



ON TRACK TO SHARED SUCCESS

**Five capabilities
to accelerate
responsible public
transit of the future**

Stakeholder responsibility has always been paramount in public transit, but never more so than now.

We recently undertook research on responsible business,* grounded in the views of 35 senior decision makers and thought leaders across major global public transit operators and authorities.

* Where decision making is guided by balancing the long-term interests of all stakeholders in order to build resilience and stakeholder trust. Specifically, this involves seeking to minimize negative consequences and maximize positive consequences related to products, services, content for consumers, employees, investors, suppliers, innovation partners, and civil society.

As we finalized our research, COVID-19 spread around the globe, reinforcing the importance of responsible business in transit. ([Read our COVID-19 findings for public transit.](#)) Since then, passenger and employee safety, for instance, have taken on new meaning, with operators putting protective measures in place to prevent the spread of infection.

How can public transit operators and agencies survive and thrive in this radically changed landscape? They need to redefine what responsibility signifies for them and their stakeholders—customers, employees, regulators, suppliers, partners and investors. This involves looking holistically at their operational agility, individual users, the environment and society. (See Figure1.)

FIGURE 1. Evaluating responsibility for public transit operators/agencies across four dimensions



Responsible business priorities, barriers and breakthroughs

The 35 senior executives interviewed shared their top priorities and barriers for responsible business as well as what might help them clear any hurdles. They voiced the following responsible business priorities for the future:



PROVIDE SAFE, RELIABLE AND ON-TIME TRANSPORT SERVICES TO COMMUTERS



REDUCE NEGATIVE ENVIRONMENTAL IMPACTS OF OPERATIONS AND PRODUCTS/SERVICES



PROVIDE ACCESSIBLE SERVICES TO THE ELDERLY, DIFFERENTLY ABLED COMMUTERS AND OTHER VULNERABLE COMMUNITY MEMBERS



FOCUS ON DEVELOPING SERVICES THAT HAVE A POSITIVE HUMAN AND SOCIETAL IMPACT



CREATE A MORE EQUAL WORKPLACE CULTURE

But operators and authorities struggle to deliver on stakeholders' elevated expectations. They said five key barriers are holding them back from embedding responsible business:



COMPLEX GOVERNANCE MODEL



BUREAUCRACY/ CUMBERSOME PROCESSES



LACK OF INVESTMENT CAPACITY/FUNDING



LEGACY ASSETS AND TECHNOLOGY



COMPLEXITY OF WORKING WITH BUSINESS PARTNERS/ SUPPLIERS ON RESPONSIBILITY-RELATED TOPICS

A common issue underpinned the barriers: the lack of a strong vision to align across stakeholder groups. The executives interviewed understand that collaboration is required but many don't have plans to achieve it within the next three years.

Respondents may be working on programs with customers, suppliers and employees but not holistically. And in many of those areas, they are providing only the basics, such as promising fair terms to suppliers. They face a huge gap in addressing all stakeholder groups and scaling new ideas. (See Figures 2 and 3.)

To best serve their stakeholders, operators and agencies need to be the linchpin in an ecosystem of partners.

With their community trust and network reach, operators and agencies can drive the necessary changes, helping ecosystem participants balance the long-term interests of individuals, the environment, society, and their businesses to build resilience and stakeholder trust.

