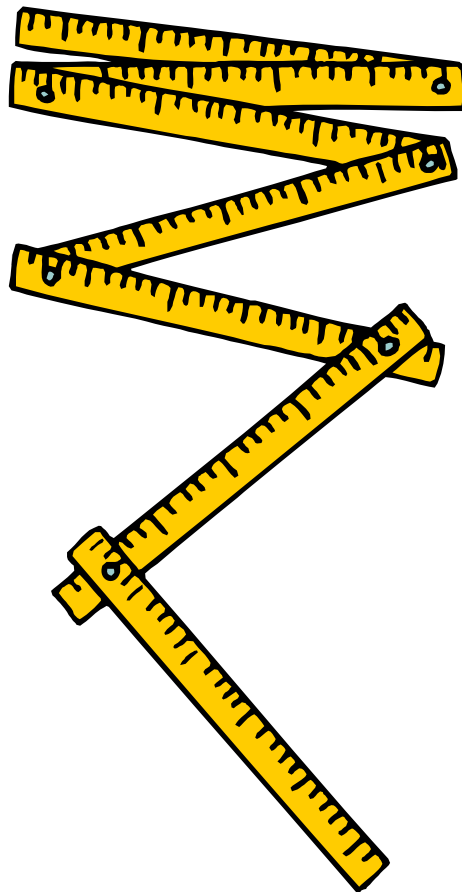# Multnomah County
Annual Budget
FY 2010

Performance Measurement
Manual

Multnomah County, Oregon
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Introduction

Performance measurement is the process of developing and using meaningful, objective indicators that can be systematically tracked to assess progress made in achieving predetermined goals. Only after the development of meaningful measures and matched with regular review and use is an organization able to move to performance management.

The performance measurement process requires ongoing data collection to determine if a program is implementing activities and achieving objectives. It typically measures resources used, activities performed, and results over time. The data are used to identify the difference between what customers and stakeholders expect and what programs deliver.

The development of meaningful performance measures is a critical component of the County's budgeting process. Departments provide performance indicators as a part of their program offers. These measures are used by program managers. The County Chair reviews the results to assist with his evaluation of program offers. The Board uses the information to aid in their budget deliberations. Budget decisions are based on how well the program contributes to the County's priorities, or long-term strategies, and what these programs promise to deliver.

Improving the program offer performance measurement system requires a high level of on-going commitment and effort for employees at all levels in the county. Included here are detailed instructions, examples, templates, exercises, and additional resources to improve upon the performance measurement section of program offers for FY 2010.

A Brief History of Performance Measurement in Multnomah County

The concept of performance measurement is not new to Multnomah County. Its importance has ebbed and flowed for the past 30 years. Below is a brief timeline of key accomplishments in performance measurement in Multnomah County:

In 1973, the Multnomah County Office of Planning, Evaluation, and Program Development created the Program Objectives Productivity System (POPS) producing a catalog which detailed the personnel, financial, and activities for the county's 134 programs. The system explained activities but did not explain program outcomes or link them to greater strategic goals.

The 1990's saw substantial growth in using performance measurement in the County with Board Resolution 90-45, which developed an implementation plan for county-wide program

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evaluation. From this point, performance measurement grew to include the fundamental strategies of formal program evaluation.

In 1993, Program Performance Budgeting introduced *Key Results* reporting. A requirement in Key Results was for each service program to have one reportable measure, preferably some form of outcome. The data were published annually in the adopted budget. From this effort grew a more comprehensive 1996 quality initiative termed RESULTS which matched annual performance measurement (Key Results), formal program evaluation, and continuous process improvement teams.

The initiative linked program performance with the identification of intermediate and long-term targets know as *benchmarks*. While this was the County's first comprehensive data-driven decision making system, the process failed to integrate performance measurement data into the strategic planning and formal budgeting process. This was because the performance measurement process and reporting occurred after the formal budget adoption.

In 2000, the Auditor's Office began its *Service Efforts and Accomplishments (SEA)* reporting effort. This was designed to meet anticipated *Government Accounting Standards Board* (GASB) reporting requirements which provided more complete information about a government's performance beyond the traditional financial statements. The report alternates publishing years between public safety and health and human services, reporting to the public useful data including outcomes on various services that Multnomah County delivers.

In 2003, performance measurement added real-time reporting with the introduction of the *Safety Priority Brief*, a monthly real-time report detailing the workloads at various key decision points in the criminal justice system. The report was designed to meet a lack of timely, accurate and on-going workload data delivered in an easy to understand format. This was followed in 2005 with the *Basic Needs Priority Brief*. Currently, a new *General Government Services Brief* focused on direct service outside safety and basic needs and a new *Internal Accountability Brief* focused on county-wide organizational health are being developed. However, none of these reports were designed to specifically focus on program outcomes. That is why program measures are included as part of each program's budget.

