

# Performance Management

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**Government Finance Officers Association**



# What is performance management?





## What is performance management?

Performance management is an ongoing, systematic approach to improving results through **evidence-based decision making**, continuous organizational **learning**, and a focus on **accountability** for performance.



# Current State of Performance Management

- ◆ **40-60%** of all governments self-identify as having an established performance management system
- ◆ **Over 50%** of performance management users indicate disappointment/need to improve



## Why do many government's struggle with performance management?

- ◆ Systems fail to provide relevant, useful information.
- ◆ Processes are not designed to use performance data

Key Intended Outcomes	FY 2007 <u>Goal</u>	FY 2008 <u>Goal</u>	FY 2009 <u>Goal</u>
Bond Ratings	AAA	AAA	AAA
Residents' value rating (Resident Survey)	73%	72%	72%
Add a minimum of \$2 M annually to the City's financial reserves until a goal of 17% of budgeted expenditures is reached	17%	17%	17%
Commercial square footage development initiated within the Downtown CRA	*	*	400,000 sq ft *
Percent plan reviews completed within 15 days	95%	95%	95%
Non-residential value as percent of total taxable value	20%	20%	20%
Percentage increase in operating millage rate	0%	0%	0%

\*The three year goal of 400,000 square feet is subject to further refinement based upon revisions to be made in the CRA plan in connection with the recently enacted state eminent domain laws.



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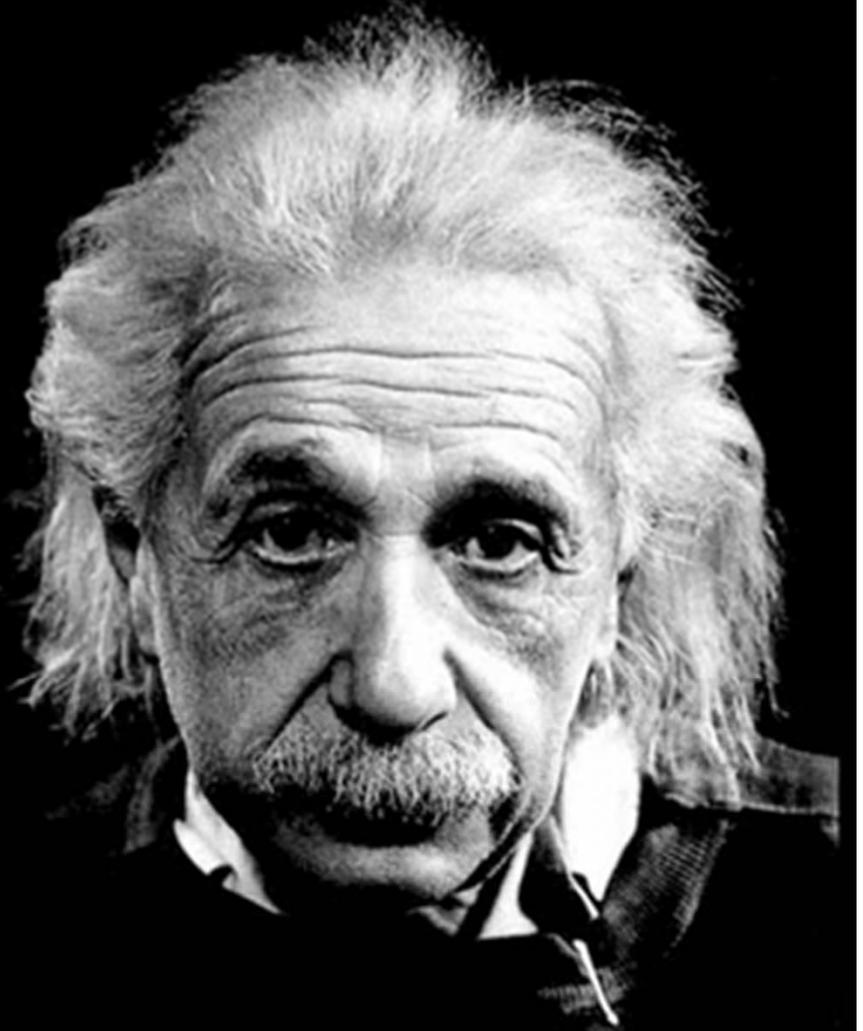


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“Everything should be made  
as simple as possible,  
but not simpler.”