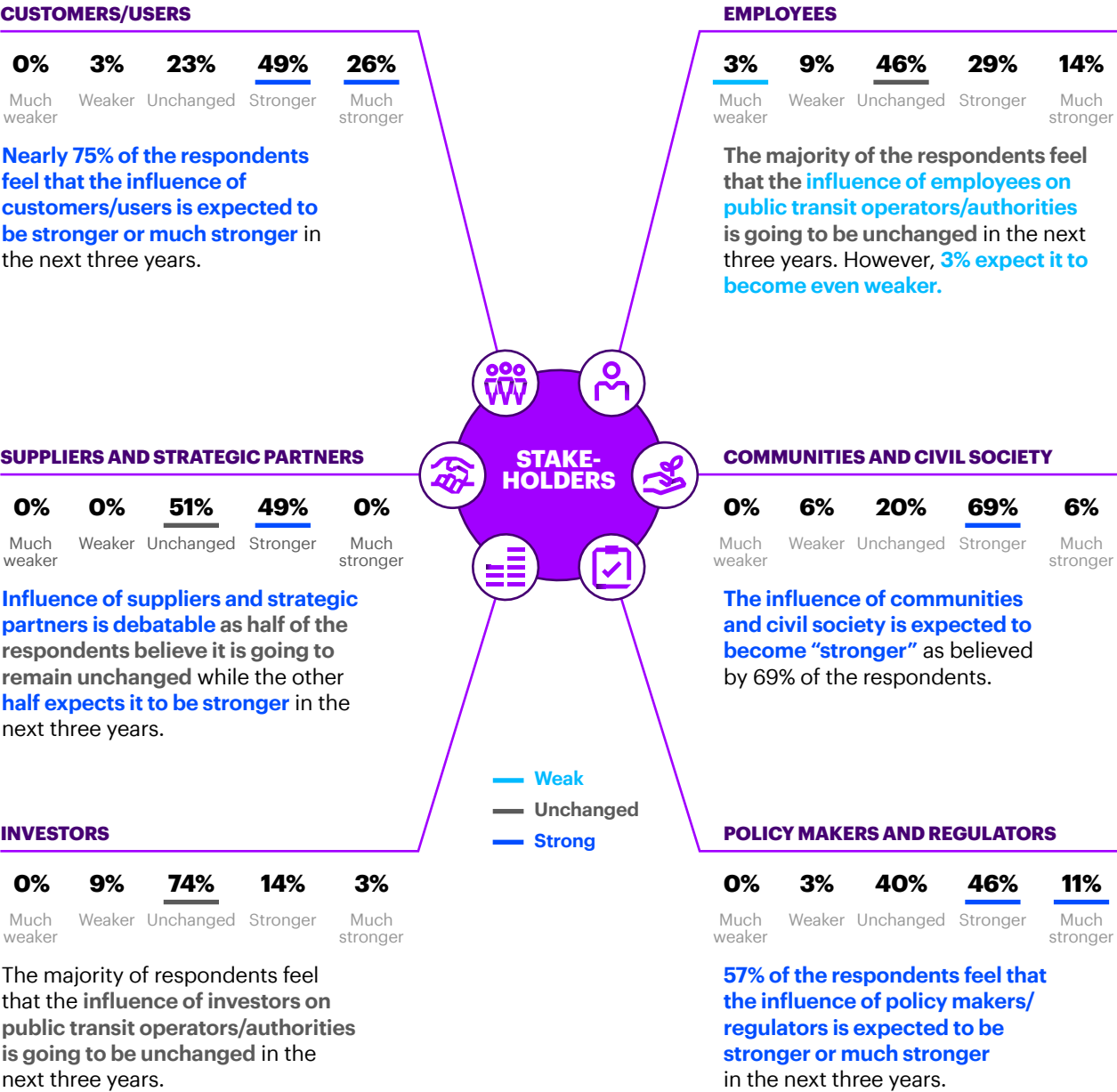
Their participation can also help mitigate risk and maximize opportunities to create new products, services and content for stakeholders. Together, they can deliver a seamless customer experience and multimodal services at the lowest possible cost.

“There is now a slow transition from a purely bureaucratic perspective to a more participatory culture.”

Senior Executive, SBB CFF FFS, Switzerland

FIGURE 2. Lack of alignment of public transit operators with stakeholder groups

Survey question: How do you expect the influence of the following stakeholder groups on your company’s activities to change in the next three years?