For Fiscal Year 2008, a pilot version of a successful national initiative commonly called "Stat" programs was started in

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Multnomah County. Following its predecessors CitiStat and CompStat, *MultStat* was designed to take Multnomah County from being a performance measurement agency to being a performance management agency—that is to say the measurement we report would be used to manage how we provide services. In addition to measuring performance once a year in the budget, MultStat would be a vehicle for County managers to review program performance on a regular basis throughout the year so they could make course corrections and improve services before small problems became large ones. The MultStat program was piloted with one department in 2007, but it was determined that Multnomah County could not afford the level of personnel resources necessary to make the program a success. During the second half of FY2008 and into FY2009, a less resource-intense process of having departments and the Chair's Office review performance data throughout the year was introduced. The *Performance & Policy Forums* continue to be a useful way for management to use data as the basis for discussions about larger policy issues.

Performance Measures and the FY 2010 Budget Process

Each of the previous efforts listed above moved Multnomah County closer to a system of timely, integrated results-based performance measurement within a planning and budgeting process. Lessons from each of these accomplishments were incorporated into the performance measurement system of the budget process we will use for FY 2010.

The performance measurement process does the following:
- Integrates performance reporting during the planning stages of the department's program offer development;
- Requires that all program offers provide a variety of meaningful performance measures;
- Provides meaningful outcome measures that show a link to the program's stated outcomes;
- Provides performance data at mid-year, allowing for timely course correction and future planning; and
- Provides a feedback loop concerning the results of measures in prior years.

Why Measure Performance?

Performance measures are important for a number of reasons, but overall they relate to accountability, whether it is to the Board, manager, staff or otherwise. Programs are being purchased with the taxpayers' money, and the county has a responsibility to show the value in achieving results. Below are several specific reasons why performance measures are important:

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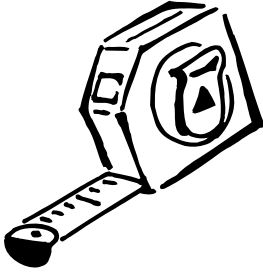
● **Performance measures help decision-makers refine strategies and improve results.** The use of performance measurement information helps in developing budgets and in setting overall performance goals for the county government. This is done through the allocation and prioritization of resources and by informing decision makers so they can either confirm or change current policy direction to meet those goals.

● **Performance measures help build community support for County programs.** Citizens are primarily interested in results or outcomes. An implicit aspect of a results oriented budget process is "justification" which is where performance measures provide a strong empirical and factual basis for programs and services that clearly deliver strong and measurable results. Without strong performance, especially outcome measures, programs run the risk of more intense public scrutiny and losing support from citizens and communities. Clearly specified performance measures can stimulate the public to take a greater interest in and provide more encouragement for government employees to provide quality services. They also help improve civic discourse and foster trust and public understanding of specific government service.

● **Performance measures help managers deliver expected results.** Having performance measures will increase attention to a program's results. Managers often use performance measure to help identify problem and promising areas and track results over time. Applying performance measures to all programs fosters greater understanding, responsibility and accountability on the part of program managers since they are the ones who are responsible for attaining the program's performance targets. Without that accountability, the measures will do little to improve performance. On the other hand, measures can be a manager's tool to keep their focus and help achieve their desired results.

● **What gets measured gets managed: measures motivate!** The old adage that what gets measured gets managed is most important in motivating staff. Employees don't want to feel as though their program's performance is sub-standard and will rise to the challenge when presented with accurate performance information that shows opportunities for improvement.

Getting Prepared

All program offers must include a variety of performance measures. This includes administrative and support program offers, and also those programs referred to as "*pass-through payments*" programs. Many of the services the County purchases are actually provided by another outside agency, but there is still an interest in the results of those purchases.

Departments create their own program offers and are responsible for the accuracy of an offer's narrative, financial and performance information.

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Considering the wide range of services/programs delivered by the county (e.g., elections, animal control, jails, health clinics, libraries, etc.), the type and number of measures required to be submitted with program offers have been designed to give as much flexibility to the departments as possible, while still retaining the standardization needed for thoughtful review and year-over-year comparison.

To do this, the development of each program offer's performance measures must be coordinated with the program planning and offer submission. A program offer's performance measures will benefit greatly when they are determined in conjunction with the program manager and staff, and the department's analytical staff. The program's manager and staff are important to include in the discussions about performance measures—they are the program experts. Their input and ultimate buy-in ensures that the data will be used. Analytical staff should include the department's experienced finance and budget staff, and any knowledgably research or evaluation staff.

Departments are responsible for defining their programs' performance measures.

Measuring What Matters

It is important to measure what matters, not simply what is convenient. Jim Clemmer, a best selling author on performance management, once said: "Crude measures of the right things are better than precise measures of the wrong things."

