

The background of the slide is a photograph of a building with a prominent white dome and columns, partially obscured by green trees. A dark blue semi-transparent banner is overlaid across the middle of the image, containing the title and subtitle in white text. A small teal vertical bar is located on the right edge of the slide.

Performance Measurement in Hillsborough

“Value Gained and Value Expected”

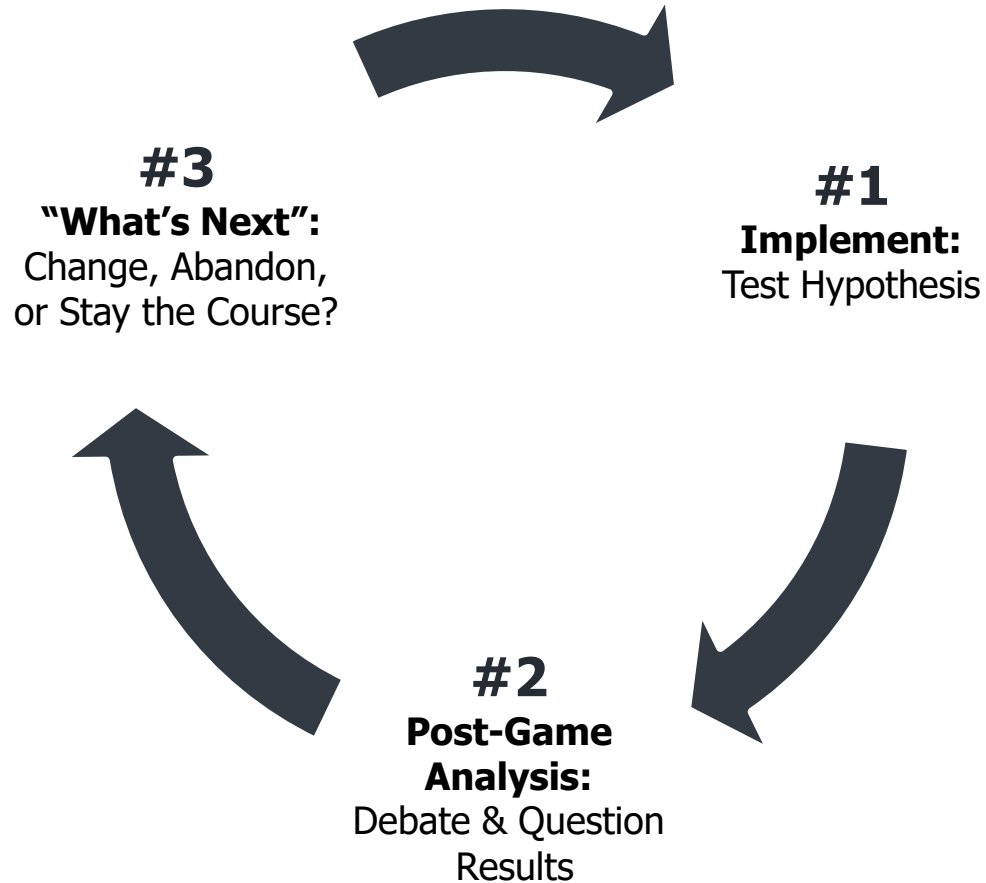
Eric Peterson

Jen Della Valle

A Case for Constant Improvement

- ✓ Better to make changes on your terms
- ✓ Easier to make changes before the storm arrives
- ✓ “Excellent firms don’t believe in excellence – only in constant improvement and constant change”
- ✓ How do you know if you are being successful? Is it up to interpretation? If so, are you willing to risk it?
- ✓ What’s more dangerous – good news or bad news?