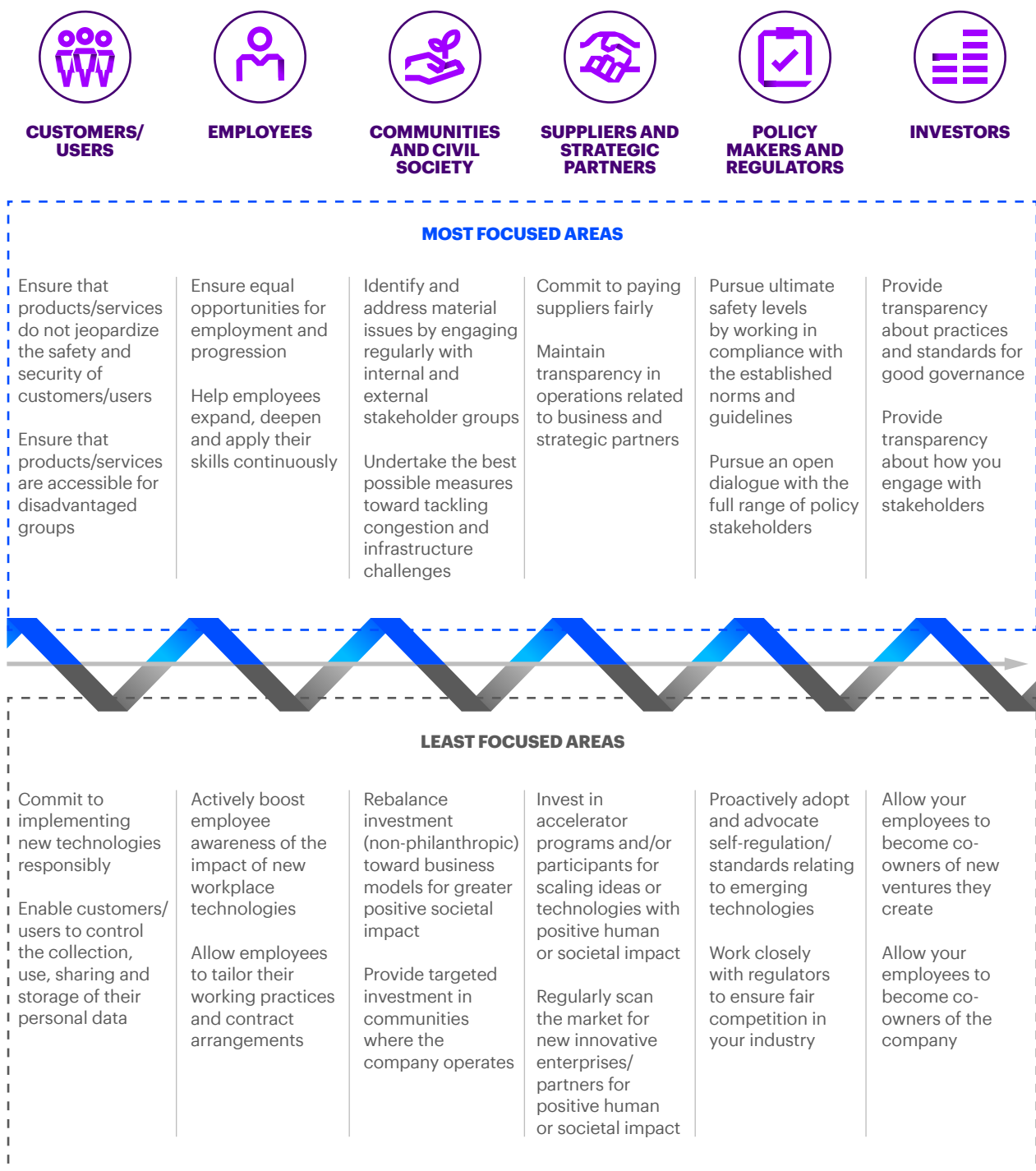


Source: Based on a survey of 35 public transit operators/authorities senior experts done by Accenture Research

There is a significant gap in terms of having a balanced responsible focus toward all stakeholders groups.

FIGURE 3. Responsible actions/activities of public transit operators by different stakeholder groups

Survey question: To what extent is your company active in the various business actions/activities by different stakeholders?



Mapping success

Based on these insights, we developed a blueprint for shared success among public transit stakeholders. Our research points to five capabilities that public transit operators and authorities need to redefine and accelerate responsible business.

