source is the MPO or locality itself. It should be noted that private sector contributions are often used by non-profit ridesharing efforts, but this source is most often used only to lever Federal dollars by providing part or all of the local match required. In addition, the ridesharing corporation sometimes must financially guarantee the success of the vanpool program (e.g., pay penalty fees for broken leases), but this is not always the case.

Three examples of regional non-profit corporations are discussed below. The first two cases represent non-profit corporations that are publicly funded, while the third case study illustrates an example of a public/private sector co-venture.

3.4.1 RIDES for Bay Area Commuters

In response to the 1973 gasoline crisis, the California Department of Transportation (CalTrans) initiated a computerized carpool matching program for the urbanized areas of California. A ridesharing effort was established in each of the 11 CalTrans districts. In District 4, the ten-county San Francisco Bay Area, it was determined that a separate organization would be more appropriate, partly due to the large number of local institutions involved. In September 1977, RIDES for Bay Area Commuters, Inc., was formed with funding from CalTrans and the Metropolitan Transportation Commission (MTC).

After initially providing only carpool matching, a vanpool program was introduced in March 1978. This program consisted of ride-matching (of affiliated and unaffiliated commuters) and van provision. Vans were
provided to groups of commuters by RIDES through a contractual arrangement between CalTrans and Van American Network, Inc. (a for-profit vendor). Van users were assessed a monthly fare based on trip distance and the number of riders in the vanpool. The advantage of this arrangement is that neither RIDES nor the vanpoolers assume any financial liability for the vehicles. Since this program's inception, 455 vanpool groups have been organized. Currently, RIDES is providing a new generation of vans to those groups using vehicles leased in 1978.

In addition to the vanpool program, the client services element processes ride-match applications (call-in and employer-based) and makes follow-up calls two weeks after the initial contact. RIDES also provides instant matching for telephone applicants using a mini-computer, on-line system. As of last year, 6,400 commuters have been placed in carpools.

Another element is the employer outreach program, which includes soliciting employer involvement and coordinating a network of employee transportation coordinators (ETCs). In this capacity, RIDES works with the Metropolitan Transportation Commission (MTC) and its "Commute Alternatives" program. Last year, RIDES held campaigns at 232 employers, reaching over 250,000 employees. Additional services include: 1) park-and-ride promotion, 2) employer relocation assistance, 3) owner-operator vanpool assistance, 4) transit information dissemination, 5) emergency carpool matching services, and 6) assistance with employer "ridesharing" or "transportation days."

Initially, five representatives from public and private sector organizations that supported ridesharing were asked to be on RIDES' Board of
Directors. This group subsequently selected two additional members. Currently, RIDES' personnel includes an executive director and a staff of 26. The staff is broken down into four sections: administration and the three service areas (vanpool, employee, and client). The administrative staff includes an operations director, a planning analyst, a comptroller and two support positions. For each of the service areas there is a director/supervisor and several coordinator/representatives.

The current operating budget is $860,000, 90 percent of which is funded by CalTrans and 10 percent by the MTC.

3.4.2 Commuter Computer

The earliest effort to form a third-party, non-profit ridesharing organization was Commuter Transportation Services, Inc., of Los Angeles (commonly called Commuter Computer). Commuter Computer was incorporated as a non-profit corporation in January 1974. The impetus for this effort was an editorial on a local radio station proposing a regional carpooling organization. The proposal received broad support from a cross-section of business and government leaders. The corporation was formed through the support of ARCO, the California Department of Transportation (CalTrans), the Southern California Automobile Club, Crocker National Bank and a host of other private, labor, and government organizations. ARCO's role was an extension of its own ridesharing program, and Crocker Bank was looking to obtain profits from vehicle leasing. Currently, the program is funded almost entirely by CalTrans. Commuter Computer began with a 15-member Board of Directors, which expanded to its current 48 members. The program has a full-time staff of 100 and an annual budget of $3.2 million.
Commuter Computer provides carpool matching and currently has a data base of 310,000 commuters. The program works with more than 1,000 employers at 1,500 work sites. In addition, Commuter Computer provides matches for unaffiliated commuters (i.e. the general public). The vanpool program is an extension of the CalTrans California Vanpool Program and provides vehicles through Van Pool Services, Inc. (VPSI), a wholly-owned subsidiary of the Chrysler Corporation. In addition, the program promotes owner-operated and employer-sponsored vanpools.

Commuter Computer estimates that the results from its carpooling effort, alone, are substantial: 151 million fewer VMT, 9.5 million gallons of gasoline saved, and 7.7 million pounds of pollutants reduced. The impacts of the vanpool program are estimated to be 4.5 million fewer VMT, 267,000 gallons of fuel saved, and a reduction of 92,000 pounds of pollutants.27

3.4.3 Metropool, Inc.

Metropool was formed to accommodate the commuting needs of employers and employees of the rapidly growing industrial region of southwestern Connecticut. Given the multi-state nature of the commutation problem, the political boundaries of the area's local public agencies prevented their active role. As housing constraints rendered recruiting more and more difficult, the area's corporate community voiced its concern through the Southwestern Area Commerce and Industry Association (SACIA). With SACIA acting as a catalyst, this concern led to the formation of Metropool as a non-profit corporation in July 1980. Seven of the area corporations provided seed money of $100,000 which, in turn, was used to
lever Federal Highway Administration monies through the Connecticut Department of Transportation (ConnDOT) and, more recently, the New York State Department of Transportation (NYSDOT).

Early on, it was decided that Metropool would serve employment centers in both Fairfield County, Connecticut, and Westchester County, New York. Initially, outreach efforts primarily focused on employers who provided seed funding and to other large employers and employment concentrations that (because of their size) showed a high potential for ridesharing. Currently, employer outreach is regionwide and technical assistance is provided to any employer in the service area that requests help. To date, these efforts have resulted in 35 employer-sponsored programs.

Because many of the region's employees were already commuting from long distances, it was recognized that vanpooling would play a major part and, indeed, be the primary focus of Metropool's program. Consequently, it was decided that the provision of vans should be included in Metropool's scope of services. The contract for vehicle provision was awarded to Van Pool Services, Inc. (VPSI). VPSI handles all the administrative and other vehicle-related aspects of the program. Metropool also engages in research and program innovation development. Current "luxury" vanpools are being tested with the assistance of VPSI. Metropool currently operates 63 vanpools, as compared to 10 vans in June 1981. In addition, ride-matching services are offered to unaffiliated area-bound commuters and have led to the placement of over 360 commuters into carpools.
Metropool has been fortunate in its use of "in-kind" services from member companies, including computer time for matching purposes, marketing and administrative staff-time, radio and television time, and even office furniture. These member companies, in addition to financial support, provide the representation on Metropool's Board of Directors. Staffing and administration consists of nine full-time staff persons, including an executive director, a vice president of marketing, a director of research and special projects, four ridesharing coordinators, and two part-time support staff. In addition, VPSI provides an on-site project manager. Member employers often donate staff time and services to assist the program. Finally, a summer internship program utilizes university students to supplement research activities.

Federal monies from ConnDOT and NYSDOT currently provide 75 percent of the $500,000 operating budget. The remainder is solicited from member firms via a voluntary and tax deductible fee based on the number of employees of each firm.

Metropool is currently expanding its effort with new offices at the Sikorsky complex in Stratford and in Westchester County, and is beginning to target new market segments, including teaching and nursing professionals. Metropool is also planning to expand its service area into Rockland County, New York. In addition, due to the likelihood that the current level of Federal funding will not continue after this year, a major marketing effort to take place later this year has been deemed necessary to increase private sector financial support of Metropool. Both the expansion in service area and the marketing campaign are primary reasons why Metropool's operating budget has risen from $390,000 to $500,000 during its two-year life.
Metropool has proven to be a dynamic force in the Stamford area; in addition to coalescing the public and private sector around the region's commuting issues, the program has a fine record of energy savings. According to Metropool's estimates, 786,240 gallons of gasoline have been saved and 208 tons of pollutants eliminated.28

As seen above, non-profit ridesharing corporations present many similarities to TEAs, in the services they provide, and in their private sector orientation. Yet, several organizational and funding distinctions do exist.

First, by definition TEAs are not third-parties vis-à-vis the employers, but consist of the employers themselves. Second, regional third-party corporations generally serve unaffiliated commuters, as well as those contacted through employer efforts. Organizational initiation is often from both sectors, or solely the public sector, versus TEAs with sole private sector initiation. Finally, and foremost, TEAs receive all operational funding from member firms, whereas non-profit corporations receive partial support from public sources. This is often in the form of private monies being used to lever state or federal matching funds. The next section will discuss the evolution of TEAs, as well as a discussion of the role of chambers of commerce.

3.5 INTRODUCTION OF TEAs

As the decade of the '80s began, with a concurrent shift in the federal administration, several changes in the ridesharing environment occurred. First, the federal role began to shift from active support to a more secondary stance with the advent of "new federalism." Public/
private partnerships were envisioned to assume much of the responsibility for community issues as funding responsibilities shifted from federal to state and local sources. UMTA Section 5 operating assistance (available for ridesharing) were to be phased out by 1985; joint FHWA/UMTA demonstration monies were eliminated; EPA funding sources began to disappear. That these sources were eliminated, does not mean the federal role was disappearing in toto. The shift represented a reemphasis in the use of funds already dedicated to urban areas, such as federal-aid highway funds. This underlined the need for public/private support as all uses of such funds for ridesharing required approval by the MPO. Ridesharing advocates, however, had to convince local decision-makers that their program was of a higher priority than other highway or transit projects. New federalism did signal an increase in additional state and local funding sources for ridesharing, but the federal 'pot' was perceived to be dwindling.

This period also witnessed the retrenchment of many existing public ridesharing efforts. Many professionals felt another energy crisis would be needed to facilitate increased ridesharing among the general public. These perceptions, in many cases, meant many programs were constricted and streamlined, and the focus shifted more and more toward employer outreach.

The past two years have thus represented a reemphasis on the federal level and contracting scopes of public ridesharing agencies. Many federal, state, and local officials have growing expectations as to the role of private sector involvement. TEAs became one form of organized private sector involvement; yet one type of employer association already existed--
the local chambers of commerce. While many of the above examples exhibited chamber of commerce involvement, a further discussion is warranted.

3.5.1 Chambers of Commerce

A survey of chambers of commerce in the 100 most populous urban areas of the U.S. confirmed many of the roles played by the private sector in urban transportation. The results of the survey, while inconclusive as to the true extent of private involvement across the nation, did provide a description of organized employer activities, as well as suggested the role of the chamber itself. Over 80 percent of the chambers responding had one or more formal committees dealing solely with transportation issues. In addition, many responses cited examples of chamber activity in the actual planning and implementation of transportation services and infrastructure. Examples of these chamber activities include:

- regional transportation planning efforts (Dallas and Houston)
- financial support for planning and ridesharing programs (Hartford and Los Angeles)
- ridesharing workshops for employers (Denver, San Francisco, and Milwaukee)
- administration of regional ridesharing effort (Louisville)
- public transit planning and financing (Oakland)

A second set of questions in the survey was intended to identify other business/employer groups active in transportation. These results pointed to several organized lobby and user groups, and identified many of the existing TEAs in California and Texas. Finally, the survey identified examples of individual employer efforts, and seemed to illustrate
that these uncoordinated efforts still seem to be the prominent form of private sector involvement. While the number of employer carpool efforts in an urban area is hard to estimate, one study estimated over 500 employer-sponsored vanpool programs existed, comprising 10,000 vanpools, as of 1981.30 Approximately 30 percent of the chambers responding identified developers or private firms which contributed funds or other assistance to transportation projects. This involvement, for example, included transit assistance by firms in downtown Toledo and contributions of over $10 million to the San Francisco cable car renovation project. In addition, many developer contributions were identified, including: road improvements, highway access to development projects, ridesharing efforts, and signalization improvements. As implied in the first chapter, these agreements between developers and public planning agencies are often more a forced relationship than a true 'partnership'.

The chamber of commerce survey was instrumental in providing an indication of the range of private sector involvement, and specifically the extent of on-going, organized activities. The final stage in this chronology of ridesharing organization is the inception of TEA themselves, and the following is a description of the TEAs found in Virginia and Texas.

3.5.2 Tyson's Transportation Association

Located twelve miles west of Washington, D.C., an office and commercial development in Tyson's Corner, Virginia has become a fast growing suburban "mini-city" comprised of two large office parks, a regional
shopping mall, hotels, and high-rise apartment buildings, all woven together in a mega-complex. With a combined employee population of approximately 25,000 people commuting in over 20,000 automobiles, severe congestion and parking problems have developed. Moreover, it is estimated that continued development will attract an additional 10,000 employees by 1986. With no highway improvement in sight and faced with the prospect of having to build new parking structures (at $11,000 per space), the developers and major employers in the complex formed the Tyson's Transportation Association (TTA) in August 1981 to encourage and facilitate ridesharing. Services now offered include a third-party van leasing program through Van Pool Services, Inc. (VPSI), owner-operator vanpool assistance, and a free shuttle service throughout the entire site.

