

## ■ Government Accountability; measuring results

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**Index**

**Summary** ..... 1

**Acknowledgements** ..... 2

**Introduction** ..... 3

**The planning process** ..... 5

    Charlotte: an effective planning process allows for government accountability ..... 6

    Coral Springs: citizens involved in the planning process ..... 7

**Institutionalization of Performance Management** ..... 9

    MIAMI-DADE: from internalization of performance measures to publication of results ..... 10

**The Measures** ..... 13

    Olathe: measuring substance ..... 14

    Austin and Dallas; simplifying the system of measures ..... 16

**Publishing Results** ..... 18

    Miami-Dade: a government is as credible as the information it provides ..... 19

    The City of Buenos Aires: an “observatory” made for the citizen ..... 21

**Conclusion** ..... 24

**Anex 1** ..... 27

    Cities that participated in this study: ..... 27

**Anex 2** ..... 28

**Anex 3** ..... 29

    Interviews completed ..... 29

**Bibliography** ..... 30

**About the Authors** ..... 31

**Tables index**

**Table 1: Coral Springs: Strategic Planning Process** ..... 8

**Table 2: Olathe: Key performance measures** ..... 15

## Summary

The following document analyzes practices of reference from various Argentine and American governments to gain a better understanding of performance management in general, and specifically what affects it has on government accountability. The objective is to identify these practices in order to facilitate a sub-national dialogue and future cooperation between the aforementioned countries.

The intended outcome of this analysis and the project as a whole is to achieve a greater understanding of the experiences of these cities and the several facets of performance management. It is believed that articulating the experiences of these cities will provide a reference for other cities, provinces, and national governments that are interested in transparency and better governance.

This analysis has shown that the publication of performance reporting has two key effects: one external and the other internal. Contrary to what is generally accepted, the cases analyzed in this text have shown that the publication of performance results has a profound internal impact, both administratively and politically. Meanwhile, the public reaction (external) was less pronounced than what was initially expected.

**Measures are only indicators of the strategies implemented by a government.** In other words, the measures are simply a value of their own connection with an overarching strategy or government objective. Thus, when implementing a performance measurement program, governments should begin their efforts by stating their objectives and then using those objectives to define a strategy. Once the overall strategy is in place the individual departments should create their own strategic operating plans that will help them determine which measures will best assist them to manage towards their goals. The network of measures should reflect how close or how far a government is from achieving its predefined strategic goals. **Measuring for the sake of measuring is a fruitless exercise.**

Finally, based on the information gathered from the interviews undertaken in this study, it is essential that internal support for the program remain strong all throughout the process, and especially when it comes time to publish the results of the government's performance. The individuals in charge of the program must be willing to publish the negative results along with the positive, as well as provide the necessary support to the individual departments that are responsible for any "bad" results. In order for a government to be accountable to its citizens it should work to create an equilibrium between the citizen's demands for transparency, the

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## Introduction

The purpose of this document is to present cases of reference of governments that use performance management/measurement to promote transparency by being accountable to their citizens for their performance.

This piece forms part of a greater project taken on by CIPPEC (Center for the Implementation of Public Policies Promoting Equity and Growth) with the support of the United States Embassy in Argentina, which intends to identify positive practices in order to facilitate a sub-national dialogue and future cooperation between the United States and Argentina. The finalization of the project will be a workshop designed to bring forth some of the experiences analyzed in this paper.

The intended outcome of this analysis and the project as a whole is to achieve a greater understanding of the experiences of these cities and the several components of performance management. It is believed that articulating the experiences of these cities will provide a reference for other cities, provinces, and national governments that are interested in transparency and improved results-based governance.

This investigation uses as its parting ground the principle that the publication of performance reports is the last leg of a lengthy process that a government must undergo in order to be accountable to its citizens.

By publishing performance results a politico-administrative body opens the door to citizen participation, enabling the public to influence the government's management strategies. This brings up many questions. At what point does a government begin performance reporting? What processes must it pass through? Has performance reporting managed to minimize the information barrier between a government and its citizens? Have the citizens taken advantage of the information provided to them? What inward effects has the publication of this information had on government organizations? What characteristics must a government have in order to sustain the program on a long-term basis? This analysis tries to answer these questions by carefully studying several governments, which have implemented performance management programs.

Within the confines of this text it is understood that a government becomes *accountable* upon the release and publication of a wide array of measures that properly represent its performance. It is important to clarify that this is only one of many ways that a government becomes accountable and transparent towards its citizens. Based on this definition, the measures should be fixed to predetermined goals that fall within the possibilities afforded by its resources. In effect, a measure represents the performance a service as it relates to the original objectives. The measures can be linked to a project, an operational objective, a strategic objective, or a value that marks how resources and products relate to one another (efficiency measures<sup>1</sup>).

The path to good performance management is begun with the *strategic planning* process. Given that governments have limited resources, identifying the short and long term societal values implies establishing the areas that will receive the resources as priorities. What is most important when it comes time to plan? Identify the general strategy and build a consensus within the administration based around that strategy. This is why the planning process exists. To plan means to choose.

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<sup>1</sup> Examples of each kind of measure found in the analyzed cases found in chapter 3.

Nevertheless, the planning process requires its own methodology. It will not be possible to report on performance if the Government Plan does not contain a quantified configuration of the strategic objectives and Operating Plans of the individual departments. By quantifying the objectives of the departments a *group of measures* permits the government to evaluate where each agency stands with respect to the general Operating Plan (Budget), and subsequently where the government stands with respect to the Strategic Plan.

This document will demonstrate that all measures are not alike. Some measures are not relevant to the group of measures they are a part of, and some groups of measures are altogether ineffective. The measure's value is directly correlated to its capacity to measure towards a government strategy or objective, enabling that government to use it as evidence for decision-making. Moreover, measures serve to create a platform upon which the government bases its transparent relationship with the citizen, revealing how resources are used and whether the proposed objectives are being met. In other words the idea is not to measure for the sake of measuring: the measures are only indicators of the strategies implemented by the government<sup>2</sup>.

The term *institutionalization* refers to the internalization of the program. In effect, the extent to which the organization has taken on the practice as a part of its day-to-day operations. Generally speaking, the greater the consensus inside the organization about the importance of the program and its effects on performance, the greater the institutionalization of the program. A high grade of institutionalization is important because, primarily, it is a medium that guarantees the sustainability of the program. Secondly, as the process becomes ingrained within the various bodies of the organization, room for personal discretion decreases.

Finally, based on the analysis undertaken during this study, it has become evident that the *publication* of performance reporting has two effects: one internal and one external. Contrary to what is generally accepted, the cases analyzed in this text have shown that the publication of performance results has a profound internal effect, both administratively and politically. Meanwhile, the public reaction (external) was less pronounced than what was initially expected.

In conclusion, the quantitative and qualitative information published by a government does not solely rely on performance results, indicating that the road to accountability involves several stages requiring the dedication of officials, directors, and government authorities in general.

The publication of the results of a government's performance is an arduous effort that begins from within the organization. In order so that the published results can be transparent and directly tied to the city's goals and objectives it may be necessary for the internal apparatus to make changes.

Over the 4 month duration of this investigation 21 cases<sup>3</sup> in Argentina and the United States were examined. The analysis was conducted on a sub-national level (including cities, counties, and states). It was designed to uncover practices of reference in both countries. Of the original 21 cases that were selected, 15 governments were sent a questionnaire and 6 were formally interviewed via teleconference. Only the last six cases represent the governments that are included in this piece, nevertheless, all of the cases contributed to the study in some form or another.

The first chapter of this study introduces the **Charlotte** and **Coral Springs** cases. Both cities have well defined and strong planning processes. The city of Charlotte was one of the first cities in

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<sup>2</sup> Expressed in this manner by Alan Shorthouse from the City of Olathe, Ks. in a teleconference held on October 14<sup>th</sup>, 2009.

