City of New Orleans
Performance Management Training
[Date]
Office of Performance & Accountability
Agenda

• Overview
• Strategic Planning
• Performance Measurement
• Performance-Based Budgeting
• Performance Reporting
• Performance Reviews
• Data Quality
• Illustrations – City of New Orleans
OVERVIEW
Definition

**Performance Management:** Management decision-making based on the use of data to measure progress towards specific goals
Recent History and Current Environment

- Integral part of budgetary approaches developed in the 1960s and 1970s
- Notion of *managing for results* began to be embraced by public administration practitioners in mid-1980s
- Increased emphasis by Governmental Accounting Standards Board and others on the need for demonstrating accountability to the citizenry
- New legal requirements in some jurisdictions, including the federal government with the Government Performance and Results Act of 1993
- Evolution of the “Stat” approach to performance improvement in early 2000s
- Ease of communication through the Internet further influenced the environment
Performance Management Cycle

Plan

Communicate

Performance Measures

Implement

Evaluate
Challenges in Public Sector

• Few incentives for producing, and reporting on, outcomes
• Anti-corruption regulations emphasize compliance with processes rather than achievement of outcomes
• More transparency could mean more bad press
• Civil service rules often reward lengthy tenure, not high performance
• Non-trivial costs of data collection, analysis, and infrastructure
STRATEGIC PLANNING
Objectives and Uses

- Align resources
- Foster the development of operational plans
- Guide decision-making to attain goals and improve outcomes
- Communicate to stakeholders
Ten-Step Strategic Planning Process

1. Initiate and agree upon a strategic planning process.
2. Identify organizational mandates.
3. Clarify organizational mission and values.
4. Assess the organization’s external and internal environments to identify strengths, weaknesses, opportunities, and threats.
5. Identify the strategic issues facing the organization.
6. Formulate strategies to manage these issues.
7. Review and adopt the strategic plan or plans.
8. Establish an effective organizational vision.
9. Develop an implementation process.
10. Reassess strategies and the strategic planning process.

Source: John M. Bryson, Strategic Planning for Public and Nonprofit Organizations: A Guide to Strengthening and Sustaining Organizational Achievement
Strategic Plan Elements

Mission and Values
- Fundamental purpose of the organization and the guiding principles that anchor and drive operations

Vision
- Future that the organization intends ultimately to become

Goals
- Long-term aspirations

Objectives
- Results the organization strives to achieve

Strategies
- Actions to achieve the objectives
Objectives and Uses

- Make decisions
- Budget resources
- Make changes to improve performance (e.g. change policies or programs, reallocate staff or funds, provide training, or develop partnerships)
- Determine areas for in-depth analysis or program evaluation
- Motivate personnel
- Respond to elected officials’ and the public’s demands for accountability
- Monitor the performance of contractors and grantees
- Communicate better with the public and build trust and support for public services
Performance Logic Model

IF Inputs THEN Activities THEN Outputs THEN Intermediate Outcomes THEN End Outcome

- People and funds
- Services
- What the inputs produce
- Changes required to achieve end outcome
- Ultimate benefit

Relationship to Strategic Plan:

Inputs → Programs/Initiatives → Strategies → Goals and Objectives → Mission

Performance Measures

Performance Management
## Types of Measures

<table>
<thead>
<tr>
<th>Type</th>
<th>Basis</th>
<th>Timeframe</th>
<th>Degree of Influence</th>
<th>Accountability</th>
<th>Use</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operational</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Outputs</td>
<td>Strategy</td>
<td>Short term</td>
<td>High</td>
<td>Supervisors / managers</td>
<td>To assess quantity of services delivered</td>
<td>Number of citizens trained in CPR</td>
</tr>
<tr>
<td>• Efficiency</td>
<td>Strategy</td>
<td>Short term</td>
<td>High</td>
<td>Supervisors / managers</td>
<td>To assess unit costs or service units per FTE</td>
<td>Cost per citizen trained in CPR</td>
</tr>
<tr>
<td>• Customer service</td>
<td>Strategy</td>
<td>Short term</td>
<td>High</td>
<td>Supervisors / managers</td>
<td>To assess quality of services delivered</td>
<td>Citizen satisfaction with CPR training</td>
</tr>
<tr>
<td><strong>Intermediate outcomes</strong></td>
<td>Goals and Objectives</td>
<td>Short to medium term</td>
<td>High to medium</td>
<td>Middle managers</td>
<td>To assess progress toward end outcome</td>
<td>Percent of citizens with increased expertise as a result of CPR training</td>
</tr>
<tr>
<td><strong>End outcome</strong></td>
<td>Mission</td>
<td>Long term</td>
<td>Medium to low</td>
<td>Senior leaders</td>
<td>To assess the ultimate benefit</td>
<td>Percent of individuals who suffer from cardiac arrest with pulse at delivery to hospital</td>
</tr>
</tbody>
</table>
Performance Data Sources