Since its inception, the TTA has leased six "seed" vans. It is the expectation of TTA's Executive Director that these vans, the current shuttle service, and planned shuttle service to a future nearby Metro station will ultimately generate more ridesharing activity to which the removal of four to five thousand automobiles in the next six years will be attributed. It is also of interest to note that the intra-complex shuttle service conceived and implemented as a necessary "extension" of the vanpooling effort (i.e., for vanpooling to be an attractive commuting option, it was felt that prospective riders, and other ridesharers, must be given a means to get around the complex, especially during the lunch hour).

Organizationally, the TTA requires that its Board of Directors be the CEOs of its member firms. One county supervisor also sits on
the board. The TTA staff currently consists solely of the executive
director, clerical and other services being provided by in-kind dona-
tions from members. TTA's operational budget during its first year
was about $150,000. With the exception of a $10,000 seed grant from
Fairfax County, all funding has been solicited from member firms.
Assessment dues are levied annually: $5 per employee for employers
and 1¢ per square foot for developers.  

3.5.3 TEAs in Houston, Texas

Two TEAs currently exist in suburban Houston. These efforts were
a response, initiated by developers, to the growing parking and conges-
tion problems facing two large office-retail complexes. The City Post
Oak Association, serving the Galleria/Post Oak area, is a membership
TEA, assessing each of its tenants a fee, based on square footage. The
complex employs approximately 50,000 persons. In 1979, the Houston
Metropolitan Transit Authority (MTA) approached the City Post Oak Asso-
ciation, serving the Galleria/Post Oak area, is a membership TEA, assessing each of its tenants a fee, based on square footage. The complex
employs approximately 50,000 persons. In 1979, the Houston Metropolitan
Transit Authority (MTA) approached the City Post Oak Association with an
expanded ridesharing proposal. The proposal consisted of an MTA Car Share
(the regional ridesharing program) staff person being placed in the TEA.
This individual would help set-up and coordinate a vanpool and expanded
carpool program. The staff person was funded by an FHWA ridesharing dem-
onstration grant, with office space and administrative services provided
by the Association.
The Greenway Plaza Association, another non-profit organization, entered into an agreement with the MTA Car Share program for cooperative carpool matching services. This TEA, led by the Century Development Corporation, also includes a vanpool program. This ridesharing service provision arrangement may change in the near future as the MTA concludes its cooperative effort. This is partly due to recent Texas ridesharing legislation. This bill provided van acquisition monies for five non-profit organizations in Texas, on a 80-20 match basis. In this unique situation the association operates the program while the MTA holds title to the vehicles. After three years of use, the vehicles are sold and 80 percent of this money is returned to the state. While this seems a very appealing proposition for the TEAs, the City Post Oak Association is considering terminating any vanpool activities on its part. This issue remains unresolved and may bear some influence on the future of potential TEAs in Texas.

3.6 CONCLUSIONS

The evolution of transportation-related employer associations can thus be traced back to the 1973-74 oil embargo, and beyond. As ride-sharing became institutionalized, first by major employers, and then by public agencies, the potential for organizational success became apparent. If nothing else, the sheer number of programs created testifies that ridesharing is a viable form of transportation. Whether organized efforts (versus individual employers) increased ridesharing substantially, cannot be quantified, yet the evidence supports a priori effectiveness.
The preceding discussion points to several conclusions appropriate here:

- The federal role in ridesharing is contracting, and special program and demonstration monies will probably not be forthcoming.

- While parking facility limitations are still an important impetus for employer-sponsored ridesharing programs, the implications of congestion to the employer are becoming as great a factor.

- Employers, through their own 'enlightened self-interest', are beginning to offer commute alternatives programs as part of an expanding employee benefit package.

- While informal, uncoordinated pooling is still prevalent, formalized matching is rapidly growing through individual employer efforts, third-party organizations and TEAs.

- TEAs seem to be forming in rapidly growing urban areas that exhibit burgeoning development and concommitant congestion.

The California experiences with TEAs were not included in the above discussion because they are found in greater detail in Chapter Five. The next chapter presents a conceptual framework of TEAs in the form of a set of variables and parameters. This, coupled with the two preceding case studies, will provide a comprehensive definition of what TEAs are, how they are structured, and what services and functions they perform.
CHAPTER FOUR
DEFINITION OF THE TEA CONCEPT

4.1 TOWARD A CONCEPTUAL FRAMEWORK OF TEAS

While only a limited number of TEAs currently exist, their relative similarities allow a comprehensive set of characteristics to be outlined. The following analysis involves the identification of key variables and elements of TEAs, including organizational and decision-making structures, services provided, and functions performed. In addition, the types and varieties of environmental contexts and interorganizational relationships will be identified. These relationships and contexts include the role of other private firms and organizations external to the TEA, as well as the formal and informal role of public agencies. These contexts and characteristics are designed to conceptualize the internal and external dynamics of TEAs, pointing to both similarities and differences in organizational types.

Future TEAs will not necessarily exhibit the characteristics discussed below. Through such a conceptual analysis, however, future actors might better mold and trade-off elements of the structure and context being considered. It is this conceptualization that enables the analysis performed in this study to be generalized to other urban areas and to other specific transportation problems.

4.1.1 Operational Definition

The TEA concept has been broadly defined by several observers as including many non-profit, third-party corporations. These definitions,
utilizing the terms 'transportation management association' (TMA) or 'transportation management organization' (TMO), have included the Stamford Metropool and Los Angeles Commuter Computer as examples. These definitions, however, lack a key element of the TEA concept--TEAs are unique in their exclusive private sector membership. TEAs are organized by and for employers, and the TMA/TMO definitions lack this crucial element. While one purpose of TEAs is the shared management of certain ridesharing and other transportation functions, they perform many other tasks, including advocacy, planning and interorganizational liaison, all aimed at serving member employers.

A new and more specific working definition is clearly needed to delineate the often subtle distinctions between organizational types. A basic definition of transportation-related employer associations should include the following elements:

- private sector initiation
- non-profit corporate status
- funding by member employers and developers
- decision-making by member representatives

TEAs are formed so that members can collectively address transportation-related problems, which the members perceive directly affect their ability to conduct business. TEAs attempt to solve these commutation problems by means of direct services and advocacy to local, state, and even federal agencies and their respective representatives.

4.1.2 Outline of Chapter

To further clarify the synergistic role and functions of TEAs, the following sections will provide a more detailed analysis of the factors
that constitute the form and context of these organizations. These factors include:

- the environmental and situational context within which TEAs form and operate
- the organizational structure of TEAs
- the range of services and functions
- the range of funding options
- the relationship of TEAs to other organizations (both public and private)

This framework goes beyond a simple outline of the services and functions performed by TEAs. The situational context or environment facing TEAs, as well as the motivations of individual employers, will be discussed. These factors are interrelated and no one element can explain the resulting form of a TEA. Collectively, however, these factors do outline the range of options and contexts facing existing and future TEAs.

4.2 SITUATIONAL CONTEXT

A major set of factors influencing the form and functions of TEAs is the context within which they are found. This situational context refers to two basic elements— one being the general environment and the other being the specific problems and thus motivations facing member employers. The 'environmental' element consists of the economic climate and those factors that contribute to the geographic scope of the TEA. The more specific elements include the type of firms that join or facilitate TEAs, the regional and/or localized problems addressed by TEA, and
the specific motivations that induce firms to become involved. Each of these factors will be discussed in more detail below.

4.2.1 Geographic Scope

The organizational scope of TEAs can range from an entire region to a single multi-employer center. These geographic orientations include:

Regional: serving an entire urbanized area or political jurisdiction such as a county. The purpose of a regional program can be either to serve a geographically disperse set of employers or to address commutation problems on a regional scale. (The Santa Clara TEA is regional in scope and will be further discussed in Chapter Five).

Downtown: serving the set of downtown retailers, financial institutions and corporate offices. The goal of this type of TEA would be to foster revitalization, address parking and/or congestion problems and provide for, or advocate, better transportation options and circulation for the downtown area. (This type of TEA is currently being proposed for Downtown Hartford).

Single Employment Center/Suburban: serving the set of employers (and often developers) of a single, multi-employer site in a suburban setting. The single geographic location provides a natural focus for the TEA's organizational scope. The goal is often to address the specific problems facing these suburban centers and that directly affect commuting patterns of the member's employees. In addition, the member employers may be concerned with their ability to attract new employees to areas, generally with insufficient transit service or even automobile access. (The Tyson's Transportation, City Post Oak, and Greenway Plaza Associations are suburban oriented).

Single Employment Centers/Urban: analogous to its suburban counterpart, but often addressing a somewhat different set of problems due to its urban setting. These problems might include issues relating to public transit service, goods movement, parking and congestion. (The El Segundo TEA is of this orientation and will be discussed further in Chapter Five).

The geographic scope of TEAs is thus often dependent on the problems to be addressed by these organizations. This, of course, depends on how 'the problem' is being defined by the member firms. If, for example, the
problem is perceived to be areawide congestion, hindering the accessibility and detracting from the desirability of the region as an amenable place to work, a regional scope may be appropriate. If, on the other hand, the problem is defined to be localized to a specific employment center, the latter three orientations may be considered. In addition, the more obvious factor of the geographic location of the current or prospective membership will have a bearing on the organization's orientation. This means the initial set of employers involved in setting up the TEA will greatly influence the geographic scope of the organizations' activities. This is formalized into the membership guidelines established as part of a TEA's charter.

4.2.2 Economic Climate

TEAs have tended to be formed in areas exhibiting rapid growth and economic health. Many of the current TEAs are found in the 'sun belt' cities of the Southwest (in California and Texas). Of the TEAs in other regions, the environment has still been one of rapid development. With new development often comes congestion and other commutation-related problems. It is rapid development, as an indicator of regional economic growth, that is contributing to the growth of TEAs.

4.2.3 Types of Employers

Another important factor that might shape the form of TEAs, or influence the acceptability of the notion within the business community, is the type of industries and firms that are currently involved. While TEAs (by definition) do not exclude any specific type or size of business,
certain trends have emerged. While member employer size differs from 50 employees to upward of 5,000 employees, the trend seems to be toward the largest employers in a region or an employment center. One reason for this might be smaller employers' inability to commit funds or staff time toward some of the administrative tasks required to run the day-to-day operation of an employee transportation program. While the TEA performs many of these tasks, the employer is still often required to handle employee surveying, transportation information dissemination, and other tasks.

Member firms can also be classified by the business they are in. Again, the entire range of employer types can be found, yet the concentration seems to be in predominately white-collar, highly professional or technical industries. The three most common business types are: 1) aerospace firms, 2) electronic 'high-tech' firms, and 3) financial institutions. These industries generally require a disproportionate amount of professional and clerical personnel, often working standard 'nine-to-five' shifts. This fact may exacerbate the commutation-related problems facing an employer. The ability to get his/her employees to work on-time, with as little aggravation as possible, might be a real asset to the firm. A commute alternatives program, provided in-house or in cooperation with the TEA, might enable the employers to attract entry-level engineers, technicians, and other professionals. Many TEAs serve employment centers with concentrations of similar types of industries. The ability of a member employer to offer such commutation benefits might facilitate a recruitment 'edge' over a non-member competitor.
The above factors are not meant to suggest future TEAs will consist of similar firms in economically healthy regions. The historic antecedents of private sector involvement in local affairs may play as significant a role. In addition, the severity of the transportation problems facing the business community and the perceived responsiveness of the public sector, may be as important a factor than the types of employers currently represented by TEAs.

4.2.4 Types of Problems Addressed

As implied in the above section, the problem (or set of problems) to be addressed by TEAs will influence the form of the organization as well as determine the range of services and functions undertaken. The problem(s), as defined by the member employers, is an indication of the motivation for those individuals involved. This is related to the fact that employer involvement is based on the direct benefits derived therein. Given that employers pay membership fees, the benefits derived are in some way weighed against those costs. Those benefits are in the form of solving transportation problems facing member firms. That those benefits are one of the major motivating factors driving employer involvement, does not imply employers have perfect knowledge as to the actual dollars savings or costs of these solutions. It should also be noted that individual employers often perceive a set of problems and thus their motivations may vary or be prioritized differently than other member employers.

In addition, corporate executives have been observed to internally justify their membership to their boards in different terms than their justification to their employees or to the general public. For example,
a chief executive officer (CEO) might convince his/her board of directors to support the TEA for the possible saving that might result from not having to build additional parking facilities or result from reduced tardiness. This same CEO might promote this involvement to his/her employees as an addition to the employee fringe benefit package. The public relations department might be directed to promote such involvement in commutation issues as an attempt by the firm to enhance the 'quality of life' for the entire region.

A complete list of the problems addressed by TEAs, and thus in some sense the set of possible benefits and motivations, would include: 1) recruitment and retention of employees, 2) parking, 3) congestion, 4) tardiness, 5) enhancement of the employee benefit package, 6) enhancement of the employer's community image, and 7) plant relocation. Each of these problem types will be discussed in more detail below.

**Recruitment and Retention** -- The ability to attract good labor and/or retain a stable workforce may be very important to the viability of a firm. This is especially crucial in a highly competitive environment where neighboring firms might be vying for the same type of professionals or skilled workers. If the employer is able to offer something 'extra' to these potential or current employees, such as a comprehensive ridesharing or subsidized transportation program, the ability to recruit and retain a stable, skilled workforce will be enhanced.

