

Statewide Performance Measurement Initiatives

By Jennifer Burnett

Measuring how well states are performing is increasingly important as states face shrinking revenues and rising demand for services. Citizens want and expect results from their governments, even in the face of fewer resources. Measuring performance and using performance data to strategically place resources is key to implementing the accountable, transparent and results-focused governance policies that citizens demand. Comprehensive, state-wide performance management initiatives are one of the newest strategies states are taking to ensure services are delivered efficiently and outcomes are being achieved.

You can't improve what you don't measure.

What is measured gets done.

The performance measurement movement and clichés like these have now become the norm in many state government agencies. Measuring performance is an essential tool for managing performance, providing the necessary information for informed, outcome-driven strategies.

Integrating well-designed performance measurement and management systems into state governance practices is especially important now that states are experiencing one of the most difficult economic situations seen in decades. Although budgets are squeezed, citizens still demand that their state agencies continue to deliver services effectively and further—that they continually improve. Even in the face of severe budgetary problems, if child abuse rates go up or the safety of roads goes down, states will still be held accountable for performance. Moving forward in the new fiscal reality requires state leaders to recognize and understand the most effective methods to measure and manage performance that drive them toward goals.

According to Harry Hatry, director of the Public Management Program at the Urban Institute, strategically managing performance is now a mainstream idea, as public managers have shifted away from short-term, process-oriented goals and moved toward focusing on outcomes and results. “It’s something that clearly has become widely accepted,” said Hatry at a recent CSG session on transforming state government. “It’s just obvious that you should be concerned about results for citizens.” What is not so obvious is how to approach developing a successful state-level program.

Developing a Successful Program

While developing a performance management program is a complex and time-consuming task that requires considerable expertise and input from a wide range of voices, ranging from citizens to executive branch officials, there are several primary components that can be identified for all successful programs.

Purpose

At the core of any successful performance management program is a razor-sharp focus on purpose: identifying the specific goals and outcomes that need to be accomplished is paramount. Before any data collection effort can take place, the architects of any performance management program must fully understand what it is they are ultimately trying to accomplish. Identifying clear long-term goals based on organizational priorities will dictate what data should be collected and how that data should be analyzed to be meaningful. Statewide goals should identify which agencies will contribute to the process—including how agencies can collaborate around cross cutting goals. In turn, individual agency-level goals should align with state-level priorities.

Measurement

More is not always better when it comes to measuring performance. Establishing a few high value measures that focus on outcomes is better than measuring hundreds of indicators and outputs, which may not be relevant to achieving defined goals. Measures should directly relate back to societal, statewide and agency-level long-term strategic goals. The Council on Virginia’s Future has developed the following model to help identify the key

PERFORMANCE MEASUREMENT

questions that drive measures in four areas: agency key measures, service area measures, administrative measures and productivity measures.

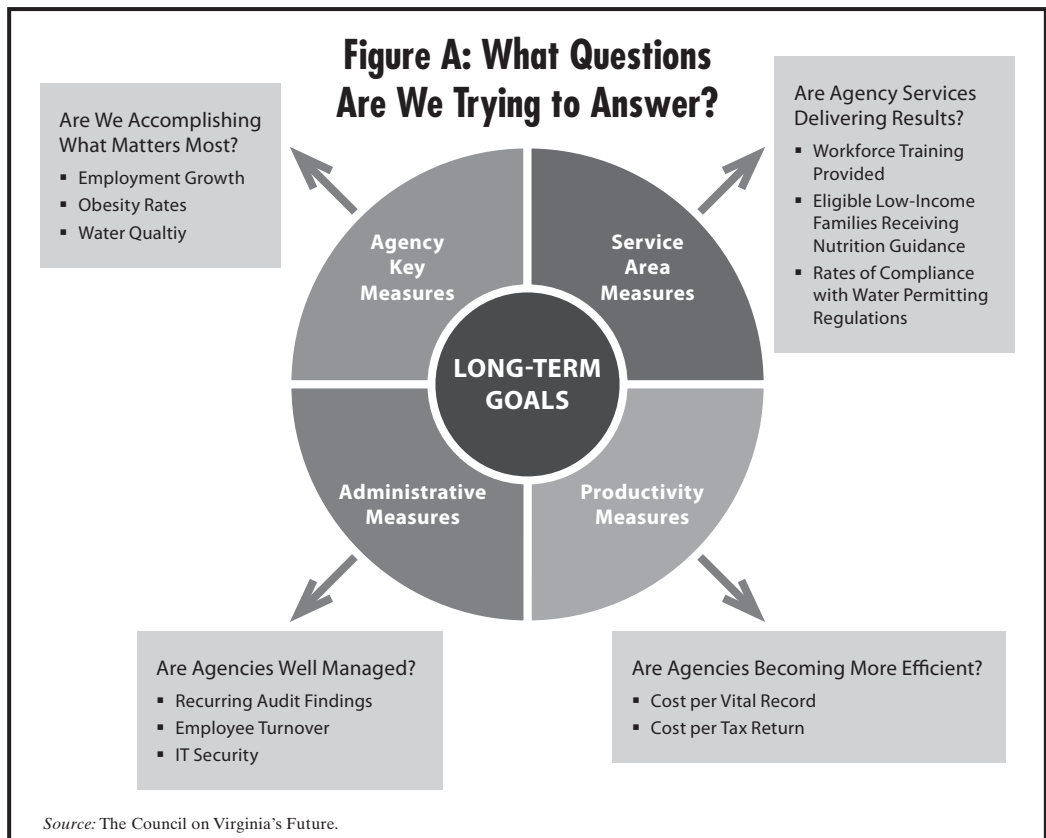
Continual Oversight, Evaluation and Accountability

