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Privatisation and  
Management Education in  
the Transport Industry

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**ABSTRACT:** This paper reviews the development of a number of education programs for the transport industry. The need for these programs was created by the privatisation of government activities. The programs were developed in a distance education format to enable staff with a high workload to do the program during their “free” time.

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## 1. INTRODUCTION

The transport industry is moving through rapid change. Traditional government services are being outsourced and private companies are providing new services. These services require a knowledge of the engineering dimensions of the service and management skills to be developed. Two groups that have recently been involved in privatisation activities are the parking and bus industries.

## 2. REASONS FOR PROGRAMS

In the bus industry passenger and coach services are being contracted out to private companies. The Victorian Government's Public Transport Competition Act 1995 established a legislative framework which promotes commercialisation of public transport operations in Victoria. The main purpose of the Act is to improve the operations of road based public transport through operator:

- accreditation, and
- implementation of service contracts for particular types of transport.

The new Act replaced the commercial passenger licensing system under the provisions of the Transport Act 1983 only (for vehicles with more than 12 passenger seats) with a more flexible, targeted system of accreditation, for persons who operate road transport services in Victoria. To ensure a satisfactory standard of safety and service the Act requires the accredited person to:

- have the ability to provide passenger transport services including the ability to manage transport business operations,
- provide the minimum standard of safety to passengers and the public,
- provide the minimum standard of service to passengers, and
- provide the minimum standard of vehicle and equipment, including their design, service, maintenance and condition.

The Public Transport Competition Regulations 1998 provide the detailed mechanisms to enable the Act's passenger bus initiatives to be implemented. The types of bus operation (for vehicles with more than 12 passenger seats) covered by the Act and Regulations are regular passenger services (including route, school contract and long distance service) and tour and coach services. The 1995 Public Transport Competition Acts sets out the accreditation process. In order to tender for these contracts companies must have registered managers. These managers must have attended an accredited management program. The Institute of Transport Studies (Monash Node) was chosen by the Victorian Department of Transport to provide these services.

In the parking industry, the Parking Association of Australia thought it necessary to develop skills in the industry to ensure quality provision of services. The parking industry is a complex and diverse industry which attracts firms and individuals with expertise in parking operation, local government, parking equipment and design of traffic systems. The provision of parking is essential to the efficient functioning of the city. Parking allows people to participate in desired activities. The parking industry involves people from many

backgrounds each with their own contribution to make. Rarely do these people have a broad knowledge of how the parking industry works and how their expertise can be used to support other parts of the industry. The course, therefore, aims to provide a broad view of the industry. Further, “car parks have emerged as an acceptable even desirable property investment fuelled by significant growth in demand” (Property Australia 1998). “The growth in demand since 1993 has been reflected in yields of 10-15 percent” (Property Australia 1998). “Sydney CBD car parks have increased in value by 40 percent since the first quarter of 1996” (Property Australia 1998). Investments of this magnitude must be well managed. The education program helps to ensure quality management.

In both instance the need to blend the high demands on time of employees with the need for a quality education program meant that traditional lecture type presentation was not possible. The courses were developed in the form of distance education.

### **3. AIMS**

The courses are aimed at operators, managers, engineers, engineers, analysts and planners working in the bus and parking industry. It addresses issues related to local government, regional and state authorities, consultancies and other professional groups.

The parking course aims to lift the standards of management and engineering skills. They will enable participants to bring their knowledge from the many disciplines involved in both industries, and to communicate with people in the industry and wider community.

On successful completion of the bus program, students will be qualified to operate a road transport passenger service. In addition students will be aware of minimum standards for operator accreditation required by the Victoria Government. These will include standards related to quality assured maintenance system management, information systems, records and documentation, and internal auditing.

They recognise the increasing demand on workers time and the difficulty in getting the students to travel to particular locations for formal lectures. Hence the program is offered by distance education.