**Parking** -- As exemplified by the individual employer's activity in Chapter Three, the reduction of current or potential parking cost
to the company can be substantial. If the employee is paying for parking, an employer-sponsored or TEA ridesharing program can mean an individual cost savings, in addition to the gasoline and maintenance savings accrued through pooling. The parking problem is usually most pronounced in the downtown or the urban contexts mentioned above, yet the problems may affect different employers in unequal ways.

**Congestion** -- TEAs have addressed two types of congestion problems. The first type is site-specific problems (i.e., direct access to an employer's facilities). This type of problem definition leads to solutions such as signalization improvements or specific transit routing modifications. The second type of congestion problem is more broadly defined on a regional basis. The solution thus becomes working toward areawide congestion reduction by means of HOV lanes on major arterials or systemwide transit improvements. Whereas the site-specific problem definition can often be solved by activities assumed by the TEA itself, the regional problem definition implies more of an advocacy role to encourage or facilitate areawide solutions.

**Tardiness** -- While related to congestion problems, tardiness refers to the ability of the employer to control tardiness by assuring improved commutation conditions. Tardiness reduction likely represents the most direct cost savings that can result from offering employees a range of commute alternatives. The tardiness issue may also lead to transportation advocacy on the regional level to address congestion, public transit, and other commute-related issues.

**Enhancement of Employee Benefit Package** -- Related to recruitment and retention, transportation-related services can become one of the set of
company benefits offered prospective employees. Just as health, retirement, and counselling services (to name a few) are part of the company's overall benefit package, so can ridematching, transit information, or even vanpool provision and servicing. The issue here is often of a legal nature. Some states do not allow certain ridesharing activities and expenses as a normal business expense, and this may curtail the employer's willingness to assume such activities or provide services.

Community Image -- The enhancement of the firm's image among public agencies, consumers, and the general public may be one reason for employer involvement in TEAs. This is more an indirect benefit of employer participation than an explicit problem to be solved. Many member employers promote their involvement outside the TEA with the objective of being perceived by the general public as a 'concerned' member of the community. Related to community image is the perceived status of one employer in the eyes of another. If the CEO of a non-member firm senses the loss of some competitive edge or community standing vis-à-vis member employers, then the firm may be motivated to become a member and/or offer transportation-related services.

Relocation -- A final type of problem addressed by TEAs or member firms is plant relocation. Ridesharing can help mitigate the problems associated with moving all or part of a company's facilities to another location. If this new location is in the same region and means longer commute distances for employees, pooling and/or subscription bus service can help employees who do not wish to move their residential location. These services might help the employees deal with the increased trip distance and resulting costs.
TEAs are in many ways a product of the situations and problems that face the employers that become members. TEA development is influenced by the demographic, political, economic, and historical trends found in the region in which they are formed. TEAs address a wide range of problems, and thus employer activity may be motivated by one or a combination of these problems. As will be discussed below, these 'environmental' conditions will have a direct bearing on the organizational structure of TEAs, the services offered, and the relationship to other employers and/or to public agencies.

4.3 ORGANIZATIONAL STRUCTURE

The organizational structure of TEAs is analogous to non-profit, third-party corporations or chambers of commerce. A TEA consists of member companies or developers. The CEOs of these member firms select a board of directors, achieved by a formalized voting procedure or informal selection process. The board of directors sets policy and decides how the association's funds will be spent. To implement the policies as established by the board, a small staff is usually retained. This staff often consists of one to five persons and might include: an executive director, a transportation analyst, a ridesharing specialist, a public relations or marketing specialist, and possibly full- or part-time clerical staff. Given that the transportation analyst position is not often found in a TEA, the executive director is often the only individual with formal transportation training.

In addition to the board of directors and the staff, TEAs often utilize a working council or steering committee. This organizational
level may consist of middle or lower level management whose function is to take the policies and decisions of the board and turn them into tangible scopes of work. This group usually meets more regularly than the board and may deal with specific tasks and problems that do not require board decisions. The day-to-day operation of the programs and services of the TEA is assumed by the employee transportation coordinators (ETCs) of the individual member firms. These coordinators work with the association staff to disseminate transportation information to employees or to receive related suggestions and requests from workers. ETCs are usually employed within the personnel or human relations department of a company and this task (for it may be only part-time) is delegated by the CEO or representative on the working council. In some TEAs the group of ETCs becomes formalized into a lower level organizational unit and meets on a regular basis to receive information and instructions from the TEA staff or to simply 'compare notes'.

These various levels within the organization contribute to the relative centralization of decision-making. Centralized TEAs may only consist of the board and staff and thus concentrate decision-making at the one level. Decentralized associations may have several organizational levels, with some decision-making authority delegated to each level and/or for different purposes. One reason for delegating decision-making to lower levels is that members of the board of directors, as CEOs, have very limited time available for TEA activities. Centralization often depends on the size and scope of the TEA. Regional TEAs tend to exhibit decentralized structures and associations serving a single employment center tend to be more centralized.
Centralization may also be a function of the geographic scope of the TEA. Regional associations serving dispersed employment centers may have decentralized organizational units corresponding to each center or geographic area. Another factor affecting centralization, and the organizational structure in general, is organizational specificity, referring to the range of issues assumed by the organization. While most TEAs are transportation specific, some employer associations are formed to address other issues as well, such as housing, public services, energy and land use. This is often due to the manner in which the problems facing the member employers are being defined. If the problems and solutions are area-wide in scope, the association may wish to address a myriad of interrelated issues as transportation, land use, or energy. In this case, most transportation decision-making generally occurs below the board level.

In sum, TEAs may assume a variety of organization structures. These organizational types vary by how transportation-specific the organization is, how centralized decision-making is, and even the size and type of membership. These factors may also influence the range of activities and services assumed by the employer associations. As stated above, regional TEAs may assume an advocacy role and thus concentrate on activities that might affect the transportation services and infrastructure provided by public sector agencies.
4.4 SERVICES AND FUNCTIONS

TEAs can assume a variety of services and functions ranging from transportation planning to service provision to advocacy. The activities of TEAs do generally take three possible forms. The first type of activity, efforts undertaken by the staff itself, might include planning, project or program development, arrangement for service provision, and/or a comprehensive ridematching service. The second type of TEA effort is providing technical assistance for the in-house transportation programs of individual member firms. Finally, TEAs can assume advocacy or lobbying activities and can act as a liaison to outside organizations. A more complete range of activities for which employer associations may be responsible would include:

- providing a cooperative ridematching service
- assisting employers having in-house transportation programs
- developing parking management, flextime, and other TSM-type strategies
- providing vans and/or administering vanpool programs
- operating a shuttle service to and from satellite parking lots or public transit stations/stops
- contracting for subscription or club bus service
- planning for and/or coordinating transportation projects and programs
- partially or totally funding localized transportation improvements (investment in both services and infrastructure)
- coordinating TEA activities with local public agencies
- advocating employer needs to public transit operators and public agencies
- lobbying for transportation investment by local, state, and/or federal legislative bodies
While no one TEA assumes this entire list of activities, each type is being undertaken by one association or another. This list is not necessarily inclusive, and future employer associations may well assume different and even more ambitious responsibilities.

4.5 FUNDING SCHEMES

By definition, TEAs are entirely funded by member employers through membership fees. Several funding schemes are currently being utilized by employer associations to assess fees to participating firms. These include:

- per employee assessment
- square foot interior floor space assessment
- annual flat fee
- one-time fee
- substitution of in-kind services for fees
- combination of the above mechanisms

The per employee mechanism is usually applied to employers, whereas the square foot floor space scheme is generally levied against member developers for the facilities or office buildings they construct and/or manage. The use of in-kind services in lieu of fees is interesting in that it allows members with particular professional capabilities, facilities, or services to apply those items to the efforts of the TEA. In-kind items can range from office space or furniture to clerical or technical assistance to computer time and resources. Most TEAs utilize a
combination of funding mechanisms to allow for the greatest flexibility with which to attract membership. This is not to say TEAs might not use public monies for specific transportation projects or programs. A TEA cannot legally be the recipient of most types of public funding sources, but have acted as the contracting agent for such funds, working through the local government entity. Administrative funds for the day-to-day operation of the TEA and its services are solely funded by membership fees and in-kind support.

Another issue related to funding is the non-profit status of TEAs. Employer associations may be eligible for one of three tax-exempt statuses, as defined by Section 501(C) of the Internal Revenue Code of 1954. The most common non-profit status granted to TEAs is Section 501(C)(6), 'business leagues'. Chambers of commerce, for example, fall within this category and are viewed as analogous to TEAs. A business league is defined as "an association of persons having some common business interest and not to engage in regular business of a kind ordinarily carried on for profit."\(^3\) The goal is thus stated to be the improvement of business conditions. Of particular interest to TEAs is in the allowance of legislative activity under Section 501(C)(6) and no limit is placed on amount of such lobbying or activity.

Other non-profit statuses that TEAs may be eligible for include: Section 501(C)(4)--civic leagues, and Section 501(C)(3)--charitable organizations. With civic league status, the organization must prove it will operate exclusively for the promotion of social welfare. Legislative activity is also allowed if this legislation will help meet
the social welfare objectives set by the organization. The most attractive status vis-à-vis employer associations is the 501(C)(3) or charitable tax exemption. The advantage of this status is that donations (which might be in lieu of fees) are tax deductible as a charitable donation toward the donor's federal taxes. While many non-profit, third-party corporations were able to secure 501(C)(3) status, through a series of hard fought battles, the eligibility of TEAs is not yet clear. This is due to the rigorous requirements placed on 501(C)(3) eligibility. The organization must prove it is publicly supported, whether this be financial support, broad public representation, or providing a public service. Given TEAs do not engage in areawide ridesharing promotion or utilize public funding or representation in decision-making, acquiring a charitable tax status may be a difficult task. (This will be further discussed in Chapter Six). In addition to federal tax-exempt status, the TEA is required to attain a non-profit status from the state within which it operates. While state status generally is the same as the federal exemption, the categories are not always equal, and this may cause some differences in the two statuses the TEA would be forced to operate within.

4.6 INTERORGANIZATIONAL RELATIONSHIPS

The relationship of TEAs to other organizations and agencies takes two forms, the first of which is formal and the second more informal. Formal linkages to other public and private entities may be through ex officio membership of those representatives on the association's board of directors or other decision-making level. This non-voting status
might be afforded local governments, public transportation or ridesharing agencies, planning organizations, regulatory bodies, and/or state entities such as the department of transportation. The purpose of this inclusion is to assure non-duplication of efforts, foster collaboration (or at least discussion) or to simply assure good public relations. In addition, the local chamber of commerce may be included as a non-voting member. It should be noted at this point, that part of the impetus for forming TEAs has been in response to the perceived inability of the local chamber to assume such a mandate. Larger firms perceived the local chamber as the voice of older, smaller downtown interests, and not employers of their size or with their needs. While this is not always the case, this fact may contribute to an adversial relationship between these two business organizations.

Developers have also played a significant role in TEAs as an additional private sector actor. Developers sometimes play the initiator role in organizing such efforts (as was the case in Houston). In this way the developer, as a landlord of industrial tenants, is able to offer prospective tenants an additional service. In other cases, the developer may, in the event of parking shortages, be able to utilize non-capital intensive solutions. Alternatively, developers may act as but one member of an employer association. In this capacity, the interest may be in mitigating transportation problems and improving the general condition of the area (as is the case in El Segundo). This would contribute to the developer's ability to expand his/her efforts in these high growth regions. Finally, TEAs may indirectly influence the activities of developers. TEAs have worked with local agencies in developing specific
zoning measures that might require the developer to provide for traffic mitigation measures in order to receive development plan approval. The developer might thus be required to support or provide ridesharing services for the proposed site to help solve foreseen congestion or parking problems.

More informal relationships also include both public and private sector individuals and organizations. Various public agencies are often consulted concerning specific projects or programs being considered or undertaken by the TEA staff. This may involve the acquisition of information or technical assistance concerning project feasibility or compliance with public policy or regulations. This informal or *ad hoc* relationship with public entities may also take the advocacy role discussed earlier in this chapter. TEAs may advocate certain improvements to the appropriate public agencies by providing supportative information or voice the concern of individual member firms. This advocate role may go one step further as the TEA and a local agency might cooperatively solicit specific project or program monies from higher levels of government. This type of advocacy may consist of the TEA and just one local agency, or can be as sophisticated as a statewide coalition of public and private organizations, lobbying for transportation appropriations or regulatory reform (for ridesharing).

Another relationship that can be cited under the broad auspices of interorganizational ties, is between TEA members and non-member firms. In order to increase membership, and thus better address localized transportation problems in a collaborative manner, member firms often exercise a little friendly 'peer pressure' on other neighboring firms. Many
ridesharing professionals point to the 'old boy network' within which large employers socialize and work. Member CEOs extolling the benefits of the TEA to non-member employers is often more effective than similar efforts by the executive director or other staff persons. This extremely informal network, if tapped into, can prove to be crucial to the success of the association.