“Strategic Learning” Cycle



Hillsborough Performance Timeline

- **2007 – Balanced Scorecard**
- **2017 – Top Priorities Added**
- **2019 – Need to Streamline**
 - ✓ Frustration from Dept Heads & Town Manager
 - ✓ Too much: information, priorities, workload on staff
 - ✓ Not enough: focus, clarity on governing board's top priorities
- **2020 – Strategic Plan**
 - ✓ Revised Strategy Map
 - ✓ Retained Original Mission & Vision
 - ✓ Reduced Goal Areas from 17 to 5
- **2021 – Strategic Plan**
 - ✓ Update Values
 - ✓ Revisit 5 Goal Areas – COVID & Climate May Necessitate Changes
 - ✓ Action Plans – Operationalizing Strategic Plan (time permitting)

Strategy Map

Balanced Scorecard

TOWN OF HILLSBOROUGH

Strategy Map

Vision for Hillsborough

We envision Hillsborough as a prosperous town, filled with vitality, fostering a strong sense of community, which celebrates its unique heritage and small-town character.

Mission of Town Government

We are stewards of the public trust who exist to make the Vision for Hillsborough a reality. We manage and provide the infrastructure, resources, and services that enhance the quality of life for the living beings and land within our town.



Serve the Community

Strengthen Citizen Engagement	Conserve Cultural and Natural Resources	Increase Citizen and Community Safety	Enhance Economic Vibrancy	Improve Connectivity, Walkability and Public Spaces
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Run the Operations

Enhance Emergency Preparedness	Provide Responsive and Dependable Services	Manage Projects Effectively	Improve Communication and Collaboration	Excel at Staff and Logistical Support
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Manage Resources

Maintain Fiscal Strength	Invest in Infrastructure	Develop Long-Term Financial Plans	Deliver Services Efficiently
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Develop Know-How

Develop a Skilled and Diverse Workforce	Support Development of Citizen Volunteers	Enhance Relations with Other Entities
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STRATEGIC OBJECTIVES

Town Board

Strategic Priorities

Quality of Life

Superior Services

Community Safety

Strategic Growth

We Value

Equity & fairness

High quality services and high quality customer service

Hillsborough's small town nature and sense of community

Serving as a catalyst for change

Sustaining Hillsborough's unique "sense of place" including its history, architecture, citizens, river, and mountains

Maintaining and celebrating our community's diversity

Inclusion of all neighborhoods and areas of our town—Hillsborough is for everyone

Affordability — keeping the cost of services and living within reach of people who live and work here

Vibrancy — fostering a "Happening Hillsborough" that is alive, growing, and filled with positive energy.

Strategy Map

Vision Statement

We envision Hillsborough as a prosperous town, filled with vitality, fostering a strong sense of community, celebrating its unique heritage and small-town character.

Mission Statement

We are stewards of the public trust who exist to make the Vision for Hillsborough a reality. We manage and provide the infrastructure, resources, and services that enhance the quality of life for the living beings and land within our town.

Strategic Goals



Values

As we strive to achieve our goals, we are committed to maintaining a community that is:

- Vibrant
- Affordable
- Forward Thinking
- Equitable
- Ethical
- Safe

Examples

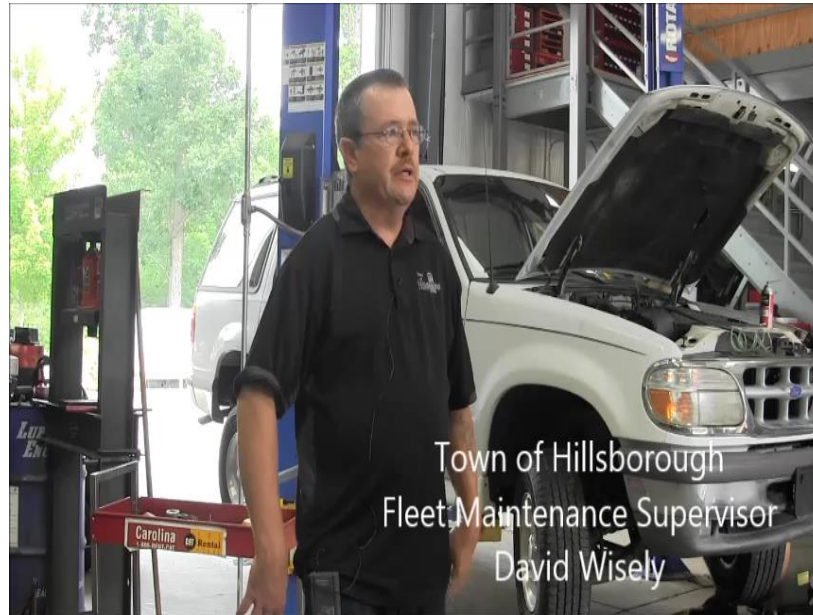
1. Aging Fleet
2. Street resurfacing
3. Experience Modifiers