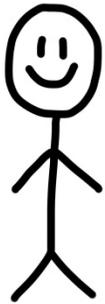
Albert Einstein







# What does true performance management look like?



## Citizens

- Budget document
- Dashboards
- Annual Reports



## City Council

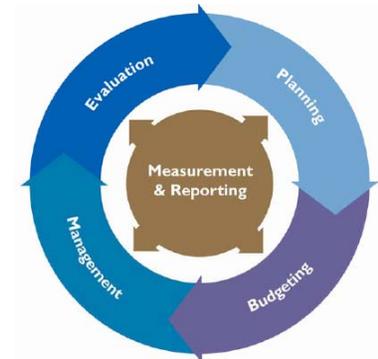
- Budget decisions
- Dashboards
- Regular reports



## Departments

- Budget justification
- Ongoing feedback
- Learning

## Overall





# Essential Components to Performance Management

## ◆ Who

- ❖ Who is the audience?

## ◆ What

- ❖ What are you trying to communicate?

## ◆ Why

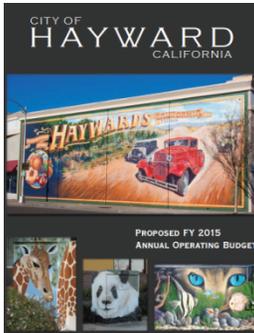
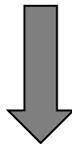
- ❖ Why is it important?



# Budget document is key to align short term and long term plans

**Hayward City Council's Priorities**  
Fiscal Year 2015

<p><b>SAFE</b> TOP PRIORITY</p> <p>Reduce all types of crime throughout the community; improve the Hayward experience in neighborhoods, retail areas, and public spaces, including significantly reducing unacceptable social behaviors such as aggressive panhandling, public intoxication, and related behaviors. Improve safety of school campuses and routes to and from schools.</p> <p>Reduce gang violence in Hayward through aggressive and strategic law enforcement, use of all applicable legal initiatives (including gang injunctions), and implementation of prevention and intervention programs.</p>	<p><b>Organizational Health</b></p> <ul style="list-style-type: none"> <li>Assure that the City of Hayward achieves high quality services in the community through continuous improvement and training while maintaining the City's financial health.</li> <li>Improve the City's organizational structure for the City's operations and services.</li> <li>Improve the City's organizational structure for the City's operations and services.</li> </ul>
<p><b>CLEAN</b> TOP PRIORITY</p> <p>Assure that Hayward is a community with minimum graffiti, litter, illegal dumping, and lighting and that the City provides and maintains attractive municipal spaces and buildings.</p>	<p><b>Land Use</b></p> <ul style="list-style-type: none"> <li>Support a walk, drive and green commute as strategic City goals.</li> <li>Support development of self-heating and energy efficient buildings.</li> <li>Assure a strong business community and vibrant downtown.</li> </ul>
<p><b>GREEN (SUSTAINABLE)</b> TOP PRIORITY</p> <p>Continue implementation of the Climate Action Plan.</p> <p>Increase Hayward's sustainability as a community in all aspects of urban life.</p>	<p><b>Fiscal Stability</b></p> <ul style="list-style-type: none"> <li>Maintain a diversified revenue base to ensure the city's and state's economic health.</li> <li>Ensure that the City's financial health is maintained through prudent fiscal management.</li> <li>Ensure that the City's financial health is maintained through prudent fiscal management.</li> </ul>