<sup>3</sup> 1<sup>st</sup> Anex gives a list of all cities that participated in the first phase of this project.

the United States to develop a Strategic Plan and to link that plan to a system of measures that evaluated the government's performance as a way to improve services and accountability to its citizens. The city of Coral Springs won the Baldrige Award<sup>4</sup>, and is considered a relevant case because of the participatory mechanisms it uses to communicate with its citizenry, primarily during the city's planning process.

The second chapter underlines essential aspects of the internalization process for a performance management program. The case highlights how the **Miami-Dade County** government achieved swift and effective internalization of the program with its administrators and within the organization. The case demonstrates the strategy and focus of the implementation process used to institutionalize the program.

The third chapter delves into the *measures* and how they are directly connected to the government plan. The cases developed in this section demonstrate how cities manage to tie their measures into their strategic objectives and operating plans. **Olathe** and **Dallas** have successfully created measures that inform the budgetary process, streamlining the way their governments spend citizens' tax dollars.

The fourth chapter analyzes the benefits and limitations of making the performance measures public information. A close look will be taken at the practical aspects of publishing (accessibility, format, etc.) as well as the internal and external impact it has on the system. In this section the cases of **Miami-Dade** and the **Federal District of Buenos Aires** will be considered.

Finally, the conclusions of the study will be given.

## The planning process

The strategic planning process is "the process by which the members of an organization imagine a future and develop the operational procedures necessary to make that vision a reality<sup>5</sup>."

Strategic planning as it applies to local government allows for an organization to identify its potential to progress as well as prioritize the societal values that guide its sustainable development. Given that a city's resources are limited, identifying middle and long-term societal values establishes priority for the areas that will most benefit from those resources. This reality is what activates the planning process. To plan means to choose.

It is important that there be consensus over which areas will be considered priority, because once they are considered such they will lead the way for the operating strategy of the city. It is important the Strategic Plan transcends short-term performance goals and endures over time.

Nevertheless, the planning strategy has greater implications. Beyond establishing priorities it defines what operative plan of action will be taken to achieve the objectives that are set. The Operating Plan should fall in line with the Strategic Plan.

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<sup>4</sup> The **Malcolm Baldrige National Quality Award** is awarded annually to organizations in the private sector, health, education, and non-profit, for excellent performance. The award emphasizes management as a central factor for achieving competitive practices. It is the only performance award for organizations awarded by the President of the United States. It is one of only two awards handed out to companies by the President, the other being the Ron Brown Award for corporate leadership. The Award is administered by the Baldrige National Quality Program under the auspices of the National Institute of Standards and Technology and the Department of Commerce.

<sup>5</sup> Rodríguez Larreta, H., Ocampo, A., Straface, F., Darmohraj, A., Felici, S., Rabasedas, M., Ruffo, H., and Solda, S., "Hacia un Nuevo Sector Público: Experiencias Exitosas de Gestión en Argentina." Grupo Sofia.

The planning process also involves a detailed methodological procedure. In this study it was observed that there is a direct linear relation between planning, procedure, quantification of achieved results, and accountability. It is not possible for a government to be accountable without a general plan, a quantifiable procedure for the strategic objectives, and an Operating Plan for each individual department.

Finally, the planning process necessitates a government to be accountable to its citizens. The public's involvement with the collective objectives must be direct if the city is to achieve its goals.

This section brings to light exemplary cases of strategic planning in two American cities. The city of Charlotte developed its first strategic plan over fifteen years ago and was one of the first cities to link its plan to a set of measures used to evaluate its performance as well as provide accountability to its citizenry. The city of Coral Springs uses a model that stresses citizen involvement throughout the entire planning process.

### **Charlotte: an effective planning process allows for government accountability**

About fifteen years ago the city of Charlotte developed its first Strategic Plan. Both the Mayor and the City Council agreed that the city should focus its goals on the issues that most needed investment. The city had limited resources, as do all cities, and there was a push to focus those resources on the issues that strategically benefited the city. Therefore, it became necessary that the city reach a consensus about the priorities that it would establish.

The Mayor brought various officials together to discuss the government's priorities. Of the twelve original priorities they agreed on five as the most important. These priorities were: transportation, public safety, economic development, the environment, and home and neighborhood development. There already existed a government body (with some funding from the state) that managed Education, for example, and thus, it was not included as one of the five top priorities.

Thereafter, the city of Charlotte began its planning process. It began using a corporate model that considered the city government a sort of business, looking to spend their clients' money in the most efficient and effective manner, outperforming the competition. Along with the corporate strategy the city developed a scorecard, which required the individual departments to link their Operating Plans upwards, into the greater strategy. Essentially, the starting point for the planning process was the definition of the overall strategy.

In the cities analyzed for this study there is a clear division between the political and administrative realms. The political sphere involves the elected members of the cities' Councils, while the administrative side is headed off by the City Manager. The City Manager is responsible for the day-to-day administration of the city and answers to the City Council to the degree that he/she produces the performance results for their analysis. Despite the fact that the Council has the ability to remove and appoint the Manager, in this study the cases have shown that the Manager acts primarily as an a-political figure.

Charlotte has taken other steps to depoliticize the process. The City Council members work part-time at the Council and have other professions that they maintain along with their public post. It is in the interest of the Manager as well as the citizen that the Council be efficient and serve the community while continuing to work within it.



It is the Council's duty to determine what priorities the city should have in the short and long term. Elected by their constituents it is their responsibility to prioritize the strategic areas for the city. The meetings that take place in order to make these determinations are also presided by the Manager, the Manager's staff, and the department directors.

Taking into account these priorities, the Manager and staff, along with the other departments, are then responsible for elaborating the Strategic Plan. As explained earlier, each department is responsible for creating an Operating Plan that falls in line with the city's Strategic Plan.

The rough draft of the plan is then presented to the City Council. The Council then reviews and approves the draft for each of the five strategic priorities. Lisa Schumacher of the Charlotte Budget and Evaluation Office explained that, "they (the Council) have an opportunity to tell us through the committee process if they agree with what we have proposed. If not, we go through a revision process."

The planning procedure is managed by the Budget and Evaluation Office. They ensure that the information and rough draft are managed on time so that the final product is completed by the deadline. The Office is responsible for the organization and elaboration of the document. There is a group of specialists that form teams that enrich and assist in the creative process for each of the five strategic priorities.

For example, when developing the strategy for Public Safety, the Police and Fire departments as well as several other departments are involved in the process. This way, the priority becomes a multi-faceted exercise.

What is important when it comes time to plan? It is important to identify the general strategy and then build administrative consensus around it. In the words of Lisa Schumacher, "if we only have the resources to focus on three priorities, what would those priorities be?"

Keep in mind that by defining strategic areas for the city, the government is not discarding other important services and programs. For example, the solid waste pick-up service was not defined as a strategic service for the city, yet it is a very important and valuable service. Nevertheless, the government determined that safety was a greater priority at a time when the crime rate was up. **In many instances what is determined to be "strategic" is what is in most need of help; a service that has not been properly attended to by the city.**

In Charlotte, when the process began, it was difficult for the departments to differentiate between strategy and operation. Several departments sensed that they were being ignored because they were not defined as strategic focus areas. It took time and patience to clarify what it meant to be a strategic priority.

## **Coral Springs: citizens involved in the planning process**

The Coral Springs planning process has characteristics that make it a practice of reference for many cities.

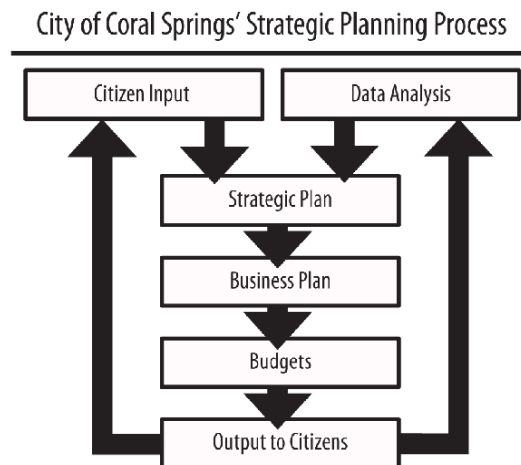
As a result of the hard work the city puts into its planning process, measure selection process, and publication of results based performance data, the city government of Coral Springs was given the Baldrige Award. This award is presented annually to organizations in the private sector, health, education, and non-profit, for excellent performance.

