PERFORMANCE MEASUREMENT IN LOCAL GOVERNMENT

Developing Measures for Managing Your Operation

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Our Focus for Today’s Session

- Establishing meaningful objectives and aligning measures with them
- Elevating measures beyond workload (outputs)
- Measuring results a lot more (and perhaps process a little less)
- Establishing targets
1. Establishing meaningful objectives and aligning measures with them
Mission/Goals

Mission statements declare the agency’s long-range intent; its purpose. Although the goals expressed in a mission statement may help shape the agency’s values and its organizational culture, they often are imprecise and sometimes even a bit vague.

Objectives

Objectives are unambiguous statements of the agency’s performance intentions, expressed in measurable terms, usually with an implied or explicit timeframe.

Performance Measures

Performance measures indicate how much or how well the agency is doing. Ideally, they track the agency’s progress toward achieving its objectives.

Performance Management

Many agencies compare this month’s or this year’s performance measures to those of the past. Some are starting to make comparisons with other agencies and beginning the process of benchmarking.
Poorly Written Objectives

- to enhance the health and well-being of community residents (too broad; this is a goal)
- to eliminate speeding on public streets (not realistic)
- to study the traffic flow problem (conducting a “study” is a process; what is the objective?)
Well Written Objectives Are S-M-A-R-T!

- Specific
- Measurable
- Aggressive but Attainable
- Results-oriented
- Time-bound

Departmental objectives often address processes rather than results

For example . . .

- improve communications
- increase training
- conduct a study
- expand technology

Addressing results would be better!
Well Written Objectives

• to reduce the rate of infant mortality by 10% in FYXXXX
• to reduce the rate of injury accidents by 5% in FYXXXX
• to achieve a prevailing rate of speed > 20 mph for rush-hour traffic in the XXX-XXX corridor by FYXXXX
Palo Alto’s Emergency Dispatch Goal

To provide coordinated, responsive, and reliable 911 dispatch services.
Palo Alto’s Emergency Dispatch Objectives

• Dispatch at least 99% of emergency calls within 60 seconds of the initial receipt of the call
• Dispatch at least 95% of non-emergency calls within 30 minutes
• Maintain a ratio of sustained complaints at less than 1 per 10,000 calls for service
Performance Measures for Dispatch Services in Palo Alto

- Percentage of emergency calls dispatched within 60 seconds
- Percentage of non-emergency calls dispatched within 30 minutes
- Number of sustained complaints per 10,000 calls for service
2. Elevating measures beyond workload (outputs)
**Principal Types of Performance Measures**

- **Output (workload) measures**
  - tell you “how much” or “how many”

- **Efficiency measures**
  - relate outputs to resources consumed (e.g., unit costs, output per labor-hour)

- **Outcome (effectiveness) measures**
  - tell you “how well” (e.g., indicators of quality or progress toward objectives)
Not All Sets of Measures Are Suitable for Performance Management

Typical Performance Measures for Clerk

Council meetings..............24
Agenda packets distributed............24
Ordinances.........................65
Resolutions .........................89

Measures Suitable for Performance Management

% of agenda packets provided 4 days in advance of meeting..................92%
% of draft minutes prepared within 5 working days after meeting.................96%
% of resolutions/ordinances processed/posted on-line within 30 days of adoption..................100%
### Typical Performance Measures for Fire

<table>
<thead>
<tr>
<th>Measure</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fire alarms</td>
<td>14,706</td>
</tr>
<tr>
<td>EMS calls</td>
<td>11,376</td>
</tr>
<tr>
<td>Inspections</td>
<td>9,754</td>
</tr>
<tr>
<td>Fire prevention presentations</td>
<td>656</td>
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### Measures Suitable for Performance Management