Aging Fleet & Equipment:

Informing Elected Officials and Management of the
Costs & Impacts on Service Delivery



Fleet Maintenance Approach



Town of Hillsborough
Fleet Maintenance Supervisor
David Wisely

Fleet Maintenance Priority

Take Better Care of Fleet/Equipment

Problem: Aged fleet, due to budget cuts, causing operational challenges for departments & fleet staff

Diagnosis via performance measures:

Increased costs (overall & per mile for trucks & cars)

Customer complaints (% of trip reports with problems)

Falling behind on preventative maintenance (% of on-time service)

Action: Take to manager & town board at annual budget retreat

Result: Addressing equipment & vehicle replacement needs was the board's #1 priority in the budget and remains a priority

Examples

1. Aging Fleet
2. **Street resurfacing**
3. Experience Modifiers

Pavement Condition Analysis

- Contract with engineering firm every 5-7 years
- Analyze condition of town roads
- Prioritize the roads and determine which are paved first



Street Resurfacing in Hillsborough

Performance Measure: % of lane miles resurfaced

Target: 5%

Budget: About \$380,000 per year



20-year replacement cycle.

Street Resurfacing in Hillsborough

Performance Measure: % of streets rated in good or better condition

Target: 92%



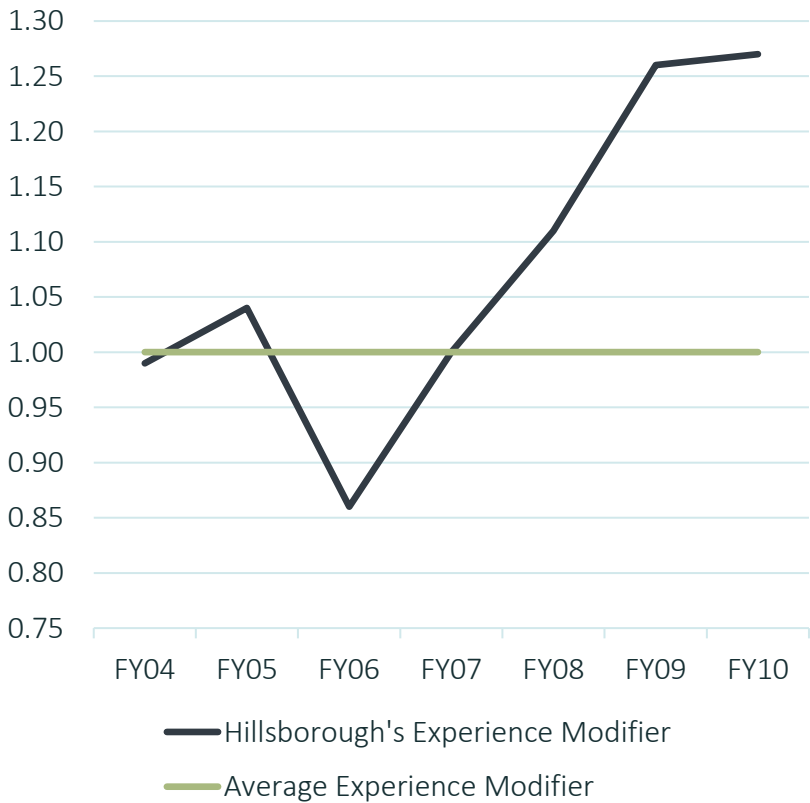
Examples

1. Aging Fleet
2. Street resurfacing
3. **Experience Modifiers**

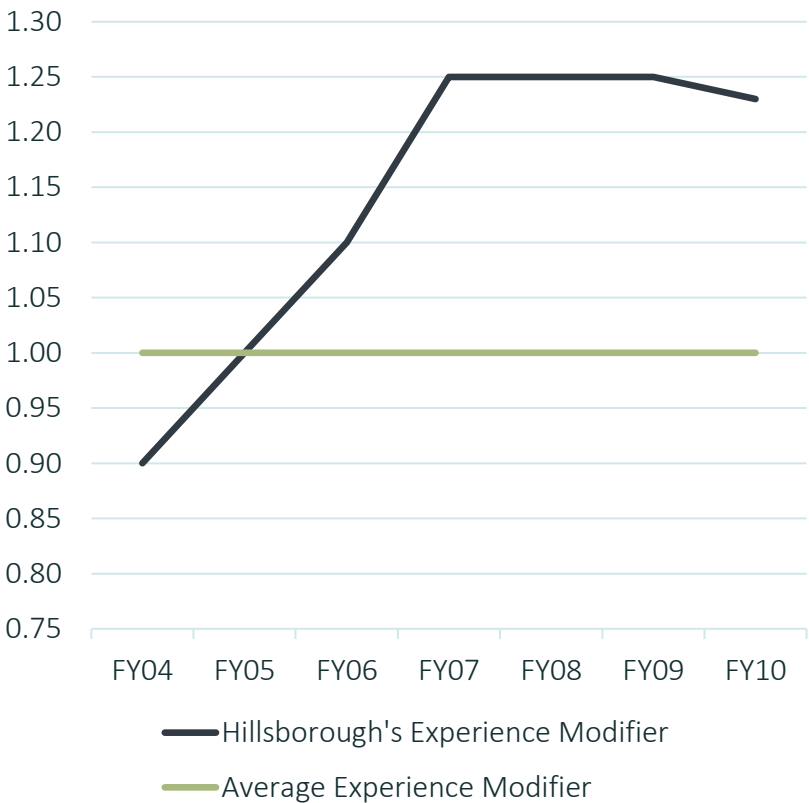
Above Average Experience Modifiers

Range: 0.75 – 1.25 (1.25 = most risky)