Thinking about what matters means considering what matters to whom. Some measures might matter to staff but not necessarily to the program's customers, while other measures tell the County Chair and Board exactly what they need to know but seem useless to program staff. In selecting performance measures, consider the following questions:
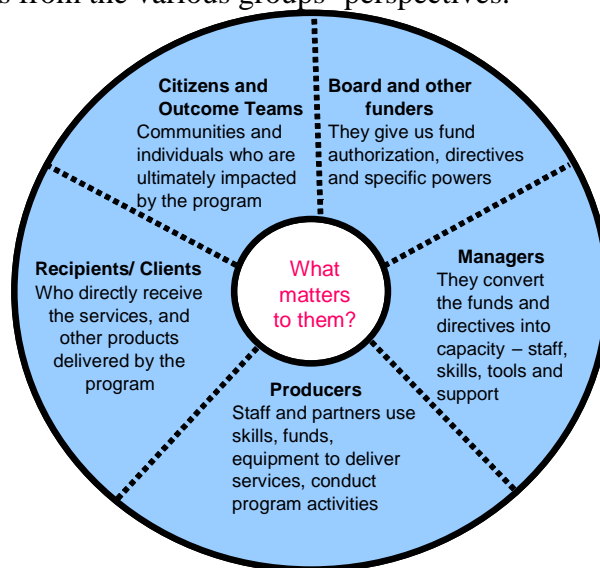
- Who are the customers or beneficiaries (internal and external) of your program?
- What are the significant performance measures valued by these customers or beneficiaries (e.g., outcomes, timeliness, effectiveness, quality, satisfaction, etc.)?
- What performance standards would our customers, clients, Board of Commissioners, department managers, grantors, etc., like to see us achieve on these measures?
- How might management and program staff explain what the program accomplishes in numbers to someone on the street?
- How do you communicate that the program is doing better or worse than before?

The questions are about identifying who expects what results from the program/service offered and bringing their perspectives in the performance measure process.

Performance Measurement Challenges

As illustrated in the following chart, almost every program involves funders, managers and staff, service recipients, and the community in which the program operates. Their perspectives and expectations on performance should be considered when building a program's performance measures. After identifying who matters, it's then possible to focus on what matters to them and create measures that are meaningful. With careful thought there is likely to be agreement on what matters from the various groups' perspectives.

Citizens and Outcome Teams
Communities and individuals who are ultimately impacted by the program

Board and other funders
They give us fund authorization, directives and specific powers

Recipients/ Clients
Who directly receive the services, and other products delivered by the program

What matters to them?

Managers
They convert the funds and directives into capacity – staff, skills, tools and support

Producers
Staff and partners use skills, funds, equipment to deliver services, conduct program activities

Adapted from: Mary Campbell's *'Driving Changes and Getting Results'*

Planning and Cooperation

Planning and cooperation are necessary for creating meaningful performance measures because a program's description, budget determination, and service levels are highly interconnected. Expertise in each of these lies with various staff resources within the department. For example, an innovative/ new program should define the goals; the delivery system and activities (managers and program staff expertise); the requested resources needed to accomplish the activities and results (budget and finance staff expertise); and the evaluation of program success (research and evaluation staff expertise).

An established program might have a reduction in funding, which in turn may reduce the service levels through lower volumes, longer processing times, or decreased customer satisfaction. This may ultimately lead to reengineering of the program. On the other hand, increased wait times or customer dissatisfaction may warrant increased funding needed to continue delivering services at the appropriate level. These interactions affect the variety and type of performance measures selected and their subsequent results.

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Remember program offers should describe either a specific service population (elderly, youth, minorities, etc.) or a specific service being delivered (residential treatment, housing, nutrition services, etc.). Single offers that attempt to describe several service populations and various services being delivered are much more difficult to describe their result than if they were more than one offer.

Which Indicators Can Be Reported?

There are several types of performance indicators available for reporting. These include input (resources), output (workload), outcome (results), efficiency (productivity outcome), and quality (satisfaction outcome) indicators. Each of these draws upon a different aspect of the service that is being delivered. A good performance measurement portfolio for a program should include a variety of meaningful measures.

Input Indicators

Input (resource) indicators are designed to report the amount of resources such as financial, personnel, material, or other resources that are available or have been used for a specific service or program. Financial and personnel data are the most common input measures. Since they are already reported in the revenue/expense and FTE detail sections, they should not be repeated in the Program Performance Measurement table. Departments may choose to report other program resources that are managed or consumed. The measure is helpful in illustrating the scope of work, but not the actual activities performed. The data are typically reported as numbers and not percentages.
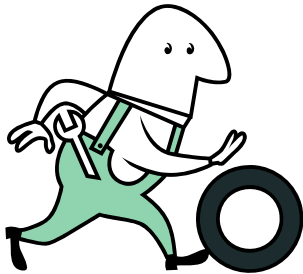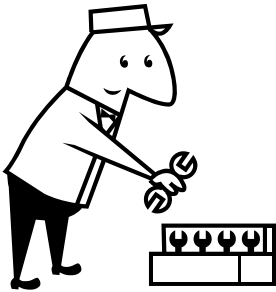

Examples of Input Indicators
- number of client referrals
- number of fleet vehicles
- number of jail beds
- number of branch hours opened
- number of maintained centerline/ lane miles
- number of helpdesk covered PC terminals
- number of prosecution cases received

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Output Indicators

Output (workload). This is the most common type of indicator found in most performance measurement systems and reports the number units produced or services provided by the program. It describes the activities that a program has completed, but not necessarily their results. It is common for programs to have more than one output indicator. The data are typically reported as numbers and not percentages.

