New England States Performance Measurement Project

What is Performance Measurement?

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The Research Bureau

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Performance Measurement Is...

❖ ...the regular measurement of results or outcomes and efficiency of services or programs

 ▪ ...a tool to create accountability for results and improve performance

 ▪ ...government's way of determining whether it is providing a quality product at a reasonable cost

 ▪ ...an inherent and indispensable part of the management process

The use of performance measures in local government is being driven by increased citizen demands for government accountability, greater interest on the part of local legislators in performance related information to assist in program evaluation and resource allocation decisions, and the efforts of various organizations and professional associations to make governments more results-oriented.

Performance Measurement Terms

❖ *Inputs:* Resources (financial and non-financial) used to produce services or goods (e.g. expenditures, number of employees).

❖ *Outputs:* Products and services delivered (e.g., number of inspections completed, calls answered, road miles repaired).

Performance Measurement Terms (Cont'd)

❖ ***Outcomes:*** The actual results of programs and services (e.g., the number of students scoring in the advanced or proficient category on MCAS, reduced crime rates, improved cleanliness of streets and sidewalks).

❖ ***Efficiency Measures:*** The ratio of inputs (e.g., dollar expenditures, personnel time) to outputs associated with these inputs.

Outcomes are not what the program itself did, but the consequences of what the program did.

Efficiency and effectiveness are other terms that you probably hear used when talking about performance.

Traditionally, efficiency measures are really ratios of inputs to outputs: e.g., dollars spent per mile of street repair, staff hours per inspection, etc.

Effectiveness refers to how well/to what extent you are meeting your goals and objectives which should also reflect the degree to which services are responsive to the needs and desires of a community.

Performance Data

❖Focus on program effectiveness or outcomes

  ▪ Moves beyond *counts* or *quantity*

  ▪ Should measure success in meeting goals and objectives

Limitations of Performance Data

❖ Data do not, by themselves, tell you *WHY* the outcomes occurred

For instance, if crime in a neighborhood decreases, the data don't tell us if that decrease is due to increased police presence, better street lighting, the arrest of a perpetrator who had vandalized a number of homes.

❖ Some outcomes cannot be measured directly

Other outcomes are difficult to measure directly. Two examples come to mind: Quality of life. And It's difficult to measure success in preventing undesirable outcomes such as prevention of crime. In such cases, we often use indicators that reflect trends over time in the number of incidents that were not prevented.

❖ Performance data are only *PART* of the information managers and elected officials need to make decisions

The information provided by performance measurement is just part of the information managers and elected officials need to make decisions. The data often raise as many questions as they answer, and seldom provide a clear answer as to what should be done. There's still a role for expenditure data, political judgments, good management, leadership, and creativity. Citizen satisfaction with a service is also a key component in this mix, particularly if you can get at the relative importance of a service.

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Performance Measurement Has Become Widely Adopted

"At one time performance measurement was thought to be innovative, but today it is accepted as a professional norm in local government for demonstrating operational accountability of service delivery and for creating an environment for productivity improvement."

Benchmarking for Results

Relatively new practice in local government; not new to most private sector businesses

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Using Performance Data Can Lead To:

❖ Better decision-making

❖ Performance Appraisal

❖ Accountability for results

❖ Improved service delivery

❖ Public participation

❖ Improvement of civic discourse

Better decision-making: it provides managers with information to perform their management control functions;

     Planning: With X$, I can get Y results

     Reporting: With X$, I got Y results

Performance appraisal: it links both individual and organizational performance to aspects of personnel management and motivates public employees;

Performance measurement fosters responsibility for results on the part of managers; managers may often believe that they lack influence over outcomes. Acknowledging their shared responsibility can often help spur creative thinking and innovative solutions to improve outcomes, even when facing resource limitations;

It can lead to better delivery of services (Worcester's customer service center established);

Public participation: clear reporting of performance measures can stimulate the public to take a greater interest in and provide more encouragement for government employees to provide quality services; and

Improvement of civic discourse: it helps to make public deliberations about service delivery more factual and specific, good data help focus on the issues at hand rather than turf or power considerations.

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Some Examples of Improved Service Delivery in Worcester

❖ Abandoned Vehicle Hotline established

❖ Customer Service Center established

❖ Illegal Dumping Ordinance passed

Performance measurement in Worcester has yielded tangible results : a few examples of how the City has used performance data to focus on specific issues (in some cases, data have identified a problem, in other cases they have documented the extent of a problem; rather than saying "my neighborhood is in horrible shape", data tell specifically what the issues are.

Abandoned vehicle hotline led to improvements in public service performance.

The City established a customer service center which has led to improved service delivery and cost savings. Customer surveys have found increased satisfaction.

Project Goal

To expand the adoption of performance measurement practices at the local level

❖ Produce reliable performance and cost data for internal and external comparisons over time for selected municipal services.

❖ Facilitate the use of performance and cost data for service improvement.

❖ Increase government responsiveness to citizens.

Proposed Process

1. Citizen input on service areas to be measured
2. Decide service areas to be measured
3. Develop measures
4. Collect and analyze data
5. Report results
6. Seek customer feedback

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Communication of Performance Information

❖A reasonably informed interested citizen should be able to access, understand, and use reported performance information

- Examples:

  Worcester Reports (www.wrrb.org)

  Saco, Maine Report (available at www.wrrb.org)