In Coral Springs the planning process is considered an essential element in the performance management program. Within the city’s administration it is believed that if the goals are clearly defined, that is to say that there exists consensus around the city priorities, performance measurement will be more efficient and effective. Moreover, if the goals are set, the distribution of resources and the publication of measures will be more concise. This being the case, great emphasis is placed on the first phase of the performance management program: planning.

As was the case with all governments analyzed for this study, the process for defining the city’s goals involves interplay between the various departments and the Budget and Planning Office. Additionally, in Coral Springs, heavy emphasis is placed on citizen participation as a part of the discussion.

The emphasis placed on public participation is vital, not only for the ‘defining of objectives’ process, but also when selecting the measures. By opening the door to citizens the government is given foresight for the challenges that will inevitably emerge further down the road. As the process unfolds, the citizens share their needs and expectations, which allows for the government to prepare a response. This process can be observed in the graph below:

**Table 1: Coral Springs: Strategic Planning Process**



Source: City of Coral Springs website.

There are various mechanisms that help a government involve its citizens in the planning process. Nevertheless, it should remain clear throughout the process that it is the government’s responsibility to satisfy the necessities of the citizen, and not vice versa. It is important that the government make sure that there are forums by which the citizen can dialogue with the organization. The possibility for the two sides to communicate and the formalization of this process is essential in a healthy and productive dialogue. In other words, for citizen participation to be effective, a formalized medium must be developed: citizens must be comfortable within the process in order to be heard properly.

In Coral Springs various efforts are made to generate the spaces necessary for a constructive dialogue; where the citizen can voice expectations and concerns. The city draws from these

communications and uses the information as a building block for the Strategic Plan. Here are some of the approaches the city uses to get citizen input and to open a dialogue:

**Annual Surveys:** two annual surveys are conducted. One is for homeowner's satisfaction and the other is business oriented. The sample size for the surveys is 1,000 citizens, and a contracted private company evaluates the results.

**The SWOT exercises (strengths, weaknesses, opportunities, and threats):** a questionnaire completed by persons closely involved with the government apparatus. The board members, key stakeholders, staff and City Commission complete the survey. These surveys allow for the city to identify critical themes.

**"Slice of the Springs" meetings:** six times a year citizens come together with administrators to discuss the issues that are most relevant at the time. The informal environment created in these meetings allows for the free flow of ideas and opinion. Some meetings deal with old issues, while others try and confront new ones.

This strategy, which constantly looks to create and maintain spaces where citizens can be vocal and play a part in the planning process is a necessary step in the performance management program, to the same degree that it is necessary in order for a government to become accountable to its citizens. With this understanding, the circle begins and ends with the citizen: if the city cannot open its doors to new ideas and old critiques than it has little hope of becoming accountable to the public.

## **Institutionalization of Performance Management**

A government cannot be accountable for its performance until a system that allows for measurement and the subsequent evaluation of results is internalized within the institution.

For the organization to institutionalize the program it is understood that a minimum grade of internalization in the day-to-day operation must be realized. As a general rule of thumb, the greater the consensus about the positive affects of performance measurement the greater the level of institutionalization that exists.

A high grade of institutionalization is necessary primarily because it guarantees the sustainability of the program. Logically, the more deep-rooted the program becomes, the more likely it is to survive the changing political tides, and become a solidified operation within the administrative structure. Secondly, as the process<sup>6</sup> spreads across the administration the space for other procedures to conflict becomes less likely.

This study stands on the foundation that government transparency concerning results based governance is the consequence of a process undertaken by administrators, directors, and government authorities. Because these authorities play a part in the gathering of information and because they have direct contact with the information gathered, it is essential that the institution can rely on them to be honest and truthful when it comes time to share that information. This trust is fundamental for the program to work successfully.

All of the interviewed cities pointed to this actuality. Margaret Wright, Assistant Director at the Office of Strategic Customer Services in Dallas explained; "first it is necessary to introduce and contemplate the concepts of performance management. Why? Why have we implemented this

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<sup>6</sup> Selecting indicators, collection of information, and finally, publication of results.

program? How will it work? You have to do this before you begin to measure, before you even choose what measures you will use. If you hurry this process, the people will not even understand what the point of the whole thing is. In other words, one has to get over the idea that the program is only about the numbers.” Later in the conversation she added, “our goals for the future are to maintain the management concept alive and internalize it throughout the organization and the various departments. This will be harder than selecting the measures, it will even be harder than measuring. For example, it is hard to measure whether the Fire Department understands the concept.”

When the performance management process is initiated the organization undergoes a cultural shift. For this shift to be complete it must be internalized and long lasting, moreover, the program necessitates strong leadership: administratively the process operates top-down and is fueled from the inside out. The publication of results is a consequence of an arduous effort undertaken internally by the organization.

This section will show how Miami-Dade successfully internalized the system of measures that enable the government to assess how close the departments are to achieving the objectives set out in their Operating Plans, and likewise, how close the government is to achieving the goals it set out in the Strategic plan. The performance measuring system that has been established in Miami-Dade allows for this government to be accountable to its citizens.

In Miami-Dade County the internalization process was accomplished in a relatively short timeframe. In fact, the county administrators and elected officials believed that the performance management program was so beneficial to their governing process that they passed legislation, which guarantees the sustainability of the program and states that performance results must be made public. This section of the document will analyze how the county achieved such a high grade of institutionalization.

## **MIAMI-DADE: from internalization of performance measures to publication of results**

### **The responsibilities of the Office of Strategic Business Management**

The Office of Strategic Business Management is responsible for overseeing the performance management program in Miami-Dade. The Office plays the role of “educator” within the administration. That is how Carlos Maxwell describes it, “generally the other departments are too busy putting out fires and working in the community. That is why the Office of Strategic Business Management works to internalize performance management into the administrative organization.”

### **Selecting the measures, revising them, and keeping them up-to-date**

The Office manages the county’s selection of **outcome** (impact) measures and its staff works side-by-side with the various departments during their selection process for the **output** (operational) measures.

The Office of Strategic Business Management meets regularly with the departments to review the information coming off of the measures; its origin and validity. Yet, its job is primarily one of support, given that the final objective is that each department takes full responsibility and ownership for its measures.

In Miami-Dade each measure has an **owner**; when the measure is uploaded into the system the name of the official responsible for it is uploaded along with it. The owner of the measure can

range from a department director down to a low-level staff member and each measure can have up to two or three owners. The ceiling placed on the amount of owners per measure exists so to help simplify the revision process.

### **The “purpose” of the program**

Another important element in the performance management program concerns the revision and oversight of the measures. The revision process exists so that the organization can internally size-up its performance, and then publish the results. This process does not function if the exercise solely focuses on low performing services. The idea is to sum-up the performance as a whole, and subsequently work to improve in the services that were lagging behind. The meetings that are held to go over the measures with the departments are designed to identify the obstacles that are inhibiting the lagging services and to create strategies to improve them. These meetings are not punitive exercises created to punish the officials responsible for poorly performing services. This environment enables the department officials to feel comfortable with revealing the results reflected in the measures and helps them to internalize the process. According to Carlos Maxwell, “now the department directors feel comfortable enough to talk about the measures that are red (lagging), they learned to look at the measures in a different way. The directors are there to help move things forward (...) as time passed they began to accept the project and their fears went away.”

Illustrating the positive approach used in the program is an example from Miami-Dade’s Transportation Department. The negative numbers emitted from the measure “on-time bus arrival” set-off an investigation by the Office of Strategic Business Management in an effort to get to the bottom of the measures’ unhealthy performances. The study showed that the origin of the problem was in the information that was being utilized, thus prompting the department to modify the measures so that they would properly represent the service’s performance.