Examples of Output Indicators
- number of treatment episodes delivered
- number of vehicle repairs performed
- number of client screenings provided
- number of purchase orders issued
- number of vaccinations given to children
- number of centerline/ lane miles resurfaced

Outcome Indicators

Outcome (results). This indicator is designed to report the results of the service. It can often be described as a short-term (e.g., successful treatment completion), intermediate term (e.g., success by 3 or 6 months), or long-term outcome (e.g., 1 year or more). There should be a logical connection from outputs to meaningful outcomes, with activities supporting the results in a sequential fashion. The data can be reported as either numbers, percentages, or rates..

Examples of Outcome Indicators
- Percent reduction of juvenile recidivism
- Percentage of youth living independently at discharge
- Percentage of clients that reduced drug use at discharge (initial outcome)
- Percentage of clients drug-free at one year after discharge (long-term outcome)
- Reduction in incidents of disease (rates)
- Reduction in repeat calls for service

Note. Reporting "cases closed" (e.g., case management, addiction treatment, cases prosecuted, etc.) is not a meaningful outcome. Simply terminating services/ cases does not tell the reader what was accomplished by providing the service. Defining the nature of the service termination is a meaningful outcome.

Efficiency Indicators

Efficiency (productivity outcome). Efficiency measurement is a method for examining how effectively a program is performing the activities it is doing. This is an indicator that measures the cost of resources (e.g., in dollars, FTE, employee hours, time, etc.) per unit of output (e.g., per repair, per case, etc.).

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Efficiency can also be qualified as a *productivity measures*. For example, where "vehicles repaired per labor hour" reflects efficiency, and "percentage of vehicles repaired properly" (e.g., not returned for rework within 6 months) reflects outcomes, "unit costs (or labor-hours) per proper vehicle repair" reflects productivity. The costs (or labor-hours) of faulty vehicle repairs as well as the costs of the proper repairs are included in the numerator of such a calculation, but only good repairs are counted in the denominator—thereby encouraging both efficiency and outcome by repair personnel.

Examples of Efficiency Indicators
- Cost per tax-lot appraisal
- Reports generated per analyst FTE
- Average number of days to close a case
- Cost per jail bed day
- Labor-hours per proper vehicle repair

Quality Indicators

Quality (satisfaction outcome). This measure reflects effectiveness in meeting the expectations of customers and stakeholders. Measures of quality include reliability, accuracy, courtesy, competence, responsiveness, and completeness associated with the product or service. Customer satisfaction reflects the degree to which the customer's expectations of a service are met or exceeded. Lack of quality can also be measured. Such examples include rework, correcting errors, or resolving complaints.

Examples of Quality Indicators
- Percent of reports that are error free
- Percentage accuracy of information entered in a data system
- Percent of customers that rank service as exceeding their expectation (customer satisfaction)
- Percent of clients waitlisted more than a month for treatment

Using the Logic Modeling Template

After considering the audience and what matters to whom, the next steps lie in determining the meaningful performance measures. Effective performance measures clearly identify relevant program resources, activities, outputs and meaningful outcomes. The easiest way to determine these is through program modeling.

A program modeling template is available in the Appendix of this document and also on our website. The first sheet develops the program logic model, and then there are notes to keep in mind when developing measures, and then there is a separate page for each of the program's four performance measures.

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In prior years, staff have also used a different logic model template which may also be helpful in modeling your program and documenting your measures. It is also included in the Appendix and on the web. Whichever template you use, it is important to document the goals of your program, how each measure showcases program performance, and how each performance measure is calculated. A template should be used to record information that is crucial to understanding how the measures were developed, how they were defined, and how data were collected. This information also helps with quality assurance, data analysis, and program offer evaluation in the next fiscal year.

Here are some questions that should be considered:

1. Think about how a program links to the County's overall strategies. What is the purpose and goal of the program? Why does the program exist?
2. List the program inputs such as funding, FTE, materials (e.g., PC's, fleet vehicles, buildings, etc.)—these are the resources needed to accomplish the program's goals.
3. Think about how the program works and how the service is delivered; briefly list the activities that lead to a product or service being delivered.
4. Identify program outputs; list what was accomplished (e.g., PC's repaired, fleet vehicles maintained, cases managed, people served).
5. Identify the various outcomes (i.e., results) of the program: both the outcomes expected immediately after the service is delivered (i.e., short-term), the intermediate and the long-term outcomes expected for the clients/ customers who received service.
6. From the inputs, outputs, and outcomes consider efficiency indicators: how much does it cost in staff or dollars? How long it takes (hours or days) to get an output or outcome? Are there are any efficiency mandates that need to be addressed?
7. Identify measures of service quality: is customer satisfaction measured? List any quality levels mandated.
8. Are benchmarks or industry standards available when considering measure options?

Once you have modeled the program's goals and created several measures, you can begin to select the four best performance measures to include in the budget. The second page of the template includes a list of selection criteria to help narrow down the multiple measures and determine the most meaningful measure to report. A properly developed set of performance measures typically satisfy the following criteria:

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- **Meaningful-Valid:** The key to assessing program performance is measuring the right things with the right measure. If a measurement fails to measure what was intended, then this measurement is not valid.
- **Consistent-Reliable:** The data used to generate the measurement must be consistently accurate and reliable. It is important that the collected data actually describe what is being measured. If other departments have similar services, can the same measure be applied universally (e.g., drug treatment services)?
- **Understandable-Clear**: Think about whether or not a measure is simple enough to be understood by people who are interested in the program. Keep it simple, and ask if it would pass the 'Aunt Edna' test.
- **Perverse Incentives:** Might the measure lead to behaviors that reduce quality or outcomes just so the "numbers look good"?

