



Public transportation workforce operating model for the future

Empowering your workforce with
enhanced technology and automation

January 2024



Building a better
working world



Introduction

The public transportation sector provides one of the most important services for the nation's residents that connects society, supports businesses and provides freedom of travel. The challenges within the public transportation sector, particularly concerning the workforce, are widely acknowledged. With a workforce that is expanding and consistently tasked to achieve more with fewer resources, the Federal Transit Administration (FTA) has introduced new initiatives and grants to support transit agencies, while U.S. Department of Transportation (USDOT) is participating in the enactment of the Infrastructure Investment and Jobs Act (IIJA), signed in 2021, allocating over \$650 billion to the transportation sector alone. It is reported by the American Public Transportation Association (APTA) that "Ninety-six percent of [public transportation] agencies surveyed reported experiencing a workforce shortage, 84 percent of which said the shortage is affecting their ability to provide service." **So how do organizations navigate this shortage, with the presenting immediate need, while balancing a long-term, "future-proof" workforce strategy development?** Per APTA, public transportation is a \$79 billion industry, employing 430,000 people across 6,800 organizations nationwide, and growing steadily. In fact, the public transportation sector is crucial to the national economy. Its health and growth carry significant economic and social effects, and it is in the best interest for the country and its residents to nurture this sector and support operational efficiencies and continuous improvement.

This white paper introduces concepts and suggested remedies using accessible grants to meet the demands set forth by the FTA. It extends beyond addressing immediate concerns like recruitment and retention, emphasizing the importance of organizations strategically redesigning their operating models to achieve greater efficiency with limited resources and harness a future-proof operating model that leads to true workforce sustainability.

In the context of this paper, an operating model is depicted as a visual or abstract portrayal of an organization's functioning, showcasing the effective collaboration among its departments and a transparent depiction of the process flow that ultimately delivers value to clients.

Our experience with and research into the workforce and the public transportation sector yield significant findings. First, the sector lacks modern technology, innovation, a future-proof adjusted operating model and an active pipeline of new employees. This deficiency reflects a lack of prospective workforce interest or awareness of the diverse range of jobs available in public transportation. While the sector has not remained entirely static, its progression appears to be slower when compared to the evolving technological implementation in other industries. Although there have been efforts to introduce modern technology, a continuous, forward-thinking strategy is essential to engage and attract top talent as well as continue to service transportation customers.

The time has come to redefine the public transportation sector's image incorporating new tools and introducing a new operating model. This approach aims to bolster growth, alleviate agencies from overwhelming pressure, empower their workforce and enhance the employer brand.

Integrate powerful technology to unlock your workforce's untapped potential

To make public transportation more efficient and improve working conditions, it should be considered whether to incorporate artificial intelligence (AI) and other available tools and technologies into the operating model. The reason for a forward-thinking operating model is simple: Current operating models in the public transportation sector were built during the settings and workforce conditions that have since changed drastically. Further accelerated by the COVID-19 pandemic, the current operating model simply does not account for the powerful technology that is available and can enhance and augment the workforce's potential.

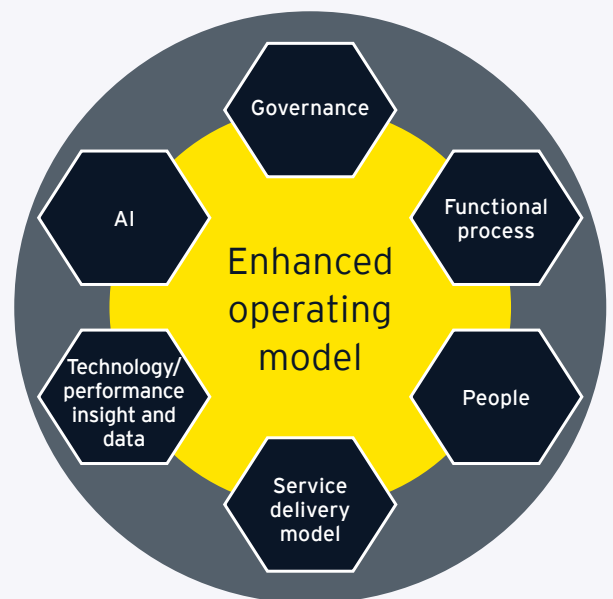
The current operating model simply does not account for the powerful technology that is available and can enhance and augment the workforce's potential.