Another government that underscored the importance of the non-punitive approach to performance management was Charlotte. Lisa Schumacher of the Charlotte Budget and Evaluation Office described the managing style in the following manner: “The first time the departments had to select measures they found it very difficult. They were afraid of being punished if the measures were showing poorly. Some people become nervous when they hear the words “strategy” and “performance measurement”. It is very important that the program not be presented as a punitive exercise. If they fear punishment it is likely that they will chose measures without meaning or purpose. In order for them to take on the most difficult tasks they need to have support and feel comfortable, and that they will not be punished for the results shown by the measures.”

### **A culture shift, the internalization of the program**

In Miami-Dade there is a serious emphasis placed on internal administrative communication. There is an explicit effort to spread a concise message aimed to help reorient the culture within the administration towards a performance management friendly atmosphere. The Office of Strategic Business Management along with the Manager’s Office and the Mayor work to create specific messages about performance management throughout the year.

When the government presents the fiscal year’s new Budget, it delivers a message about the importance of performance measurement and the key role of the Office of Strategic Management.

In his speeches the Manager places emphasis on the importance of performance measurement and the measures themselves.

When the Departments finalize their Operating Plans the message about performance measurement is repeated.

In monthly and quarterly meetings, the Manager uses the measures as a managing tool.

Performance management workshops and training sessions are held for mid and upper-level administrators. Famous politicians and officials deliver positive messages about performance management.

In the course of the year the Manager delivers a positive message about performance management to the department directors, underscoring the importance of the program.

**Charlotte** applied another technique, as well as using positive messages to reinforce the program. They introduced a pilot program, which provided an effective spark plug that ignited the performance management process. The pilot program served as a warm-up exercise and helped slowly start to shift the culture.

The pilot began included departments that volunteered to participate. They developed operating plans and selected measures and were provided with direction and oversight by the Budget and Evaluation Office, as well as consultants that were hired to make sure the program ran smoothly. Once concluded, the administration boasted internal leaders that supported the program. These leaders shared their experiences and knowledge with the rest of the administration before the program began in full. In Charlotte they coined these important leaders, "Internal Champions".

#### **Legislation that codifies the program**

The Miami-Dade government created legislation that codifies the performance management program into the county's law books. In 2005 a law was passed that guarantees; 1) the county must create a Strategic Plan, 2) each department must link their Operating Plan to the Strategic Plan, 3) the Office of Strategic Business Management must make performance results available to the public.

This legislation was passed in Miami-Dade because the politicians and administrators believed that results-based governing was the most efficient and effective way to provide positive results to their citizens. To date, the authorities have not been explicitly forced to use the legislation in defense of the program. Nevertheless, the legislation provides a security blanket.

#### **Software can facilitate institutionalization of the program**

In Miami-Dade, once the Strategic Plan is set and agreed upon, it is uploaded into a software program. The departments can then load their measures into the software, where they are linked to the other measures that apply to the same services. Likewise, the software links the measures and the services to the strategic goals set out in the plan. In this manner, the progress made by the county is clearly observable through the software program.

For example: the county's objective to become a safer place to live and work is uploaded directly into the software. There are several departments that play important roles in promoting Public Safety, therefore, each department uploads its goals for improvement of Public Safety and in turn those goals are linked to the county's strategic Public Safety objectives. For instance, the Police Department will upload its goal under the title "fighting crime". Below this title one can find the department's measures that relate to fighting crime.

The software helps to visualize the way the Strategic Plan ties everything together. The departments adopt the general county-wide objectives and translate them into what they mean to their department. This process has been coined the “cascade effect”.

## The Measures

*Everything that can be done can be measured,  
Everything that can be measured can be controlled,  
Everything that can be controlled can be evaluated,  
And thus, if it can be evaluated, it can be directed and improved.*

Although at times it is not very obvious, every single day the media reports on a government’s performance using measures. For example, the “infant mortality rate” went up, or the “unemployment rate” went down. Often times the measures that are reported are very simple, such as, “the government repaired x number of streets last month”. Each time these measures are reported about, the political administrative apparatus is affected in some way or another.

The measures that are used to track performance are primarily in place to help the organization optimize efficiency and effectiveness in its short and long-term operations. Needless to say, the measures are also a mechanism that foment and facilitate a government’s accountability to its citizens.

“The measure’s utility and function for government accountability is indisputable. Nevertheless, its incorporation into the public sphere requires a series of challenges that are worth noting. These challenges include the selection process as much as they do the implementation process”<sup>7</sup>.

These challenges as they are understood by Bonnefoy, J.C. and Armijo, M., are:

The *organizational structure* present in public administrations, which often times resists the transition from the traditional beaurocratic models to a results-based approach.

The establishment of *results-based* values as the central theme to the government’s strategy.

Weak *civil service* sectors that limit task delegation and responsibility of public efforts.

The fragile consolidation of bureaucratic models that promote more *transparency* in administrative bodies.

This paper demonstrates that taking on these challenges with determination and resolve is essential to the program’s success. In other words, the measures will have value when, and only when, there is an organizational structure that seeks results, that is capable of self-evaluation, of taking on responsibilities, and ready to award those individuals who promote an honest process. As soon as these conditions become a reality, the measures that are selected will have value and importance.

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<sup>7</sup> Bonnefoy, J.C., and Armijo, M., “Indicadores de desempeño en el sector público”. Institute for Economic and Social Planning in Latin America and the Caribbean, ILPES. CEPAL, GTZ. November, 2005.

In any case, not all measures are good measures, and sometimes an entire measuring system can be flawed and off base. The measures are effective when they are linked to the government's strategy and objectives and help administrators evaluate and make decisions, serving as a platform for government accountability as they demonstrate the use of resources and the progress towards objectives.

In other words, measuring for the sake of measuring is useless: the measures are only indicators of the strategies implemented by the government<sup>8</sup>.

Below are three cases of governments, which have linked their measures to their strategic objectives and operating plans. Moreover, they use the measures as devices to provide accountability to their citizens. The first case takes a look into the program in Olathe, Kansas. The second and third cases look at Dallas, Texas and Austin, Texas respectively.

## **Olathe: measuring substance**

### **The relationship between the measures, Strategic Plan, and Budget**

The Operating Plans, resource allocation, and measuring of results are all connected in the city of Olathe. Each department's Operating Plan is developed with the organization's objectives, the department's objectives, and each individual service's objectives in mind. Each objective uses measures to follow-up on its performance, compare its performance to prior years, and match its performance to its targets. Resource allocation is determined based on the department's Operating Plan and the measures within it.

Paradoxically, Olathe began the measure selection process before it had a set of well-developed strategies and objectives to tie them to; the measures were selected before the objectives were formed. This resulted in a large quantity of measures that were not necessarily tied into the organization's objectives. The outcome was a set of measures that did not necessarily represent the results properly, and did not have the retroactive effects that were sought. In other words; measuring for the sake of measuring. To correct this, the city set aside the measures and got busy designing an overarching strategic plan that would unite the objectives of the various departments<sup>9</sup>. With this understanding, a new system of measures was designed, directly linked to the Strategic Plan. A system was set-up to assess the progress of the Operating Plans, using sets of measures. Likewise, the Strategic Plan is measured by certain *key measures*. These measures, known as "outcome measures" give a general perspective on the city's performance.

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<sup>8</sup> Expressed by Alan Shorthouse in the teleconference interview held on October 14<sup>th</sup>, 2009.

<sup>9</sup> In the first chapter of this document the planning process for Charlotte is elaborated on, demonstrating the importance of the Strategic Plan and the individual Operating Plans for the Departments. In



**Table 2: Olathe: Key performance measures**

Indicator	2006 Actual	2007 Actual	2008 Actual	2008 Target	Met or exceeded
1. Crime Rate (Part 1 Total)	28.1	26.8	24.58	26	√
2. Overall Satisfaction	117	120	123	≥120	√
3. Overall value received for City taxes/fees	65%	66%	67%	70%	
4. Bond Rating Index	8	8	8.5	9	
5. Percent of Time Water Meets Regulatory Standards	99.9%	100%	100%	100%	√
6. Fire Confined to Room of Origin	48.8%	49.2%	66.0%	53%	√
7. Percentage of Cardiac Arrest Patients Arriving to Hospital with a Pulse	25%	40%	40%	40%	√
8. Parks & Rec. Satisfaction	85%	82%	87%	85%	√
9. Solid Waste Diversion	23.91%	19.92%	26.81%	>25%	√
10. Actual Land Use Mix	NA	NA	NA	NA	Under development
11. Mobility Index	100	106	112	111	√
12. Private Investment in Downtown as a Percent of Total Dollars Invested (Public & Private)	27%	17%	7%	10%	
13. Neighborhood Health Index	NA	NA	NA	NA	Under development
14. Diversity Index	NA	NA	100	>100	2008 Baseline Year

Source: City of Olathe website.