Once goals and measures have been established, regular and consistent oversight and evaluation of those measures is vital. Continual monitoring of outcome trends allows policy makers to track progress over time, adjusting policies and strategies to correct deficiencies based on evidence-based practices and to hold agency leaders accountable for performance. Maintaining consistent measures over time is important to establish benchmarks and track trends, but modifying or replacing those measures periodically may be necessary to more accurately reflect evolving goals and strategies. Both legislators and executive branch officials should integrate performance data into their decision making and strategic processes, including budget allocation decisions.

Communication

Even the best data is of very little benefit if it is not effectively communicated to stakeholders. A successful performance measurement program must communicate performance measures in a concise, intuitive manner to all stakeholders—including agency managers, executive branch and legislative officials—by providing context and relating back to overall strategic goals. In addition, communicating performance information to citizens is an important part of maintaining accountability and transparency while soliciting feedback in a state-wide management strategy.

Understandable and accessible performance measurement data provides the information citizens need to not only hold their governments accountable, but to recognize and appreciate the vast array of services provided to them. When citizens recognize what their governments provide, they can more effectively engage in the political process, thereby providing valuable feedback to policy makers and practitioners.



Comprehensive State Performance Management Programs

Every state uses some form of performance management built into the oversight and evaluation of its programs; however the sophistication, breadth and quality of those programs vary significantly. Several states have started to develop comprehensive, statewide performance management programs that integrate agency-level data into an overall program tied to major, long-term goals identified by policymakers, agency managers and citizens. These comprehensive programs are one of the newest strategies used by states to ensure optimal service delivery and outcomes.

The following statewide performance measurement efforts illustrate the wide range of approaches states have taken. Although varied, they all have

The National Performance Management Advisory Commission recommends following these seven principles of good design when developing a performance management program:

- A results focus permeates strategies, processes and decisions;
- Information, measures, goals, priorities and activities are relevant to the government and the community;
- Information, decisions and processes are transparent to stakeholders;
- Goals, programs, activities and resources are aligned with the mission, priorities and desired results;
- Decisions and processes are driven by timely, accurate and pertinent data;
- Processes are sustainable over time and across organizational changes; and
- Performance management transforms the organization, its management and the policy making process.

The commission is a collaborative effort of 11 public sector management organizations, including The Council of State Governments and leading practitioners and scholars of performance management, who are tasked with creating a performance management framework for state and local governments.

the same primary goal: to improve and inform the decision-making process by providing quality information to policymakers and other stakeholders, such as citizens.

Washington

Continual oversight and evaluation is an important component of state-level performance management programs. Washington designed its program to make sure data is not simply collected and stuck on a shelf—it is consistently used in an ongoing and systematic dialogue among stakeholders to improve results. Winner of CSG’s 2008 Governance Transformation Award, Washington’s Government Management Accountability and Performance program, GMAP for short, was created by Gov. Chris Gregoire through an executive order and works with agencies to develop performance-based reports for the governor, agency managers and citizens.

Each quarter, the governor personally convenes reviews with agency leaders to not only hold leaders accountable for performance, but also to analyze problems, brainstorm solutions and highlight strategies that are successful. The reviews center on a set of outcome priorities that require the collaboration of multiple agencies and other organizations, including public safety, economic vitality and the protection of vulnerable children. Performance data is also available for citizens through its Web site, which posts the full performance reports used in GMAP meetings and in a user-friendly “dashboard,” which highlights performance and trends in six high-priority areas.

According to the governor’s office, a number of tangible successes have come from the program, including:

- Washington’s children are safer because of major improvements to how social workers operate. Officials now respond to reports of child abuse within 24 hours more than 96 percent of the time, up from 65 percent in 2004. As a result, repeat instances of child abuse declined by a third.
- A state-sponsored health care program, the Prescription Drug Consortium, used evidence-based and bulk purchasing strategies to save the state \$46 million on prescription drug costs. The state’s effort to contain costs for prescription drugs has saved more than \$85 million since 2005 and has contained growth in state health care costs.