- Program records
- Accounting system
- Physical testing
- “Trained observer” surveys
- Citizen surveys
- Federal/state economic and demographic data
Criteria for Selecting Measures

- Relevance to the strategic plan
- Importance
- Understandability to users
- Influence or control
- Feasibility of collecting reasonably valid data
- Uniqueness
- Comprehensiveness
- Manipulability
- Cost of collecting the data

Source: Harry P. Hatry, Performance Measurement: Getting Results
Setting Targets

Quality targets are aggressive, yet achievable.

Suggested Steps in Developing Outcome Targets

1. Examine the strategic plan. Targets should be compatible.
2. Analyze the historical relationships between inputs, outputs, and outcomes.
3. Consider outside resources, environmental factors, changes in legislation or requirements, and expected program delivery changes, and adjust targets accordingly.
4. Consider the level of outcomes achieved by similar organizations or under various conditions.
5. Review the findings and recommendations from any recent program evaluations to identify past performance levels and past problems.
6. Use program (cost-effectiveness) analysis, and/or cost-benefit analysis to estimate the future effects of the program.

Source: Harry P. Hatry, *Performance Measurement: Getting Results*
Cascading to Individual Employees

Organization Performance Measures
Ex: Number of blighted properties in the city

Department Performance Measures
Ex: Number of blighted properties abated by Code Enforcement

Program Performance Measures
Ex: Number of inspections completed

Individual Performance Measures
Ex: Number of inspections completed by individual inspector
Relationship to Other Evaluation Activities

• **Program Evaluations**: in-depth, special studies that not only examine outcomes, but also the causal link between programs and outcomes. Performance measurement can help determine areas for study, and performance data may be used.

• **Performance Auditing**: ad hoc studies, closely resembling program evaluations, typically conducted by auditors or inspectors general. Performance data may be used.

• **Policy Analysis**: future-oriented analysis requiring estimation and judgment for which performance data alone is insufficient.
Limitations

• Need for more than one measure and other information to make decisions
• Cause and effect not always evident
• Some outcomes cannot be measured directly
PERFORMANCE-BASED BUDGETING
Uses of Performance Information in Budgeting

- **Identify poorly performing programs**, thereby signaling the need to make changes and allocate fewer or more funds.
- **Identify programs that are performing well** and presumably need no significant changes.
- **Assess new programs** for what they are expected to accomplish.
- **Compare different proposed options** on their expected outcomes and costs.
- **Help identify activities that have similar outcome indicators** and, thus, are candidates for coordination and perhaps revised funding.
- **Justify budget choices more effectively** to agency and elected officials – and the public.
- **Provide the basis for greater agency accountability**, if reasonable performance targets are set for the budget year and achieved values are subsequently compared to targets.

*Source: Harry P. Hatry, *Performance Measurement: Getting Results*
Performance-Based Budgeting

• Budgeting based on the performance expected to occur as a result of resource investment.
• Demonstrates linkages between resources expended and performance level achieved.

Input
$100,000

Output
4,000 potholes filled

Outcome
80% of road miles in satisfactory condition
PERFORMANCE REPORTING
Performance Reports vs. Dashboards / Scorecards

Designed for different audiences

• Performance reports
  • Designed for stakeholders who need context to effectively interpret information
  • Typically provide greater descriptive narrative, with greater discussion of results and their meaning

• Dashboards / scorecards
  • Designed for leaders, managers, and line staff needing up-to-date information to make decisions that affect performance
  • Typically only brief or no analysis or discussion of results presented
# Audiences and Uses