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<tr>
<td>Avg response time</td>
<td>5:17</td>
</tr>
<tr>
<td>Structural fires per 1,000 population</td>
<td>1.7</td>
</tr>
<tr>
<td>Confined to room of origin</td>
<td>89%</td>
</tr>
<tr>
<td>Citizen satisfaction</td>
<td>91%</td>
</tr>
<tr>
<td>ISO rating</td>
<td>3</td>
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</table>
Typical Performance Measures for Parks & Recreation

Recreation classes ............ 72
Sports participants .......... 1,276
Acres mowed ................. 830
Senior Center trips .......... 14

Measures Suitable for Performance Management

% of residents living within ½ mile of a park ............ 72%
Park acres maintained per FTE ......................... 10.5
% of acts of vandalism/graffiti abated within 2 working days of notice .......... 87%
% of customers returning to recreation programs ..... 77%
Recreation and athletic program cost recovery through fees ............. 67%
3. Measuring results a lot more (and perhaps measuring process a little less)
FOCUSING ON “OUTCOMES”
Striving toward “Effectiveness”

Output
“miles of sewer line cleaned”
is not the same as

Outcome
“sewer blockages per 100 miles
of sewer lines”

Output
“number of service requests handled”
is not the same as

Outcome
“% of service requests fulfilled within
4 working days”
Remember Your “Customers” and “Stakeholders”

They can help you focus on results

- Who are the customers of your service?
- What do customers need/desire/value as characteristics of this service?
- Are there stakeholders other than the customers?
- What do stakeholders value as characteristics of this service?
4. Establishing targets
Setting Targets

• Consider trying to advance beyond your own previous performance record (e.g., X% better than the latest 3-year average)
• Professional standards
• Norms (state/regional/national averages)
• Performance targets/results of respected counterparts
Mean, Median or Fractile?

**Examples**

<table>
<thead>
<tr>
<th>Mean</th>
<th>Average response time</th>
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</thead>
<tbody>
<tr>
<td>Median</td>
<td>Median response time</td>
</tr>
<tr>
<td>Fractile</td>
<td>% of responses within X</td>
</tr>
</tbody>
</table>
Q & A

Q: What if I want to declare an ambitious objective than I know cannot be achieved right away?

A: Consider an approach like this:

Objective: To achieve a crime clearance rate that exceeds the state average for cities of 100,000 population or greater by FY 2015 (target FY 2012: [insert #] % [80% of state average])

PM1 Clearance rate: ___%

PM2 Clearance rate as % of state avg for cities of >100K population: ___%
Q & A

Q: What if I want to set an objective but have no baseline data to guide my target setting?

A: Consider a soft target in year 1 with the promise of a S-M-A-R-T target in year 2:

Objective: To serve counter customers promptly

PM1 % of customers having counter service initiated within 10 minutes:___%

PM2 % of customers having counter service initiated within 15 minutes:___%
Exercise

With 2 or 3 persons seated around you, select a local government function for this exercise.

Each small group should develop 2 objectives for their function and accompanying performance measures.

Prepare to share your work with the larger group.
Performance Management and Data-Driven Decision Making
Fundamentally, performance management entails the use of performance feedback to influence operations.
Essentials of Performance Management

• The organization is **serious** about goals, objectives, and performance measures.
• Data-driven decision making is emphasized.
• The focus is on results.
• Positive results are recognized and yield positive consequences.
Analyzing Costs Per Mile for Operating Fleet Automobiles in King County, Washington

EXHIBIT G
Fleet Administration Automobiles Cost per Mile
Decreases as Utilization Increases

Accidents at major intersections despite population (and traffic) increases
Practical References on Performance Measurement


Practical References (continued)


Useful Web Sites

• City of Bellevue, Washington—good selection of performance measures in the budget: [http://www.bellevuewa.gov/budgets.htm](http://www.bellevuewa.gov/budgets.htm)


• City of Plano, Texas—good selection of performance measures in the budget at: [http://plano.gov/Budget/Pages/default.aspx](http://plano.gov/Budget/Pages/default.aspx)