

# PERFORMANCE MANAGEMENT: ANALYSIS AND DECISION-MAKING



**SCHOOL OF  
GOVERNMENT**

Performance  
Management for  
Local Government

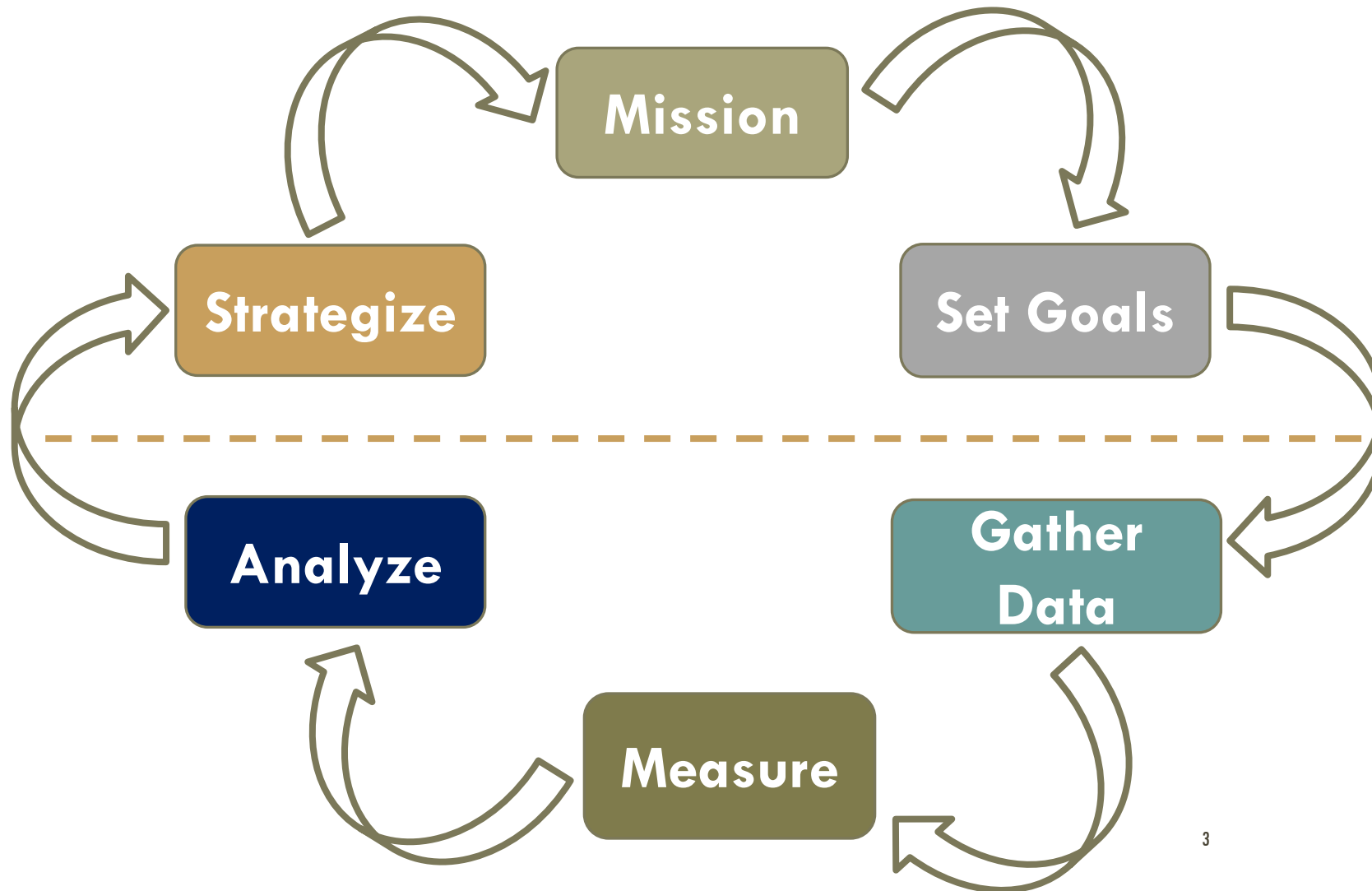