Making Changes to Established Measures

Following all the steps in the above sections should allow for the selection of consistent, reliable and meaningful program offers measures so that performance can be evaluated over time. However, even the best efforts to develop meaningful measures may not always result in good measures. Changes to established program performance measures typically occur for one of three reasons: 1) to fix an error in the performance measure definition or reported value, 2) to replace a poor measure with a better one, or 3) to stop reporting an established measure. Minor adjustments (e.g., spelling) that do not effect the measure do not need to be reported. Regardless of the reason, established programs are responsible to report the change and results for consistency, transparency and accountability.

There are several steps that need to be completed when making changes to established performance measures.

1. Identify and document the reason for the change. For example, was the logic model incomplete? Was the performance measure poorly documented last year? Were the data impossible to retrieve? Were incorrect calculations of the values entered? Was this a new better measure than what was existing?

2. Update the logic model so that future changes and mistakes are avoided; clarify definitions, calculations, and other areas that may lead to future mistake. Document these so that next year's efforts have the proper documentation.

3. In the web-tool's section entitled *Performance Measures* enter the program offer's updated measure or changed values into the appropriate space in the table.

These steps are necessary to ensure consistency, transparency and

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accountability in the program offer and the measures that are submitted for purchase.

4. In the web-tool check the *Measure Changed* box ☑.
5. Report the change
   a. If the change was a replacement of a poor measure with a better one, the replaced measure and its results <u>must still be reported</u> in the *Significant Program Changes* section (page 2 of the program offer) to allow for consistency, transparency and accountability (for this year only).
   b. If the change was to correct and error either in the definition clarity or any reported value a brief explanation should be given in the *Significant Program Changes* section (page 2 of the program offer) for this year only.
   c. If the program offer no longer reports an established measure, its results <u>must still be reported</u> in the *Significant Program Changes* section (page 2 of the program offer) for this year only.

Data Entry and Submittal through the Web-Tool

Once the performance measures have been determined and the template has been filled out, the data can be entered into a program offer via the web-tool. The FY 2010 budget web tool includes a Performance Measures section for each program offer. The section standardizes the performance measure data entry into a table. This should make the data entry relatively easy, as well as simplifying future data retrieval. The web-tool has a two part section specifically for performance measures: 1) the quantitative table and 2) the qualitative explanatory section.

The quantitative table has space for four measures reporting the following data: the measure type, the measure definition, and cells for data for each year of performance and its numerical representations (i.e., number or percentage). Two of the measures are pre-determined as an output measure and an outcome measure. To offer the greatest amount of flexibility for the department, there are two additional slots.

The Web-tool Interface

Performance Measures							
Measure Type:	Primary Measure:		% ?	FY 2008 Actual Result	FY 2009 Purchased	FY 2009 Current Estimate	FY 2010 Target
Output			% ☐	0	0	0	0
Outcome			% ☐	0	0	0	0
Optional ▼			% ☐				
Optional ▼			% ☐				

Performance Measure - Description   Measure Changed ☐

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Each measure includes cells for data entry. These cells have been relabeled this year to reduce confusion, however, this doesn't change the value of the cell or what it represents. Cells are now labeled. They are ordered in a way to present historical results, most recent targets and performance estimates, and the program offer's target if the program is purchased. The cells allow the reader to easily make a variety of comparisons, including whether the program is meeting its specified targets. In addition, the data will be collected and trended over time.

The *FY 2008 Actual Result* cells reflect the result of the last full fiscal year of service. In some cases this data may not be available and may be left blank (e.g., innovative/ new program, reconstructed program, a new measure, or a revised measure). Nearly every established program should have historical data available for each measure.

The *FY 2009 Purchased* cell reflects the target service level for which the program is currently engaged. For example, if in last year's offer the program's target was to serve 250 clients, then the value in the *FY 2009 Purchased* should read 250. If your offer is an existing program, these values should be the same as last year's program offer target (i.e., Next Year Offer). Most measures should include these data, although there will be some cases (e.g., new programs or new measures) where this data may not be available and can be left blank.

The *FY 2009 Current Year Estimate* cell gives an annualized <u>estimate</u> based on the most recent program data. In most cases, programs will have 6 months of current fiscal year data, which should be adjusted for the full year. This adjustment is based upon program staff observations and expertise, and the current year-to-date totals. These assumptions should be documented. This allows for comparison of current performance to the current year target. Additionally, this figure allows departments an opportunity to perform a mid-year review or course correction based on data.

The *FY 2010 Target* cell reflects the service level result the department is proposing for the upcoming fiscal year should the program be purchased. This service level might differ from the previous year's service level, depending on service model or funding changes. For example, if a program's costs increase while revenue remained unchanged, the expected service level may decline unless increases in efficiency are found. Every program offer must include data for this indicator. This field must <u>not</u> be blank.

