

PERFORMANCE MEASUREMENT DEVELOPMENT SURVEY: FY06-07 BUDGET PROCESS (#006-06A)

The FY2007 *Priority-Based Budgeting* process included a substantial investment in improving performance measurement. The results of this survey were designed to determine what worked and what needed work in the continuing efforts at improving Priority-Based Budgeting performance measurement. The survey instrument comprised of five sections to assess the efficacy of performance measurement development. The sections included: Training, Office Hours (technical assistance), Quality, Reporting, and Utilization. Most sections also included opportunities for structured feedback, both technical and policy related.

An email survey was sent to 98 key County staff involved in developing performance measures for the FY06-07 budget. There was a 39% response rate. About 37% of respondents were from the Department of County Management, followed by 21% of respondents that choose not to identify their department.

Development model. A development logic model of county-wide performance measurement begins with the resources such as staffing followed by the activities performed, and various short, intermediate, and long-term outcomes performance measurement. Ultimately, the long-term, and most meaningful outcome in the development of county-wide performance measurement system, would be the utilization of the performance measures by departments/ agencies, the public, and policy-makers to make data-based decisions.

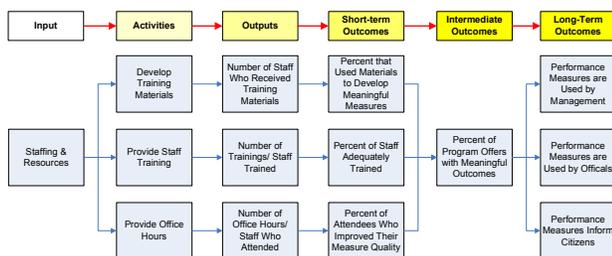


Figure 1. Performance Measurement Development Model

Process. Respondents were highly involved in the development of performance measures. Seventy-seven percent (77%) of respondents attended a performance measurement training; 40% went to at least one “Office Hours” for technical assistance; 87% said that they developed some or all of their department’s performance measures; and 64% said they were members of an outcome team.

Overall respondents were satisfied with the level of training and technical assistance (Office Hours) that were provided. Tables 1 and 2 display the results of the questions in rank order.

Table 1. Training Questions Rank Ordered

	Strongly Agree	Agree	Disagree	Strongly Disagree	Agreed (%)
The information presented at the training was useful in determining meaningful performance	7	16	3	0	86%
Generally, there were enough training, times and locations to schedule a training.	9	9	6	1	72%

Of those attendees who responded, the majority felt the trainings provided useful information to create meaningful performance measures. Many commented that there should be an increase in training, with a greater focus on meaningful outcomes.

Table 2. “Office Hours” Technical Assistance Rank Ordered

	Strongly Agree	Agree	Disagree	Strongly Disagree	Agreed (%)
The assistance provided at the Budget Office’s Office Hours helped with PM development.	10	4	1	0	93%
Generally, there were enough Budget Office’s Office Hours times and locations.	6	6	2	1	80%

Of those who attended and who responded, a clear majority felt that the technical assistance offered at the Office Hours had improved the development of their measures. Office Hour accessibility was generally good, however respondents commented that future Office Hours should be offered in more locations county-wide.

Examining measurement quality found that collecting and using performance measurement demonstrates good government, and that their department/ agency’s efforts increased over the last year. However, somewhat lower levels of agreement were noted in the clarity of measures reported. More respondent’s felt that their measures were more clearly defined than other agencies’ measures.

Table 3. Measurement Quality Rank Ordered

	Strongly Agree	Agree	Disagree	Strongly Disagree	Agreed (%)
Collecting and using performance measures demonstrates accountability.	15	17	4	0	89%
My department’s performance measures improved over last year.	6	23	4	0	88%
I trust the data submitted in my department’s performance measures.	11	19	5	1	83%
The type of measures available (input, output, outcome, efficiency, quality) were adequate to describe a program	9	20	6	1	81%
My department’s performance measures were clearly defined.	5	21	8	2	72%
Other department’s program offers used clearly defined performance measures	2	16	9	2	62%

There was high agreement that the performance measure presentation improved over last year, particularly in its organization and presentation in the program offers. Quality and clarity also showed general improvement over last years efforts, however a sizable proportion of respondents believe that four measures are

not enough to outline a program's performance. Only slightly more than half agreed that the utilization of performance measures increased over last year's effort.