4.7 CONCLUSIONS

The above conceptualization of the role and functions of transportation-related employer associations takes into account not only the internal dynamics of these organizations, but the situational or environmental context within which they operate. TEA structures and services were presented as varying by geographic type as well as by the range of problems addressed. TEAs based on a regional basis were differentiated from more localized efforts. In addition, variability in funding schemes, non-profit status, and interorganizational relationships were outlined. The following chapter provides two detailed case studies of TEAs in California and will underscore many of the concepts and elements delineated above. Both the environmental context fostering these efforts, as well as a description of the organizations and their functions will be provided. The above chapter implies that there are many uncertainties associated with TEAs. Many issues might affect the future success of TEAs. These issues and uncertainties will be discussed in the final chapter of this report.
CHAPTER FIVE
CASE STUDIES

5.1 TRANSPORTATION-RELATED EMPLOYER ASSOCIATIONS IN CALIFORNIA

The empirical basis for this research consists of case studies of selected TEAs in California. While this chapter will focus primarily on two existing TEAs (in El Segundo and Santa Clara County), two other TEAs will be discussed; one no longer in existence and one in the process of being formed. In addition, legislative activity collectively undertaken by the two existing TEAs will be discussed. These case studies utilize the conceptual framework outlined in the previous chapter, with some of the key elements to be considered, including: 1) regional demographics and growth trends, 2) formation of organization, 3) organizational structure, 4) organizational functions, 5) services provided, and 6) important issues related to the success or failure of the TEA.

5.2 EL SEGUNDO EMPLOYERS ASSOCIATION (ESEA)

5.2.1 Background

The El Segundo Employment Center, and the adjacent Los Angeles International Airport complex, is emerging as one of the region's fastest growing urban areas. By the end of 1983, the general airport area will include an estimated eight million square feet of office space and over 9,000 hotel rooms. During the next three years, more than $450 million worth of industrial development is planned for the
El Segundo area alone, adding some 6.7 million square feet of office and industrial space. This development is estimated to add 194,000 daily vehicle trips to the already overcrowded roads and highways. Nearly 30,000 of these trips will be made during the peak traffic periods, as an estimated 85,000 new employees will be commuting to work. This added employment will push the daily employment population within a two-mile radius of the International Airport to 168,000.

This new development and concomitant impacts were of significant concern to the area's corporate executives. These local business leaders were concerned about the ability of the area's transportation infrastructure to meet this growing demand. This fear was based on a decreasing faith in local government to deal with the specific problems facing employers. While parking was a problem at some employment sites, the major concern related to unacceptable levels of congestion. This congestion was being directly linked to employee tardiness, absenteeism, and even poor employee morale.

In response to these transportation problems, several local business leaders formed the El Segundo Employers Association (ESEA). The creation of the ESEA can actually be traced back to a meeting between employers and officials of the City of El Segundo. The meeting was intended to provide a forum for discussing transportation problems and for proposing possible solutions. The business community was interested in the possible benefit of Transportation Systems Management (TSM)-type actions. The TSM strategy consisted of developing a short-range transportation plan that outlined the low-cost, service-oriented actions that the City and the business community might pursue to improve
transportation system performance. The emphasis would be on non-capital intensive improvements that might cause better utilization of the existing infrastructure and services.²

The City's involvement of the business community in local issues was not surprising in that it reflected long-standing city policy and attitudes toward local business. For many years, city officials had been attracting new business to El Segundo by promising minimal government interference in business activities. This *laissez-faire* attitude toward business development, although successful in attracting new business, also resulted in unguided growth and traffic congestion. A TSM planning process was thus a logical mechanism for local business participation in charting future actions to alleviate congestion problems. Prominent corporations in the area established the "El Segundo TSM Group" as a forum within which to foster discussion on the role of the private sector in addressing the area's transportation problems.

This early TSM group sponsored special meetings among local employers on such topics as a new freeway design and ridesharing strategies for the El Segundo Employment Center. By February, 1981, this working group had evolved into a non-profit corporation, the El Segundo Employers Association. Formation of the Association was considered necessary by the employers because the *ad hoc* nature of the TSM Group limited on-going participation in local transportation issues.

5.2.2 **Membership and Funding**

In less than two years, the ESEA has grown to 19 member firms, including 4 developers currently active in the El Segundo Employment Center.
With Association membership representing close to 75,000 employees (nearly three-quarters of the area's workforce), the ESEA has become a significant actor in the transportation planning process in the El Segundo/International Airport employment complex. Some of the major companies participating in the ESEA include The Aerospace Corporation, Chevron U.S.A., Inc., Hughes Aircraft Company, Northrop Corporation, and Xerox Corporation.³

Funding for the ESEA is based on a per employee fee annually assessed to member firms. The current fee is $1.25 per employee and developers are levied the same fee per 200 square feet of interior floor space. The 1981 (July - February '82) ESEA budget was $50,000, and the estimated budget for fiscal year 1982-83 is approximately $100,000. The service area of the ESEA (see Figure 5-1) consists of the City of El Segundo, the Southern portion of the Los Angeles International Airport, and part of the City of Huntington Beach. The eastern boundary of the service area is the San Diego Freeway (Interstate 405).⁴

5.2.3 **Organizational Structure**

The ESEA consists of six distinct organizational levels (see Figure 5-2). The first level, the Board of Directors, consists of twelve principle officers elected from member companies and serving staggered three-year terms. The Board sets policy and ratifies the Corporate Work Plan.

The second organizational level is the ESEA Council which consists of mid-level managers designated by each member firm. The Council meets monthly to discuss the issues targeted by the Board. Several public
FIGURE 5-1
ORGANIZATIONAL LEVEL

BOARD OF DIRECTORS

OFFICERS

COUNCIL

ROUNDTABLE

PROFESSIONAL STAFF

"EXTENDED" STAFF

TASKS

• POLICY DEVELOPMENT
• CORPORATE WORK PROGRAM
• OFFICERS OF NON-PROFIT CORPORATION
• INFORMATION DISSEMINATION FROM OTHER LEVELS
• STRATEGIC PLANNING
• DAY-TO-DAY RESPONSIBILITIES OF ASSOCIATION
• COORDINATE EFFORTS OF EACH MEMBER FIRM

FIGURE 5-2

THE ESEA ORGANIZATIONAL STRUCTURE
agencies also participate as non-voting "Associate" members, including the City of El Segundo, City of Hermosa Beach, Commuter Computer, El Segundo Chamber of Commerce, Southern California Association of Governments, Southern California Rapid Transit District and individual participation by a Los Angeles City Councilwoman.

A third, more informal, organizational stratum is the Roundtable for Strategy Development. This group meets on an *ad hoc* basis to discuss the possible strategies the ESEA might follow to implement the Corporate Work Program. The Roundtable membership consists of those individuals within the Association with higher levels of transportation expertise.

The fourth level within the organization is related to its corporate structure as a non-profit entity. The officers of the Association include an Executive Director, whose time is donated by a member firm, a Deputy Executive Director, a Chief Financial Officer, a Secretary and an Office Counsel. A fifth organizational level is the professional staff consisting of the Executive Director, a Transportation Planner, a Community Relations and Publications Specialist and an Office Manager.

The final organizational grouping is the informal network of company employee transportation coordinators, or the "extended" staff. These individuals are responsible for the ridesharing and alternative commuting programs of member firms. They are instructed as to policy and program specifics by their company's representative on the ESEA Council.

5.2.4 Organizational Purpose

The overall function of the ESEA, as defined by its members, is to work with the business community, local governments, and public agencies
in the transportation sector, and to help them respond to the challenge of growth and its effects on local and regional transportation systems. The Corporate Work Program of the ESEA outlines the following goals and objectives for the Association:

- Develop a transportation master plan for the El Segundo Employment Center
- Act as a contracting agent for transportation improvement projects
- Represent interests of the Employment Center to outside agencies in the area of transportation
- Establish a Ridesharing Coordinator Council
- Develop an on-going Coordinator Training Program
- Monitor and forecast traffic congestion and needs
- Act as a local center for information exchange
- Provide technical assistance for members to improve in-house transportation programs
- Set-up and coordinate large/small Employer Assistance Program
- Develop "model" company transportation policies and practices
- Develop special programs to involve new employers in ridesharing

This set of objectives is framed within the TSM planning process. The result of this activity is a set of projects and planning efforts that will, together with public agency actions, constitute the final TSM Plan document for the area. Following completion of the plan, the ESEA is committed to work with its members, local governments, and other agencies to implement the plan's recommended actions. The set of projects, planning efforts, and services offered is the subject of the next section.
5.2.5 Functions and Services

BEEP -- One of the first actions taken by the ESEA was an attempt to save the Bus Express Employee Program (BEEP) operated by the Southern California Rapid Transit District (SCRTD). The BEEP system, a commuter bus service serving moderate distance trips into Los Angeles employment centers, was not attracting a large ridership. Some SCRTD officials felt that given this low patronage, BEEP was a very cost-ineffective transportation service, and a likely candidate for service cutbacks.

After conducting a study of the BEEP system, the ESEA planner concluded that the ridership was even less than that estimated by the RTD. The ESEA, realizing the service was surely doomed if the Association did not actively assure its retention, created a system of "Bus Monitors" to support the service at their places of employment. At the same time, this program was intended to show the SCRTD how committed the ESEA was toward retaining the BEEP service.

The ESEA has also recommended modifications to the service to improve its quality and to increase ridership. These service changes were the result of an effort by the ESEA staff as well as support provided by a member corporation which donated computer time and technical assistance to help make scheduling and productivity improvement recommendations. If the RTD decides to discontinue the BEEP service, the ESEA has also been considering alternative funding schemes to assure the continued provision of some service similar to BEEP. In addition to the possibility of such an alternative "Employment Center Commuter Bus" system, the ESEA has been working to improve the system of employer-sponsored vanpools, a service that might eventually augment the fixed route bus system to a great extent.
South Bay Trolley Feasibility Study -- In June 1981, the Manhattan Beach Trolley Committee sought the services of the ESEA to develop a preliminary feasibility study on operating a trolley along recently abandoned Santa Fe railroad trackage. The Manhattan Beach Trolley Committee was an ad hoc group of Manhattan Beach officials and residents. Members included a local city councilman, a planning commissioner, and a prominent developer. In addition, the Mayor of Manhattan Beach supported the proposition, but was against public operation of the service. The proposed light rail line would serve Manhattan, Redondo, and Hermosa Beaches, as well as the El Segundo Employment Center. Members of the Committee, as well as the ESEA, funded the study which included surveying local residents and eventually advocating the project to the appropriate public agencies. CalTrans stated interest in the proposal, but conditioned support on full funding being assumed by the beach communities and local businesses. In addition, the ESEA attempted to convince the Los Angeles County Transportation Commission to include the South Bay Trolley on the region's Transportation Improvement Plan (TIP). One problem cited by ESEA officials in this particular study has been the lack of communication between the several cities involved. The ESEA sees itself, thus, as a mediator to resolve any issues, and to assure that communication between the cities is fostered.

Bike Paths -- One of the interesting facts that emerged out of the original El Segundo TSM study was that 25 percent of all employees live within four miles of their place of employment. The ESEA felt that bike paths might well serve the travel needs of these nearby workers. The Association hired the president of a national bike riders' association
to identify candidate bike routes in the El Segundo area. One particularly attractive route was chosen by ESEA officials, and the ESEA is currently negotiating with the owner of the land to acquire an easement. The ESEA is also applying (through the city) to CalTrans for state funds to support the bike path.

**Situational Analysis** -- The ESEA staff will shortly begin conducting a "situational analysis" of the El Segundo employment center. This study will, 1) describe the transportation infrastructure serving the area, 2) review transportation activities taken by individual firms, and 3) identify actors and agencies involved in transportation planning and implementation. This analysis will help inventory the needs of member firms as well as identify the means to involve new members. The ESEA plans to produce an updated version of the situational analysis monthly. 8

**Ridesharing Activities** -- The ESEA also provides technical assistance to member firms to promote ridesharing among the area's employees. While Commuter Computer, the regional third-party ridesharing agency, serves the El Segundo area, the ESEA sees its ridesharing role as picking up where Commuter Computer leaves off in terms of employer outreach. While the Association was unsuccessful in acquiring federal highway monies for a demonstration vanpool program, the ESEA has been successful in supporting the efforts of its members. Hughes Aircraft, for example, recently constructed a bus terminal for 20 commuter buses at its El Segundo site. While The Aerospace Corporation and Xerox Corporation have well-established vanpool programs, many ESEA members,
such as Hughes Aircraft and the Northrop Corporation, are just beginning programs of their own.

**Ridesharing Time Share Program** -- As part of its overall program of ridesharing services, the ESEA instituted the Time Share Program, designed to assist employers unable to employ a full-time Employee Transportation Coordinator (ETC). While member firms such as Hughes Aircraft with 20,000 employees were able to designate one or more persons as ETCs, the smaller of the Association's member firms (with 50-100 employees), were unable to do so. In response to this problem, the ESEA hired a ridesharing expert for planning purposes. The smaller member firms can thus contract with the ESEA for the services of the ridesharing expert. This individual analyzes the firm's transportation situation and develops an action plan which outlines the steps needed to alleviate employee transportation problems and the costs associated with those specific measures. Each participating firm is then invoiced for the 'time' of the ridesharing expert. Since the ESEA is a non-profit entity, any fees collected above and beyond the salary level of the ridesharing professional go into the Association's general fund.  