We also understand that the competition for talent is constantly evolving, and public sector agencies must continue to stay ahead of the competition and design a workplace that attracts top talent. Keeping humans at the center remains paramount, since the workforce will continue to drive forward an organization's business agenda. But enhanced automation, infused delivery optimization and adaptable function processes are also needed to meet the demands of the growing transit interconnectivity.

AI has demonstrated its effectiveness in bolstering transportation services across various facets, including safety components, sustainability initiatives, customer experience, asset management and workforce enablement. By synthesizing input data, offering suggestions, generating models and executing actions based on predefined conditions, AI proves to be a versatile and powerful tool for supporting the workforce. Transportation agencies can strategically leverage automation and enhance operating models to target their specific workforce needs and bridge existing gaps at their core.

Technology is only as effective as the accuracy and the amount of data it receives; therefore, it is imperative that the first step in AI implementation is data gathering and input. There may not be concrete limits on AI capabilities, however, a focused approach, and appropriate change management are required to successfully implement new capabilities along with workforce buy-in and development. Next, transportation agencies need to carefully select areas of AI implementation based on their specific needs. Whether it is schedule optimization, route planning, predictive maintenance cadence, enhanced accessibility or fleet capacity utilization, a tailored approach is needed along with the plan to prepare the workforce for the changes. **The improvements implemented in the operating model address certain recruitment and hiring challenges, presenting a fresh perspective on a commonly encountered issue.**

The below outlines considerations for a future-proof operating model that allows transportation organizations to do more with less.



Public sector workforce transportation operating model for the future



Empower your workforce to embrace innovation, automation and efficiency

In times where the public transportation workforce is challenged to do more with less, we discussed how technology and tools such as AI can augment and support your existing operating model and not discourage or complicate it. It is important to empower your workforce to leverage these technologies and tools to enhance their day-to-day work, which will ultimately create a

positive experience for employees and in turn a positive experience for public transportation customers. To unlock the potential of these technologies and tools (such as AI), your transportation organization should consider adopting a people-centered perspective to an increasingly more digital world of work.

Define clear objectives for the future-proof operating model:

Include clear objectives to uplift and empower your workforce.

Invest in training and development to support employees in the new operating model: Train employees and provide them with resources that will arm them with success.

Encourage continuous learning and reward innovation and forward thinking: Invest in employee's growth for the long run.

Create a supportive culture that embraces all in the future-proof operating model:

Cultivate a supportive culture that enables employees to engage with the new operating model.

Gather employee feedback on change and transition: A proactive approach that strengthens employee engagement.

Monitor and adjust to support success of the future-proof model: Allow for continuous improvement and alignment with strategic goals.

Define clear objectives for the future-proof operating model

The new operating model enhanced by automation should include clear objectives to uplift and empower your workforce.



Some questions to help define these objectives might be:

- ▶ What are the key goals of the new operating model?
- ▶ How does the new operating model align with the organization's mission and values?
- ▶ What skills or competencies are critical for employees to succeed in the new operating model?
- ▶ How will the new operating model enhance the day-to-day of the current workforce?
- ▶ How will the new operating model enhance customer experience?

Invest in training and development to support employees in the new operating model

New ways of doing things, albeit better, are a change to the status quo. The best way to encourage adoption is to train employees and provide them with resources that will arm them with success in a new way of working. Below are some examples of investments to make in training and development in the new operating model:

- ▶ Provide basic knowledge
- ▶ Conduct hands-on training
- ▶ Develop and share resources and guides
- ▶ Clearly outline new process flows

A new operating model and new tools and technologies will require special consideration when it comes to training and development for your workforce.