# INTRODUCTION

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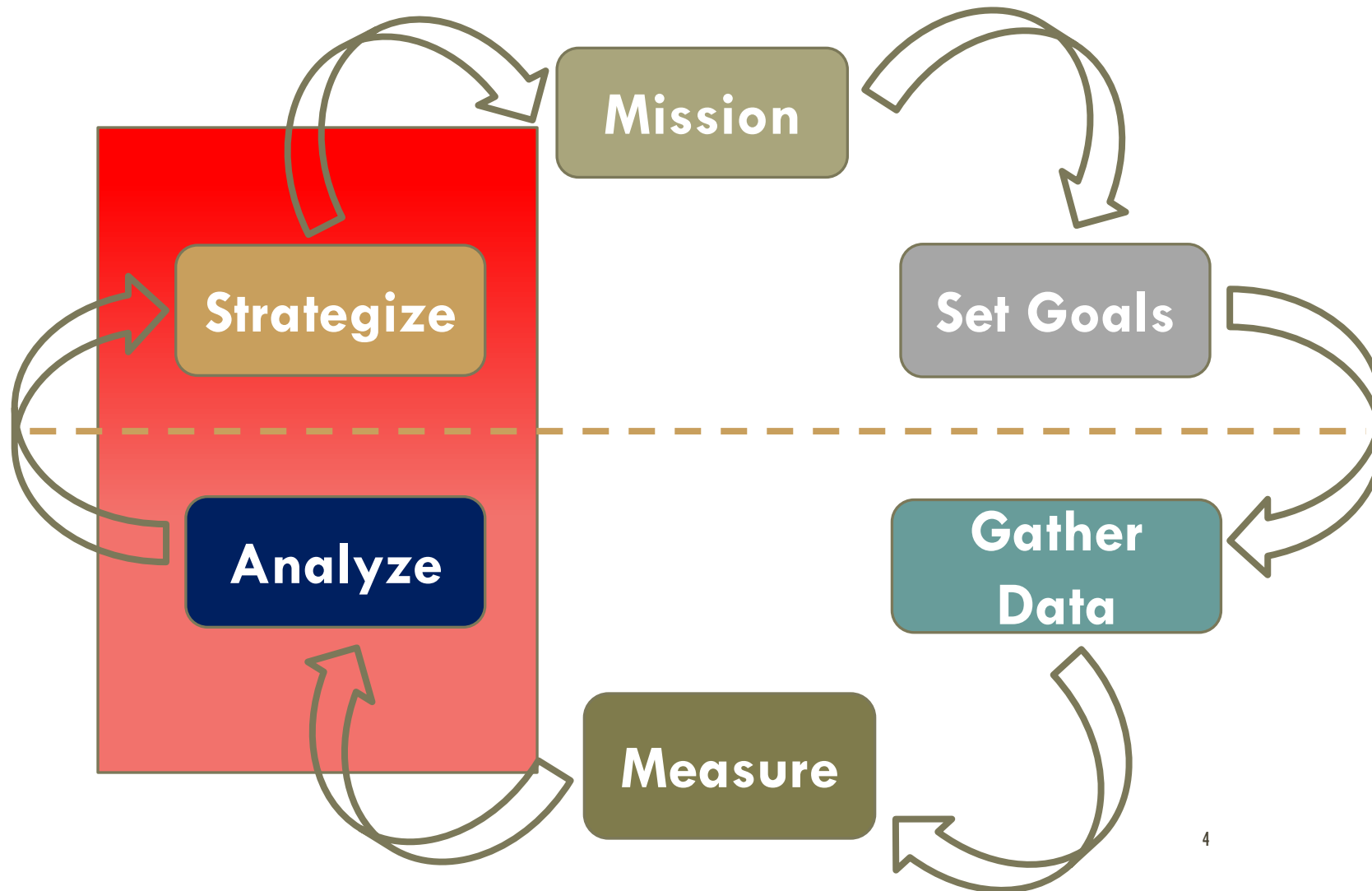
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**Performance Management**, Program Evaluation