Workers' Compensation



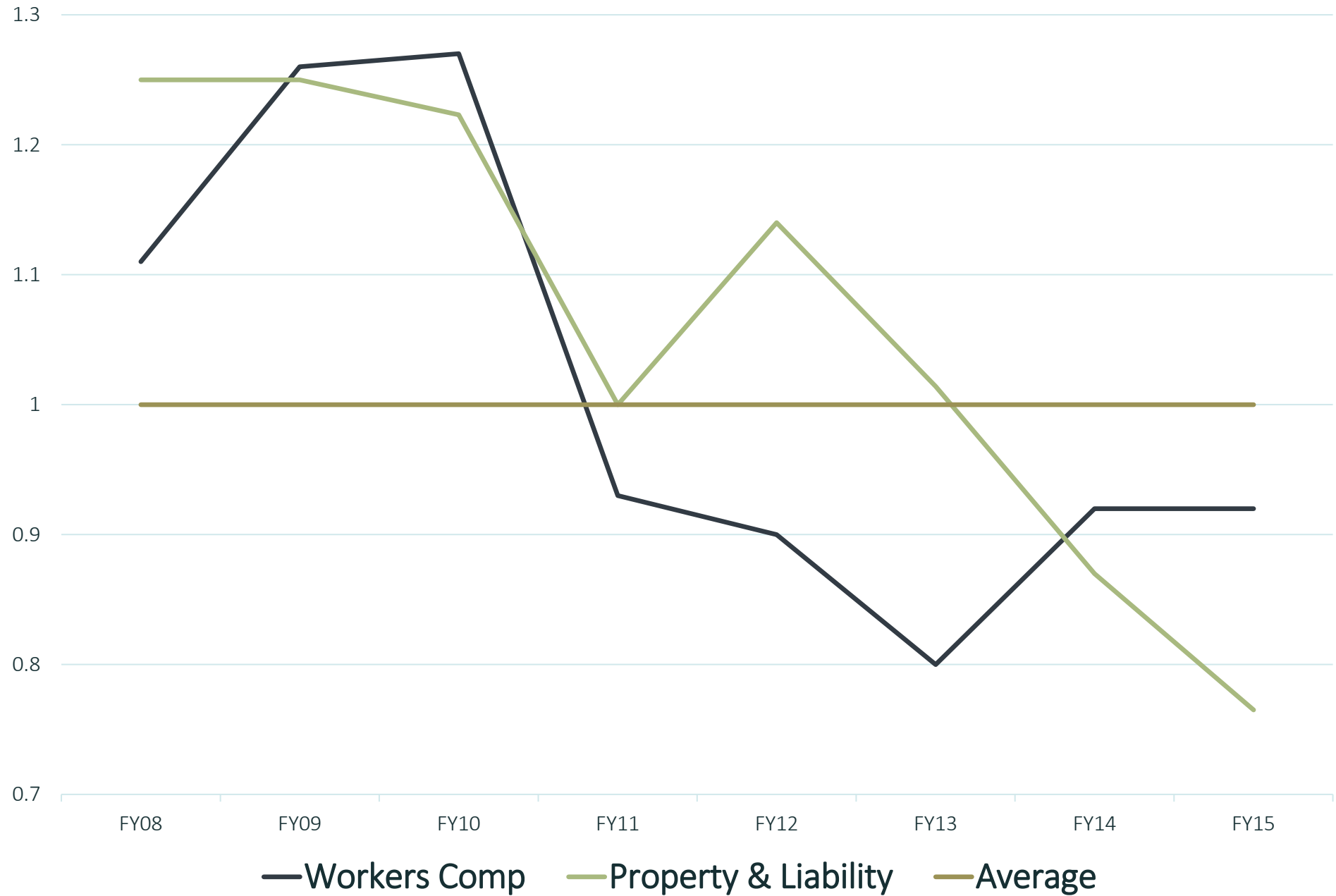
Property & Liability



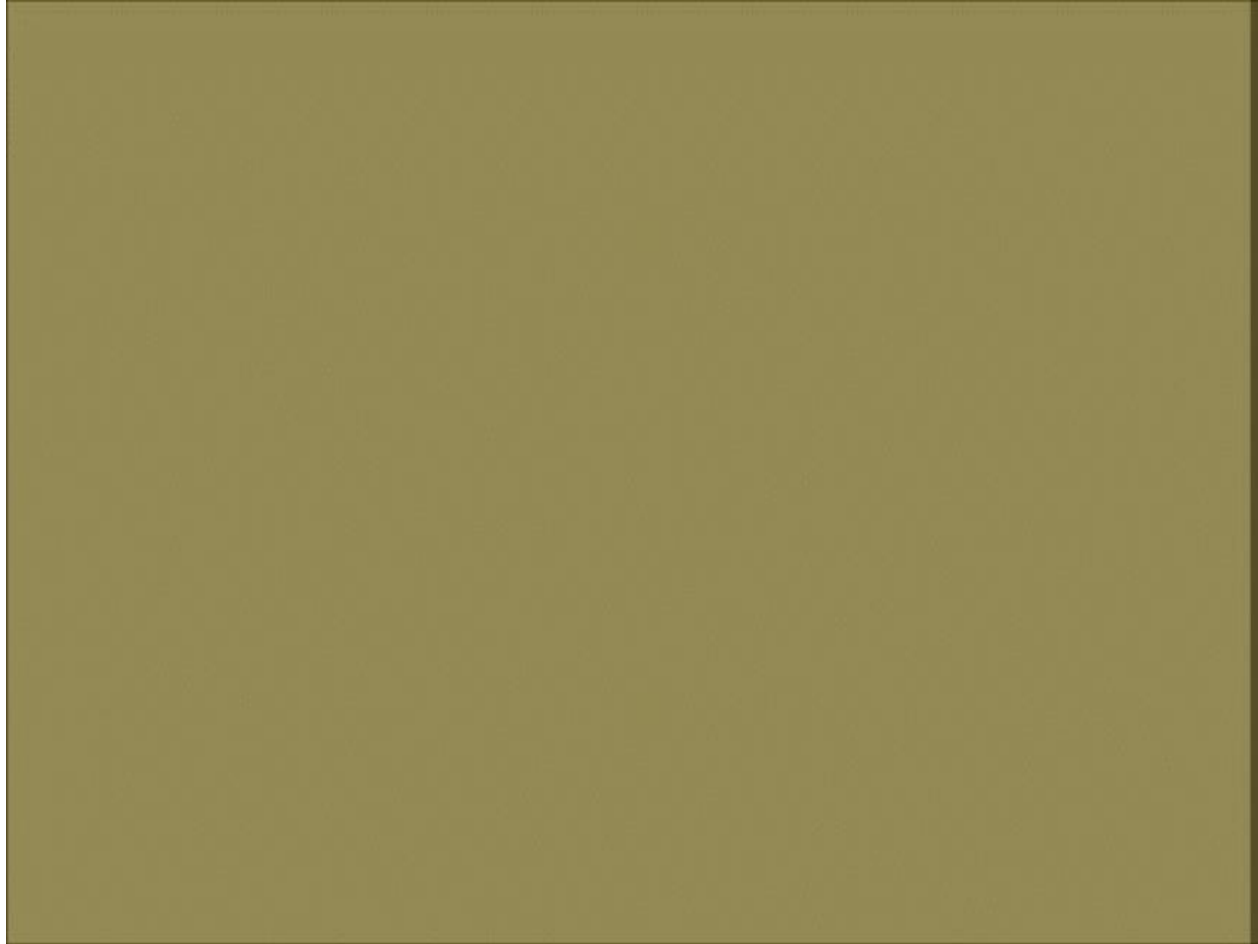
Safety Dividends Program

- Reward actual results and savings
 - Savings shared 50/50 when experience modifiers drop below 1.0 (average/break even)
 - Employees get “safety dividends” based on their positions’ risk for each pool (WC and P&L)
 - Employees have potential for greater earnings
 - Town gets savings either way

Experience Modifiers Improve



Employee Awareness of Performance Measures



Lessons Learned

1. Values Gained

✓ Triage: Focus on Priorities

- Less time wasted “in the weeds”
- Everyone has same info, debates based more on fact than perception
- Align time + money + resources with top priorities
- Motivation/accountability
- Faster orientation for new elected officials and key employees