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Entering Changes to Established Measures

If real changes (e.g., other than simple spelling errors) were made to existing measures or if previously existing measures are to no longer be reported in the future, the program offer must check the *Measure Changed box* ☑. Program offers that are reconstructed will most likely have changes to their performance measures. Regardless the previous results must still be reported in the *Significant Program Changes* section (page 2 of the program offer) to allow for consistency, transparency and accountability for this year only.

Qualitative Explanatory Section

A qualitative explanatory section sits below the table and allows limited space to explain any issues with data anomalies, missing data, clarifications or changes to definitions, or other pertinent data-related issues. For example, if the program's current year estimate is off target by more than 5% of what the program offer was originally supposed to deliver, a brief explanation should follow.

This section is not intended to be used to further define or qualify the performance measures. If the definition in the table is not clear to the reader, consider rewriting the definition.

It may also be beneficial to note whether a formal program evaluation, performance audit, independent assessment, or other quality assurance process has ever occurred for this program, and briefly the results.

Scaled Offers
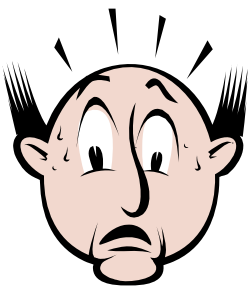
Special attention should be given to scaled offers. Each scalable offer's performance measures should report only those services that the scaled offer supports if purchased. For example, if the primary offer is for 10 residential beds, then the performance measure must reflect only those 10 beds. If the next scaled offer is for an additional 10 residential beds, then additional performance measures must reflect only those additional 10 beds, not the combined 20 beds.

If the scalable offer merely increases capacity like in the example above, the performance measure definitions should be the same as the base offer (e.g., drug treatment days, successful drug treatment completion rates, etc.). In cases where capacity is increased, especially in cases where a reduced caseload is part of the result, efficiency measures should be considered.

If the scalable offer adds a new service or features (e.g., 10 post-treatment alcohol and drug-free supported housing slots) the measures can differ for the base offer.

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Entering the Performance Measures in the Web Tool

Below are the steps to fill out the web-tool:

1. Login to the web-tool and select the appropriate program offer.
2. To enter a new measure simply select the measurement type with the drop down box.
3. Enter the performance measure definition. This should be a simple and clear definition—technical language, acronyms and jargon should be avoided, but include them on Part 3 of the template. Symbols like $, %, or # are perfectly acceptable.
   a. If the measure is the same as last year, simply copy and paste the definition.
4. Enter the data into each cell (*FY 2008 Actual Result*, the *FY 2009 Purchased* amount, the *FY 2009 Current Estimate*, and the *FY 2010 Target*).
   a. Existing programs should take the last year's purchase Target value and shift that value into the *FY 2009 Purchased* cell.
5. Select the percentage check-box ☑ if the data in the cells should be reported as percentages. You may also report values with a single decimal place.
6. Repeat the steps for the additional measures.
7. If any existing measures are changed or dropped, select the *Measure Changed* box ☑.
8. Enter any clarifying information into qualitative explanatory section.

Checklist Questions

The cycle of performance measurement development is not over after the initial web tool submission. The Chair's Office will review the submitted program offer in detail, including their measures. The Chair's Office and the Budget Office will review each program's performance measures using following checklist of questions.

1. Does the program offer have measures related to the primary function of the program?
2. Are the measures related to the marquee indicators?
3. Does the program have true meaningful outcome measures?
4. Have established measures changed or been removed? If so, are the current results reported in the explanatory section, and have the significant changes box been selected?
5. Can the average reader understand what the program accomplishes numerically?
6. Are data missing in the table? If so, are reasons noted in the explanatory section?
7. Did the program meet or exceed its targets? If not, are reasons noted in the explanatory section?

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MultStat Measures

For those of you who have been using the MultStat performance measurement database this year, entering performance measures in the Budget Web Tool will be a snap. While there is no direct translation feature between the two systems, you can download your annual MultStat performance into a spreadsheet and use this information to fill in the Budget Performance Measures section. Select your program from the list of FY09 programs, click on View Measures in Excel.

An Excel spreadsheet will open with your measures and all of the data you have entered. This will allow you to enter Year to Date values and estimate Year End Totals.

Measure Title	Format	Type	Cycle	FY	Annual	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
Customer Service Satisfaction - Budget Office	%	Quality	Annually	FY09	95.0%													
Customer Service Satisfaction - Budget Office (number of responses)	#	Quality	Annually	FY09	127													
Percent error in the Budget Revenue Forecast	%	Outcome	Annually	FY09	2.3%													
Percentage of reports and requests for service produced on time and without material error	%	Outcome	Monthly	FY09		100%	100%	94%	100%	94%	100%	93%	100%					
Number of reports and requests for service completed	#	Output	Monthly	FY09		10	12	16	18	36	12	28	9					

If you would like to start using the MultStat performance measurement system to track monthly, quarterly, or annual performance online, contact the Budget Evaluation Staff at evaluation@co.multnomah.or.us.

Performance Measure Challenges

Some limits exist to what types of information performance measures can actually capture. Typically these are limits one sees in cases where direct measurement is difficult or costly. Often however, measurement difficulties are due to unclear program results. Clarifying the program

Performance Measurement Challenges

results will go a long way towards developing meaningful measures. Below are several common responses when applying performance measures.