Table 4. Measurement Reporting Rank Ordered

	Strongly Agree	Agree	Disagree	Strongly Disagree	Agreed (%)
The performance measure presentation improved over last year.	14	19	0	0	100%
The performance measure organization improved over last year.	13	19	1	0	97%
The performance measures are presented in a clear table.	8	24	3	0	91%
The performance measure clarity improved over last year.	6	22	5	0	85%
The performance measure quality improved over last year.	6	21	5	0	84%
The web-tool performance measurement section was easy to use.	12	16	7	0	80%
The performance measure ability to convey RESULTS purchased improved over last year.	2	23	7	1	77%
Four measures can adequately outline a program's performance.	4	18	10	4	61%
The performance measure utilization improved over last year.	4	16	12	3	57%

Outcomes. One intermediate outcome examines what proportion of program offers included required outcome measures. According to data from the FY06-07 adopted budget, of the 499 program offers, 85% included at least one outcome measure.¹ Several program offers contained more than one outcome measure. It should be noted that the quality or meaningfulness of these measures were not assessed.

Internal measurement utilization focuses on what the department/ agency collects and uses to manage their organizations. The majority of respondents believed their department used quality performance measures and regularly collected the needed data. However, agreement begins to decline when asked whether the data gets reported regularly. Ultimately only about half of respondents felt that the performance data had an effect on their operations or that performance measurement led to any changes, even though they believed they were good measures and the data were collected.

Table 5. Measurement Utilization Rank Ordered (Internal)

	Strongly Agree	Agree	Disagree	Strongly Disagree	Agreed (%)
My department's program offers used quality measures.	6	27	3	0	92%
My department regularly collects data on our performance.	12	20	4	0	89%
My department regularly reports data on our performance.	6	22	8	0	78%
The operation of my department is based on our performance data.	3	17	15	1	56%
Performance measures have led to changes in the way my department operates.	4	16	15	1	56%

External measurement utilization focuses on how the performance measures were perceived to be used by working groups, officials and the public. Seventy-one percent (71%) of respondents felt that the measures aided the outcome teams in their ranking. This is the highest level of utilization that the performance measures are perceived to have. This was followed closely in informing citizens of the programs services delivered.

¹ Most of those program offers that failed to provide outcome measures were offers that were for pass-through funds.

This perception of utilization falls dramatically when asked if elected officials are using the performance measurement data in the development of the budget: the Chair's Executive Budget had only a 28% agreement and the Board's final adopted budget had 40% agreement.

Table 6. Measurement Utilization Rank Ordered (External)

	Strongly Agree	Agree	Disagree	Strongly Disagree	Agreed (%)
My department program offer's performance measures aided the outcome team ranking.	3	21	8	2	71%
My department program offer performance measures aid citizens understanding of the services delivered.	0	23	9	2	68%
My department program offer's performance measures aided elected officials in developing the adopted budget.	2	10	11	7	40%
My department program offer's performance measures aided the chair in developing the executive budget.	1	7	13	8	28%

Other comments. Throughout the entire survey, there were opportunities for structured comments. Respondents stated a need for on-going continued and consistent use of performance measures by management—not just a once a year budget exercise. Additionally, the quality of the data, particularly the outcome measures, needed to increase. And that performance measurement language needs to be talked about in every context and at public hearings

Summary. Performance measurement in program offers made a sizable increase over the previous year. The investment in training, development, and reporting was notable and positive. However, there is a perception by staff that neither management nor officials actually utilize the performance measurement data meaningfully. Only about half of respondents felt that performance measures had any effect on their department's operations even though they believed their measures were of good quality and that the data were regularly collected. Furthermore, while 71% felt the performance measures aided the Outcome Teams in their program rankings, few felt that the performance measures were used by officials in the development of either the executive or adopted budgets.

Recommendations. The following recommendations are based on the survey results and respondent comments and include a continuation of annual trainings and Office Hours, with a greater focus on meaningful outcomes. Increase opportunities to incorporate performance measurement into the organizational language and culture so that staff, management, and officials share a common understanding of performance measurement. This can be done through consistent use of performance measurement language, often at public meetings. Finally, the organization needs to integrate performance measures in a consistent and on-going management process, and not just as an annual budget event.

A copy of the full 8-page report can be found on-line at: www.co.multnomah.or.us/budgeteval/