Performance-Based Planning is the use of agency goals and objectives and performance trends to drive development of strategies and priorities in the long-range transportation plan and other performance-based plans and processes. The resulting planning documents become the blueprint for how an agency intends to achieve its desired performance outcomes.

**What it Takes**

The planning process provides a forum to discuss, both internally and externally, how to translate the strategic direction into actions on the ground. For each strategic goal, agencies examine performance trends to identify focus areas, derive strategies to address performance challenges and/or maintain existing results, and analyze alternative scenarios. Ensuing tradeoff discussions determine which strategies will be pursued and become concrete projects during programming.

Performance-based planning is grounded in:

- **Data and measures**
- **Stakeholder input**
- **Policy considerations**
- **Sharing information**

Data and measures drive the development of strategies by providing an understanding of performance trends and influencing factors. **Stakeholder involvement** is essential to reflect external priorities. Identified strategies must reflect the **policies and procedures** of local, state, and federal partners. **Cross silo understanding** leads to effective tradeoff discussions and analysis.

**Implementation Steps**

Performance-based planning is broken down into two complementary subcomponents:

- **Strategy Identification**: The development of a range of strategies for achieving desired outcomes through the use of available baseline data trends, forecasting tools, economic analysis tools, and management systems.
- **Investment Prioritization**: The evaluation of tradeoffs across alternative investment scenarios based on consideration and comparison of their impacts on performance targets and goals.

Each subcomponent has its own set of implementation steps.

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**Making the Connection**

**Performance-Based Planning** (Component 03) builds on the goals and objectives in the Strategic Direction (Component 01) and performance targets established in Target Setting (Component 02). The Performance-Based Planning process determines how strategic goals translate into agency strategies and priorities that will improve performance, setting the stage for project selection and resource allocation in Performance-Based Programming (Component 04).

**Performance-Based Planning and the TPM Framework**

For more information on performance-based planning and the other components of the TPM Framework visit: www.tpmtools.org
Case Study: Implementation Step 3.2.2

Developing scenarios to evaluate strategies: MnDOT

Minnesota DOT developed three scenarios in their recent Strategic Highway Investment Plan (MnSHIP). During this stage of the planning process, MnDOT developed scenarios to understand the investments needed to meet its performance targets. The agency created a range of performance level options within each investment area. These were clearly illustrated to stakeholders in order to guide the discussion on tradeoffs required in each combination of performance levels and investment levels.

The development and discussion of these scenarios showed the public and other stakeholders what the tradeoffs were within the funding constraints. Funding levels raised in one area must naturally fall in another, revealing how meeting local demands would cause the agency to fall out of federal guidelines in another.

The result of MnDOT’s scenario planning efforts includes an updated approach on a 20 year plan, with an emphasis on risk. The plan splits priorities between two ten-year periods, rather than embrace one set of priorities for the full 20 years, acknowledging the need to respond to governmental requirements and adjust existing priorities and assumptions. This balanced approach allows MnDOT the ability to make progress in all investments in the short-term, while continuing to focus on existing infrastructure for the longer term.

Evaluating Investment Approaches: MnDOT

Perspectives

“Prioritizing investments across new construction, operational improvements, and modes will promote a more cost-effective and sustainable transportation system. The contribution of transportation investments to achieving overall statewide, regional, and local goals should be demonstrated.”

— NCHRP Report 798: The Role of Planning in a 21st Century State DOT—Supporting Decisionmaking

“Performance information is never intended to make the decisions; rather this information is intended to inform the decision makers so the process is more focused on performance outcomes.”

— David Lee, Florida DOT

“Planning provides a State DOT with the skills to define a consensus-based, collaborative, long-term vision for transportation reflecting the perspectives of both internal [staff] and external stakeholders.”

— NCHRP Report 798: The Role of Planning in a 21st Century State DOT—Supporting Decisionmaking

Connect Online to Learn More

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