1.

Innovate
with purpose

4.

Shape technology
to benefit workers
as well as commuters

2.

Act as an urban
mobility mapper

5.

Drive operational
agility

3.

Put the workforce at the
heart of your business

1.

Innovate with purpose

“Moving towards sustainable and smart cities with better and intelligent mobility will need the know-how of public transit operators and specialization of the new smart mobility services providers.”

Senior Executive, RATP Dev, France

Responsible business isn't just about environmentally friendly services. Consumers today want to work at and use services from companies that demonstrate purpose. Simply having purpose isn't enough. Consumers, especially younger ones, demand that companies infuse purpose across their organizations, via all touch points, and through their words, actions, products, services and ways of doing business, inside and out.¹

Choosing the right innovation partners to expand their business model and reach will be key in achieving this. Who can offer the best value to riders? Which have the best sustainability credentials? Which can complement weaknesses to tackle underserved areas? A change of mindset can deliver experiences that stakeholders want. More than 92% of the senior executives surveyed agree or strongly agree that transit operators need to collaborate with new mobility service providers as partners, not competitors.

Given their trusted position, affordability and reliability, operators and agencies are well-placed to steer this change and deliver on stakeholder purpose.

To do so, they will need to adopt new paradigms and approaches in friendly collaboration with all stakeholder groups.

A broader ecosystem gives customers greater choice and makes transport more accessible. Everyone plays to their strengths, and operators and authorities avoid costly infrastructure investment. Businesses and government agencies work together to understand, accommodate and even pre-empt new customer habits. Such collaborations also protect the business and make it more agile in a crisis.

For instance, an authority can reach underserved commuters by teaming with partners to solve the first- and last-mile problem.

More than

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of the senior executives surveyed agree or strongly agree that transit operators need to collaborate with new mobility service providers as partners, not competitors

In Singapore, SMRT partnered with startups and strategic partners to provide mobility as a service and meet the needs of a much broader range of commuters with an array of travel options like e-scooters or electric-driven pods.²

Innovative partnering can take many forms. Deutsche Bahn set up a coworking space to collaborate with startups on digital rail innovations for sustainable, customer-focused solutions.³

2.

Act as an urban mobility mapper

“In order to enhance on-time performance and service reliability, operators should be working closely with new/ alternative mobility service providers, in order to provide customers with the greatest flexibility and reliability, while keeping costs manageable.”

Senior Executive, Metrolinx, Canada

How can transit agencies make infrastructure like roads, stations, parking lots, and mobility hubs more profitable and sustainable? One answer is to open up operations beyond their own infrastructures to deliver the kind of end-to-end journey experience customers want.

Where there's a mandate, authorities and operators can serve as an urban mobility control tower, working with local government and other partners to optimize transit services across the city. ([Read more about mobility orchestration](#)).

Mapping can also help stakeholders maximize unused infrastructure (like empty parking spaces), prevent traffic jams, or identify needs. **For example, Los Angeles developed an open source data framework for micromobility partners' vehicle use data.**⁴

The data is shaping policy decisions and infrastructure improvements like pinpointing areas for protected bike lanes and dockless vehicle access for low-income residents.

Achieving this level of connectivity is complex. **End-to-end journey planning enablers like Google Maps can link participants together and expand services. With them, customers gain a single view of transportation prices and choices—such as ride pooling, e-scooters or car hailing—to make informed choices based on price, speed, greenhouse gas emissions and other criteria.** Blockchain can help coordinate payment while maintaining stakeholder privacy.

Automation and intelligent design can also help achieve fluid interconnection.

Brazil's National Department of Transportation Infrastructure, for example, set up an Intelligent Orchestration Center to gather social, sensor, live and historic data feeds from Waze, the public transport network, police and other sources.⁵ The insights into network behavior inform planning, real-time traffic management and services orchestration, identifying 1,500 road incident hot-spots to potentially reduce road deaths by 20%.

3.

Put the workforce at the heart of your business

“We have put a lot of work into ensuring that our employees feel like they have a say in how things are managed and the decision-making process.”