**Measures**

The city of Olathe uses approximately 300 measures. In the government scorecard input, output, efficiency and outcome measures are published for the 8 relevant sectors of the organization.

The departments generally select input and output measures for their performance reporting. Efficiency measures, for example, can be: expenditures on road clean up/mile, road repair expenditures/mile, and per capita road expenditures/mile. These measures provide information that helps the decision-making process for resource allocation etc. For example, the city measures the expenditure/mile on government vehicles, and uses it to make decisions for when to upgrade the fleets. The objective behind efficiency measurement is to always use the city’s resources in the most efficient way possible.

The city of Olathe began selecting measures as early as the year 2000, yet as with any new program, the city encountered difficulties from the outset. The most pronounced of the challenges the city faced was its oversized pool of measures, some of which were not tied to institutional objectives or a Strategic Plan. Since then, the city has worked hard to simplify the measures and reduce their number. The purifying process involved a close look at which measures informed on performance results and helped the government’s decision-making efforts. The organization asked these questions when attempting to redesign the pool of measures: What is the measure assessing?

Why does it exist? What does it do? The Office of Strategic Financial Management helped the departments look at their measures and ask these questions.

### **How to improve the data collection process**

Using various mechanisms the city of Olathe successfully improved the quality and quantity of information that is provided by the measures.

First and foremost, performance measurement was reintroduced into the administration as a formal activity, by standardizing reporting formats and procedures as well as creating templates according to the needs of the individual departments. Also, a timetable was set for the handing in of information, information processing, and finally, the publication of measures for public scrutiny.

Additionally, workshops for performance management and measure selecting, as well as training seminars, have been held for department directors and other officials who handle quantitative data on a day-to-day basis. Within the workshops the officials learn about measures, why to measure, how to measure, and what to measure. Officials who are hired or work specifically with measures attend special training seminars that are more specific and directed.

The idea behind the formalization of the measurement culture is to teach that it is useless for the departments to measure for the sake of measuring. It is essential that they understand that the measures are tools created to help them govern. Over time the officials learn that measuring helps them administer the city, how the city compares to other cities, as well as providing them a platform to discuss public opinion.

### **Revising the measures**

Olathe is currently undergoing a revision process of its measures. They are working to document what function each measure performs, how it originated, how it is calculated, where the numbers come from, and who is the owner. This information will help the Office of Strategic Management to understand what is behind each measure.

Before publication of the measures the Budget Office reviews the information and confirms its validity. In the case that a measure shows extraneous or incorrect information, the measure is returned to the departments from which it originated and is again reviewed before returning to the Budget Office.

### **Publishing the measures**

The city of Olathe publishes 100% of its measures in an array of documents (“Balanced Scorecard”, “Comparative Cities Report”, “Direction Finder” etc.). All three of these documents publish measures across departments. Also, in the budget document each department has a representation of measures included.

### **Austin and Dallas; simplifying the system of measures**

In this study the organizations analyzed have shown a large discrepancy between the number of measures belonging to an administration and the number of citizens the administration represents. Some cities have systems of measures that include up to 3,000 measures, while others do not have one tenth of that amount.

The varying number of measures in the organizations analyzed for this study is a result of several factors. Some of the factors include; the population size of the city, the maturity of the

performance management program, the types of measures used, and the complexity of the bureaucratic apparatus.

The city of Dallas, for example, uses upwards of 3,000 measures. This large quantity of measures is due to the simple fact that the organization uses a system that includes all types of measures. Dallas has a young program and analysis shows that most programs start with an inflated amount of measures, not all of which are tied into the government's institutional objectives. This phenomenon is also clearly witnessed in the cases for Olathe and Buenos Aires. Generally, programs that start with large numbers of measures follow-up with a "purifying" process that involves administrators asking why the measure exists and what its value is. Dallas, along with the other cases, passed through the simplification process once, and will likely do so again.

The performance measurement *measure selection process* is complex. On the one hand, a large quantity of measures allows for a government to watch over the minutia of its various services. Lots of measures can also help to brake down complex areas or services and show the multi-layered results they produce. On the other hand, an excess of measures can blur the picture and lose sight of the link between the measures and the objectives/strategy. In addition to purifying the measures, several cities have opted to simplify the system of measures that they use.

The city of Austin simplifies the large amount of information it acquires from its measures and is a good example of how a city can use a complex system to its benefit. The system facilitates a comprehensive evaluation of the city's performance, administrative decision-making, and easy public access to information. The city is made-up of 30 departments, each of which has several "activities", and each "activity" has three or four measures attached. The "activities" are the services of the operation, and the measures indicate what progress each activity has achieved.

Dallas uses a system very similar to Austin's. The city's operation begins with the "services", which are the equivalent to Austin's "activities". Eight to ten measures are attached to each "service". Both cities give a description below the measure about what it measures, how it is calculated, and what function it provides etc.

For example, the "service", "non-hazardous waste removal" has several measures that track its performance. These measures make up some of the 3,000 measures that the city of Dallas uses within its system. It is the responsibility of the department to deliver their measures to the Office of Strategic Customer Services, which is the department responsible for overseeing performance measurement in Dallas. To give another example of a measure; one of the environmental services in the city measures percent of compliance by facilities to eliminate environmental hazards. This measure is passed up monthly from the Environmental and Health Services department to the Office of Strategic Customer Services.

As opposed to the strategic planning process, the measurement process is bottom-up. In effect, the results realized by a specific service influences the evaluation of a department.

It is by this procedure that the measure is reviewed monthly, as it is passed up to the Office of Strategic Management and the Manager's Office, and then outwards as a function of accountable government. Not all measures pass through this final step -publication- as in the Dallas' case, where there is a cap of three or four measures that represent one "service". This will be explained further in the last chapter.

The revision process for a large amount of measures is complex. Dallas' city Manager does not have time to review each and every one of the city's 3,000 measures. Acknowledging this

logistical barrier, the city of Dallas incorporated a system of tagging measures that perform poorly. The city developed a stoplight system, tagging the measures that performed positively with the color green, the measures that did not register a change the color yellow, and the measures that marked poor performance red. This way, the Manager can focus in on the measures that represent “services” which are performing negatively or are experiencing difficulties.

Having a smaller number of measures makes for a simpler revision process. With fewer measures, the administration can take more care and time to review the information that is emitted. Also, the directors will be able to evaluate their services more completely and the Manager can select the services that are most important to look at them in their entirety. Although both Dallas and Austin have a large number of measures, both cities have constructed systems that simplify the revision process so that it will operate smoothly and effectively.

## **Publishing Results<sup>10</sup>**

The stated objective of this investigation is to present cases of reference about governments that promote transparent performance management by being accountable to their citizens.

Up until this section the analysis has presented the conditions necessary, although not exclusively, for a government to become accountable for its performance. These conditions are developed as organizations follow through the steps of performance management, until they reach the stage when productive performance measurement is possible. These steps include; strategic planning, working to institutionalize the program and a culture that promotes good measurement (creates the conditions so that government can measure honestly and with a purpose), and finally, the design and selection of measures.

The last step in the measurement and management process is the publication of the results. This is considered the final step a government takes to become responsible for the results its administration has achieved.

For the purposes of this paper, accountable government is understood to be the publication of an array of measures, representative of the government’s performance. It is important to note that this approach is one of many ways that a government can become accountable for its performance, as it works to achieve transparency in all of its operations. According to this approach, the measures should be associated with goals that take into account the organization’s resource availability. Therefore, the measures should mark the progress of performance as it relates directly to the predetermined objectives. The measures may be associated with a project, an operational objective, a strategic objective, or they may simply indicate the relationship between resources and products (efficiency measure<sup>11</sup>). Not all quantitative and qualitative information that a government publishes is directly related to its results.

