



CITY OF NEW ORLEANS

# Performance Management Training

*[Date]*

# 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

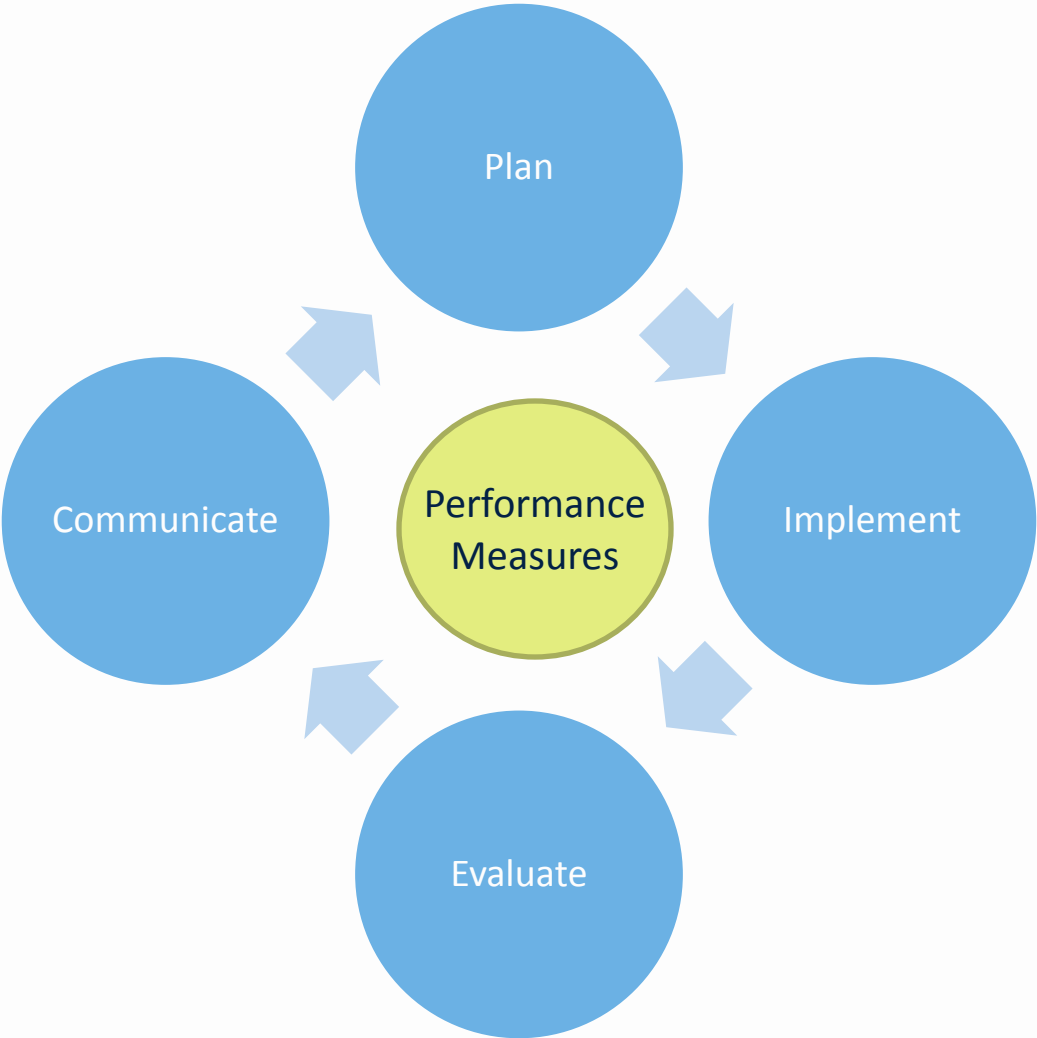


# Recent History and Current Environment

- 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



# 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.



# 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



# PERFORMANCE MEASUREMENT

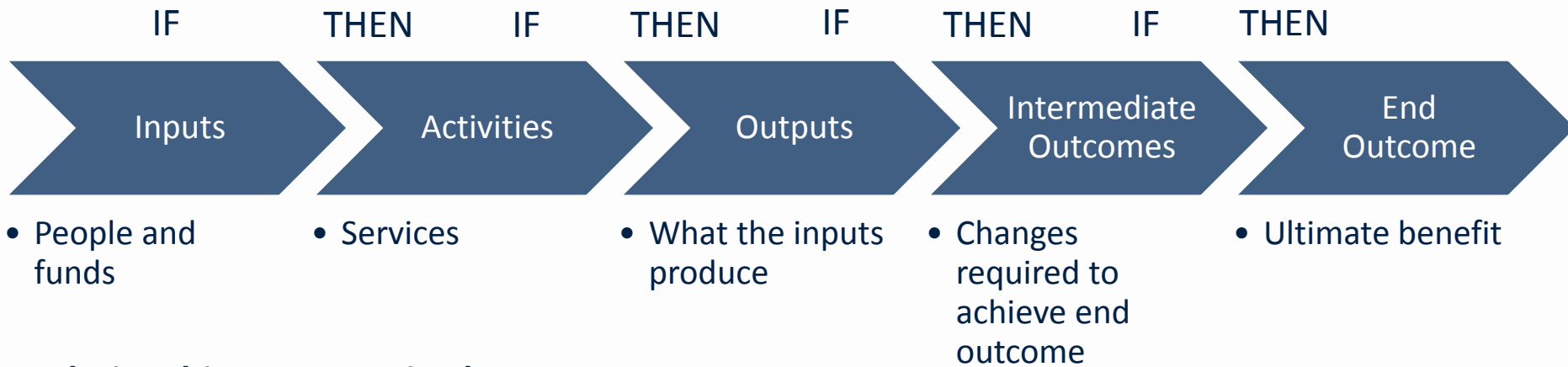


# Objectives and Uses

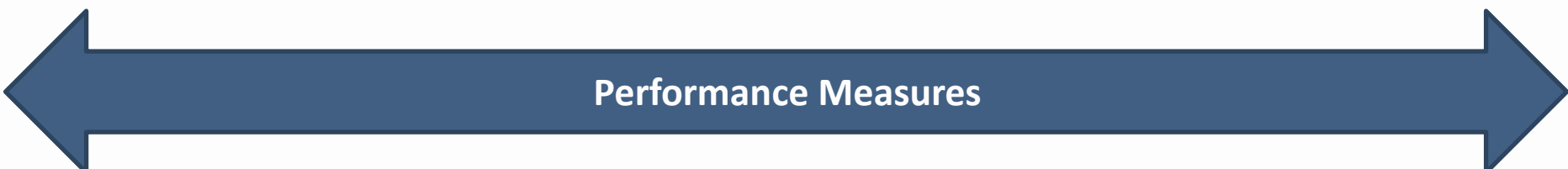
- Make decisions
  - Budget resources
  - Make changes to improve performance (e.g. change policies or programs, reallocate staff or funds, provide training, or develop partnerships)
- Determine areas for in-depth analysis or program evaluation
- Motivate personnel
- Respond to elected officials' and 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