The program is aimed at local government engineers, operators, architects, government instrumentalities and equipment suppliers. In the bus course the operators who must attend are those who operate or intend to operate a bus and coach with more than 12 passenger seats (excluding the driver) and operate or intend to operate regular passenger services (including route, school contract and long distance services) or tour charter services. These groups are required by legislation to complete a Management program.

### **4. OUTLINE OF COURSE**

The education program aims to develop knowledge and understanding of parking specialisations which will assist participants to advance their careers in the parking industry. It will provide knowledge of management, policy, design, technology and information systems. More specifically, the parking courses consist of four subjects. These are: parking

fundamentals, parking management and marketing, parking policy and design, and parking technology and information. The first subject acts as a general introduction to the course and is a stand alone subject for students who are new to the industry. It contains material on the determination of parking demand, the cost of parking, design of parking systems, and the management of parking. The second subjects outlines the need and methods associated with resource management and marketing. The third subject, focuses on parking policy and design. The final subject outlines parking equipment, technology, data collection and analysis.

The bus course also contains four subjects. These are introduction to the bus and coach industry, management and finance, bus and coach operations, and human resource management. More specifically, the first subject focuses on legislation, maintenance and safety. The second subject focuses on the operation of bus and coach systems. The third subject looks at financial management, marketing and planning. The final subject outlines human resource management and industrial relations. The subjects are presented in four permutations. The introduction subjects is presented to small operators (firms who cater for the school services). The four subjects cater for people who wish information on the entire bus and coach industry. Those interested in the bus industry only will do all four subjects but only the bus operations part of subjects three. Those interested in the bus industry only will do all four subjects but only the bus operations part of subjects three.

## **5. ASSESSMENT**

The subjects are assessed in a number of ways. No exams are used. Assignments are set which cover the entire program. These assignments are set to cover each subject.

## **6. ARTICULATION**

The programs aim to train people from all parts of the industry. Hence the program will attract people without undergraduate qualifications. These people may wish to develop their education further. The prospect of students moving on to other programs is being investigated.

## **7. RECOGNITION**

On successful completion of the courses, students will be able to critically evaluate the appropriateness of particular technologies, demonstrate and understanding of relevant policies and how they interact with transport and urban policy, and demonstrate a knowledge of resource management and marketing techniques. In addition students will develop a commitment to their field of study and a professional approach to work to their work.

Students undertaking the education programs require recognition on the standard they have achieved. This is provided through a certificate outlining the type of subject undertaken, the general content and the level of achievement. Certificates will be provided for each

subject as well as upon completion of the entire program. Consistency is achieved by the setting of criteria to be achieved.

Prizes are also given to the students who perform best in any one year.

## **8. DEVELOPMENT PROCESS**

The programs were developed by representatives of the relevant industry in conjunction with educational specialists. The industry representatives have a wealth of knowledge and are involved in the day-to-day running of the industry. Hence, they are well positioned to understand the needs of course participants. The people involved were operators, equipment manufacturers, consultants, local government engineers, and academics.

The courses were developed in close cooperation with industry companies and government organisation. The initial course structures were developed in liaison with the appropriate industrial associations (ie Parking Association of Australia and Bus Association Victoria). The content was then developed with individual experts and the results sent to parking professionals. The final content is reviewed at the end of every semester using student surveys. At regular intervals the course material will be updated in line with guidance from industry association and parking professionals.

## **9. FUTURE DIRECTIONS**

The programs have been set initially for the Victorian market. The parking course is also offered in other states of Australia. Once the parking program has been run for a number of years it will be offered to an international market.

Presently, the programs are delivered by mailing resource material to students. Developments in information technology and use of the world wide web will allow these programs to be offered in using these medium in the near future.

## **10. CONCLUSIONS**

This paper has outlined the development and running of a number of management programs for industry. These programs were developed to meet the needs of the increasing move to privatisation of government services and the quality of education.

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