The publication of this information implies exposing the bureaucratic apparatus to outside forces. Simultaneously, the implication of publishing performance results reverberates through the politico-bureaucratic paradigm. The performance measurement system can be likened to a structure formed by blocks, a tower of Jenga, where the blocks that form the structure are the measures, which relate to one another through careful planning and design. The stability of the

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<sup>10</sup> Anex 2 has the links to the performance publications for the six governments analyzed in this study.

<sup>11</sup> Chapter 3 gives examples of all types of measure analyzed in the cases for this study

tower is completely dependent upon the manipulations it receives. It is composed of measures that report good results (green), unchanged results (yellow), and bad results (red). This set-up will be the same in all governments. Therefore, it is understood that any manipulations or attempts to hide the “red” blocks will debilitate the integrity of the structure and the final product.

Upon further research it is observed that publishing performance results has two impacts: one outward moving from the organization and the other inward. In the paragraphs below this study will show how the publication of results plays a serious role in the internal makings of the organization, both administratively and politically. Observations will also be made about public reaction to the publication, which in the cases analyzed has been less pronounced than expected.

Finally, the physical nature and practicality of the publications will be analyzed. The information should be presented in a friendly format for people who do not look at the organization and see departments, but instead, the issues and problems that they confront and need help with on a daily basis. The accessibility of the information is an indicator of the value it possesses for the public. Publishing inaccessible information is the equivalent to not publishing anything at all. The importance the organization gives to the information is reflected in its accessibility on the government’s website.

The cases analyzed in this section give good examples of institutions that have made a concerted effort to present the published information in a manner that is both accessible and understandable to anyone interested. The utilization of graphs, colors, descriptions, and links that connect the interested party to other sources of information all create an atmosphere that is welcoming and that has the potential to interest a person beyond the information they were searching for. In these cases, upon entering the government’s website, the page that contains performance results is easily noticeable.

In the analysis of these cases it is important to first determine what kind of information is available and what steps must be taken to access it. Then the obstacles that the government went through to produce the information for public scrutiny will be taken into account. As a final point, mention will be given to the cultural shift, both internally in the organization and externally in the general population, that occurs after the government begins to publish performance results.

### **Miami-Dade: a government is as credible as the information it provides**

The Office of Strategic Business Management (OSBM) oversees the performance management program, along with the publication of results in Miami-Dade County. This office works year around to ensure that the performance results information published by the county is accurately representative of the government’s performance.

On the OSBM website, (<http://www.miamidade.gov/osbm/>), one can find a variety of information and reports, such as the Strategic Plan and the Operating Plans for the departments.

The principal reports are the scorecards, which provide the results achieved for the individual departments since the year 2003 up-until present. These reports present the measures in a less reader friendly format and can be complex and confusing to someone who is unfamiliar with the process.

The other key report found on the page is called the Progress Report (<http://www.miamidade.gov/stratplan/progress-report.asp>), which presents information organized by strategic themes. In other words, instead of detailing the information in its

administrative format, the Progress Report groups the measures by their connection to the Strategic Plan. For example, under Public Safety the county has placed measures that follow the Police Department, as well as the Fire Department, Juvenile Services, along with others. This report is designed for readers who are less familiar with the performance management program.

Both documents reveal what kinds of measures are used in the county's scorecard and the connection that those measures have to the Strategic Plan. By analyzing this information the citizen can compare what the county has proposed in its Strategic Plan to what it has achieved throughout the year.

By publishing these documents the county holds itself accountable to its citizens and opens the door to public participation. The follow-up questions then become; whether the citizens take advantage of this possibility, if the barrier between citizen and government is breached, and if a new line of dialogue is created between the two.

In Miami-Dade the first notable reaction to the publication of the scorecard etc. came from the media. Articles about results based publications, and the results, were published in the largest newspaper in the area. Nevertheless, the organization experienced less public commotion than was originally expected. On the website there is a space where citizens can comment about the performance results, and the county has received some feedback through this medium. As explained by Ray Scher, although the public reaction has been minor, the act of publishing is an act of transparency and contributes to the credibility of the government while enriching the ties between government and citizen.

On the other hand, the publication of performance results has had a profound inward effect on the organization. This inward impact has been noted throughout the study, and Miami-Dade will provide a good example, as it represents this phenomenon as all of the cases analyzed in the study experienced it.

The impact of publishing is felt intensely within the organization. The official's sense of responsibility is affected by the publication of results. Moreover, the date that the county publishes information marks an important moment for the entire system. It indicates the moment that the administration is obliged to articulate its performance to politicians and the public.

In Miami-Dade the spotlight system flags the measures and helps give a general idea about each department's performance. When an objective has not been met, it is flagged with the color red. Thus, ambitious goals can appear risky to a department that does not wish to look as though it is performing poorly. For example, the Police Department was reticent to publish its measures because most of the goals it had set were very high, therefore several measures had been tagged red. The Department feared that once made public, people would assume that the Department was not doing its job, and that the county streets were unsafe because of it.

This fear that departments have about publishing measures that are tagged red has an influence on the measure selection process. The publication of the results urges departments to select goals that they can reach. This is a fear that spreads across all departments, yet has significant implications for the communication department as it is reticent to publish information that may appear negative to outsiders. When disagreements about publishing the measures do arise, the leadership at Miami-Dade has proven that it is determined to be transparent. The upper-level management has decided on various occasions to publish the measures despite their appearance. As commented by Ray Scher, this level of transparency ultimately positively influences the county's credibility.

In conclusion, publishing results is the fulcrum that balances the politico-administrative entity on the one side, and the citizen's demand for transparency on the other. In all of the analyzed cases this equilibrium modifies the organization's internal dialogue and imbues within it a new approach to citizen communication. In other words, publication is the central piece in the internal cultural shift, which permits the organization to interact directly with the citizen.

### **The City of Buenos Aires: an “observatory” made for the citizen**

The government of the City of Buenos Aires<sup>12</sup> proposed an initiative to develop a system that would monitor the performance of the projects initiated by the previous government as well as the projects initiated from that point on by the new government. By undertaking this initiative the government would be able to report on the results of its performance. As a result, the government created a scorecard that permitted for formal tracking of its performance, and facilitated results based decision-making.

The mayor of Buenos Aires created a new post titled, Manager of Directors, and by doing so, introduced a figure with the capacity to monitor the performance of the government from a completely administrative perspective, leaving the Mayor to manage the matters pertaining to the strategies and objectives of the government as a whole.

In the beginning, the strategy of the new government was intended to institutionalize a monitoring system created to monitor the projects of the various ministries (departments). This was accomplished by creating a general directive for the Scorecard, which was designed to track the progress of the ministries' projects. Simultaneously, as the monitoring process was being internalized, the Strategic Plan for the city was under development. This is the point that ruptures this case from all of the others observed in this study. In this case, the government elect created two parallel processes, one designed to create a Strategic Plan for the organization of the city, and the other, to design and maintain a monitoring structure for the city's projects (some newly created and some inherited). In the same year, the measures were designed to indicate the results of the government's performance.

In conclusion, in the case of Buenos Aires, the process was not lineal. Instead, parallel processes marked the creation of a Strategic Plan, the institutionalization of a performance-monitoring organism, and the selection of measures designed to provide accountability to the citizens.

It is important to note that although the city did not follow the traditional path for performance management implementation, it did manage to create a more accountable government in relatively little time. With the Strategic Plan underway and a pool of measures associated to its objectives, the city created the “Observatory of Government Results”, instituting a more accountable government in the short-term.

When this process is linear the program becomes more sustainable by regular training of leaders and administrators on the one side, and measuring of results on the other. In this case, however, strong political resolve set off a process that ensured the government would be accountable. Now, the challenge will be to institutionalize it.

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<sup>12</sup> Buenos Aires (Federal District) changed governments on December 10<sup>th</sup>, 2007.

