Measuring Port Performance
Defining units of analysis

by

Mr. Joseph Hiney
Port Performance in Ireland
Dublin City University

This expert paper is reproduced by the UNCTAD secretariat in the form and language in which it has been received. The views expressed are those of the author and do not necessarily reflect the view of the United Nations.
Measuring port performance
Defining units of analysis


Ph.D. research funded by Irish Research Council

Outline

• Introduction
• Port manager perspective
• Political economy academic perspective
• The problem of definition
• Policy making
**The view port side**

- As Port Finance Manager
- “...to be the best medium sized port in Europe.”
- Benchmarking by port, terminal, service and mode
  - Operational efficiency
  - Finance (equity; profit; asset quality; labour; debt; aid)
  - Competition (intra or inter)
  - Property and/or landlord
  - Pricing models derived from cost recovery and profit objectives
- Components included in performance index need to be
  - Sufficient to produce substantive and significant comparisons
  - Transparent as to construction

**Ports, Politics and Policy**

- Public policy – infrastructure and deregulation
- International explanations for norm diffusion e.g. ‘landlord port’
  - Coercion; Competition; Learning; Emulation
- Domestic explanations for policy variance
  - Institutional complimentary and Varieties of Capitalism; Economic nationalism; Path dependency; Labour resistance
- Measuring market privatisation – dimensions
  - Competition; Equity; Pricing; Investment; Political Veto
- Past performance as part explanation for policy variance; or setting the policy agenda; or conditionality
- Port definitions problematic
Multiple dimensions

- Defining the unit of interest
  - Country, sub-state, port, mode, terminal, actors
- Defining the measures of interest
  - Operations, finance, competition, price/cost, land utilisation, economic
- Is port performance a function of domestic economic activity?
  - Long run average growth rate in volume relative to domestic economic growth rate?
- Level of analysis
  - Terminal level?
  - Cargo mode level?
  - Port level?
  - National level?

Policy making

- Time for reliable, comparable measure(s)?
  - A missing variable in comparative political economy
  - A missing variable in maritime economics
  - A missing variable in state policy making
  - A missing variable in programme assessment
- Data collection, reliability and comparability
- Can such indices support decision making of IGO’s and INGO’s?
  - Needs assessment
  - Programme success