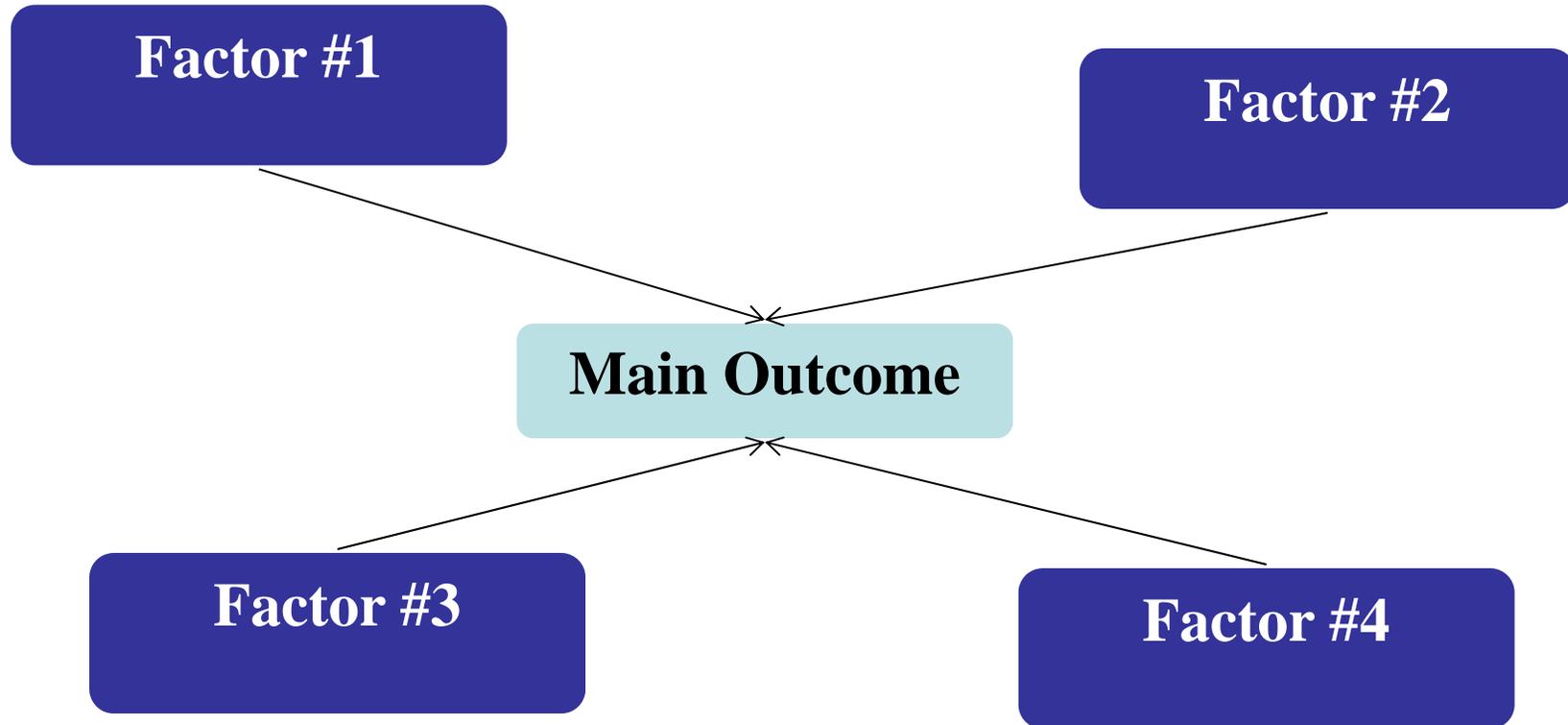


# Performance management facilitates a discussion

- ◆ Performance management can happen naturally
  - ❖ Staff may need training, but fully developed systems are not required
- ◆ Governments have created a negative image for performance management that is associated with
  - ❖ Wasted time
  - ❖ Little value
  - ❖ Diversion from what is actually important
- ◆ **Overall, performance data should begin the discussion, not end it.**
  - ❖ Focus on understanding issues rather than jumping to conclusions