## **Aligning the incentives**

As was mentioned at the beginning of this section, the publication of the measures has a very notable and important inward impact on the organization, both administratively and politically. Buenos Aires is not an exception to this rule. In fact, the speed at which the processes leading up to the performance results publications<sup>13</sup> were carried out lead to some serious difficulties when it came time to publish. First and foremost, the organization had just begun to undergo the cultural shift that in other cases would have already been further advanced by that point. The administrators had just started to internalize the process and take on the responsibilities associated with measuring the government's results.

After the date was set to publish the results for the first time, serious pressure was experienced across the organization. Efforts were made to reincorporate the measures that had been left aside, up-until that point. Also, a purifying exercise was initiated, during which the government determined which measures were adequate enough to show to the public, and which ones best represented the departments' performance.

Like the other cases in this study, the organization concentrated its efforts on deciding which results should be published. The fears that were voiced about publishing measures that were in "red" opened-up a new internal dialogue about the concept of transparency. A search for equilibrium between internal political pressures and the citizen's demand for transparency was constantly in play.

## **Publishing results with the citizens watching**

The city of Buenos Aires publishes its results on a webpage titled "The Observatory of Government Results". This effort is a product of the 2009 Strategic Plan<sup>14</sup> and includes basic information about performance results as well as some extra information provided to help inform the citizen. Essentially, it is a site designed around the issues of the citizen and what the government is doing to address those issues.

The website is broken-down by the following categories: 1) What is the Observatory of Government Results? This section describes the mission of the Observatory, the type of information it provides, who coordinates it, what the specific objectives are, and a presentation letter and video, 2) Performance strategies; serves as the common denominator for the rest of the components because it presents all of the information that is to be found in the rest of the Observatory, 3) Priority projects; gives the results of all of the strategic projects managed by the government, 4) Citizen perceptions; references opinions of the public about specific issues concerning the major problems of the city, and on the same page includes the actions the government has taken to respond to those problems, 5) The Evolution of City Measures allows for the citizen to look up pools of measures that respond to specific services provided by the government, 6) Comparison with other Cities allows for the citizen to compare some of Buenos Aires' measures to other cities of the world.

Besides the above mentioned components, the website also has a module that is dedicated to the budget and the expenditures to-date. This module also follows the city's construction and infrastructure projects.

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<sup>13</sup> These processes are: planning, internalization of the program, and selection of measures.

<sup>14</sup> Directorate for Strategic Planning, Secretary for Strategic Planning, Manager's Office (2008).



Finally, the site has a citizen comment section where the citizen can post questions and comments about the information on the site.

What is most relevant about this case is the form in which the Observatory for Government Results is orientated towards the citizen. As mentioned above, the information in the Observatory is organized around the city's Strategic Objectives, as they are laid out in the 2009 Strategic Plan. Each Strategic Objective involves several ministries. Consequently, the information is presented to the citizen grouped by government services and programs. It is not presented in an administrative format, which can be confusing to the citizen. The priorities as defined are; Health, Culture and Education, Social Development, Labor and Economic Development, Public Safety, Environment and Public Space, Transit and Transportation, and Buenos Aires Easy. Also, the names of the projects are non-technical and citizen friendly. Each section of the website is designed and written for the citizen.

The Observatory for Government Results reflects the culmination of a process designed to report performance results, completed by the publication of the results. In this case, the desired outcome will be a citizenry in control of the quality of service rendered by its government. The Observatory is intended to provide the information necessary for the citizen to make determinations as to whether the government follows through with its promises to fix the city's infrastructure, for example, and to do so efficiently. The official can use this tool as a guide as well as a reminder that the citizen is up-to-date and involved.

## Conclusion

This last section is a compellation of the ten bullet points of advice handed down by the officials who are responsible for overseeing the performance management programs of their governments, as presented in the interviews. The advice often coincided despite the fact that it came from experiences from different governments across the United States and Argentina. This is good advice for governments that seek to create results-based programs.

1. **“Support for the Program should be top-down”.** For the implementation and maintenance of the program the leadership should be its biggest promoter. Leadership must convey a sense of security and proactive governance to the rest of the administrators. The Manager or Governor, depending on the politico-administrative system, is responsible for orientating the government’s administrative system towards performance management. They must promote the program from the inside of the organization, using clear and consistent messages. **Communication is fundamental.**
2. **“Publish no matter what the results are”.** Support for the program should be as strong as ever when it comes time to publish. The leader responsible for the program should be resolute about publishing both positive and negative results, and should support those departments that publish some “bad” measures on their card. Throughout the entire performance measurement process the upper level administrators should work to find equilibrium between the demands for transparency from the citizens, the credibility manufactured by the publication of honest results, and the fears and pressures within the organization to avoid publishing “negative” results. To allay these fears it is essential to have descriptions below the measures and services to explain why the results came back the way they did. The city of Coral Springs stated; **it is always necessary to explain the data.** Explain the measure and what is important about the results it indicates.
3. **This is not a Punitive exercise.** This program is designed to help officials administrate and improve the government’s performance. This advice was given by practically all of the administrators. In the meetings with department directors it is essential that the measures be used constructively, with a focus on what the directors can do to improve in the areas that show poorly, and that they not be punished for their “negative” performance. These meetings provide an opportunity to return to the drawing table and re-strategize in the areas that are creating obstacles. This approach allows for the directors to feel more comfortable with presenting and talking about their lagging services, giving them room to internalize the process and the value of the measurement system. If the system is punitive, or punishes for poor performance, the directors will be less likely to establish far-reaching goals and difficult to achieve objectives. If they fear punishment they will be pressured to create measures that are pointless or have no value. In order for the officials, and especially the department heads, to feel confident they must have the support of their leaders.

“Lets clarify the difference between positive management as opposed to punitive management (...) Now the directors are willing to come to meetings and talk about “reds”. With time the directors began to understand the program, they began to accept it and their fears disappeared.” Carlos Maxwell, Miami-Dade County.

4. **Training gives life to the program.** It is important that **all** members of the organization who will play a role in performance management be trained for technical purposes as well as to

instill a cultural/systematic understanding. Learning to read and analyze data is crucial to the measuring process and requires professional training. The training should stimulate interest as well as help institutionalize the conceptual foundations of the program. Understanding the logic of the process helps shape and stabilize each rung in the performance measurement ladder.

**5. The measures are merely indicators of the strategies implemented by the government.**

There is a direct relation between the value of the measure and its capacity to quantify a service's progress, as it is defined in to the Strategic Plan. Because this is the case, it is recommended that the organization begin with the Strategic Plan, then move to the individual departments and their Operating Plans, and finally after these steps are taken, begin designing and selecting the measures that it will use. The measures should demonstrate how close or how far the government is from reaching the goals and objectives it has set in the Strategic Plan. **Measuring for the sake of measuring is a pointless exercise.**

**6. Start measuring small.**

Based on the data gathered in this study it will save the organization lots of trouble and time if it begins measuring with a small amount of measures. However, the measure selection process is long and complex, and many governments have started with a large number of measures and then moved on from there. By starting large, a government will experience difficulties differentiating between the measures that are valuable and the measures that serve no purpose or have no link to the Strategic Plan. Also, if a government begins with a small number of measures it simplifies the administrative internalization process of the measurement system. If the program is simple and user friendly it will be more likely to be adopted by the administrators. Needless to say, as the program ages and grows it is possible that the pool of measures will grow and become more complex.

**7. Start measuring and respect deadlines.**

More often than not governments just beginning the program consider that their measures are inadequate and therefore not worth using. The departments will ask for extensions to the deadlines and insist that they be given time to improve the measures. It is important to understand that when an organization begins to measure the results the measures will not be perfect. Nevertheless, they should begin to measure. They should respect the deadlines despite lagging measures and results. Only after the organization begins to measure will it be able to improve the measures and the process as a whole. **Organizations will learn from their errors and the program will improve.**

**8. Create a pilot program.**

The city of Charlotte instated a simple and effective program, which began the institutionalization process and prepared the organization for strategic planning. The pilot program was created for volunteer departments and developed confidence by implementing the planning and measuring strategies on a smaller scale. Once the pilot was completed, the city boasted internal "champions", which promoted and supported the program from within the organization. The departments that participated shared their experience and training with the rest of the government when it came time to implement the program across the organization. The pilot program helps prepare the organization for the challenges of a performance management program, all the while creating internal leaders with experience and wherewithal.