Senior Executive , Storstockholms Lokaltrafik, Sweden

It may be the age of automation, but human skills are as important as ever. It's no longer enough to offer basic training, performance appraisals and the right opportunities. Our interviews showed that 46% of respondents believed the influence of employees would remain the same. With COVID-19, operators have had to change their tune, launching new initiatives for worker safety and a fair workplace.

And demands will continue to evolve. As humans and smart machines collaborate ever more closely, work processes become more fluid and adaptive, enabling companies to change them on the fly—or completely reimagine them. Ultimately, better Human+Machine interactions will lead to businesses being able to reinvent and consistently provide the services and experiences customers want.

Operators and authorities will also need to invest in employees' digital skills, using technology to enhance productivity. This means educating employees on how new technology may affect their tasks and enabling them with advanced operational technology skills like drones and predictive asset maintenance and monitoring.

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SMRT partnered with NTUC LearningHub to equip employees with digital skills and workplace tools like virtual reality to improve operational effectiveness and efficiency.⁶ It also expanded training offerings beyond the business by teaming with the Singapore Institute of Technology and Skills Future Singapore. The program will help value chain partners, from cleaning companies to rolling stock maintenance service providers, identify skills gaps and appropriate training.⁷

4.

Shape technology to benefit workers as well as commuters

“You need the public sector to analyze the data and offer services around that data... There needs to be a protocol of how this data is managed as well as making sure they are trustworthy and useful. It is absolutely fundamental that all stakeholders in this process are involved to make sure that the data is used to its greatest potential.”

Senior Executive, Alsa, Spain

From data security to safety, technology holds much promise for workers and commuters. How can transit ecosystem stakeholders use it responsibly to build trust and satisfaction while generating insights and efficiencies? It's imperative that new technology, data and mobility services are safe, fair and well understood.

At least 80% of public transit senior executives surveyed agree that operators need to be responsible data stewards to build rider trust and satisfaction. About 83% agree that public transit operators need to open their systems.

In the post-COVID landscape, for instance, route optimization and capacity management technology will play a key role in helping customer-facing employees and passengers manage infection risk.

Asset maintenance technology can also improve worker safety, for example, when conducting work on tracks.

At least

80%

of public transit senior executives surveyed agree that operators need to be responsible data stewards to build rider trust and satisfaction

Paris's Transilien suburban rail network, for instance, uses a web application that gives travelers a specific time slot and QR code they can use to board trains.⁸ The technology is helping Transilien avoid overcrowding on trains and platforms while COVID-19 social distancing measures are in place.

As governments look for “shovel-ready” infrastructure projects to compensate for lost revenue and stimulate growth post-COVID, transit digitization can deliver on public and worker safety by offering more automated services and fewer physical touchpoints. These initiatives can help rail and transit operators “reset” their businesses, create agile operations, enhance personalization around the entire journey, and potentially come out stronger than ever.

Metrolinx’s Presto app provides customers with safe and convenient digital card-charging. They load funds onto their phones, which can be transferred to their Presto card, eliminating any station touchpoints.⁹

Passengers and employees, however, continue to be concerned about how their data is used. Rich data from train and platform CCTV have the potential to yield scheduling insights to prevent crowding, for instance. Operators and agencies need to tread the fine line between what feels intrusive and cool.

Maintaining credibility will involve offering exciting new services that show customers the mutual benefits of data sharing.

SBB’s Smart Way multimodal app, for example, uses customer data like age, mobility provider subscriptions, cards, and ticket data to provide users with an overview of all transport mode options, sharing data with partners only after customer consent.¹⁰

As companies adopt more Internet of Things, analytics and IT automation technologies, it exposes them to additional risk. Safety also means making sure that systems and the Internet of Things aren’t hacked to turn trains, for instance, into weapons. Resilient cybersecurity systems to protect operations as well as data—and keep employees and passengers safe—will be key to responsible stewardship.

5.

Drive operational agility

“Current public transit business models have been largely unchanged for decades. For public transit providers, meeting more personalized and on-demand services, rather than mass services, needs to be seriously considered.”