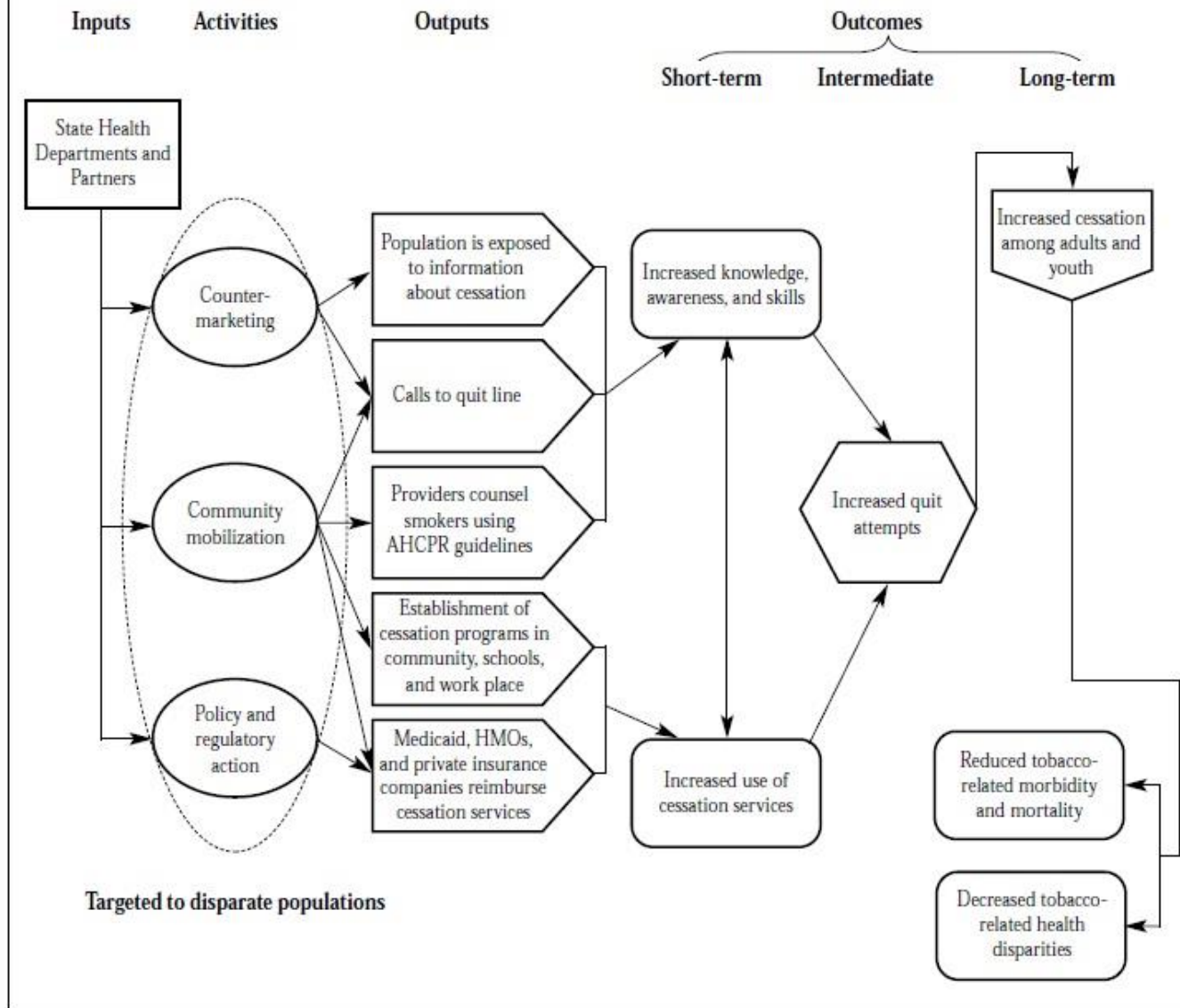
# Performance Logic Model



## Relationship to Strategic Plan:



## Logic model for promoting smoking cessation among young people and adults



# Types of Measures

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





# 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*



# 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.





# 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.



# 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



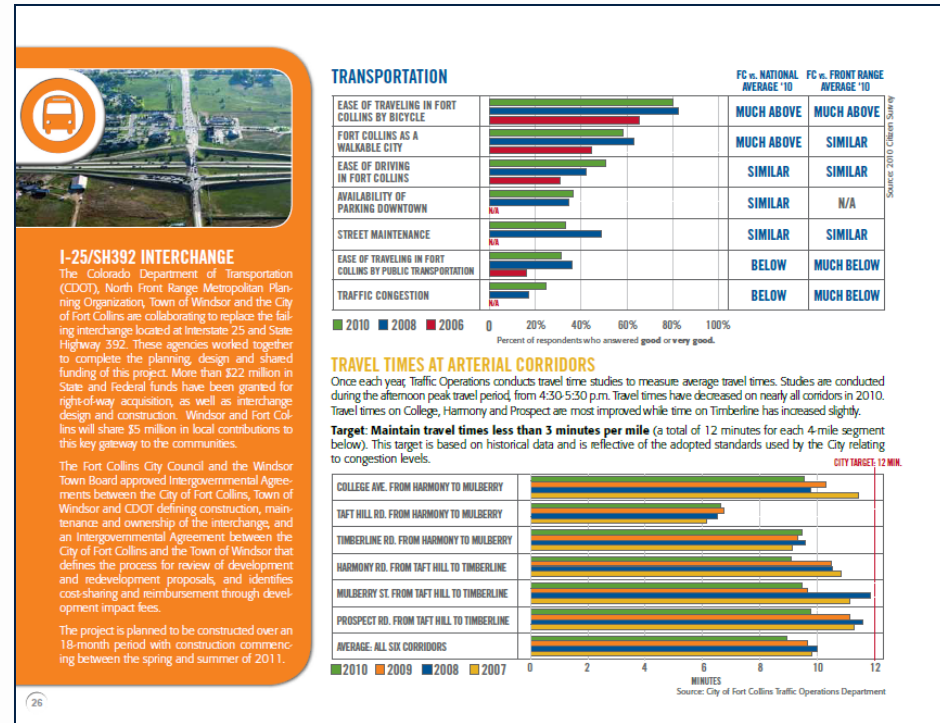
# Audiences and Uses

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



# 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](http://www.fcgov.com)



# PERFORMANCE REVIEWS



# Data-Driven Performance Reviews



Source: Governor O'Malley's StateStat. [www.statestat.maryland.gov](http://www.statestat.maryland.gov)

