A Strategic Direction establishes an agency’s focus through well-defined goals and objectives, enabling assessment of the agency’s progress toward meeting goals by specifying a set of aligned performance measures. The Strategic Direction is the foundation upon which all transportation performance management rests.

**What it Takes**

For a strategic direction to become engrained in the agency culture and embraced by external stakeholders, it should be grounded on four major building blocks:

- Performance information,
- Internal buy-in,
- External buy-in, and
- Continuous messaging of goals.

Performance information ensures selected goals, objectives and measures focus an agency’s policy and investment decisions on the appropriate performance areas. In other words, what key area(s) does current performance data and future projections suggest an agency should focus on?

Internal buy-in ensures individual staff can see the connection between their daily activities and progress toward agency goals.

External buy-in ensures agency goals align with regional priorities and are relatable to the public.

Continuous messaging of goals in internal and external communications and in regular business activities cements the strategic direction at an agency.

**Implementation Steps**

The Strategic Direction is broken down into two complementary subcomponents, each with its own implementation steps:

- **Goals and Objectives**: Goals are broad statements articulating a desired end state that provide strategic direction for an agency. Objectives are specific, measurable statements that support achievement of a goal.
- **Performance Measures**: Measures are used to establish targets and assess progress toward achieving established targets. They should be manageable and sustainable, and based on collaboration with partners. Measures provide an effective basis for evaluating strategies for performance improvement.

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<thead>
<tr>
<th>Goals and Objectives</th>
<th>Performance Measures</th>
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<td>1.1.1 Understand the performance context to create a vision</td>
<td>1.2.1 Inventory data, tools, and performance reports</td>
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<td>1.1.2 Build inclusive internal process to develop goals and objectives</td>
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<td>1.1.3 Engage external stakeholders to refine goals and objectives</td>
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<td>1.1.4 Evaluate and finalize goals and objectives</td>
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<td>1.1.5 Document the process</td>
<td>1.2.5 Document the process and measure details</td>
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**Making the Connection**

The Strategic Direction (Component 01) establishes the strategic focus for an agency and lays the foundation for tracking progress toward goals by specifying performance measures. Goals and objectives guide Planning (Component 03) and Programming (Component 04) while performance measures enable Monitoring & Adjustment (Component 05) of agency strategies. The Strategic Direction is the language used for Reporting and Communication (Component 06).

**The Strategic Direction and the TPM Framework**

For more information on the Strategic Direction and the other components of the TPM Framework visit: [www.tpmtools.org](http://www.tpmtools.org)
Case Study: Implementation Step 1.1.5

Virginia VTrans 2035 Update

The update to VTrans 2035 seeks to link projects to VTrans Goals by describing how goals will permeate through the later planning and programming processes. As measurable statements, Investment Priorities are analogous to Objectives. In each cycle, Investment Priorities are rated based on performance measures (which indicate need) and cost-effectiveness. Investment Strategies are key tactics that modal agencies can implement through plans and programs to achieve Investment Priorities and therefore drive attainment of Goals. Specific projects from state and regional plans are linked to Goals through the succession of Investment Priorities and Investment Strategies. The diagram below shows how the VTrans2035 LRTP documents how Goals impact the planning and programming processes.

The VTrans 2035 Update includes the following:

“Agency processes such as needs evaluations, performance rating, and project prioritization can be shaped in terms that relate directly to VTrans. This consistency...promotes the alignment among policies, plans, and funding programs that is necessary to gauge accurately the effects of transportation decisions on system performance.”

Perspectives

“Agency goals should be the steady drumbeat that inspires action—goals should be ingrained in the subconscious of workers so they live the performance management culture.”

— Moving from Reactive to Strategic Decision Making, TR News 293 July-August 2014

“Why do we look at performance information? We are investing money in our transportation system and want to know what we get for it. Performance measures let us understand the relationship between investments and results.”

— Camelia Ravanbakht, Hampton Roads Transportation Planning Organization

“Bay Area LRTPs have expanded beyond traditional goals like system preservation to now more fully reflect the priorities of our region’s residents. Understanding how the Plan addresses key issues like healthy communities and equitable access is critical in an era of integrated planning.”

— Dave Vautin, Metropolitan Transportation Commission

Connect Online to Learn More

Visit the TPM Toolbox online to learn more about the Strategic Direction and to take your own TPM Capability Maturity Self-Assessment: www.tpmtools.org