# PERFORMANCE MANAGEMENT PROCESS



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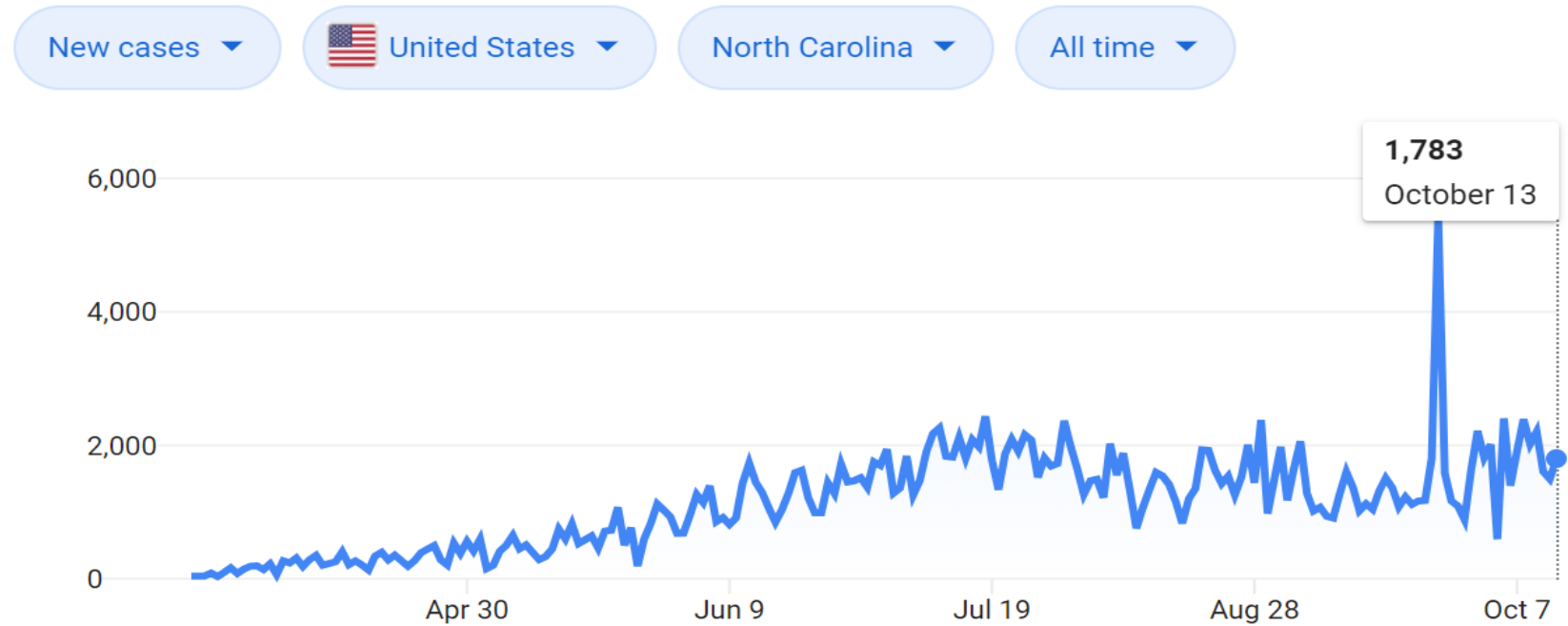
## PERFORMANCE MANAGEMENT PROCESS

- Mission: Why do we exist?
- Goals: **S**pecific, **M**easurable, **A**chievable, **R**ealistic, **T**imebound
- Measurement: Periodic collection through instruments
- **Analysis: Compare against other units, set targets, past**
- **Decision: Bonuses, promotions, resource, training, sanctions, etc.**

# ANALYSIS — PAST PERFORMANCE

- Compare performance measures against past performance
  - Trends
  - How have we been doing over the past few years/months/weeks etc.?
  - Example: COVID-19 infection
  - Example: Crime