As a best practice, training and development should be:

- ▶ Practical, given the work environment of many transportation sector employees (many are busy, some are not desk workers)
- ▶ Repeatable, because not all employees learn in the same way
- ▶ Reusable, so employees have something to refer back to again and again to reinforce the core learning objectives

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Encourage continuous learning and reward innovation and forward thinking

Learning isn't a one-and-done deal – it's a continuous journey. It's about keeping employees' skills sharp, encouraging them to stay adaptable and stay engaged.

This ongoing commitment to learning not only enriches organizations but also plays a vital role in the growth and competitiveness of the organization in the new operating model. As the organization looks ahead, where technology and tools are always evolving, supporting development of employees becomes even more crucial. It's not just about one-time experiences; it's about investing in employee's growth for the long run.

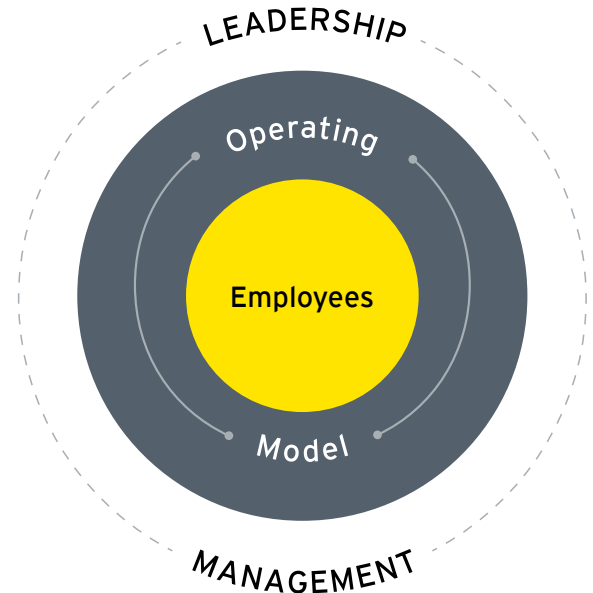


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Create a supportive culture that embraces all in the future-proof operating model

As previously noted, tools and technologies in the new operating model, like AI, are not intended to demoralize the workforce or induce anxiety.

Instead, organizations should cultivate a supportive culture that enables employees to engage with the new operating model in a fair and nurturing manner. While certain roles may embrace the new model more extensively, it is essential to provide equal access to resources and processes that enhance the workforce's capabilities to perform their tasks and cater to customer needs. The foundation of a supportive culture lies with management and leadership, paving the way forward in the new operating model with enthusiasm for the opportunities it brings.



Gather employee feedback on change and transition

Gathering employee feedback in the new operating model is a proactive approach that not only identifies areas for improvement but also strengthens employee engagement, promotes innovation, and supports the overall success of the organization in adapting to and thriving in the evolving work environment.



Some ways to collect feedback include:

- Surveys
- Focus groups
- Regular check-in with mid-level management
- Online rolling feedback platform

Monitor and adjust to support success of the future-proof model

By combining vigilant monitoring with a proactive and flexible approach to adjustments, organizations can navigate the complexities of a new operating model successfully.

This iterative process allows for continuous improvement, so the organization remains agile, responsive and aligned with its strategic goals.

We know that enhancing workforce sustainability not only boosts overall effectiveness but also facilitates the development of a resilient and adaptable workforce, crucial for navigating the rapidly evolving landscape of the transportation industry. By embracing the above steps and the enhanced operating model, public transportation organizations can elevate their teams, enabling them to thrive and establish a more sustainable workforce. This not only enhances effectiveness but also supports a staff that possesses resilience and adaptability, essential traits for navigating the rapidly evolving landscape of the transportation industry.