<table>
<thead>
<tr>
<th>Performance Reporting Audience</th>
<th>Audience Type</th>
<th>Performance Information Uses</th>
<th>Required Reporting Frequency</th>
<th>Recommended Reporting Tool</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Leaders</td>
<td>Internal</td>
<td>To effectively plan/strategize, and to hold managers accountable</td>
<td>High</td>
<td>Dashboards / Scorecards</td>
</tr>
<tr>
<td>Managers and Line Staff</td>
<td>Internal</td>
<td>To make the right decisions to improve performance</td>
<td>High</td>
<td>Dashboards / Scorecards</td>
</tr>
<tr>
<td>Legislators</td>
<td>External</td>
<td>To review budget proposals and make funding decisions, and to provide oversight of the administration</td>
<td>Medium</td>
<td>Performance Reports</td>
</tr>
<tr>
<td>General Public</td>
<td>External</td>
<td>To track the results they are getting for their tax dollars, and to hold elected officials accountable</td>
<td>Medium</td>
<td>Performance Reports</td>
</tr>
</tbody>
</table>
Governmental Accounting Standards Board Guidelines

- Purpose and scope
- Major goals and objectives
- Involvement in establishing goals and objectives
- Multiple levels of reporting
- Analysis of results and challenges
- Focus on key measures
- Reliable information
- Relevant measures of results
- Resources used and efficiency
- Citizen and customer perceptions
- Comparisons for assessing performance
- Factors affecting results
- Aggregation and disaggregation of information
- Consistency
- Easy to find, access, and understand
- Regular and timely reporting

Source: City of Fort Collins. www.fcgov.com
PERFORMANCE REVIEWS
A series of regular, periodic meetings during which the leadership and/or leadership top aides use data to discuss, examine, and analyze with the individual directors of different agencies past performance, future performance objectives, and overall performance strategies.

DATA QUALITY
Building Data Quality

- Document data collection and reporting procedures
- Design spot checks
- Create standard definitions of all terms
- Turn documentation and definitions into job aids
Assessing Data Quality

- Periodically review data collection, maintenance, and processing procedures
- Provide for formal audits of performance information by third parties
Disclosure

• Communicate approaches to data quality assessment
• Report data sources
• Disclose data limitations and their implications for assessing performance
ILLUSTRATIONS – CITY OF NEW ORLEANS
City of New Orleans Performance Management

Office of Performance and Accountability
- Created by Mayor Landrieu with Council support in January 2011
- Dedicated to improving the performance, accountability, and transparency of City government
- For first time in City’s history, sustained commitment to performance management

<table>
<thead>
<tr>
<th>Strategic Framework Component</th>
<th>Mission and Values</th>
<th>Vision</th>
<th>Result Area Goals</th>
<th>Objectives</th>
<th>Strategies</th>
<th>Programs and Services</th>
<th>Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Measurement</td>
<td></td>
<td></td>
<td>Outcome performance measures</td>
<td>Output, efficiency, and customer service measures (Key Performance Indicators)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accountability</td>
<td></td>
<td>Executive</td>
<td>5-10 years</td>
<td>1-5 years</td>
<td>0-12 months</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time Frame</td>
<td></td>
<td></td>
<td>5-10 years</td>
<td>1-5 years</td>
<td>0-12 months</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
City of New Orleans Strategic Framework

Mission
The City of New Orleans delivers excellent service to its citizens with courage, competence and compassion.

Values
Integrity, Excellence, Transparency, Teamwork, Responsiveness, Innovation, Diversity and Inclusion

Vision
New Orleans is a model city. We are a unified city. We are a creative city.

Result Area Goals and Objectives

Public Safety
- Rebuild citizen confidence in public safety offices
- Ensure safe and secure neighborhoods, and reduce the murder rate
- Prepare for, mitigate, and effectively respond to emergencies

Open and Effective Government
- Exercise effective management and accountability for the City’s physical resources
- Attract, develop, and retain public servants throughout City government empowered to deliver high-quality customer service
- Facilitate the legal, administrative, and policy work of governmental bodies serving City residents

Children and Families
- Improve health outcomes for City residents
- Support the development of strong and resilient youth and families, including children in schools
- Provide high-quality cultural and recreational opportunities to City residents and visitors
- Facilitate the provision of effective human services to City residents

Economic Development
- Promote business growth and job creation
- Develop and train the local workforce, and connect residents with jobs
- Promote energy efficiency and environmental sustainability

Sustainable Communities
- Maintain and improve public infrastructure
- Promote Quality Neighborhoods
- Promote energy efficiency and environmental sustainability

Innovation
- Implement projects that enable the achievement of citywide outcomes and that provide long term value
Budgeting for Outcomes (BFO)

Based on articulating high-level priorities, or Result Areas, identifying strategies that will enable the City to achieve priority outcomes, and directly tying spending to those results.