5.2.6 Conclusions

The El Segundo Employers Association sees itself as 'action oriented'. This stance is partially due to the perceived ineptitude and unresponsiveness of the public agencies and local governments involved in the El Segundo area. The ESEA was formed to aggressively address the transportation issues facing local employers. The Executive Director of the Association sees the role of the ESEA as "lighting a
fire under certain key officials and agencies", and if this tactic fails, the Association is willing to solve the problems itself (as witnessed in its consideration of implementing its own commuter bus system).\textsuperscript{10}

The Executive Director has also argued that the key factor in the success of the Association is corporate management commitment to employee transportation programs. Such commitment is especially evident in the El Segundo case in that the area does not suffer from the severe parking problems that characterize employer ridesharing programs elsewhere. As a note, increasing parking capacity at many employer's sites would be an easier solution than subsidizing ridesharing efforts. This is due to the fact that many El Segundo firms are engaged in defense production, and while defense contracts do stipulate facility expansion as an acceptable business expense, employee transportation subsidization most often is not acceptable. The need for an efficient transportation system, and the importance of such a system to employer operations, seems to be the major motivating factor for employer involvement in the ESEA.

The ESEA sees the next year as the possible turning point for the organization. It is felt public sentiment will go for or against their efforts. The ESEA realizes that it could push the cities and other agencies too far. Also realizing that the agencies do have official implementation powers, ESEA officials do not desire to push too hard. Yet it is this very pushing and action-oriented stance that has allowed the ESEA to become a key actor in the transportation issues and problems of the South Bay.
5.3 SANTA CLARA COUNTY MANUFACTURING GROUP (SCCMG)

5.3.1 Background

Santa Clara County, often referred to as the "Silicon Valley", has experienced periods of rapid growth since the early 1950's when aircraft and automobile companies began to locate in the region. More recently, high-technology firms have found Santa Clara County to be an ideal location for their activities. As housing became more expensive and the county's public infrastructure became inadequate for handling this rapid growth, major employers grew concerned about how these factors would affect their operations. Indeed, employers were already beginning to experience problems in recruiting and retaining good employees as housing costs skyrocketed and congestion became more severe.

Currently, Santa Clara County has a population of 1.3 million (twice the population of 1970) and over 700,000 jobs, the largest San Francisco Bay Area County in both categories. Almost 200,000 new jobs have been created in the last five years, most in the fast-growing, "high-tech" firms which have made the Silicon Valley known throughout the country.11

Concern over the growth problems of the region spurred the formation of the Santa Clara County Manufacturing Group in 1978. The beginning of this employer association can be traced back to a luncheon hosted by David Packard, Chairman of the Board of the Hewlett-Packard Company. Packard invited 33 of the region's top chief executive officers in an attempt to foster discussion about the critical issues facing the county. Transportation was cited as one key issue due to the location of the area's industrial and residential concentrations. While numerous 'high-tech' firms were locating in the northern part of the
region, near Stanford University, the county's major residential areas were located at the southeastern extreme. This location pattern was taxing the ability of the region's transportation infrastructure and public transit system to meet growing trip demand.

The Santa Clara County Manufacturing Group was formed in 1978 to address a range of issues, including transportation, housing, energy, and even industrial security. At the outset, the SCCMG identified three critical problems in the region: 1) limited land use options, 2) competition among localities leading to fragmented decision-making, and 3) regional industry not being involved in the above issues. To address these constraints, and fearing limited economic viability of the region, the Manufacturing Group organized itself on several concepts. These include a countywide organization to be involved in a broad set of issues, a limited constituency of the largest corporations, and policy-making representation by corporate chief executive officers. Finally, the region's problems were to be viewed as the joint responsibility of the public and private sectors. The reason cited for the county-wide orientation related to perceptions on the part of the corporate executives that the local chambers of commerce were unattuned to regional problems and for the most part represented the interests of smaller, downtown interests.

5.3.2 Membership, Staffing and Funding

The Manufacturing Group, now consisting of 75 members, was formed "to enable local industries to work cooperatively in helping local government respond effectively to the challenge of growth affecting the County's economic health and quality of life." The Group
represents more than 180,000 employees, over half of the county's manufacturing workforce. The SCCMG represents such prominent firms as Lockheed Missiles and Space Company, Hewlett Packard Company, National Semiconductor and the ROLM Corporation.

The SCCMG has a staff of three persons with a total operating budget of $180,000. It is estimated that 10 percent of the director's time and 70 percent of the coordinator's time is spent on employer outreach and other transportation-related issues at an annual cost of about $23,000. (The coordinating activities of the ten "lead" firms are voluntary.) To keep pace with a growing membership, this "budget" has been increased about 25 percent over the past two years. The entire budget is funded by the member employers who are assessed annually based on the number of employees as shown below.

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>Annual Membership Fee</th>
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<tbody>
<tr>
<td>under 999</td>
<td>$ 700</td>
</tr>
<tr>
<td>1,000-1,499</td>
<td>$ 1,375</td>
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<td>$ 6,875</td>
</tr>
<tr>
<td>10,000 and over</td>
<td>$13,750</td>
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</tbody>
</table>

5.3.3 Organizational Structure

As a non-profit corporation, the Manufacturing Group is guided by a Board of Directors, including an Executive Committee comprised of six members and the President of the SCCMG. Much like the ESEA, the Group also has a Working Council, meeting on a more regular basis than the formal Board. The association is then decentralized into a set of
formal and *ad hoc* task forces, roughly corresponding to the issue areas being addressed by the Manufacturing Group (see Figure 5-3).

To assess transportation issues, the Group formed a Transportation Task Force consisting of member firms, the regional transit agency (County Transit), the Metropolitan Transportation Commission (MTC), and RIDES for Bay Area Commuters, Inc. The Task Force is overseen by a Steering Committee made up of the above actors. The major objective of the Transportation Task Force is to implement the Commute Alternatives Program founded by the MTC. The purpose of the Commute Alternatives Program is to establish employee transportation coordinators in the San Francisco Bay Area to market ridesharing and other alternative transportation services. The Manufacturing Group is the 'agent' of the MTC in Santa Clara County and utilizes a modified version of the MTC's Commute Alternatives Handbook. The Task Force is organized into ten zones corresponding to major employment concentrations (see Figures 5-4 and 5-5). Within each zone the individual member companies in the area develop a coordinated transportation program with supporting services provided by County Transit, RIDES, and the MTC. Transportation coordinators for individual firms meet by zone and discuss the needs of their respective firms and the area as a whole.

5.3.4 Functions and Services

In addition to its direct role in the Commute Alternatives Program, the Manufacturing Group has been instrumental in several related functions, including:
TRANSPORTATION TASK FORCE
COMMUTE ALTERNATIVES PROGRAM

STEERING COMMITTEE
- SCCMG INDUSTRY LEADER
- SCCMG STAFF
- TRANSIT
- RIDES

FIGURE 5-4
STRUCTURE OF SCCMG TRANSPORTATION ELEMENT
STANFORD PARK ZONE

- ZONE MANAGER COMPANY
  SMITH KLINE/BECKMAN
- ZONE MANAGER
  FRANK R. MEZE, V.P.
- ZONE COORDINATOR
  DANA PRESCOTT

FIGURE 5-5
TYPICAL SCCMG TRANSPORTATION ZONE
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- establishing coordinators at 50 companies
- holding training classes and workshops
- producing a training videotape
- developing material to supplement the MTC Handbook
- organizing ten zones with a lead company in each
- obtaining employee survey and planning information
- developing personalized ridesharing marketing techniques

The SCCMG sees its role as a transportation facilitator, promoting and coordinating the efforts of groups wanting to improve the commute trip for the region's employees. This facilitator role brings developers and public agencies together to mitigate traffic impacts, and introduces employers to ridesharing and transit services. One tool the Manufacturing Group uses to foster this discussion of conflicting factions is the "briefing". Briefings bring involved actors together to resolve differences that serve as barriers to project or program implementation. In this role of facilitator, SCCMG assures that decisions made by often disparate groups and agencies are at least known to each other, and hopefully beneficial for the entire region as well as individual employers and businesses. Past briefings have been organized to discuss the implementation of HOV lanes on the Dunbarton Bridge as well as similar lanes on Route 237, the most congested artery in the County.

5.3.5 Conclusions

The Manufacturing Group has established a two-pronged strategy for its future, based on the above-mentioned facilitator role. The first element of this strategy is the continued "self-help" of member firms
in implementing the Commute Alternatives Program. This would hopefully result in the institutionalization of ETCs at all member companies. The second element of this strategy is to further support transportation investment by the public sector. Specifically, this involves advocating HOV facilities, express bus services, and the proposed light rail line and expressway in the Gaudalupe Corridor. In addition, the SCCMG actively lobbies for state level ridesharing and transit legislation and appropriations (discussed at length below). The representative of County Transit on the Task Force feels the success of this facilitator status is due to the political clout the Group has enjoyed, a clout he feels is stronger than that of the Chamber of Commerce, enabling the Manufacturing Group to get "people to talk to each other." 17

5.4 OTHER TEAS IN CALIFORNIA

5.4.1 South Placer County Manufacturing Group

When high technology industries began moving out of the overcrowded Santa Clara valley and into such areas as the Roseville portion of Placer County near Sacramento, major development began to occur along several state highways in the region. The first of this new development was to be a new plant complex for the Hewlett-Packard Company. Given this new development, CalTrans began planning for a bypass highway that would carry traffic around Roseville. Such a project was included in the State Transportation Improvement Program which was approved by the California Transportation Commission (CTC). However, the Commission's approval was contingent upon the consideration of other actions that
could address the problems of housing, air quality, and transportation caused by the development.

In August, 1980, the CTC signed an agreement with local jurisdictions to establish a coordination group, the Placer County Policy Committee, consisting of one councilman from the cities of Roseville, Lincoln, and Rocklin, and a supervisor from Placer County. Ex officio members included representatives from two surrounding cities and three counties. Currently, this group is considering the creation of a ride-sharing ordinance for the development area, assigning the costs of transportation improvements to developers, possibly creating a transportation assessment district, and requiring that development site plans include a transportation management plan. CalTrans has suggested to this group that new development should be contingent upon several actions, including:

- partial funding of the new highway by the developer
- easy pedestrian access
- bike storage facilities
- bus turnouts and other transit projects
- auto restricted zones
- employer transportation coordinators
- ridesharing and transit promotion

While the Policy Committee is also involved in land use, housing, and air quality, a TSM Management Committee was established as a standing committee to coordinate the development of the transportation network throughout the region and to monitor and direct the application of ridesharing and other TSM activities. The TSM Management Committee was comprised of local planning and engineering staff, and the County
Air Pollution Control Officer. In addition to the short-term objectives of ridesharing measures and traffic mitigation techniques, the long-term goal of the Policy Committee and its TSM counterpart was to facilitate the development of a public transportation system. 19

In part, due to this substantial government interest in development-induced problems, local corporate officials organized the Placer County Manufacturing Association. The Association's goals included:

- promote transportation coordinators in each firm
- encourage liaison activity by coordinators
- establish a clearinghouse for transportation information
- form agreements with public entities
- advocate public and private expenditure in transportation.

Although in its infancy, the Association has begun to address some of the important issues in the development area. The initial cooperative effort of the Association and the policy committee is reaching a consensus on the form and content of a ridesharing ordinance to set a legal imperative on the commutation-related responsibilities of developers and tenants of the industrial area. According to some Association members, the effectiveness of this group will depend on how it interacts with the public sector actors in identifying a strategic development plan for the area.

The significance of this emerging TEA is that it is being established prior to severe commutation or parking problems, rather than as a response to crisis conditions as witnessed in the El Segundo and Santa Clara cases. The possible success of the South Placer County Manufacturing Group is somewhat predetermined in that it was initiated
as a replica of the Santa Clara Group; initiated again as a result of the efforts of Hewlett Packard Company. Of greater significance, however, is the fact that the South Placer association was prompted by public sector action. Were it not for the conditions placed on the area's development by CalTrans and the CTC, the Manufacturing Group might not exist. This fact represents a departure from the sole private sector initiation of TEAs. However, the TEA was not a specific recommendation of the CTC, and thus such a causal statement may not be totally revealing of the true motivation of the area's business community.

5.4.2 Newport Center Association

The Newport Center Association was created for corporate and business interests located in Newport Center, a new and expanding commercial development in the heart of one of Newport Beach's most congested areas. There were, at the time of the Association's inception, approximately 10,000 employees in the Center area.

The owner of the Newport Center, the Irvine Company, wished to enlarge the development by 20 percent with new commercial and office space. With the City of Newport Beach, Orange County and the California Coastal Commission opposed to development and the probable traffic problems, the goal of the Irvine Company became one of increasing the floor space of the Center and the number of employees by 20 percent, while maintaining the traffic congestion levels at its present amount. The Irvine Company hired a management services company to study traffic management options. While density and commuter matching studies were being completed, the Association pursued a
campaign to encourage Center employers to participate in the "Centeride" program, a program designed to introduce the employers to "the concepts of carpooling, vanpooling, public transportation, flextime and other innovative approaches combined for a comprehensive solution to (employer) transportation needs."²⁰

The Newport Center Association was also sending perspective members of the Centeride program a brochure which outlined employer and employee benefits of alternative transportation program. The intent of the Association was to establish in-house transportation coordination abilities, disseminate information, and to assist with TSM plan formulation. The Association planned to implement a "shared coordinator" program to allow smaller employers to purchase time for an ETC, akin to the ESEA Time Share Program.²¹

As for funding the Association, the Irvine Company planned to solicit donations for the Center's tenants, once the program's success was established. The program also received input from many sources through the formation of a Transportation Management Program Advisory Committee comprised of individuals from Newport Center employers, the City of Newport Beach, Newport Harbor Area Chamber of Commerce, the Fashion Island Merchants Association, and the Newport Center Association, serving all of Newport Center.