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Improving customer experience, meeting the demand for tech-friendly interaction

Enhancing the operating model and empowering the workforce can bring about intended benefits for the industry. This sector is uniquely poised to benefit from an enhanced operating model and has long been taxed with challenges that could benefit from an enhanced operating model, such as:

- ▶ Pressure to increase ridership to pre-pandemic levels
- ▶ A variety of competing priorities (such as infrastructure maintenance and development, adopting sustainable practices, implementing technological advancements, maintaining regulatory compliance, and addressing evolving customer expectations)
- ▶ Labor shortages impacting many roles, especially front line workers
- ▶ Mass industry retirement associated with the Silver Tsunami
- ▶ Diverse workforce population to support with a variety of skill sets
- ▶ Public reliance on the use of its services

To answer for those challenges, enhancing the operating model and empowering the workforce could impact the customer experience and business outcomes in the following ways:

- ▶ Optimized scheduling
- ▶ Improved safety
- ▶ Enhanced customer support
- ▶ Proactive issue resolution
- ▶ Improved sustainability
- ▶ IT efficiencies such as asset management
- ▶ Increased revenue
- ▶ Improved employee experience (Gartner reports, "Organizations with largely satisfied employees are 48% more likely to achieve customer satisfaction goals, 89% more likely to achieve innovation goals, and 56% more likely to achieve reputation goals.")



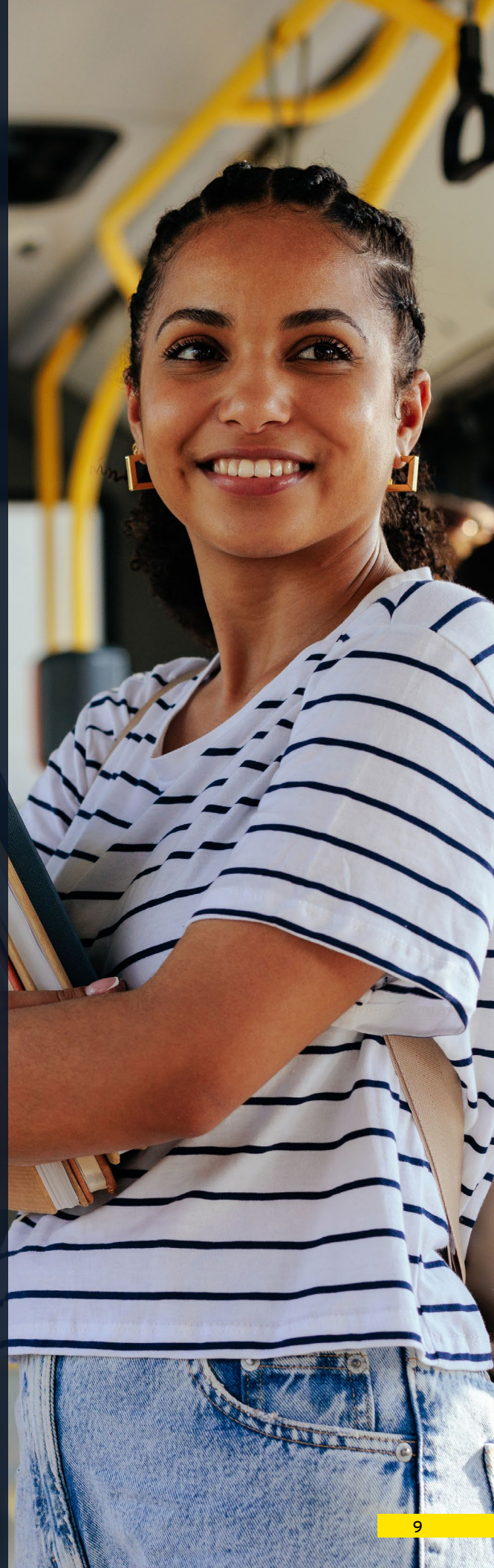
Conclusion

Enhancing the operating model and enabling and empowering the workforce to use AI in transportation can enhance services, making them more efficient, transparent and customer-focused, ultimately improving the overall customer experience.

We truly believe that public transportation agencies nationwide have a special opportunity to tune into the evolving needs of both passengers and the workforce.

We get the challenges of constantly trying to do more with less, especially in the realm of transportation, and we see a solution that goes beyond the surface. Leaders in public transportation who take to heart the insights shared in this article are not just keeping pace; they're staying a step ahead. It's about operating in a way that's more about anticipating needs than reacting to them. So here's to a more proactive and people-centric approach that not only meets expectations but exceeds them, shaping the future of excellence in the industry.

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Our team helps the federal, state and local governments and higher education entities create holistic strategies designed to meet the demands of the future working world.

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