Senior Executive, Hankyu Railway, Japan

Operators and agencies all agree that operations should be agile and customer-focused, but what can be done differently to improve the experience? Just over half (51%) of senior executives surveyed agree that operators need more agile operations. Central to this will be platform-enabled digital operations and open data sharing with customers at the center.

By digitizing operations, operators and authorities can make quick wins in the digital customer experience, advanced fare management and smart ticketing, for instance.

Legacy infrastructure and assets, however, make managing operations centrally difficult and rigid. To be more agile, leading operators and agencies can adopt a common digital backbone within the company but empower field teams with the tools and know-how to take initiative and manage the unexpected in stations, lines and segments.

More quick wins can be had by sharing customer data with different operators in the same network to build a common understanding of passenger activity.

Opening up data to share in larger ecosystems, moving from mainframes to cloud, can also support digital operations and make businesses more agile in the face of another COVID-like disruption. Digitization can assist planning as daily commuting resumes, helping to understand changing travel patterns.

51%

of senior executives surveyed agree that operators need more agile operations

The ridesharing companies, Easy Taxi, Grab and Le Taxi, are making traffic data from their drivers' GPS streams available to the public through an open data license.¹¹ Through the new Open Transport Partnership, these companies, along with ecosystem partners Mapzen, the World Resources Institute, Miovision, and NDrive, will empower resource-constrained transport agencies to make evidence-based decisions that previously had been out of reach.

This data will help address issues such as traffic signal timing plans, public transit provision, roadway infrastructure needs, emergency traffic management and travel demand management.

A new responsibility agenda

Getting a structured responsibility agenda in place across the stakeholder spectrum won't be easy to achieve, but operators and authorities can take immediate steps as well as define long-term goals. For instance, in the near-term, they can look for quick wins to remove barriers in the operating model while developing long-term plans to digitize operations in line with their responsibility goals. (See Figure 4).

FIGURE 4.

	SHORT-TERM ACTIONS	MID-/LONG-TERM ACTIONS
1. Innovate with purpose	<p>Expand business model and reach by identifying right innovation partners</p> <p>Offer alternative mobility solutions to provide end-to-end transport solutions</p>	<p>Consolidate partnerships, especially with cities and new mobility service providers</p> <p>Liaise with governments and business coalitions</p>
2. Act as an urban mobility mapper	<p>Invest in automation and design</p> <p>Work with regulatory bodies to offer flexible and demand-based dynamic transit solutions</p>	<p>Act as an urban mobility control tower (e.g. optimal and responsible utilization of unused parking spaces, service vehicles, real estate, etc.)</p>
3. Put the workforce at the heart of your business	<p>Focus on workforce digital skills enhancement training</p> <p>Actively boost employee awareness of the impact of new workplace technologies and tech disruption of their tasks</p>	<p>Focus on higher automation (Human+Machine approach)</p>
4. Shape technology to benefit workers as well as commuters	<p>Commit to using and sharing customer/user data transparently and with meaningful consent</p> <p>Adopt resilient cybersecurity systems and procedures to protect customer/user data</p>	<p>Build a digital backbone for the mobility ecosystem</p>
5. Drive operational agility	<p>Identify quick wins to gain operational efficiencies</p> <p>Focus on digital customer experience</p>	<p>Focus on digital operations (providing agility to react to business demands)</p> <p>Open up data for larger ecosystem</p>

As the world recovers from COVID-19, public transit will be essential to connecting people and stimulating the economy by reducing barriers to employment and creating infrastructure projects. Public transit operators and authorities need to be prepared for new consumer behavior and expectations.

They have an opportunity to redefine what responsible business means and invest in the areas that will help achieve the five capabilities for shared success. As people seek brands and services that reflect their beliefs and a positive purpose, public transit operators and authorities are well-positioned to benefit if the responsibility agenda is expertly directed.

Although responsibility has always been crucial to public transit, COVID-19 drives home the need to be more creative and responsive.

Are you ready to make responsibility a positive driver for your business?

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