After nearly one year of frustrating attempts to solicit employers to deal with the traffic mitigation issues, and to satisfy the City and the Coastal Commission, the Irvine Company decided to forego its expansion plans for Newport Center. A major part of this decision was the conclusions of the traffic study pointing to the overwhelming
difficulties of maintaining traffic levels and expanding the number of employees. In addition, vocal opposition was being encountered by a growing number of organized citizen groups.

The demise of the Newport Center Association can be attributed to the lack of top level commitment on the part of the Center chief executives. The Association was established by the developer, who assumed that commitment and membership would follow. The impetus for the Association formation was again the conditions placed on a developer by a public regulatory agency. A public/private partnership did not ensue, rather a more forced, artificial relationship was fostered between the employers, the developer, and the involved public agencies.

5.5 **CALIFORNIA TEAs AND LEGISLATIVE ACTIVITY**

In addition to the services provided by TEAs and their role in local transportation planning, employer groups have exerted significant influence in the state legislative arena. This recognizes, of course, individual employers and developers have historically intervened in the legislative process. These private concerns have, on occasion, directly supported (or opposed) specific projects, programs, or regulations that were perceived to have an immediate effect on the company's ability to do business. This legislative activity was usually performed by individual firms or *ad hoc* coalitions of similar interests.

The growth of employee commutation problems and issues in California's urban areas served to foster a new role for the private sector. Individual employers, addressing local and regional problems through membership in the newly-formed TEAs, began to realize the need for
ridesharing support and regulatory reform from the State. Given TEA working relationships with local transportation agencies, the opportunity for state-level advocacy was becoming apparent. To conceptualize this synergistic effect, employer involvement in ridesharing concerns can be characterized as moving from self-interest, to collective self-interest, to collaboration. While TEAs had lobbied for a number of specific highway and transit projects, any meaningful cooperation with public sector agencies was unknown prior to the collaborating stage.

This collaboration in the California case took the form of a coalition of statewide public and private interests. The so-called Statewide Ridesharing Legislation Advisory Committee formed in early 1981 was comprised of some 50 individuals representing individual corporate interests, the Santa Clara and El Segundo TEAs, public ridesharing agencies, metropolitan planning organizations, and local and regional transit operators. This public/private partnership was viewed as the key to gaining legislative support, by presenting a unified, credible, and influential front. The goal of the coalition was to secure a multi-year, dedicated funding program for public ridesharing efforts. In addition, the Advisory Committee was seeking legislation to provide tax incentives for corporations with in-house ridesharing and transit subsidization efforts, and finally to provide regulatory reform to remove statutory impediments to ridesharing.

These goals resulted in the coalition drafting a package of five ridesharing bills (SB 320, 321, and AB 548-555). To strengthen the coalition's position, the support of two key legislators was solicited. By no coincidence, the two legislators were Assemblywoman Ryan from...
El Segundo and Senator Alquist from Santa Clara County. These legislators, knowing the influence of the firms represented in the TEAs and the number of employee-voters, became steadfast advocates of the California Ridesharing package. Another direct influence of the Santa Clara TEA was David Packard's testifying to a subcommittee of the California Legislature as to the need for increased ridesharing support for the economic viability of the region and the state.

As a direct result of the efforts and lobbying of the coalition, all five bills were passed. It is interesting to note, CalTrans was opposed to the ridesharing bill, not necessarily because it was counter to the goals or objectives of that agency, but that the MPOs had been able to write the legislation whereby all program monies went directly from state coffers to the MPOs. CalTrans resented it not having a role in the administration of the program, thus the coalition had to neutralize CalTrans' opposition to the bills.

While coalition building is not a new phenomenon, the Statewide Ridesharing Legislation Advisory Committee represented an innovative strategy of public/private collaboration. Ridesharing advocates in California were unable to 'plug into' the formal and informal transportation constituencies geared toward highway and transit improvements. By building the coalition through public agencies and private transportation-related employer associations, ridesharing interests were able to convince the legislature to support a multi-million dollar program, without the support of traditional transportation constituencies or the state department of transportation.
5.6 CONCLUSIONS

Examples of TEAs in California provide illustrative cases of the variety of organizational structures, functions, and reasons for success or failure. The El Segundo Employers Association was presented as an example of a 'single employment center/urban' TEA which sees itself as a 'doer', as action oriented. The Santa Clara County Manufacturing Group was presented as a 'regional' TEA which views itself as a facilitator and mediator of conflicting public and private interests. In addition, two other California TEAs were discussed; one currently in the process of forming and the other now defunct. Finally, the legislative activity of the El Segundo and Santa Clara TEAs was presented to illustrate one function of TEAs that goes beyond localized or regional involvement.

The implications of these roles being assumed by TEAs, as well as the reasons for the success and failure of employer associations, is the subject of the sixth and final chapter of this study. In addition, some specific barriers that might possibly impede the growth of the TEA concept will be presented, along with a formulation of the possible future of the TEA concept in the urban transportation planning and service delivery areas.
CHAPTER SIX
CONCLUSIONS

6.1 FUTURE OF TEAs

While the primary focus of this study has been to describe the characteristics of existing TEAs, the results of the analysis allow one to suggest factors that might affect the future success of TEAs. These factors are significant for they will shape the future of TEAs as well as help determine the long-term role for TEAs in the overall urban transportation scheme. This chapter examines the future role of TEAs, the implication of this role on urban transportation planning and policy-making, and the impact of TEAs on traditional institutional arrangements.

This chapter is divided into four sections. The first section identifies a set of possible barriers that might affect the future success of TEAs. These impediments include: legal and regulatory barriers, and administrative, institutional and funding barriers. The second section concerns the expectations and misconceptions surrounding TEAs, as perceived by both the private and public sectors. A better understanding of these perceptions may be an important factor determining the success of TEAs. The third section discusses the implications of TEAs on the entire urban transportation process and its various actors. The final section, concluding the study, suggests areas for future research that will be critical in monitoring the evolution of TEAs.
6.2 POTENTIAL BARRIERS AFFECTING THE FUTURE OF TEAS

6.2.1 Legal and Regulatory Barriers

The major legal and regulatory issue relating to TEAs concerns the tax-exempt status of the organizations and specific tax-related constraints facing member employers. In addition, passenger carrier regulations and insurance and liability ambiguities are still real and/or perceived barriers in many states.

While Chapter Four has already presented the tax-exempt status alternatives available to TEAs, the importance of taking status needs to be underscored. All TEAs are currently classified as either 'business' or 'civic' leagues under Section 501(C)(4) and 501(C)(6) of the Internal Revenue Code. While lobbying and legislative activity is allowed and unlimited, if such activity is deemed by the IRS to be not directly related to the purpose of the non-profit organization, the tax-exempt status can be revoked. Direct monetary support of political candidacy or referenda is restricted, potentially affecting the ability of a TEA to advocate local or state transportation spending, improvement bonding issues, or referenda approval.

Especially critical in this area of tax status is Section 501(C)(3) governing charitable organizations. Non-profit, third-party ridesharing agencies have fought hard to obtain a charitable status. This has enabled such organizations to receive monetary and in-kind donations from private sector interests, contributions that are tax-deductible. Currently, it is unclear whether TEAs can qualify for charitable status given that they do not serve the general public directly, even though
their efforts generally produce benefits to a larger set of commuters than just those represented by the TEA. One disadvantage of the 501(C)(3) status is its limitation on legislative lobbying activity. Charitable organizations are restricted to spending 20 percent or less of their annual income on lobbying, and this activity is narrowly defined as forwarding the 'public good'.

A final disadvantage of a non-profit, tax-exempt status, in general, is the inability of TEAs to benefit from the Investment Tax Credit as stipulated in the Economic Recovery Act of 1980. The law allows private interests to claim a tax credit for 10 percent of the investment value in the purchase year and to depreciate the investment at an accelerated rate. This becomes crucial to TEAs if they become directly involved in vehicle acquisition (either vans, buses, or light rail vehicles as might be the case with El Segundo). One possible action to circumvent this is to establish a for-profit corporation, the sole purpose of which would be vehicle acquisition. This tactic would only be used if the tax credit was deemed significant enough to warrant creation of such a for-profit corporation. Alternatively, TEAs may be able to utilize 'safe harbor' or 'lease-back' arrangements, to basically sell these foregone tax credits to a for-profit business interest. Both this tactic as well as the creation of a 'dummy' corporation, are untested and only future attempts at such approaches will determine the significance of these barriers related to the tax status of TEAs.

Another barrier related to taxation involves individual member employers. A key element of any commute alternatives program, promoted by the TEA or individual firms, is the existence of a strong
incentives program. While such incentives have mainly taken the form of preferential parking or matching services, some employers have taken a more active role. These efforts have included transit pass subsidies, company-paid auto insurance for pooling vehicles, or even a 'transportation allowance' provided to employees to spend on parking, pooling fees or transit passes. The barrier to such far-reaching incentives again lies in IRS law. Such direct subsidies must be treated as employee income, discouraging a great number of employers from participating.

The second set of legal and regulatory barriers facing TEAs (and member employers) concerns state regulations governing and defining forms of public and private transportation. Virtually all states regulate, in some manner, passenger transportation. Vanpools, in particular, have been included under certain restrictive carrier regulations. These definitional regulations most often concern such variables as: seating capacity, routing, safety requirements, type or size of vehicle, and ownership of the vehicle. Regulations governing ridesharing modes vary considerably between states and within particular situations. In some states, these definitions are quite narrow and legally prohibit certain types of van and buspooling. In the past few years, however, several states have deregulated ridesharing vehicles and, in some cases, even enacted legislation encouraging public and employer-sponsored ridesharing efforts (e.g., SB 321, as discussed in the previous chapter). These legislative actions have served to exempt ridesharing vehicles from the restrictive regulations governing private transportation.

Often, such regulatory reform is in the form of clarifying seemingly ambiguous statuses governing ridesharing. One example of this clarification concerns the applicability of state workmen's compensation law to
ridesharing activity. Employers are often reluctant to implement company-sponsored vanpool programs for fear that users would be covered under workmen's compensation during the work trip, if commuting in company-owned or leased vehicles. Such workmen's compensation insurance could be cost prohibitive for the interested employer. Regulatory reform has been passed in many states exempting such vehicles from workmen's compensation coverage.

The insurance issue, in and of itself, is a significant factor. While not directly related to legal or regulatory barriers, liability insurance for pooling vehicles has been a major impediment to program initiation. Companies or associations owning or leasing vans can generally be held liable for van-related accidents. Insurance covering such accidents has often been difficult to obtain, and when available, has been quite expensive. With the increasing number of vanpool programs in operation, premiums have gone down somewhat, but insurance continues to be a significant issue.

It can be concluded that the significance of restrictive regulations is waning, yet still remains as a key barrier in certain states and an impediment to those employers who perceive it to be a significant barrier (even though realistically it may not be). Most of these legal and regulatory impediments are not specific to TEAs, but rather affect most ridesharing organizations and individual employer efforts. Their importance, however, as a real or perceived barrier to TEA activity and the efforts of member firms should not be overlooked.
6.2.2 Administrative Barriers

Administrative constraints relate to the ability of the TEA and its members to fulfill its stated purpose, whether limited solely to ridesharing, or including a more comprehensive set of activities and options. Administrative barriers concern the transportation expertise of TEA staff personnel, as well as the in-house coordinators of member firms. In addition to lack of expertise, resource limitations in terms of time, personnel, and money may hinder a TEA's ability to fulfill its mandate.

Currently, the availability of expertise does not seem to be a serious barrier facing existing TEAs. As noted previously, the executive directors of most TEAs are transportation professionals, with backgrounds primarily in ridesharing and occasionally in transportation planning or engineering. In the case of Santa Clara County, the Vice President of the Manufacturing Group, and de facto head of the transportation element, was previously employed by a national ridesharing consulting firm. The El Segundo TEA employs both a transportation planning and ridesharing specialist. The Executive Director has experience in both ridesharing coordination and transportation engineering. The current problem with expertise in El Segundo concerns the set of employee transportation coordinators (ETCs). Company ETCs are generally designated from the personnel or other administrative departments, with little or no previous transportation or ridesharing experience. While it is realized that one function of TEAs is to train ETCs, and that the on-going communication between the two is vital, this limitation could become crucial as TEAs expand
their scope of operation and explore new and innovative management and service delivery techniques/programs.

A lack of expertise among member CEOs or corporate representatives is also crucial. Even though they are not involved in the day-to-day operation of commute programs, their role as the decision-makers for the TEA should not be underestimated. These individuals formulate the strategic decisions guiding the TEA, and any misconceptions or naïveté concerning key transportation issues might hinder the effectiveness and success of TEA efforts.

This possible trend toward growth and innovation in TEA activities might also be affected by the background of TEA staff. If staff members and executive directors continue to have backgrounds in ridesharing, a potential bias stemming from ridesharing allegiances might become a barrier to innovation and expansion of current and future TEAs.