✓ Improved Operations

- Encourage experimentation & innovation (*“fail forward”*)
- Early warning system = more time to adjust to changing conditions
- Less micromanagement (*from board & mgt.*)
- Greater values on efficient and effective operations

✓ Credibility & Confidence

- Follow-through with elected officials – demonstrates responsiveness
- Publicly report and discuss scorecard results
- Shows what departments are doing/accomplishing

2. Quality, Not Quantity



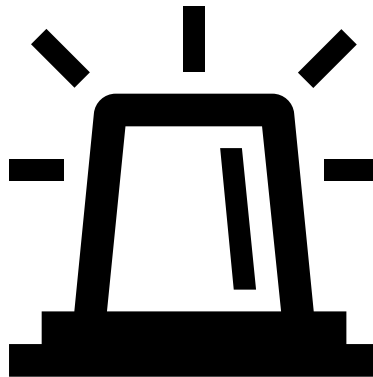
- **“Critical Few” Measures**

- Reduce clutter, increase focus
- “Weed-out” non-contributing measures
- Right measures

3. Measures Communicate Priorities

Performance Measure: Police Response Time:
Police emergency response times (dispatch to arrival)

Target: 3.5 minute average



Unintended Consequences



Unintended Consequences

- Liability exposure
- Costs: money, injuries, LODDs, lawsuits, insurance, downtime, credibility with the public, etc.
- Claims Analysis: NC League of Municipalities' Insurance Pool example
 - \$3K+ AVG cost to repair patrol car
 - \$17K AVG cost of injured officer
- "Triple plays" – # and costs – one collision often creates 3-4 different types of claims

4. Nimble

- ☐ The time comes to change systems to adjust to evolving conditions.
- ☐ There are a variety of ways to approach performance management. There is no one right way. Can blend from different systems to create something that fits your organization.
- ☐ Check in periodically with stakeholders and adjust as appropriate.

Questions?

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