1. Directly assign all estimated available funding to Result Areas
2. Departments, rather than preparing departmental budget requests, prepare individual program or service proposals, or offers, specifically related to helping the City achieve one or more of its overall priorities
3. Through a prioritization process, offers are reviewed and ranked
4. Offers are funded according to their ranking within each priority, until no more funds are available
5. Budget is organized into departmental budgets for financial monitoring and accounting purposes
Public Works  Lt. Col. Mark Jernigan, Director

Mission
To construct and maintain the highest quality of safe and sustainable transportation facilities for users of vehicular, bicycle, pedestrian and rail transportation, in order to improve the quality of life and create opportunities for economic development for all New Orleanians.

Indicator Summary

<table>
<thead>
<tr>
<th>Indicator</th>
<th>YTD Actual</th>
<th>YTD Target</th>
<th>On Track?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of abandoned vehicles calls closed within 45 days</td>
<td>100%</td>
<td>95%</td>
<td>☀</td>
</tr>
<tr>
<td>The average number of days to close abandoned vehicle calls in Q2 was 10.49 days. DPW does not have information on the status of those active requests that preceded the March 26 launch of NOLA 311, so the actual number of days to close calls in Q2 likely differs.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of streetlight repairs completed</td>
<td>6,040</td>
<td>4,470</td>
<td>☀</td>
</tr>
<tr>
<td>New measure. No Q1 target because the additional streetlight repair funds, which were considered in setting the annual target, were not identified until Q2. Q1 total previously reported as 1,197, revised to 1,206 in June 2012.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of potholes filled</td>
<td>31,576</td>
<td>25,000</td>
<td>☀</td>
</tr>
<tr>
<td>Q1 total previously reported as 15,660, revised to 13,097 in July 2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of catch basins cleaned</td>
<td>2,495</td>
<td>2,100</td>
<td>☀</td>
</tr>
<tr>
<td>Q1 total previously reported as 1,380, revised to 1,096 in July 2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent of traffic sign repair, replacement, or installation requests resolved within 48 hours</td>
<td>97%</td>
<td>95%</td>
<td>☀</td>
</tr>
<tr>
<td>Number of parking citations</td>
<td>164,325</td>
<td>MS</td>
<td>MS</td>
</tr>
<tr>
<td>Number of tows</td>
<td>6,806</td>
<td>MS</td>
<td>MS</td>
</tr>
<tr>
<td>Number of boots</td>
<td>3,984</td>
<td>MS</td>
<td>MS</td>
</tr>
</tbody>
</table>

Quarterly Update
The Department of Public Works (DPW) is on track to meet all of its annual performance targets. In Q2 2012, the Department completed its transition into the NOLA311 system for DPW-related service requests, such as pothole repairs, catch basin cleaning, streetlight outages, and missing street signs.

Second quarter highlights include Mayor Landrieu’s announcement in May 2012 of an additional $8 million in one-time funding to support streetlight repairs, with the goal of fixing all streetlight outages by the end of the year. Highlights also included the completion of several capital road projects, including Holiday Dr. (General Meyer Ave. to Behrman) and Berlinda Dr. (Huntlee Canal to Woodland Dr.) on the West Bank, South Jefferson Davis Pkwy. (Martin Luther King Jr. Blvd. to Howard Ave.) in Gertown, and Gordon St. (Chartres St. to St. Claude Ave.) and Flood St. (Peters St. to St. Claude Ave.) in the Lower Ninth Ward. The Department has completed eight construction projects since the beginning of the year and had fourteen projects under construction as of the end of the second quarter. In April, the City was recognized by the Pedestrian and Bicycle Information Center as a Bronze Level Walk Friendly Community for its walkability initiatives and programs. In May, Mayor Landrieu announced the start of construction on six projects to further enhance the city’s streetscapes. The projects will improve the areas surrounding the roadway through infrastructure improvements such as sidewalks, walking paths, bike lanes, ADA-compliant ramps and lighting or through aesthetic improvement projects.