● **You can't measure what I do**. Areas previously thought to be "unmeasurable" such as prevention, education programs and even international relations have been shown to be measurable if someone is motivated and creative enough to pursue an innovative approach. Since so many jurisdictions have initiated performance measurement systems in recent years more information than ever exists for staff to reference (see Appendices for additional resources). In some cases even information may be limited to proxy measures or successive milestone measurement rather than traditional outcomes.

In some cases, the outcome of a program may not be realized for many years. In some cases, this can be addressed by identifying meaningful output-oriented milestones that will lead to achieving the long-term outcome goal. To address this issue, a program should define the specific initial and intermediate outcomes to accomplish the long-term outcome goal. These steps are likely to be output-oriented, prerequisite accomplishments on the path toward the outcome goal. It is important that these steps are meaningful to the program, measurable, and linked to the outcome goal.

● **The measures aren't fair because I don't have total control over the outcome or the impact.** It is the rare program that has total control over the outcome, but if programs can't demonstrate any impact on the result, then why should the program be funded?

Often programs from various departments all contribute to achieving the same goal. The contribution of any one program may be relatively small or large. One approach to this situation is to develop broad, yet measurable, outcomes shared by a collection of programs, while also having program-specific performance goals.

● **It will invite unfair comparisons.** Comparison is going to happen whether programs invite it or not. But the program offer doesn't stand only on it's performance results. Clearly articulating the program's target audience and services can help temper attempts at apples-to-oranges comparisons. Consider working with other programs of similar design to use the same measures.

Additionally, taking the initiative in selecting comparable organizations can help your program by proactively comparing performance, determining how well you are doing, and seeking ideas on how you can improve your performance.

Performance Measurement Challenges

● **Performance data will be used against the program.** Demonstrating transparency and accountability, even when the news is not so good, inspires trust, gives the program performance data street credibility, and shows that the departments understand their programs and the difficulty of providing social services. If programs are open about the need to improve, most people will give a program the benefit of the doubt as long as programs demonstrate improvement plans. Cynical manipulation of measures, for example selecting overly easy targets or ignoring relevant data, will likewise cause the Outcome Teams and other reviews to question motives and credibility and will lead to mistrust.

● **We don't have the data/we can't get the data.** Considering the investment the County has made in information technology, it is hard to believe that performance data are not available. Every manager of a program should be intimately familiar with their programs measures and performance. If a program is important enough to fund, staff should be able to find some way to collect data on its effectiveness. It can be as simple as a desktop spreadsheet using information collected from a hard-copy log. What is important is that critical indicators of success are identified and measured consistently and conscientiously.

● **We don't have the staff resources to collect the data.** The reality is that administrative positions will not likely be added for performance measurement. Program managers should realize however that dedicating a small percent of their time to collecting data on thoughtful measures, and using the data to manage for results, will generally save more time than would be spent correcting problems down the road. Every manager of a program should be intimately familiar with their programs measures and performance.

● **How do I measure prevention.** Programs with a deterrence or prevention focus can be difficult to measure for a variety of reasons. Most importantly, deterrence measurement requires consideration of what would happen in the absence of the program. Also, it is often difficult to isolate the impact of the individual program on behavior that may be affected by multiple other factors. If performance measures reflect a continuum from lower-level outputs to higher-level outcome measures related to the overall goal, it is important for deterrence programs to choose measures that are far enough along the continuum that they tie to the Priority and Marquee Indicators as well as to the program's activity. This will help ensure that the measures are both meaningful and genuinely affected by the program.

Performance Measurement Challenges

● **Programs where failure is not an option.** For programs where failure to prevent a negative outcome would be catastrophic such as programs to prevent terrorism or a pandemic disease outbreak, traditional outcome measurement might lead to an "all-or-nothing" goal. As long as the negative outcome is prevented, the program might be considered successful, regardless of the costs incurred in prevention or any close calls experienced. In these cases, proxy measures can be used to determine how well the deterrence process is functioning. These proxy measures should be closely tied to the outcome, and the program should be able to demonstrate how the proxies tie to the eventual outcome. Because of the risk, multiple proxy measures should be used. Failure in any one of the safeguards would be indicative of the risk of an overall failure.

Quality, Training & Resources

The Budget Office Evaluation staff are available to provide performance measurement training, assistance in measure development, and as a source of historical measurement and best practice knowledge. Some departments do not have formal evaluation units or specialized staff. In these cases, the Budget Office Evaluation staff will provide additional measurement development assistance. Regardless, every program offer must provide performance data.

Budget Office Evaluation staff are available so that department staff can receive individualized attention via phone, email, or in person.

Special Thanks

This revised manual was developed based on a multitude of performance measurement source information. Budget Office Evaluation staff would be remiss if we did not specifically acknowledge the following sources: *We can't measure what we do: Measuring what matters in the public sector* by Mary Campbell; *Fairfax County manages for results* by Fairfax County Performance Measurement Team; *Performance Measurement Challenges and Strategies* by the White House Office of Management and Budget; and *Not a Tool Kit* by the Institute of Governance Ottawa Canada. Other sources that were used are listed in the Appendices.