Another barrier relating to the administration of TEAs and their programs is resource limitations. The resources discussed here are time, staffing, and support services (funding resources will be discussed in a separate section below). While TEA staff members are generally full-time, ETCs and corporate representatives usually are not. Member employers usually designate one or two individuals as ETCs on a part-time basis, and often support their activities with clerical help, materials, and/or computer time. The problems associated with this arrangement originate from this part-time status. If priorities shift within a firm, or within a particular department, support for TEA activities and employee transportation issues may be "put on a back burner". Even if the ETC is a full-time position, shifting
allocations of the support services needed to operate the program (e.g., computer time, graphic services, or clerical support) may severely hinder the effectiveness of the employee transportation program. Any possible shift in these support services may also have ramifications in the TEA itself, as in-kind services are a vital part of the association's resources.

An important consideration in resource allocation issues is the size of the different member employers. As discussed in Chapter Four, TEAs currently consist generally of firms with 500 or more employees, thus more easily enabling administrative time to be delegated for ETC tasks. However, only 20 percent of all employees work for organizations of that size. If TEAs form in employment centers consisting of smaller firms, the ability of those firms to commit staff and other resources may be more constrained. Even though one purpose of TEAs is to assist smaller firms and to perform tasks collectively that would otherwise be infeasible for individual employers, resource commitments on the part of member employers at this level (in terms of staff, time and support services) would become a potential barrier to TEA success. In addition, the relative level of expertise and backgrounds of both corporate officials as well as TEA staff can be a possible barrier to the accomplishment of TEA objectives.

6.2.3 Institutional Barriers

A third set of barriers possibly affecting the performance and effectiveness of TEAs is institutional or interorganizational in nature. These factors involve the presence of competing ridesharing organizations or overlapping service areas. Fundamentally, this may call into
question the existence of a given TEA. The realization, however, that different public and private agencies most often serve somewhat different purposes or different constituencies helps mitigate this issue. The fact remains, nonetheless, that TEAs often operate in locations partially or totally served by other organizations. With regard to El Segundo, the El Segundo Employment Center is served by Commuter Computer (discussed in Chapter Three) which has designated the Center as a major target area. While the ESEA claims its activities supplement those of Commuter Computer and provide follow-up assistance, a certain friction has developed between the two organizations. Similar adverse relationships have developed between elements of the City of El Segundo traffic engineering section, as well as elements of CalTrans, and the ESEA. Conversely, a good working relationship has been formed between planners of the Southern California Association of Governments (SCAG) and the ESEA. These alliances, overlapping jurisdictions, and adversarial relationships only serve to create territorial allegiances and can potentially become an important barrier to TEA effectiveness.

To cite another example, the political influence enjoyed by the Santa Clara County TEA has greatly enhanced its ability to become a strong transportation facilitator, yet has also served to create friction among certain competing organizations. On the private sector side, one reason for the formation of the Manufacturing Group was the perceived unresponsiveness and ineptitude of the local chambers of commerce. This has served to create animosity between some Downtown San Jose business interests and those of the major
corporate entities represented by the SCCMG. The Manufacturing Group has allied itself with the regional transit authority and third-party ridesharing agency to the exclusion of the regional MPO, the Metropolitan Transportation Commission (MTC). While the SCCMG worked with the MTC to implement the Commute Alternatives Program in Santa Clara County, an adversarial relationship has developed. MTC ridesharing planners feel the Manufacturing Group is often circumventing their authority and purpose of coordinating the transportation system of the entire Bay Area. The most current issue in this relationship relates to a California Ridesharing Legislation package, passed with the direct influence of the Manufacturing Group and some of its key corporate members. One bill, SB 320, provided substantial planning and development money for ridesharing efforts; funds that would be allocated to MPOs throughout California. According to MTC officials, the SCCMG contends they should receive part of this money for Manufacturing Group efforts; a position unacceptable to the Transportation Commission.

Another barrier associated with institutional arrangements is the fear of organized labor involvement. Just as health benefits are often a negotiated item under collective bargaining, employers fear commute benefits may also become negotiated, even beyond the time such benefits may be required to mitigate transportation problems. Such treatment of employee transportation benefits, as an item under collective bargaining, could lend a degree of inflexibility so as to negate the purpose of the incentives.
The above examples point to some of the potentially volatile relationships and competitive efforts that might hinder or negate the effectiveness of TEAs. Where employer associations are often formed due to the ineffectiveness of public agencies, this competition is sometimes warranted. The allegiances and adversarial relationships formed, however, can be a potent barrier to the success of the TEA, and thus the effectiveness of employee transportation services and resultant benefits.

6.2.4 Funding Barriers

A final type of barrier that might affect the future of TEAs as a viable actor in commutation-related issues is funding. Barriers related to funding fall into two categories: private sector funding arrangements and the possible infusion of public sector monies.

Private sector funding issues relate to the participation rate of corporate members. Effectiveness increases as membership in the association grows. This ability to strengthen membership (and therefore resources) may be linked to the ability of member corporate officials to exert some friendly "peer pressure" on other corporate executives in the service area. Another form of peer pressure may come from employees. Employees of a non-member firm may perceive their benefit package to be less comprehensive than that of a member firm offering transportation-related services in conjunction with a TEA. While these forms of peer pressure are contributing to the growth of TEA size in some cases, the ability to sustain
this growth and even retain membership on a long-term basis will be crucial to organizational survival. Corporate officials quickly learn that inducing activity in public agencies is a slow process and decision-making may be considerably more lethargic than in their own organizations. Employers will sustain funding levels if they perceive tangible benefits accruing from their participation. Thus, the survival of the TEA may be affected by its ability to sustain membership by providing tangible results and encouraging the above mentioned peer pressure. Given most TEAs are but one or two years old, such results may not yet be present and membership may still be growing. The next year or so, however, will be critical in assessing the success of TEAs and their ability to retain or expand membership and concurrent funding levels.

The potential infusion of public sector funding for TEAs may be seen as a short-term blessing, yet could serve as a barrier to the successful fulfillment of TEA goals and objectives. In the past six months, a variety of public agencies and government levels have become interested in the whole concept of public/private partnerships and TEAs in particular. The motivations for, and ramifications of, this involvement will be discussed in the next section. However, such interest is important as a possible barrier to TEA success. Specific public sector organizations, including the U.S. Department of Transportation, state DOTs, MPOs, and local transportation commissions, have all voiced their desire and/or willingness to provide 'seed money' to start TEAs or some form of employer cooperatives. The belief is that with an infusion of small amounts of
money (ranging from $5,000 to $100,000) TEAs can be formed, staffs hired, and employer involvement solicited. Thus, a ridesharing organization can be established with a one-time financial commitment on the part of the public sector agency. These government organizations could then provide technical and administrative assistance to the employer association formed.

The problem with such public sector involvement is the possibility of direct or indirect influence on the substance or purpose of the employer association. It would be naive to think such funding would be provided with little or no "strings attached." This influence may be self-fulfilling for the public agency and counter to the purpose of TEAs. In one case, a public agency was interested in establishing a TEA to strengthen a regional constituency for state spending on local transportation improvements. While it cannot be denied that such advocacy is generally one purpose of a TEA, it is defined as such by the membership, and not predetermined by the public sector.

Another example of public sector involvement was a state agency providing substantial seed money for the formation of a TEA in one region of the state. The implicit reason for such involvement was directly related to the very survival of the agency. The agency was competing with another state agency for authority over ridesharing efforts in the state. The successful implementation of the TEA was viewed as a maneuver to convince the state legislature to give the agency sole responsibility for state ridesharing activities. Such underlying motivations do not, in and of themselves, assure problems
for the proposed TEA, yet the potential for conflicting objectives is significant. This issue will become more clear in the next section concerning the set of misconceptions surrounding TEAs. As a final note, any degree of public sector funding or decision-making violates the definition of TEAs established in this study.

In sum, certain barriers exist, or potentially exist, that might limit the effectiveness of TEA programs and efforts. These barriers include: legal and regulatory impediments, administrative obstacles, institutional conflicts, and barriers related to private and public funding sources. Obviously, the significance of any one type of barrier will differ by location, size and age of the organization, and the political and economic environments. It should be reiterated, however, that many of the barriers cited above concern many of the same issues TEAs are formed to address, issues such as advocacy to the public sector, the needs of smaller employers, etc. As TEAs form and mature, these barriers and factors may well remain crucial to the effectiveness and overall health of the associations.

6.3 EXPECTATIONS AND MISCONCEPTIONS SURROUNDING TEAs

6.3.1 Foundations of the Problem

Possibly one of the most significant barriers facing the future growth and maturation of transportation-related employer associations is the set of misconceptions associated with TEAs. These misconceptions served as one of the main criticisms of many of the articles and published reports examined in Chapter Two. These problems involve
the expectations of what TEAs should be, rather than accepting what they could be. Such problems were revealed during the course of this research and stem from a variety of sources. As stated above, many of these misconceptions were disclosed in the literature reviewed earlier in this work. In addition, many of these misinterpretations, described in detail below, were revealed in the conversations, interviews and other interactions with both public and private actors involved with TEAs. While the interpretation of such misconceptions is subjective in nature, their presence can significantly affect the role TEAs play in urban transportation, especially as "public/private partnership" is being viewed more and more as a major means of solving transportation problems. Much of this problem is founded in the fact that TEAs are a relatively new concept. TEAs were unknown five years ago and their numbers are still quite small. This factor contributes to a certain amount of confusion and misconception on the part of those outside the associations who attempt to understand (and sometimes influence) these emerging organizations. The unsystematic, "word-of-mouth" approach to understanding TEAs only serves to exacerbate these expectations and confusions.

6.3.2 Public Sector Overexpectations

Most of the misconceptions with TEAs generally originate in public sector agencies. Many public sector officials, planners, and analysts view TEAs as a new avenue for enlisting support from the private sector, support in terms of both money and political influence. In an era of fiscal austerity and funding cutbacks,
private sector monies are seen as a major alternative financing source. Given TEAs are attuned to local transportation issues and already generating funds, they are viewed as a likely candidate for such a contribution.

Another reason for public sector interest in TEA activities is to strengthen advocacy efforts aimed at securing state or federal spending for local transportation projects or programs. Such an interest in TEAs is understandable given their success with such legislative activity (as discussed in the last chapter). The problem lies in incompatible or conflicting objectives held by the two types of organizations. The motivation for, or purpose of, such advocacy or direct spending may differ significantly between the TEA and the interested public agency. Obviously, coalitions have worked in the past, as witnessed by the California Ridesharing Legislation Advisory Committee, yet in many other cases, conflicting goals, philosophies and motivations have created forced relationships that have proved to be unworkable.

Much of this problem and ensuing confusion relates to the intended purpose of TEAs, a purpose which public agencies often assume to be greater than intended. Employer involvement in TEAs relates to the self-interest of the firms participating (i.e., a clear problem exists that somehow affects the ability of the firms to function at its normal operation). TEAs are localized, problem-oriented efforts, most often designed to address very current situations, such as local fuel shortages or parking shortage. Any involvement in the affairs of the larger community serves only to address those factors affecting the work site, for example, severe congestion on the region's highways which causes
increased employee tardiness. Only as TEAs become better understood, their activities and motivations more completely documented, and most of all, their purpose accepted for what it is, can true collaboration exist.

Another crucial misconception concerns the public sector's fear of competition. Many transportation-related planning agencies, municipal departments, and even service providers, perceive TEAs as competition. This misconception seems to be greatest within agencies that know the least about these associations. It is true TEAs often assume planning, technical assistance, and service delivery functions, yet these tasks are in response to a perceived lack of similar functions performed by the public sector. Employers would not allocate thousands of dollars and considerable resources to TEA membership if the problems were being solved by the public sector. Often these localized problems can better be solved on-site, by those directly impacted. Any competition or duplication of services is intended to supplement or complement existing services, not to substitute or undermine public sector efforts.

6.3.3 Private Sector Misconceptions

While much of the misconception problem lies with the public sector, elements within the private sector have also served to aggravate the issue. Many corporate officials do perceive public sector agencies as inept and unresponsive to their needs. Albeit most of these individuals view the solution as mutual self-help in conjunction with public sector cooperation, some retain a myopic "us/them" perception of the urban transportation environment. This perception fosters attitudes of TEA
autonomy and serves to create a relationship with the public sector of persuasion and inducement, and not collaboration. In such a case, the TEA simply becomes another special interest, attempting to persuade the public sector into achieving something, e.g., funding some project, or providing some service directly related to the self-interest of individual employers.

Other private sector interests also possess specific misconceptions about TEAs. As mentioned earlier, local chambers of commerce and TEAs sometimes exhibit adversarial relationships. From the TEAs' perspective, local chambers do not always represent the interest of larger, new industrial firms. Even some areas that do have regional chambers (often termed "greater area" or "association of commerce and industry") have witnessed the formation of TEAs or at least the consideration of such an entity. Conversely, from the chambers' point of view, they are often capable of assuming the functions and objectives currently being performed by TEAs. As stated in Chapter Three, approximately 80 percent of chambers surveyed as part of this research effort, possessed one or more standing committees dealing solely with transportation issues. In one case (Louisville), the chamber was contracted to provide many of the same services provided by TEAs. In addition, chambers of commerce are existing organizations with a membership established, a fee scheme in place, and a network of private sector contacts already functioning.