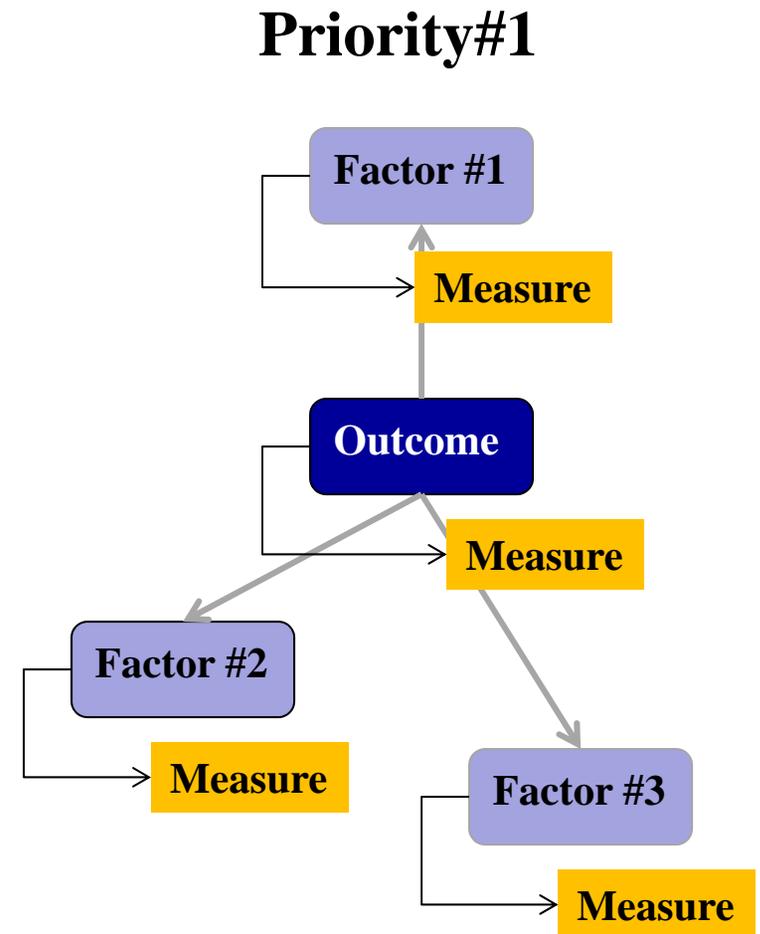
**Factor maps identify what is important  
(what to measure) to understand outcome**