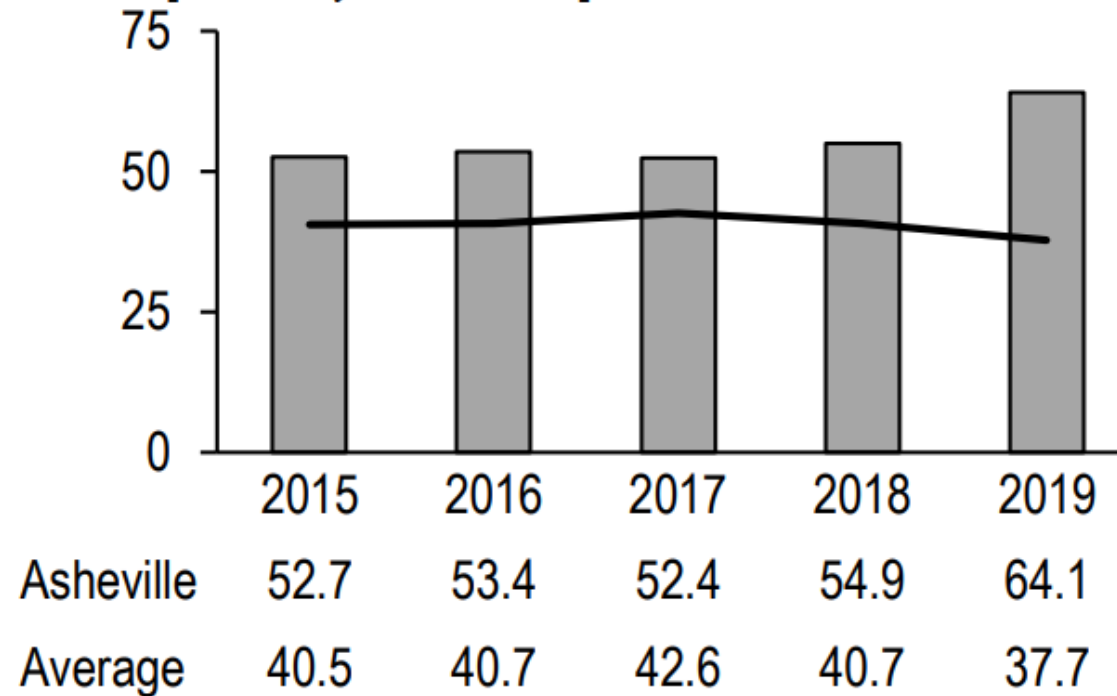
## Daily change



Each day shows new cases reported since the previous day · Updated less than 19 hours ago ·  
Source: [The New York Times](#) · [About this data](#)

# EXAMPLE: COVID-19 INFECTIONS

## Part I Crimes per 1,000 Population



EXAMPLE: CRIME (ASHEVILLE)



# ANALYSIS — SET GOALS AND TARGETS

- Compare performance measures against set goals
  - Mandated by legislature, budgeting guidelines, industry standards, internal process
  - Did we meet the mandated expectations?
  - Example: Motor Vehicle thefts should be under 100 in 2020
  - Example: Motor Vehicle thefts in 2020 should be below the past 5-year average

# ANALYSIS - BENCHMARKING

- Compare performance measures against other comparable units
  - Understand our place in the region,
  - How well are we doing compared to our peers?
  - Example: Compare COVID-19 trends in Pender against Onslow County
  - Example: Compare Crime per 100k in Asheville against
    - Hendersonville (because of geographic proximity)
    - Gastonia (because of similar size and crime rate)
    - Apex (because of low crime rates)

# GROUP EXERCISE #1

- Discuss the comparison methodologies that are used in your departments:
  - Past performance
  - Set targets
  - Peers

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# DECISION- MAKING

Making strategic decisions based on the analysis

Going back to the strategic plan to figure out what worked

What strategic alternatives should be strengthened or discontinued

What can we do differently to get better results?

# DECISION- MAKING

- If we are doing good:
  - Bonuses, promotions, awards, celebrate
  - Enhance the strategies that are working
  - Look for ways to do even better
  - Expand services in new areas
  - Resource decisions
    - Increase to strengthen current activities (Performance-Based Budgeting)
    - Divert to other areas that need more attention

# DECISION- MAKING

- If we are NOT doing good:
  - Training, hiring, re-assignment
  - In-depth analysis on the reasons of poor performance
  - Abandoning or changing current strategies
  - Adopting innovative strategies
  - Resource decisions
    - Increase to support faltering services
    - Decrease to motivate future effort (Performance-Based Budgeting)

## GROUP EXERCISE #2

- Discuss two strategies your department has adopted to enhance your departmental performance.



# ALTERNATIVE VIEW

- Difficult to design performance management system with competing values (e.g. crime, respect, service, constitution)
- Data misreporting incidents (e.g. armed robberies as thefts)
- Cream skimming (e.g. avoiding areas with high crime)
- Humiliation, stress, and demotivation for employees

(Heinrich and Marschke 2010; Radin 2006; Eterno, Barrow, and Silverman 2017)

# COMPETING VALUES - POLICING

- Difficult to design performance management system with competing values (e.g. crime, respect, service, constitution)
  - Crime rates may or may not impact how citizens perceive safety
  - Increasing policing visibility might take away resources from investigations
  - Increase in patrol might increase crime detection, which leads to higher crime rate!
  - Being tough on crime might help reduce crime rate but harm community-relations
  - Making a higher number of arrests might lead to an increase in complaints

# EXAMPLES

- Employment agencies - Focus on employable workers and getting short-term jobs
- VA scandal – Secret wait list for patients
- Atlanta Cheating Scandal – Teachers and principals changing answers for students
- Mostly because employees feel under pressure.

# OVERVIEW - LESSONS



Use performance management to

Learn  
Start conversations  
Motivate



Not to hold public employees accountable



Beware of unintended consequences, and how to mitigate them



Focus on long-term strategy instead of short-term goals



Targets should be internalized and accepted by employees



THANK YOU!

# QUESTIONS OR COMMENTS?

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