Additional thanks are extended to the many past and present county employees that offered for feedback and input into this initiative and manual.

Performance Measure
Logic Model Development

PROGRAM NAME AND ID:

DATE:

PROGRAM GOAL: (in a phrase, what does the program intend to do?)

PRIORITY AREA:

STRATEGIES ADDRESSED:

INPUTS (resources: what the program has available to work with, often money and staff)

-
-
-

ACTIVITIES (services: what the program does in a day)

-
-
-
-
-
-

OUTPUTS (workload: how many/how much is produced)

-
-
-
-
-
-

OUTCOMES (progress toward goals: how do you know if the program was successful?)

-
-
-
-
-
-

QUALITY (satisfaction: includes customer satisfaction)

-
-
-
-

EFFICIENCY (productivity: outputs per dollar or staff)

-
-
-
-

Performance Measure
Logic Model Development

<u>Performance measures need to be:</u>
· Meaningful / Valid
· Consistent / Reliable
· Understandable / Clear
· Without Perverse Incentives
· Timely / Reportable Monthly
· Comprehensive
· Not Redundant
· Sensitive to Data Collection Costs
· Focused on Controllable Facets of Performance
· Measures for Management

<u>Checklist Questions:</u>
· Do the measures relate to the primary function of the program?
· Are the measures related to the marquee indicators?
· Does the program have true outcome measures that relate to the program goal?
· Can the average reader understand what the program accomplishes numerically?
· Are data missing in the table? If so, is it referenced in the notes?
· Did existing measures change? If so, is it referenced in the notes?
· Did the program meet or exceed its targets? If not, is it referenced in the notes?

<u>Instructions for filling out the Measure Detail sheets:</u>
1. Start with the inputs, outputs, outcomes, quality, and efficiency indicators identified on your Logic Model sheet.
2. Make sure the measures you use meet most of the performance measure selection criteria. Ask yourself the questions on the checklist about each measure.
3. Document the measures completely on the Performance Measure Detail sheets. In documenting the measures and the data, you might find logical errors.
4. Have someone outside your work unit read the measures for clarity. An outsider will notice whether it makes sense to the average reader.

<u>Suggestions:</u>
* Use a "mixed basket" approach to selecting measures (Use multiple types, and select some that show the direct impact of your program and some that are high-level indicators of societal impact.)
* Select output and outcome measures that go together to tell a better story. (For example, a treatment program which serves 100 people and 82% of those people sucessfully complete the program.)

BOE Performance Measure Template rev 12/05/08

PERFORMANCE MEASURE DETAIL 1

PROGRAM NAME AND ID:

DATE:

MEASURE TITLE:

MEASURE TYPE:

WHY USE THIS MEASURE : (what does this measure provide?)

DATA SOURCE AND CALCULATION METHOD: (where and how do you get the data, and how is it analyzed?)

Data Sign

DATA:

FY0708 Actual	FY0809 Purchased	FY0809 Estimate	FY0910 Proposed

TARGET:

DATA NOTES:

CONTACT PERSON AND PHONE:

ALTERNATE AND PHONE:

If data is from another source (such as the state), provide a contact person and phone number for that source as well as a County contact

PERFORMANCE MEASURE DETAIL 2

PROGRAM NAME AND ID:

DATE:

MEASURE TITLE:

MEASURE TYPE:

WHY USE THIS MEASURE : (what does this measure provide?)

DATA SOURCE AND CALCULATION METHOD: (where and how do you get the data, and how is it analyzed?)

	FY0708 Actual	FY0809 Purchased	FY0809 Estimate	FY0910 Proposed
Data Sign	DATA:			
	TARGET:			

DATA NOTES:

CONTACT PERSON AND PHONE:

ALTERNATE AND PHONE:

If data is from another source (such as the state), provide a contact person and phone number for that source as well as a County contact

PERFORMANCE MEASURE DETAIL 3

PROGRAM NAME AND ID:

DATE:

MEASURE TITLE:

MEASURE TYPE:

WHY USE THIS MEASURE : (what does this measure provide?)

DATA SOURCE AND CALCULATION METHOD: (where and how do you get the data, and how is it analyzed?)

Data Sign

	FY0708 Actual	FY0809 Purchased	FY0809 Estimate	FY0910 Proposed
DATA:				
TARGET:				

DATA NOTES:

CONTACT PERSON AND PHONE:

ALTERNATE AND PHONE:

If data is from another source (such as the state), provide a contact person and phone number for that source as well as a County contact

PERFORMANCE MEASURE DETAIL 4

PROGRAM NAME AND ID:

DATE:

MEASURE TITLE:

MEASURE TYPE:

WHY USE THIS MEASURE : (what does this measure provide?)

DATA SOURCE AND CALCULATION METHOD: (where and how do you get the data, and how is it analyzed?)

	FY0708 Actual	FY0809 Purchased	FY0809 Estimate	FY0910 Proposed
Data Sign				
DATA:				
TARGET:				

DATA NOTES:

CONTACT PERSON AND PHONE:

ALTERNATE AND PHONE:

If data is from another source (such as the state), provide a contact person and phone number for that source as well as a County contact