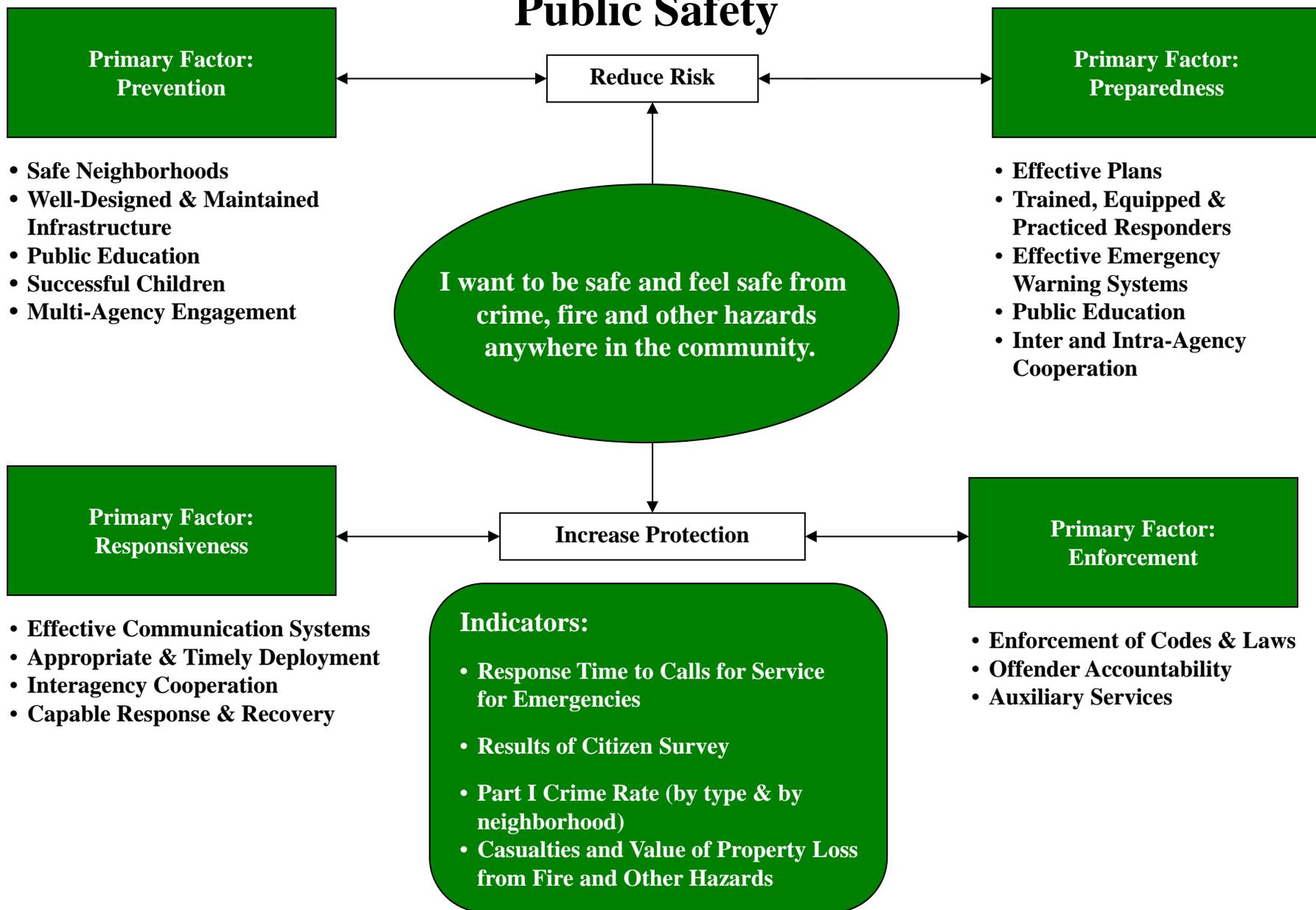


# Exercise for Tomorrow

1. Identify a priority
2. Identify the main outcome of the priority
  - ❖ Why is it important?
3. What factors contribute to the success of the outcome?
  - ❖ What info do you need to manage
4. What information would be helpful to evaluate this?



# Public Safety



Other Hazards include natural & man-made disasters, structural hazards, vehicular & pedestrian hazards, and mass public gatherings.

**Stoughton, Wisconsin**  
**I want to live in a community that has a stable, self-sufficient, local economy**

**Business Attraction & Retention**

Business Ready Sites  
Business Support, Resources and Information  
Accessibility - City as Guide vs. City as Regulator  
Incentives for Business Growth & Attraction  
Diversity of Business  
Marketing Stoughton's Assets

**Strong Residential Workforce**

A Variety of Single Family Housing Opportunities  
Strong Support for Lifelong Education

**Strong & Effective Partnerships**

Existing Partnerships & New Partnerships  
Connections with & Support for Local Businesses  
Stoughton's Role within the Regional Economy

**Accessibility for Business**

Responsible Planning & Growth  
Reliable Infrastructure

- INDICATORS:**
- **Improved business attraction and retention**
  - **Improved and strengthened residential workforce**
  - **Increase in effective partnerships that address economic needs**
  - **"User friendly" business environment**



# Environmental Health

Fort Collins promotes, protects, and enhances a healthy and sustainable environment.