Another case of overexpectations is exhibited by private interests that view the creation of a TEA as an avenue to achieve self-serving objectives. In this case, a TEA might be formed by a developer or
management firm, before any true commitment is realized from the affected employers. Such assumptions as to the willingness of employers to become involved can be an invitation to failure. This case is clearly illustrated by the Newport Center Association (presented in the last chapter). This TEA was formed by the Irvine Company to foster ridesharing at a site being expanded by this developer. Commitment from the affected CEOs was not forthcoming, and thus public agency and citizen group opposition easily quelled the development plans. Without top management commitment and on-going participation by the Center's employers and tenants, and without the ensuing dynamics of corporate and employee peer pressure, the Association was destined to fail.

6.3.4 The Research Community and its Contribution to Misconceptions

One final group that may have served to accentuate many of the misconceptions and overexpectations outlined above is the research community. In the past year or two, TEAs and public/private cooperation has been an ever increasing subject of research and professional discourse. Unfortunately, much of this discussion and subsequent articles and presentations have served to paint a confusing picture as to what TEAs are, what functions they perform, and especially their purpose. Staff from many of the associations identified in this study have been involved in this research process and relevant discussion forums. This is helping foster the understanding so sorely needed to dispel many of the myths surrounding TEAs. Many other researchers (and transportation practitioners), however, are
adding to the confusion by presenting differing definitions and descriptions of what TEAs are, and especially expounding opinions as to what TEAs should be or should do.

Generally, the problem is one of classification. Different researchers classify different organizations as TEA-type entities. Whereas, for the purpose of this study, TEAs are quite narrowly defined, other definitions have been forwarded to include most third-party ridesharing agencies. Past discussions have included the Stamford and Hartford ridesharing agencies, as well as Los Angeles' Commuter Computer, as TEA-type organizations. These discussions extol the private sector nature of these non-profit efforts even though funding for the agencies is provided primarily by the respective state DOTs. These ridesharing agencies, and many others classified in the same category as TEAs, serve a different purpose. They generally provide areawide matching and employer assistance, not just inclusive of the members of their boards of directors.

Thus, as a single definition of TEAs has not yet emerged, information about these organizations seems confusing and sometimes even contradictory. In addition, this research and subsequent discussion is taking place primarily among individuals from public agencies. In one sense, then, the TEA concept is being discussed in the wrong circles. These discussion forums are not the most appropriate to the purpose of TEAs; a collective effort among employers, developers and other private sector interests. The benefits and successes of TEAs need to be extolled to the employers and developers currently facing the problems and situations being addressed by the present set of TEAs.
This is not to say such discussion as currently exists is totally counter to TEA development. Discourse among transportation planners, organizational analysts, and management experts may serve to identify the barriers that potentially exist for TEAs, and to suggest organizational improvement, and even to foster cooperation with key public sector agencies and individuals. Given the current set of misconceptions and overexpectations, however, such discourse may only attempt to influence TEAs in ways counter to their intended or actual purpose.

One additional problem related to the current forum of discussion surrounding TEAs is the emphasis on ridesharing. This fact is not surprising as most of the current staff of TEAs have backgrounds in ridesharing, and given that the current focus of association efforts is primarily ridesharing issues. If, however, TEAs move toward more comprehensive and far-reaching transportation issues and service innovations (as many plan to do), this ridesharing bias may become a barrier to such activities. One other effect this bias may have, might be termed "underexpectation". If TEAs are narrowly classified within the ridesharing field, other private sector elements or employer groups interested in different or more comprehensive issues (such as land use) may not realize the potential benefits of forming a TEA.

One serious barrier to the effectiveness and growth of the TEA concept is the current set of misinformed expectations and confused interpretations. These misconceptions involve both the public and private sectors, as well as the research community currently attempting
to describe and classify this new organizational phenomenon. It should be stated that most of these misinterpretations are not meant to undermine the effectiveness of TEAs, but rather are caused simply by a lack of understanding and appreciation of TEAs *qua* TEAs. The possible exception to these unintentional misconceptions is the desire, on the part of some public sector agencies, to co-opt the support of TEAs to serve self-fulfilling objectives. Some of the misconceptions on the part of the public sector are partially due to confusing signals sent by TEA members. Many company executives cite the 'corporate image' benefit of their involvement in employee transportation issues. Some firms extol their involvement as contributing to the general 'quality of life' of the region or local area they operate within. This interest in more altruistic objectives (other than those directly related to employee commutation) are often misinterpreted by public agencies as a genuine interest in all transportation issues facing an urban area. This is not to say TEAs have no stake in the entire transportation system, but that any misunderstanding as to the actual intent and motivation of TEAs might create more confusion and even resentment as the cooperation desired by the public sector is either not forthcoming or at least not in the same terms as those held by public interests.

The key to fostering a clearer understanding of TEAs, and thus dispelling many of the misconceptions surrounding these organizations, involves understanding the underlying motivations of employer involvement. Some of these motivations may be unfamiliar to traditional transportation planning and service delivery agencies. This unfamiliarity is
partially due to the fact that TEA motivations are founded in the collective self-interest of participating employers, with areawide benefits being secondary. As stated above, this motivation is deeply rooted in solutions to localized, site-specific problems. Often, these problems can only be solved in this narrow context. The ability of public sector organizations and the research community to appreciate the objectives of these private sector efforts will be a crucial determinant as to the extent of future cooperation and collaboration.

6.4 OVERALL IMPLICATIONS OF TEAs

Transportation-related employer associations have become important actors in the overall transportation planning and policy-making arena of the regions in which they operate. The implications of TEAs for the affected employees have already been outlined elsewhere in this study, as have the multiplicative benefits of TEA activities to other, unaffiliated commuters. The TEAs, however, could potentially have additional affects on the transportation systems of the region involved. These implications are due to several current and potential roles being assumed by TEAs.

The first such role involves other employers and developers in the specific region. TEAs often serve to convince the entire business community as to the importance of a viable urban transportation system, and the value of such a system to the economic health of the entire region. Constricted mobility can seriously place limitations on the labor pool available to employers. Severe congestion can hamper an
employer's productivity as tardiness becomes potentially widespread. A weak transportation system can have additional effects on the employer's ability to recruit and retain competent employees. This may also affect a developer's ability to lease or occupy new or expanded development. As the region's business community becomes more aware of these issues, and witnesses the commitment on the part of member employers, cooperation with public sector transportation agencies could potentially be fostered. It should be remembered, however, that TEAs are currently being formed in regions exhibiting healthy economic growth, and that it is usually the largest firms in an area (often corporate headquarters) that are becoming involved. The transferability of the TEA concept to other, less economically healthy areas, is unclear. These firms often cannot dedicate resources to something as innovative as employee transportation services. The issue of the economic health and the success of TEAs will only be solved over time, and by the degree of adaptability of the TEA concept.

A second role that TEAs are undertaking concerns their relative influence within transportation planning and policy-making. Some TEAs are currently assuming *de facto* responsibility for many of the services, planning, and coordination functions previously undertaken by public sector agencies. Thus, while statutory responsibility may rest with third-party ridesharing organizations, MPOs, public transit operators, and municipal traffic engineering departments, many functions are actually being performed by the TEAs. Cooperation then becomes a means to action-oriented ends. With regard to the El Segundo association, this *de facto* responsibility has taken the form of several planning efforts
related to transit service improvements, ridesharing coordination, and even the proposed implementation of a light rail line. In the Santa Clara County case, rather than the role of 'doer', the SCCMG is becoming the key coordinator or 'facilitator' of transportation activity in the region. While this role is primarily the responsibility of the MPO, the political clout enjoyed by the Manufacturing Group is strengthening their influence and even control over many of the transportation issues facing the County. This powerful role, being assumed by many of the TEAs identified here, potentially could result in the increased effectiveness of the entire urban transportation system. The fear of such influence lies in the possible circumvention and/or disruption of traditional institutional arrangements. These traditional arrangements may be well-entrenched, and exhibit a strong sense of territorialism. As revealed by the ESEA, a real fear exists of pushing certain agencies too hard or tampering too much with well established institutional allegiances. This role of active intervention and responsibility could thus 'backfire' and lead to the eventual failure of a TEA, by alienating itself from other organizations, and thereby excluding the possibility of meaningful collaboration.

The final far-reaching role being assumed by TEAs relates to their advocacy efforts and the legislative lobbying activity discussed in the previous chapter. TEAs are becoming a new, powerful lobby in state and regional level transportation issues. These areas include increased public spending for transportation infrastructure and services, regulatory reform concerning commutation issues, and even specific transportation projects, programs, and demonstration monies. TEAs are able
to utilize the political influence of key members to forward these concerns and desires. The implications of these advocacy and lobbying efforts have serious ramifications for state and regional decision-makers. The ability of these decision-makers to trade-off the interests of TEAs against the wide range of demands placed upon them will be crucial to the equitable allocation of transportation resources. TEAs may be able to secure funding or projects for their constituency to the exclusion of greater needs in other urban areas or other issues areas. A TEA could be an important actor in providing input to help assess the overall needs of a region, yet its influence could go beyond that level. The key to these decisions and priorities, again lies in understanding employer associations, their functions and motivations. It should be noted, however, that such lobbying and legislative influence may serve to improve the overall mobility and access for an urban area, and not simply satisfy the narrow interests of individual employers.

In sum, TEAs are assuming roles and *de facto* responsibilities that may supersede their intended purpose and have significant implications for the entire urban transportation planning and policy-making process. This is not to say these roles and responsibilities are necessarily counterproductive to the overall objectives and programs as set by public agencies and transportation-related organizations. The key to assuring the coordination necessary to foster common goals objectives is the need for interactive cooperation between the two sectors, not reactive mistrust and misinterpretation.
The future of TEAs depends on several of the factors outlined in this chapter. The first is addressing the set of barriers facing the effectiveness of TEA efforts. A second concerns dispelling many of the misconceptions and overexpectations on the part of those outside the organizations attempting to understand or influence these associations. Through such understanding, as established by this and future examinations of TEAs, employee commutation services may become an integral part of the overall transportation scheme of those areas exhibiting related problems. This understanding, in and of itself, is not the sole prerequisite to TEA success. Many other factors will contribute to their effectiveness, including the future energy situation, changing economic conditions, as well as those efforts by public agencies aimed at encouraging or discouraging TEAs.

6.5 AREAS FOR FUTURE RESEARCH

The exploratory nature of this study necessitates further research and monitoring activities. Future research should be geared toward further documenting the efforts of current and future TEAs. Given that TEAs are a relatively new phenomenon, a comprehensive analysis as to the results of these efforts is currently infeasible. Future research should examine the results of TEA activities in terms of dollar and energy resource savings afforded to member employers, their employees, and to unaffiliated commuters. By quantifying these results, an analysis can be performed to determine the cost effectiveness of TEAs as compared to other organizational arrangements. In addition, changing
objectives, budgets, and functions should be monitored, to help obviate further misconceptions that might ensue. The degree to which the barriers discussed above are being overcome or becoming insignificant should be traced.

These barriers may have an impact on new and changing forms of TEAs and influence the rate at which new TEAs are formed. Another important factor to be monitored is the institutionalization of commute services in the overall employee benefit package. While individual employers have direct control over this issue, the influence of TEAs should not be overlooked.

Finally, the evolving role of developers in commutation issues should be followed. As developers increasingly implement ridesharing programs for tenants and spend millions of dollars on infrastructure improvements, the significance of their actions and influences become of greater importance. Additionally, the interaction of developers and the public sector agencies attempting to regulate their activity will be of paramount concern to the future of public/private cooperation.

TEAs are new and influential actors in the transportation affairs of the regions they are located within. Future TEAs potentially could affect a growing number of regions and even assume an expanding role in both commutation-related issues as well as more extensive transportation planning and service delivery processes. TEAs are not a panacea for all transportation ills, but through an improved understanding of this new organizational phenomenon, true cooperation and coordination with the public sector may enable all parties involved to benefit from their existence.
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Chapter Two


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Chapter Three


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22. Conversation with Candice Carlson, Program Coordinator, Seattle/King County Commuter Pool, July, 1982.


Chapter Four


Chapter Five


2. Conversation with Donald Torluemke (Executive Director) and Robert Blanche (Transportation Planner), El Segundo Employers Association, April 9, 1982.


11. Presentation by Rod Diridon, Chairperson, Transit District Board of Supervisors, County of Santa Clara, at the Mass Transit Show and Conference, Los Angeles, California, April 8, 1982.

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INTERVIEW SUBJECTS

Robert Atkins: New Jersey Department of Transportation, Office of Ridesharing, Trenton, NJ

Susan Bachman: Metropolitan Transportation Commission, Commute Alternatives Program, San Francisco, CA

Robert Blanche: El Segundo Employers Association, El Segundo, CA

Charity Crawford: Newport Center Association, Centeride Program, Newport Beach, CA

Edie Dorosin: Santa Clara County Manufacturing Group, San Jose, CA

Frank Harris: RIDES for Bay Area Commuters, Inc., San Francisco, CA

Roger Moog: Delaware Valley Regional Planning Commission, Philadelphia, PA

Donald Torluemke: El Segundo Employers Association, El Segundo, CA

David Wade: South Placer Policy Committee, Auburn, CA