PERFORMANCE MEASUREMENT

- Administrative improvements eliminated a waiting list for injured workers to access rehabilitation services, thus allowing workers to receive treatment more quickly.

Idaho

Ensuring that a quality performance measurement program is sustainable and capable of withstanding organizational adjustments—including changes in executive leadership—is paramount to its long-term success. Developing a statutory mandate is one mechanism that helps to guarantee the integration of a performance measurement program into the public policy process. However, once integrated, a performance management program must be able to successfully communicate with stakeholders to remain relevant. The Office of Performance Evaluations in Idaho is an example of such a program that was created through statute, but adapted its processes to successfully implement its mission of communicating performance data to legislators.

Idaho's office was created in 1994 and provides information to the legislature by conducting performance evaluations of state agencies and programs. It is a nonpartisan, independent office working under the direction of the bipartisan Joint Legislative Oversight Committee. The mission of the office is to assess whether agencies are in compliance with the law and legislative intent, determine if state services are being delivered efficiently, and evaluate the extent to which programs are achieving intended results.

Although Idaho's Office of Performance Evaluations was made permanent and integrated into the legislative process by statute, it was not working as effectively as it was intended until the process was reformed in 2004. Prior to the adjustments made that year, the office produced a large publication containing statistics on state agency performance that was made available to legislators and other officials. Unfortunately, that static method of sharing the data was unsuccessful at communicating the wealth of information collected by state agencies and was not being used effectively.

In 2008, representatives from state agencies started presenting their performance data personally to legislative committees—a method mandated by law in 2005. The interactive presentation format eventually led to greater utilization of performance data and collaboration between agencies and legislators, which in turn prompted the development of more meaningful, targeted and relevant performance measures.

Virginia

Virginia's primary performance measurement initiative was developed under the Council on Virginia's Future, which strives to facilitate the process of setting goals, especially those goals considered integral to long-term success and state performance. The Council on Virginia's Future was established in 2003 to develop a vision for the state, as well as a performance leadership and accountability system for state government that aligns with and supports that vision. The Council serves as an advisory board to the governor and the General Assembly that supports the development and implementation of a "roadmap" for the state, which includes the following:

- Provide a long-term focus on high-priority issues;
- Create an environment for improved policy and budget decision-making;
- Increase government accountability and transparency;
- Improve government performance; and
- Engage citizens in dialogue about Virginia's future.

Agencies in Virginia must submit two-year strategic plans that outline the mission, goals, strategies and the appropriate key performance measures and how those align with the overall state vision. Those plans, along with performance trend data, can be found on the Web site of the initiative's trademark program, Virginia Performs.

Virginia Performs is an interactive Web site launched in 2007 that allows citizens to track the performance of agencies in seven areas: economy, education, health and family, public safety, natural resources, government and citizens, and transportation. In some cases, comparative data is available for states in Virginia's region or at the national level. Information can be accessed using an intuitive "scorecard" which highlights the seven areas of agency performance, provides the primary goal of each area, and indicates at a glance whether a particular measure is improving, maintaining or worsening.

Florida

Florida has developed a performance measurement system that not only emphasizes gathering and distributing key outcome data to policymakers, but also strives to make that information accessible to citizens. A key component of their

program is the Florida Performs Web site which was launched in 2007 by Gov. Charlie Crist. At the launch of the site, Gov. Crist explained its purpose: “The money government spends should make a difference, and this new Web site will help our bosses—the people of Florida—measure how well we are doing.”

The site allows citizens to access timely and easy-to-understand data on how the state is performing in six key areas—public safety, health and family, education, economy and taxes, transportation and environment/conservation—using scorecards. Each measure is presented graphically and is accompanied by definitions and contextual data. In addition, each measure identifies a single person as the “owner” of that measure and provides contact information for that person.

One of the most unique aspects of Florida Performs is how it was developed. Florida Performs was created using minimal resources, pulling ideas from other successful programs such as Virginia Performs. The site was designed in-house by two existing personnel, with technical help from two executive agencies that had performance measurement software and server space to host the site. Each agency designated a “point person” to work with Deputy Chiefs of Staff and Agency Chiefs of Staff to identify categories and the key measures to be included on the site. Because most of the data that populates the site was preexisting—provided by agencies and the Legislature’s Office of Demographic Research—the site was launched after only three months of preparation.

About the Author

Jennifer Burnett is a senior research analyst at The Council of State Governments. She coordinates the State Comparative Performance Measurement Project, a collaborative initiative between The Council of State Governments and the Urban Institute. Ms. Burnett holds Bachelor of Arts degrees in economics and finance from the University of Kentucky and a Master of Arts from the Patterson School of Diplomacy and International Commerce. She is currently pursuing a Juris Doctor from the Salmon P. Chase College of Law.