

Performance Management in Local Government

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Performance Measurement ≠
Performance Management

Strategic Planning ≠
Performance Management

Benchmarking ≠
Performance Management

Dashboard ≠
Performance Management



What Is Performance Management?

- System?
- Schematic?
- Tool?
- Act?
- Management Philosophy?
- Culture?





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Fundamentally,
performance
management entails the
use of performance
feedback **to influence**
operations.



"Performance management is the intentional application of strategies and techniques to achieve desired results. It is not passive; instead, it is action oriented. It includes a host of practices designed to influence performance. It is more than merely declaring goals and trusting that program officials and employees will somehow achieve them. It is more than simply measuring performance and hoping that the act of measurement will provide all the impetus needed."

—Leading Performance Management in
Local Government (ICMA Press, 2008)



Performance Management Doctrine

- Goal clarity
- Performance information that is relevant, actionable, and readily available
- Greater emphasis of results than inputs and compliance with procedures
- Engagement of elected officials in priority setting, strategic goals, data-influenced decision making
- Engagement of top executives in performance management
- Devolved decision authority
- Managerial flexibility in the use of resources
- Incentives/sanctions tied to performance





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Performance Management Mantra

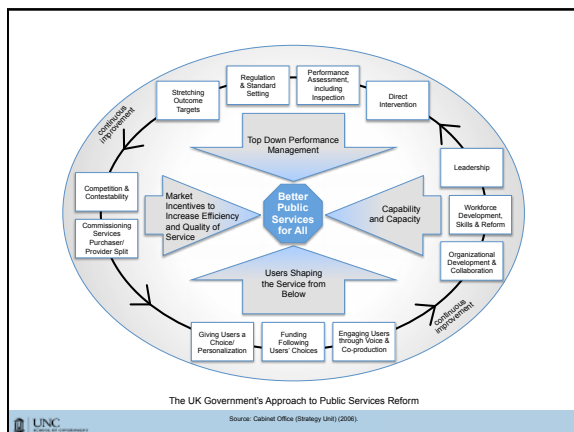
“Make Managers Manage...”

and

“...Let Managers Manage”

Characteristics Associated with Performance Management

- Organization is intent on achieving measurable results—rhetoric *and action*
- Attention to data is not restricted to one office, one management level, or one time of year
- Managers talk with supervisors about objectives & measures...and supervisors talk with workers
- Reliance on multiple strategies, not just one



Six Key Tactics for Performance Management Success

1. Heighten awareness among supervisors and employees of the importance of good performance and favorable results (i.e., create a "performance culture").
2. Establish performance expectations.
3. Sharpen the accuracy of performance perceptions and increase awareness of performance gaps.
4. Identify the causes of performance deficiencies and prescribe corrective action.
5. Motivate program officials and employees to improve performance.
6. More effectively incorporate meaningful performance data into management and policy decision processes.



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THREE AVENUES TO BOOSTING PERFORMANCE

Targeted
Analytic
Projects

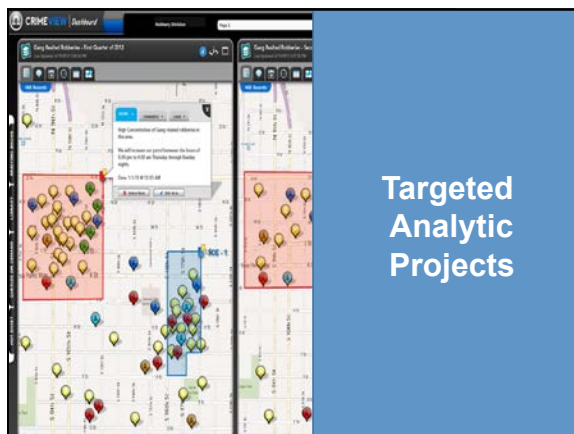


Performance
Strategy
Sessions



Decentralized
Decision
Authority





Targeted
Analytic
Projects



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Key Features of Targeted Analysis

- Focused narrowly on a program or key process
- Designed to improve efficiency, service quality, or another relevant outcome
- Typically, comparative
- Analytically rigorous
- Prescriptive
- May be conducted in-house or by a consultant



Revising the System

"Accountability doesn't change the system. Yelling at the system doesn't change the system. Stretch Targets don't change the system. The only thing that changes the system is changing the system."

—Ken Miller

"A numerical goal accomplishes nothing. Only the method is important, not the goal. By what method?"

—W. Edwards Deming





Performance Strategy Sessions



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Performance Strategy Sessions

aka

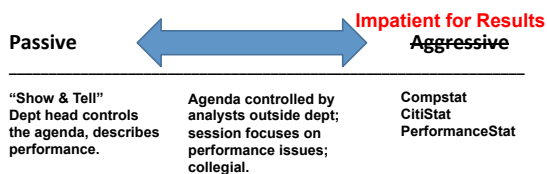
"Interactive Inquiry" (Metzenbaum)
 "Learning Forums" (Moynihan)
 "How Are We Doing" sessions (Liner et al.)

sometimes seen in the form of

Compstat
 CitiStat
 PerformanceStat



Performance Strategy Sessions can vary in how passive or aggressive they are.



Elements of Learning Forums

- Routine event
- Facilitation and ground rules to structure dialogue
- Nonconfrontational approach to avoid defensive reactions
- Collegiality and equality among participants
- Diverse set of organizational actors responsible for producing the outcomes under review
- Dialogue centered, with dialogue focused on organizational goals
- Basic assumptions are identified, examined, and suspended
- Quantitative knowledge that identifies successes and failures, including goals, targets, outcomes, and points of comparison
- Experiential knowledge of process and work conditions that explain successes, failures, and the possibility of innovation

—Donald P. Moynihan (2005)



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Decentralized Decision Authority

“Performance improves...

- when managers are told what is expected of them and results are measured against these expectations;
- when managers are given flexibility in using resources to carry out assigned responsibilities;
- when operational authority is devolved from central agencies and departmental headquarters to operating levels and units;
- when government decisions and controls focus on outputs and outcomes rather than on inputs and procedures; and
- when managers are held accountable for their use of resources and the results they produce”

—Allen Schick 2002



“The key claim that applies to government organizations is that two mutually dependent reforms should be adopted: Managers should be given more flexibility in human resources and budgeting matters but held accountable by quantitative performance standards.”

—Donald P. Moynihan, *The Dynamics of Performance Management* (2008), p. 26

Let managers manage; make managers manage.





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A Few Questions to Ponder

1. When you say that your performance management system tries to get actionable performance information to decision makers, which decision makers do you have in mind?
2. When people in your office express frustration that decision makers aren't paying attention to performance measures, which decision makers are they speaking of?
3. Where do you direct most of your IT resources, as far as performance management is concerned? Do you direct more toward providing performance information to citizens, to council, to the management team, or to departmental or program officials? Do you direct more to line or staff agencies?



Essentials of Performance Management

- The organization is serious about goals, objectives, and performance measures.
- Data-driven decision making is emphasized.
- The focus is on results.
- Positive results are recognized and yield positive consequences.



Without active leadership,
systems intended to influence
performance—such as
performance measurement,
performance budgeting, or
performance pay—are merely
*passive systems of rules,
deadlines, and reports.*