## Primary Factors

### Exceptional Stewardship of Water Resources

### Excellent Air Quality

### Exemplary Land Conservation & Stewardship

## Secondary/Causal Factors

- Water treatment\*
- Pollution Prevention\*
- Wastewater treatment\*
- Stormwater management & treatment\*
- Watershed & floodplain management\*
- Water supply and conservation\*
- Climatic conditions & adaptation\*

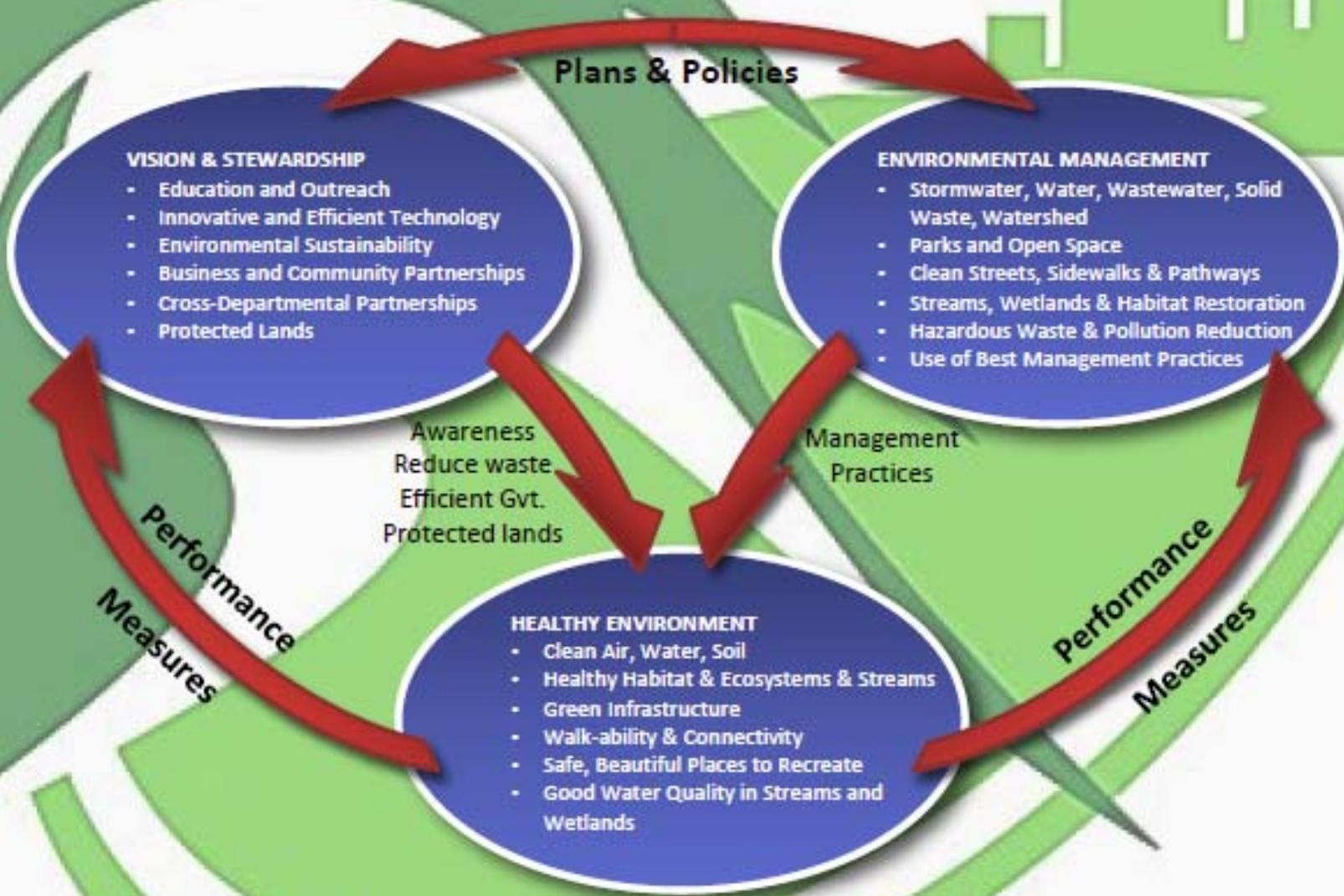
- Efficient and integrated energy systems\*
- Energy use & conservation\*
- Renewable energy\*
- Waste generation, recycling & diversion, energy production\*
- Greenhouse gas emissions\*
- Mobile sources\*
- Transportation\*
- Indoor air quality
- Commercial/industrial activities\*