**9. The software is only a reflection of the Strategic Plan and the system that evaluates it. A**

good software system can help organize and visualize the link between the measures, the government's Strategic Plan, and the operational objectives of the departments. Using the software, the administrator can monitor the system of measures and see how they connect to the government's strategies. In other words, it is a tool that helps visualize how measures relate to one another. Given that it is a tool meant to be helpful, it should be simple and user friendly. Remember, the program is not the software. The program is structured around, and functions, because of the administrators, directors, and government officials.

- 10. Patience.** The program requires time and dedication. The implementation of the program is a process that can take between 3 and 4 years. A program that defines the objectives of the organization, allows for them to be evaluated and then published takes time. Moreover, once the program is internalized it must be maintained and sustainable. To create a lasting and sustainable program it is necessary to remain open to new ideas, and to have patience and conviction.

## **Anex 1**

### **Cities that participated in this study:**

- ▶ Miami-Dade, FL.
- ▶ Charlotte, NC.
- ▶ Coral Springs, FL.
- ▶ Rockwall, TX.
- ▶ NYC, NY.
- ▶ Pennsylvania.
- ▶ Hillsborough, NC.
- ▶ Olathe, KS.
- ▶ Austin, TX.
- ▶ Bellevue, WA.
- ▶ Dallas, TX.
- ▶ Henderson, NV.
- ▶ Long Beach, CA.
- ▶ Phoenix, AZ.
- ▶ San Jose, CA.
- ▶ Vancouver, WA.
- ▶ Westminster, CO.
- ▶ Fairfax County, VA.
- ▶ Philadelphia, PA.
- ▶ Washington, DC.
- ▶ Oregon.

## **Anex 2**

Austin: [www.ci.austin.tx.us/budget/default.htm](http://www.ci.austin.tx.us/budget/default.htm) .

Charlotte: <http://www.charmeck.org/living/home.htm> .

Coral Springs: <http://www.coralsprings.org/CityManager/index.cfm> .

Dallas: <http://www.dallascityhall.com> .

Miami-Dade: <http://miamidade.gov/wps/portal> .

Olathe: <http://www.olatheks.org/CityManager/J.MichaelWilkes> .

## **Anex 3**

### **Interviews completed**

- Shannon Szymczak, Corporate Budget Manager, Budget Office; Ed Van Eenoo, City Budget Officer, Budget Office y Justin Goldbabai, Senior Budget Analyst, Budget Office. Austin, Texas, U.S.A. Interviewed by Celeste Bustelo and Trevor Udwin. Teleconference, October 14th, 2009.
- Lisa Schumacher, Charlotte Budget and Evaluation Office. Charlotte, North Caroline, U.S.A. Interviewed by David Groisman, Celeste Bustelo and Trevor Udwin. Teleconference, October 9th, 2009.
- Bob Goehrig and Chelsea Stahl, Management and Budget Office. Coral Springs, Florida, U.S.A. Interviewed by Celeste Bustelo and Trevor Udwin. Teleconference, October 16th, 2009.
- Margaret Wright, Assistant Director of the Oficina de Strategic Customer Services, Dallas, Texas, U.S.A. Interviewed by David Groisman, Celeste Bustelo and Trevor Udwin. Teleconference, October 7th, 2009.
- Ray Scher, Assistant Director, Management Planning and Performance Analysis, Office of Strategic Business Management; Carlos Maxwell, Business Analyst Manager, Office of Strategic Business Management. Miami-Dade, Florida, U.S.A. Interviewed by Celeste Bustelo y Trevor Udwin. Teleconference, October 14th, 2009.
- Alan Shorthouse of the Office of Strategic Financial Management, Olathe, KS, U.S.A. Interviewed by Celeste Bustelo and Trevor Udwin. Teleconference, October 14th, 2009.

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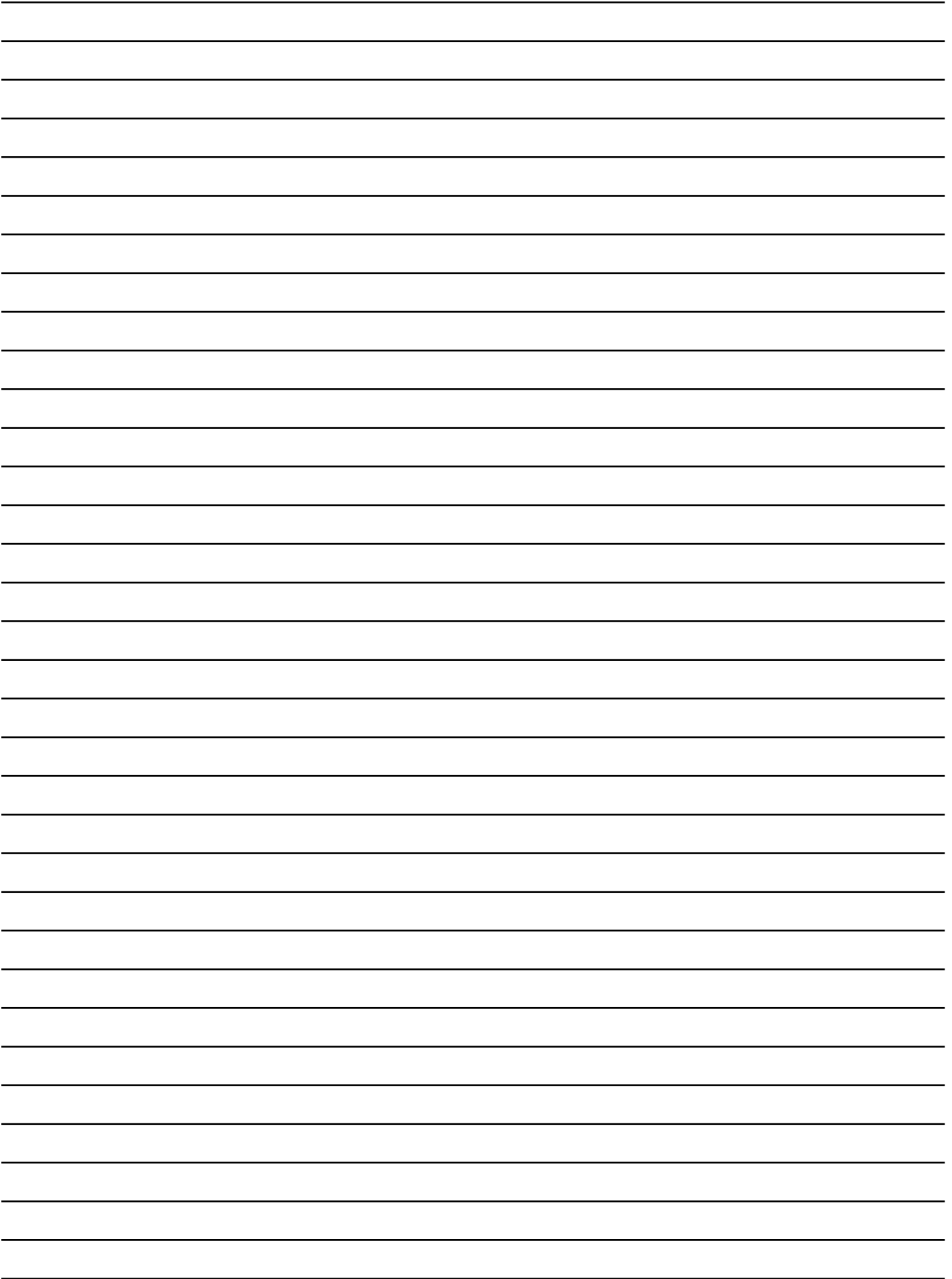
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## Working Documents

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