Streetlight repairs increased significantly in May and June due to the increase in funding. DPW restored 4,843 streetlight outages in Q2 2012, a 300% increase as compared to Q1 2012. As of the end of Q1 2012, a total of 7,851 outages existed, representing less than 15% of all streetlights. Of those outages, 47% streetlights are in need of major repairs. Improvements will continue to be implemented in Q3 2012 to increase production rates.
## Public Works

Lt. Col. Mark Jernigan, Director

### Key Performance Indicators

<table>
<thead>
<tr>
<th>Key Performance Indicator</th>
<th>2011 Q1</th>
<th>2011 Q2</th>
<th>2011 Q3</th>
<th>2011 Q4</th>
<th>2012 Q1</th>
<th>2012 Q2</th>
<th>Trend</th>
<th>On Track?</th>
<th>YTD Target</th>
<th>2012 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of abandoned vehicles calls closed within 45 days</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>100%</td>
<td>100%</td>
<td></td>
<td></td>
<td>95%</td>
<td>95%</td>
</tr>
</tbody>
</table>

Calculated by dividing the number of abandoned vehicles reported to the Department of Public Works abandoned vehicle unit that are towed or removed from public property within 45 days by the total number of vehicles calls closed during the period. The presence of abandoned vehicles leads to a perception of neglect which can signal an opportunity for illegal dumping or crime. Abandoned vehicles also interrupt parking circulation and can become havens for rats and mosquitoes.

<table>
<thead>
<tr>
<th>Number of streetlight repairs completed</th>
<th>2,712</th>
<th>2,853</th>
<th>4,731</th>
<th>629</th>
<th>1,206</th>
<th>4,843</th>
<th></th>
<th></th>
<th>4,470</th>
<th>11,000</th>
</tr>
</thead>
</table>

Counts the number of routine and Time & Equipment (T&E) streetlight repairs completed. A lack of lighting can detract from public safety and create an opportunity for accidents or crime.

<table>
<thead>
<tr>
<th>Number of potholes filled</th>
<th>14,396</th>
<th>18,634</th>
<th>12,204</th>
<th>8,075</th>
<th>13,097</th>
<th>18,479</th>
<th></th>
<th></th>
<th>25,000</th>
<th>50,000</th>
</tr>
</thead>
</table>

Counts the number of potholes filled using pothole killers and patch crews. Road conditions affect driver safety and wear and tear on vehicles.

<table>
<thead>
<tr>
<th>Number of catch basins cleaned</th>
<th>499</th>
<th>931</th>
<th>1,272</th>
<th>637</th>
<th>1,096</th>
<th>1,399</th>
<th></th>
<th></th>
<th>2,100</th>
<th>4,200</th>
</tr>
</thead>
</table>

Counts the number of catch basins cleaned. Clear catch basins allow for better drainage and help to mitigate the risk of property damage due to flooding.

<table>
<thead>
<tr>
<th>Percent of traffic sign repair, replacement, or installation requests resolved within 48 hours</th>
<th>95%</th>
<th>93%</th>
<th>96%</th>
<th>95%</th>
<th>97%</th>
<th>97%</th>
<th></th>
<th></th>
<th>95%</th>
<th>95%</th>
</tr>
</thead>
</table>

Calculated by dividing the number of traffic signs repaired, replaced, or installed within 48 hours of being reported by the total number reported. This does not include street name signs or electric traffic devices such as stop lights. Traffic signs are critical to driver and pedestrian safety.

<table>
<thead>
<tr>
<th>Number of parking citations</th>
<th>79,494</th>
<th>70,873</th>
<th>64,456</th>
<th>67,830</th>
<th>95,669</th>
<th>68,656</th>
<th></th>
<th>MS</th>
<th>MS</th>
<th>N/A</th>
</tr>
</thead>
</table>

Counts the number of parking citations issued. Parking violations prevent proper parking circulation and can block sidewalks, driveways, and intersections.

<table>
<thead>
<tr>
<th>Number of tows</th>
<th>3,490</th>
<th>3,068</th>
<th>2,563</th>
<th>2,753</th>
<th>4,146</th>
<th>2,660</th>
<th></th>
<th>MS</th>
<th>MS</th>
<th>N/A</th>
</tr>
</thead>
</table>

Counts the number of confirmed tows. Parking violations prevent proper parking circulation and can block sidewalks, driveways, and intersections.

<table>
<thead>
<tr>
<th>Number of boots</th>
<th>986</th>
<th>1,382</th>
<th>1,034</th>
<th>997</th>
<th>1,924</th>
<th>2,060</th>
<th></th>
<th>MS</th>
<th>MS</th>
<th>N/A</th>
</tr>
</thead>
</table>

Counts the number of confirmed boots. Booting is an important enforcement action to increase compliance with parking laws. Parking violations prevent proper parking circulation and can block sidewalks, driveways, and intersections.
Monthly, Public STAT Meetings for Key Cross-Departmental Initiatives

- BlightSTAT
- QualityofLifeSTAT
- ReqtoCheckSTAT
- BottomLineSTAT

Source: Faubourg St. John Neighborhood Association. fsjna.org