*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.*

-Robert D. Behn, "The Varieties of CitiStat," *Public Administration Review* (May/June 2006), 332



# DATA QUALITY





# Building Data Quality

Documentation of Data Collection and Reporting Procedures Form (see definitions on page 2)	
Department/Office/Board:	Aging Services
Performance Measure:	Percentage of Aging Services work hours provided by volunteers
Why The Measure is Important:	Due to its resource limitations, Aging Services must recruit and engage volunteers to help it achieve its goals
Measure Type (Seasonal/Annual/Sporadic/Workload):	Annual
Data Reviewer (Individual and Position):	Joan Smith, Director
Definition of Measure:	Percentage of all work hours data from 9 senior centers, the Meals on Wheels program, and the "Adopt a Senior" program that is provided by volunteers
Data Collection Lead (Individual and Position):	Bob Wilson, Program Analyst
Data Point(s) of Contact (Individual(s) and Position(s)):	9 Senior Center supervisors: [names] [Name], Coordinator for Meals on Wheels program [Name], Coordinator of the Adopt a Senior" program
Key Terms/Definitions:	Work Hour: 1 actual hour of staff or volunteer time worked directly on Aging Services programs (overhead hours are excluded) Volunteer: A person performing work for Aging Services who has signed a volunteer agreement
Measurement Process (include data source(s), collection process, and any calculation methods):	All volunteers and staff are provided with log sheets that are completed and submitted to the data points of contact each day they work. The data points of contact enter the information into a shared Access database specifically designed for tracking and reporting of volunteer and staff hours. The database is capable of reporting data monthly, quarterly, and cumulatively based on a calendar year, and formulas are set up to automatically calculate the percentage of work hours provided by volunteers by dividing the number of volunteer hours by the total number of hours (volunteer and staff).
Reporting Frequency and Instructions:	Data is entered daily, but reported to the Director monthly. Data from the previous month is retrieved and submitted by the data collection lead to the Director, with a subject line of "Percentage of Work Hours Provided by Volunteers." Submission is due on the first workday of the month following the data collection month.
Comments:	

- 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

Strategic Framework Component	Mission and Values	Vision	Result Area Goals	Objectives	Strategies	Programs and Services	Resources
Performance Measurement				Outcome performance measures	Output, efficiency, and customer service measures (Key Performance Indicators)		
Accountability			Executive		Departmental		
Time Frame			5-10 years	1-5 years	0-12 months		