- Open lands\*
- Land use\*
- Built environment (green buildings)\*
- Healthy & bio-diverse habitat
- Community buffers
- Access & engagement\*
- Scenic views
- Natural heritage
- Collaborative partnerships\*

**Note: Secondary factors that influence multiple Primary Factors are designated with an asterisk (\*)**

*I want to live, learn, work, and play in a*

## Clean & Green Environment



# Infrastructure and Growth

## Planning

Community engagement  
Infrastructure proactively aligned w/ demand  
Transportation capacity  
Mobility  
Balance of housing and jobs  
Regulations, zoning, policies  
Intra-city collaboration

## Investing

Building Partnerships  
Private and public joint ventures/collaboration  
Alternative transportation modes  
Complementary/layered infrastructure  
Incentives, funding and grants  
Sustainable approaches

## Maintaining & Operating

Operational and administrative personnel  
Equipment and equipment maintenance  
Essential services  
Optimize and maintain City facilities  
Emergency preparedness  
Proactive public communication  
Regional services coordination

## Measures:

- Water main break
- Pavement conditions
- Transportation supply
- Resident satisfaction
- Home sale/ rent price
- Infrastructure investment vs. growth



# Different audiences require different information

1



2

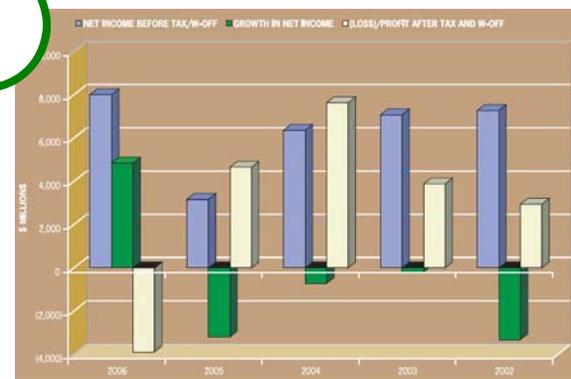


3

**American Airlines**  
**ARRIVALS**  
EID# Q0582716

Time	Remarks	Flight
12:10p	On Time	AA 60
1:59p	On Time	AA 41
11:00a	Now 10:49a	AA 6
11:20a	Cancelled	IB 4
1:40p	Now 2:41p	AA 6
7:59a	Cancelled	AA
12:44p	Now 12:03p	AA
9:50a	Now 11:12a	LY
2:25p	Cancelled	LA
8:20a	Cancelled	LA
1:55p	Cancelled	LY
11:00a	Now 12:16p	A
3:19p	Cancelled	A

4



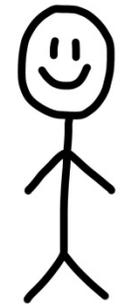


# Getting there takes time

◆ Performance management is as much a culture shift as it is a data exercise

❖ Create expectations

❖ Department vs. priorities / programs



“Citizen Perspective”

## Recommended Steps

1. Identify priorities (safe, clean, green)

2. Determine factors impacting priorities

❖ Measure

3. Understand resource allocation decisions

❖ “Goals with price tags”

4. Communicate link between goals/results and money



# Examples

## ◆ City of Fort Collins, CO

- ❖ [Dashboard](http://www.fcgov.com/dashboard/) — (http://www.fcgov.com/dashboard/)

- ❖ [Budget Request](#)

- ❖ [Budget](#)

## ◆ [City of Edmonton, AB](https://dashboard.edmonton.ca/) (https://dashboard.edmonton.ca/)

## ◆ [City of Redmond, WA](http://www.redmond.gov/cms/One.aspx?portalId=169&pageId=3865)

(http://www.redmond.gov/cms/One.aspx?portalId=169&pageId=3865)



# Thank You.

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