# City of New Orleans Strategic Framework

## Mission

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

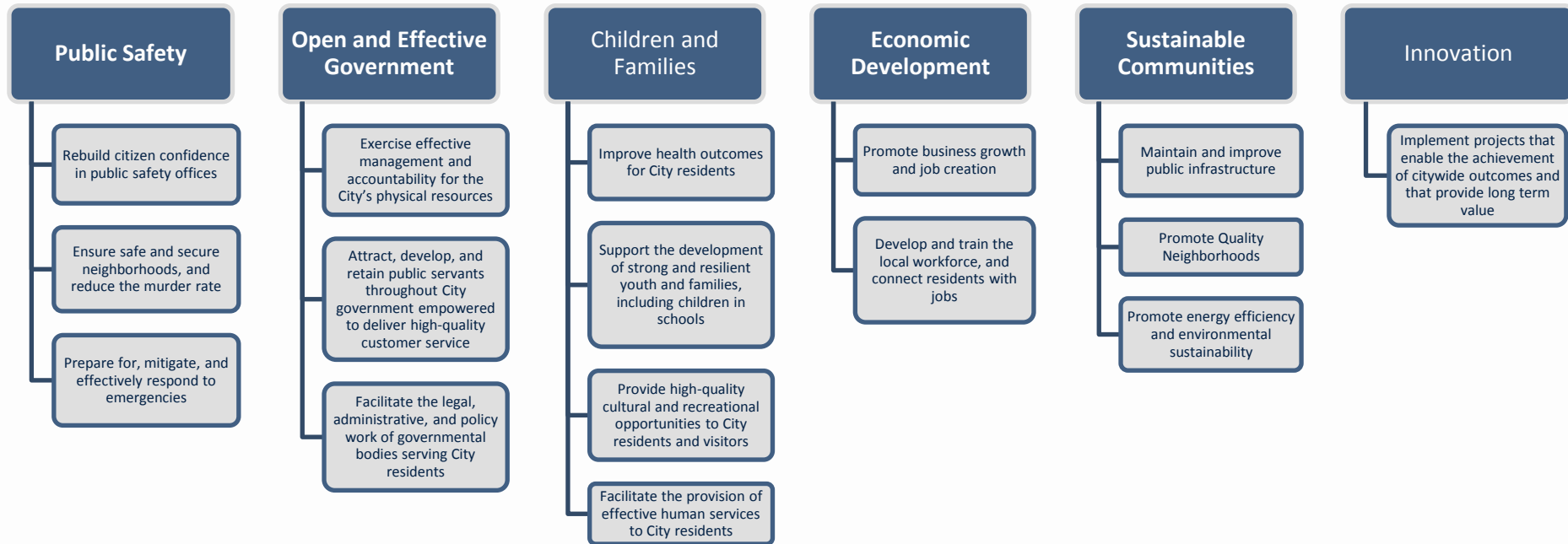
## Values

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



# 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








# ResultsNOLA Quarterly Performance Reports

## 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

	YTD Actual	YTD Target	On Track?
<b>Percent of abandoned vehicles calls closed within 45 days</b>	100%	95%	
<small>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.</small>			
<b>Number of streetlight repairs completed</b>	6,049	4,470	
<small>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.</small>			
<b>Number of potholes filled</b>	31,576	25,000	
<small>Q1 total previously reported as 15,660, revised to 13,097 in July 2012</small>			
<b>Number of catch basins cleaned</b>	2,495	2,100	
<small>Q1 total previously reported as 1,230, revised to 1,096 in July 2012</small>			
<b>Percent of traffic sign repair, replacement, or installation requests resolved within 48 hours</b>	97%	95%	
<b>Number of parking citations</b>	164,325	MS	MS
<b>Number of tows</b>	6,806	MS	MS
<b>Number of boots</b>	3,984	MS	MS

### 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 Berkley 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.





# ResultsNOLA Quarterly Performance Reports

## Public Works Lt. Col. Mark Jernigan, Director

Key Performance Indicators	2011				2012		Quarter 2, 2012			
	Q1	Q2	Q3	Q4	Q1	Q2	Trend	On Track?	YTD Target	2012 Target
<b>Percent of abandoned vehicles calls closed within 45 days</b>	-	-	-	-	100%	100%			95%	95%
<p>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 harborage for rats and mosquitos.</p>										
<b>Number of streetlight repairs completed</b>	2,712	2,853	4,731	629	1,206	4,843			4,470	11,000
<p>Counts the number of routine and Time &amp; Equipment (T&amp;E) streetlight repairs completed. A lack of lighting can detract from public safety and create an opportunity for accidents or crime.</p>										
<b>Number of potholes filled</b>	14,396	18,634	12,204	8,075	13,097	18,479			25,000	50,000
<p>Counts the number of potholes filled using pothole killers and patch crews. Road conditions affect driver safety and wear and tear on vehicles.</p>										
<b>Number of catch basins cleaned</b>	499	931	1,272	637	1,096	1,399			2,100	4,200
<p>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.</p>										
<b>Percent of traffic sign repair, replacement, or installation requests resolved within 48 hours</b>	95%	93%	96%	95%	97%	97%			95%	95%
<p>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.</p>										
<b>Number of parking citations</b>	79,494	70,873	64,456	87,830	95,669	68,656		MS	MS	N/A
<p>Counts the number of parking citations issued. Parking violations prevent proper parking circulation and can block sidewalks, driveways, and intersections</p>										
<b>Number of tows</b>	3,490	3,693	2,563	2,753	4,146	2,660		MS	MS	N/A
<p>Counts the number of confirmed tows. Parking violations prevent proper parking circulation and can block sidewalks, driveways, and intersections</p>										
<b>Number of boots</b>	986	1,382	1,034	997	1,924	2,060		MS	MS	N/A
<p>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</p>										



# Monthly, Public STAT Meetings for Key Cross-Departmental Initiatives



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

- *BlightSTAT*
- *ReqtoCheckSTAT*
- *QualityofLifeSTAT*
- *BottomLineSTAT*

